

MetLife, Inc.

Notes to the Consolidated Financial Statements — (Continued)

	Years ended December 31,		
	2012	2011	2010
	(In millions)		
Total revenues	\$74	\$484	\$464
Total expenses	—	363	406
Income (loss) before provision for income tax	74	121	58
Provision for income tax expense (benefit)	26	33	20
Income (loss) from operations of discontinued operations, net of income tax	48	88	38
Gain (loss) on disposal of operations, net of income tax	—	(64)	6
Income (loss) from discontinued operations, net of income tax	<u>\$48</u>	<u>\$ 24</u>	<u>\$ 44</u>

4. Insurance

Insurance Liabilities

Insurance liabilities are comprised of future policy benefits, PABs and other policy-related balances. Information regarding insurance liabilities by segment, as well as Corporate & Other, was as follows at:

	December 31,	
	2012	2011
	(In millions)	
Retail	\$138,082	\$138,872
Group, Voluntary & Worksite Benefits	29,996	28,899
Corporate Benefit Funding	117,065	106,225
Latin America	16,055	13,890
Asia	103,064	98,267
EMEA	20,200	22,348
Corporate & Other	9,173	9,073
Total	<u>\$433,635</u>	<u>\$417,574</u>

Future policy benefits are measured as follows:

Product Type:	Measurement Assumptions:
Participating life	Aggregate of (i) net level premium reserves for death and endowment policy benefits (calculated based upon the non-forfeiture interest rate, ranging from 3% to 7% for domestic business and 1% to 21% for international business, and mortality rates guaranteed in calculating the cash surrender values described in such contracts); and (ii) the liability for terminal dividends for domestic business.
Non-participating life	Aggregate of the present value of expected future benefit payments and related expenses less the present value of expected future net premiums. Assumptions as to mortality and persistency are based upon the Company's experience when the basis of the liability is established. Interest rate assumptions for the aggregate future policy benefit liabilities range from 2% to 10% for domestic business and 1% to 16% for international business.
Individual and group traditional fixed annuities after annuitization	Present value of expected future payments. Interest rate assumptions used in establishing such liabilities range from 1% to 11% for domestic business and 1% to 13% for international business.
Non-medical health insurance	The net level premium method and assumptions as to future morbidity, withdrawals and interest, which provide a margin for adverse deviation. Interest rate assumptions used in establishing such liabilities range from 4% to 7% (primarily related to domestic business).
Disabled lives	Present value of benefits method and experience assumptions as to claim terminations, expenses and interest. Interest rate assumptions used in establishing such liabilities range from 2% to 8% for domestic business and 1% to 9% for international business.
Property and casualty insurance	The amount estimated for claims that have been reported but not settled and claims incurred but not reported are based upon the Company's historical experience and other actuarial assumptions that consider the effects of current developments, anticipated trends and risk management programs, reduced for anticipated salvage and subrogation.

Participating business represented 6% of the Company's life insurance in-force at both December 31, 2012 and 2011. Participating policies represented 20%, 21% and 26% of gross life insurance premiums for the years ended December 31, 2012, 2011 and 2010, respectively.

PABs are equal to: (i) policy account values, which consist of an accumulation of gross premium payments and investment performance; (ii) credited interest, ranging from 1% to 13% for domestic business and 1% to 16% for international business, less expenses, mortality charges and withdrawals; and (iii) fair value adjustments relating to business combinations.