

# The Hartford

*A leader in insurance and  
investments with nearly 200  
years of experience*



# Use of Non-GAAP Measures and Safe Harbor Statement

*The Hartford uses the non-GAAP financial measure core earnings as an important measure of the company's operating performance. Because The Hartford's calculation of core earnings may differ from similar measures used by other companies, investors should be careful when comparing The Hartford's non-GAAP and other financial measures to those of other companies. The Hartford believes that the measure core earnings provides investors with a valuable measure of the performance of the company's ongoing businesses because it reveals trends in the company's insurance and financial services businesses that may be obscured by the net effect of certain realized capital gains and losses. Some realized capital gains and losses are primarily driven by investment decisions and external economic developments, the nature and timing of which are unrelated to the insurance and underwriting aspects of the company's business. Accordingly, core earnings excludes the effect of all realized gains and losses (net of tax and the effects of deferred policy acquisition costs) that tend to be highly variable from period to period based on capital market conditions. The Hartford believes, however, that some realized capital gains and losses are integrally related to the company's insurance operations, so core earnings includes net realized gains and losses such as net periodic settlements on credit derivatives and net periodic settlements on the Japan fixed annuity cross-currency swap. These net realized gains and losses are directly related to an offsetting item included in the income statement such as net investment income. Core earnings is also used by management to assess the company's operating performance and is one of the measures considered in determining incentive compensation for the company's managers. Net income is the most directly comparable GAAP measure. Core earnings should not be considered as a substitute for net income and does not reflect the overall profitability of the company's business. Therefore, The Hartford believes that it is useful for investors to evaluate both net income and core earnings when reviewing the company's performance. No reconciliation of the estimated third quarter core earnings per share to projected net income is provided because such a reconciliation is not available without unreasonable efforts.*

*Some of the statements in this release should be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These include statements about The Hartford's future results of operations. The Hartford cautions investors that these forward-looking statements are not guarantees of future performance, and actual results may differ materially. Investors should consider the important risks and uncertainties that may cause actual results to differ.*

*These important risks and uncertainties include, without limitation, the impact of the current unprecedented volatility in the financial markets on our results and financial condition, particularly if such conditions persist, the impact on the financial markets, and our industry, of current legislative and other initiatives taken or which may be taken in response to the current financial crisis, the impact on our liquidity and our portfolio valuation of potential changes in rating agency requirements and models, variations in our results resulting from the finalization of our financial statements for the third quarter of 2008, the difficulty in predicting the company's potential exposure for asbestos and environmental claims; the possible occurrence of terrorist attacks; the response of reinsurance companies under reinsurance contracts and the availability, pricing and adequacy of reinsurance to protect the company against losses; changes in financial and capital markets, including changes in interest rates, credit spreads, equity prices and foreign exchange rates; the inability to effectively mitigate the impact of equity market volatility on the company's financial position and results of operations arising from obligations under annuity product guarantees; the possibility of unfavorable loss development; the incidence and severity of catastrophes, both natural and man-made; stronger than anticipated competitive activity; unfavorable judicial or legislative developments; the potential effect of domestic and foreign regulatory developments, including those which could increase the company's business costs and required capital levels; the possibility of general economic and business conditions that are less favorable than anticipated; the company's ability to distribute its products through distribution channels, both current and future; the uncertain effects of emerging claim and coverage issues; a downgrade in the company's financial strength or credit ratings; the ability of the company's subsidiaries to pay dividends to the company; the company's ability to adequately price its property and casualty policies; the ability to recover the company's systems and information in the event of a disaster or other unanticipated event; potential for difficulties arising from outsourcing relationships; potential changes in Federal or State tax laws, including changes impacting the availability of the separate account dividends received deduction; losses due to defaults by others; the company's ability to protect its intellectual property and defend against claims of infringement; and other risks and uncertainties discussed in The Hartford's Quarterly Reports on Form 10-Q, the 2007 Annual Report on Form 10-K and other filings The Hartford makes with the Securities and Exchange Commission. The Hartford assumes no obligation to update this release, which speaks as of the date issued.*



# The Hartford Financial Services Group, Inc.

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- A leader in insurance and investments with nearly 200 years of experience
- Over 31,000 employees worldwide, with operations in North America, Europe, Asia and South America
- A Fortune 100 Company (95th)
- One of Ethisphere Magazine's 100 Most Ethical Companies



## The Hartford Remains Financially Strong

- We remain a leader in the marketplace
- Our core operating businesses are performing well
- Rating agencies recently maintained our strong ratings
- Capital margin projected at about \$3.5 billion above rating agency requirements at year end\*

<b>FINANCIAL STRENGTH RATINGS</b> (As of 9/30/2008)	<b>A.M. Best</b>	<b>Fitch</b>	<b>Standard &amp; Poor's</b>	<b>Moody's</b>
Hartford Fire Insurance Co.	<b>A+</b>	<b>AA</b>	<b>AA-</b>	<b>Aa3</b>
Hartford Life Insurance Co.	<b>A+</b>	<b>AA</b>	<b>AA-</b>	<b>Aa3</b>
Hartford Life & Accident Insurance Co.	<b>A+</b>	<b>AA</b>	<b>AA-</b>	<b>Aa3</b>
Hartford Life and Annuity Insurance Co.	<b>A+</b>	<b>AA</b>	<b>AA-</b>	<b>Aa3</b>
Harford Life Insurance KK (Japan)	-	<b>AA</b>	<b>AA-</b>	-
Hartford Life Limited (Ireland)	-	<b>AA</b>	<b>AA-</b>	-

\*Includes Allianz SE's \$2.5 billion investment in The Hartford.

## Allianz SE's Investment in The Hartford

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- On October 6, The Hartford announced a \$2.5 billion investment by Allianz SE
- The investment will consist of a private offering of made up of debentures, common stock and warrants
- The Hartford views Allianz's investment as a powerful endorsement of our business and future prospects
- Allianz's investment is purely financial and will not create any operational changes
- Allianz views The Hartford as an exceptional institution with a distinguished history and strong culture

