

**MetLife, Inc.**

**Consolidated Balance Sheets  
December 31, 2017 and 2016**

(In millions, except share and per share data)

	2017	2016
<b>Assets</b>		
Investments:		
Fixed maturity securities available-for-sale, at estimated fair value (amortized cost: \$286,069 and \$271,676, respectively)	\$ 308,931	\$ 289,563
Equity securities available-for-sale, at estimated fair value (cost: \$2,140 and \$2,464, respectively)	2,513	2,894
Fair value option securities, at estimated fair value (\$6 and \$8, respectively, relating to variable interest entities)	16,745	13,923
Mortgage loans (net of valuation allowances of \$314 and \$304, respectively; includes \$520 and \$566, respectively, under the fair value option)	68,731	65,167
Policy loans	9,669	9,511
Real estate and real estate joint ventures (includes \$25 and \$59, respectively, of real estate held-for-sale)	9,637	8,891
Other limited partnership interests (includes \$0 and \$14, respectively, relating to variable interest entities)	5,708	5,136
Short-term investments, principally at estimated fair value	4,870	6,523
Other invested assets (includes \$125 and \$31, respectively, relating to variable interest entities)	17,263	19,303
Total investments	444,067	420,911
Cash and cash equivalents, principally at estimated fair value (includes \$12 and \$1, respectively, relating to variable interest entities)	12,701	12,651
Accrued investment income	3,524	3,308
Premiums, reinsurance and other receivables (includes \$3 and \$2, respectively, relating to variable interest entities)	18,423	15,445
Deferred policy acquisition costs and value of business acquired	18,419	17,590
Current income tax recoverable	—	20
Goodwill	9,590	9,220
Assets of disposed subsidiary	—	216,983
Other assets (includes \$2 and \$3, respectively, relating to variable interest entities)	8,167	7,058
Separate account assets	205,001	195,578
Total assets	\$ 719,892	\$ 898,764
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Future policy benefits	\$ 177,974	\$ 166,636
Policyholder account balances	182,518	172,486
Other policy-related balances	15,515	13,402
Policyholder dividends payable	682	696
Policyholder dividend obligation	2,121	1,931
Payables for collateral under securities loaned and other transactions	25,723	25,873
Short-term debt	477	242
Long-term debt (includes \$6 and \$12, respectively, at estimated fair value, relating to variable interest entities)	15,686	16,441
Collateral financing arrangement	1,121	1,274
Junior subordinated debt securities	3,144	3,169
Liabilities of disposed subsidiary	—	202,707
Current income tax payable	311	—
Deferred income tax liability	6,767	6,892
Other liabilities (includes \$3 and \$0, respectively, relating to variable interest entities)	23,982	23,735
Separate account liabilities	205,001	195,578
Total liabilities	661,022	831,062
<b>Contingencies, Commitments and Guarantees (Note 20)</b>		
<b>Equity</b>		
MetLife, Inc.'s stockholders' equity:		
Preferred stock, par value \$0.01 per share; \$2,100 aggregate liquidation preference	—	—
Common stock, par value \$0.01 per share; 3,000,000,000 shares authorized; 1,168,710,101 and 1,164,029,985 shares issued, respectively; 1,043,588,396 and 1,095,519,005 shares outstanding, respectively	12	12
Additional paid-in capital	31,111	30,944
Retained earnings	26,527	34,683
Treasury stock, at cost; 125,121,705 and 68,510,980 shares, respectively	(6,401)	(3,474)
Accumulated other comprehensive income (loss)	7,427	5,366
Total MetLife, Inc.'s stockholders' equity	58,676	67,531
Noncontrolling interests	194	171
Total equity	58,870	67,702
Total liabilities and equity	\$ 719,892	\$ 898,764

See accompanying notes to the consolidated financial statements.

**MetLife, Inc.**  
**Consolidated Statements of Operations**  
**For the Years Ended December 31, 2017, 2016 and 2015**  
(In millions, except per share data)

	2017	2016	2015
<b>Revenues</b>			
Premiums	\$ 38,992	\$ 37,202	\$ 36,403
Universal life and investment-type product policy fees	5,510	5,483	5,570
Net investment income	17,363	16,790	16,205
Other revenues	1,341	1,685	1,927
Net investment gains (losses):			
Other-than-temporary impairments on fixed maturity securities	(11)	(96)	(61)
Other-than-temporary impairments on fixed maturity securities transferred to other comprehensive income (loss)	1	(11)	2
Other net investment gains (losses)	(298)	424	668
Total net investment gains (losses)	(308)	317	609
Net derivative gains (losses)	(590)	(690)	629
Total revenues	62,308	60,787	61,343
<b>Expenses</b>			
Policyholder benefits and claims	38,313	36,358	35,144
Interest credited to policyholder account balances	5,607	5,176	4,415
Policyholder dividends	1,231	1,223	1,356
Other expenses	13,621	13,749	14,777
Total expenses	58,772	56,506	55,692
Income (loss) from continuing operations before provision for income tax	3,536	4,281	5,651
Provision for income tax expense (benefit)	(1,470)	693	1,590
Income (loss) from continuing operations, net of income tax	5,006	3,588	4,061
Income (loss) from discontinued operations, net of income tax	(986)	(2,734)	1,324
Net income (loss)	4,020	854	5,385
Less: Net income (loss) attributable to noncontrolling interests	10	4	12
Net income (loss) attributable to MetLife, Inc.	4,010	850	5,373
Less: Preferred stock dividends	103	103	116
Preferred stock repurchase premium	—	—	42
Net income (loss) available to MetLife, Inc.'s common shareholders	\$ 3,907	\$ 747	\$ 5,215
Income (loss) from continuing operations, net of income tax, available to MetLife, Inc.'s common shareholders per common share:			
Basic	\$ 4.57	\$ 3.16	\$ 3.48
Diluted	\$ 4.53	\$ 3.13	\$ 3.44
Net income (loss) available to MetLife, Inc.'s common shareholders per common share:			
Basic	\$ 3.65	\$ 0.68	\$ 4.67
Diluted	\$ 3.62	\$ 0.67	\$ 4.62
Cash dividends declared per common share	\$ 1.600	\$ 1.575	\$ 1.475

**See accompanying notes to the consolidated financial statements.**

**MetLife, Inc.**  
**Consolidated Statements of Cash Flows**  
**For the Years Ended December 31, 2017, 2016 and 2015**  
**(In millions)**

	2017	2016	2015
<b>Cash flows from operating activities</b>			
Net income (loss)	\$ 4,020	\$ 854	\$ 5,385
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization expenses	795	652	693
Amortization of premiums and accretion of discounts associated with investments, net	(1,044)	(1,110)	(1,141)
(Gains) losses on investments and from sales of businesses, net	363	(183)	(560)
(Gains) losses on derivatives, net	3,610	8,779	1,371
(Income) loss from equity method investments, net of dividends or distributions	194	475	481
Interest credited to policyholder account balances	6,260	6,282	5,610
Universal life and investment-type product policy fees	(7,708)	(9,207)	(9,507)
Goodwill impairment	—	260	—
Change in fair value option and trading securities	(436)	111	784
Change in accrued investment income	(280)	(31)	138
Change in premiums, reinsurance and other receivables	(991)	(2,158)	(831)
Change in deferred policy acquisition costs and value of business acquired, net	(693)	(937)	488
Change in income tax	(2,796)	(1,522)	715
Change in other assets	691	3,248	2,752
Change in insurance-related liabilities and policy-related balances	8,511	6,321	6,408
Change in other liabilities	1,603	2,801	1,172
Other, net	184	139	94
Net cash provided by (used in) operating activities	12,283	14,774	14,052
<b>Cash flows from investing activities</b>			
Sales, maturities and repayments of:			
Fixed maturity securities	95,945	150,658	146,732
Equity securities	1,433	1,241	1,117
Mortgage loans	10,353	12,977	12,647
Real estate and real estate joint ventures	972	826	3,256
Other limited partnership interests	1,082	1,542	1,827
Purchases of:			
Fixed maturity securities	(105,683)	(146,397)	(148,799)
Equity securities	(920)	(1,006)	(996)
Mortgage loans	(14,374)	(21,017)	(20,449)
Real estate and real estate joint ventures	(1,446)	(1,515)	(1,298)
Other limited partnership interests	(1,486)	(1,313)	(1,429)
Cash received in connection with freestanding derivatives	5,315	4,259	2,690
Cash paid in connection with freestanding derivatives	(8,696)	(6,963)	(4,211)
Cash received under repurchase agreements	—	—	199
Cash paid under repurchase agreements	—	—	(199)
Cash received under reverse repurchase agreements	—	—	199
Cash paid under reverse repurchase agreements	—	—	(199)
Cash disposed due to distribution of Brighthouse	(663)	—	—
Sales of businesses, net of cash and cash equivalents disposed of \$0, \$135 and \$0, respectively	—	156	—
Purchases of businesses	(211)	—	—
Purchases of investments in operating joint ventures	—	(39)	—
Net change in policy loans	(67)	195	287
Net change in short-term investments	2,087	1,270	(777)
Net change in other invested assets	(171)	(267)	(936)
Other, net	(346)	(457)	(59)
Net cash provided by (used in) investing activities	\$ (16,876)	\$ (5,850)	\$ (10,398)

**See accompanying notes to the consolidated financial statements.**