

Investor Presentation

1st Quarter 2008



The Hartford Financial Services Group, Inc.

Safe Harbor Statement

Certain statements made in this presentation 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. We caution 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, including those discussed in The Hartford's press release issued on April 28, 2008, our Quarterly Report on Form 10-Q for the quarter ended March 31, 2008, our 2007 Annual Report on Form 10-K and other filings we make with the Securities and Exchange Commission. We assume no obligation to update this presentation, which speaks as of today's date.

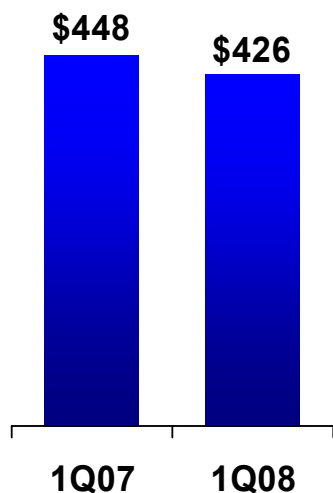
The discussion in this presentation of The Hartford's financial performance includes financial measures that are not derived from generally accepted accounting principles, or GAAP. Information regarding these non-GAAP and other financial measures is provided in the Investor Financial Supplement for the first quarter of 2008, in The Hartford's press release issued on April 28, 2008, and in the Investor Relations section of The Hartford's website at www.thehartford.com.

First Quarter 2008 Highlights

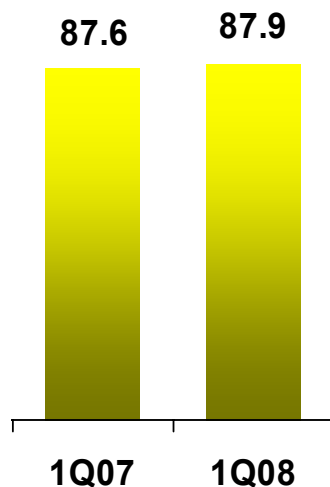
- ✓ Net income per diluted share of \$0.46, down 83% from the prior year
- ✓ Core earnings per diluted share of \$2.51, down 4% from the prior year
 - P&C ongoing operations combined ratio of 87.8
 - Life company assets under management up 10% over last twelve months
- ✓ Net income return on equity and core earnings return on equity of 12.1% and 17.8%, respectively, over the last twelve months
- ✓ \$94 billion investment portfolio remains strong and well-diversified, notwithstanding first quarter market volatility
 - Evidence of increased liquidity and spread tightening in many asset classes
- ✓ Very strong balance sheet
 - Book value per share (ex-AOCI) grew 8% to \$63.79
 - \$1.5 billion capital margin in place

P&C operations deliver strong underwriting results and a combined ratio of 87.8%

Core Earnings
(\$ in millions)



Ongoing Operations Combined Ratio*



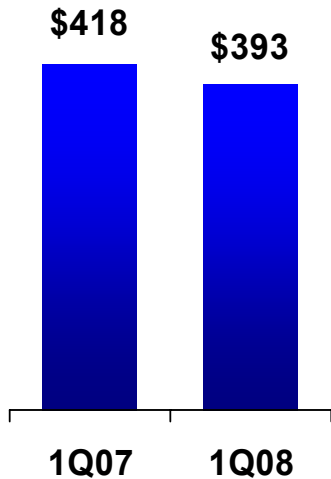
- ✓ Property casualty core earnings were \$426 million in 1Q08
 - Small commercial and middle market grew underwriting income more than 40% over 1Q07
 - Favorable prior year development was \$36 million, pre-tax
 - Net investment income was \$365 million, 12% lower than 1Q07 primarily due to lower partnership and alternative investment yields
- ✓ All segments report strong x-CAT accident year combined ratios
 - Personal lines – 87.0%
 - Small commercial – 81.7%
 - Middle market – 92.3%
 - Specialty commercial – 94.7%

*excludes catastrophes and prior year development

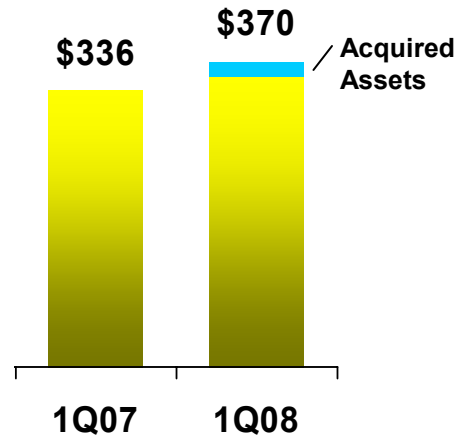
Life operations continued to produce good results in the first quarter of 2008

Life Operations

Core Earnings (\$ in millions)



Assets Under Management (\$ in billions)



- ✓ Life core earnings were \$393 million compared to \$418 million in 1Q07
 - Alternative investment income for 1Q08 was \$30 million lower than the prior year period
 - International core earnings increased 22% over 1Q07 to \$67 million
- ✓ Total life assets under management at \$370 billion, 10% higher than 1Q07
 - Market appreciation and net flows increased AUM by 5%
 - Retirement plan acquisitions added \$18.7 billion of assets under management in the first quarter

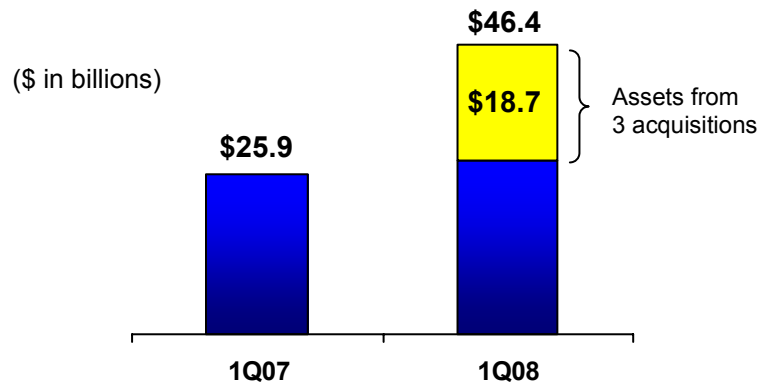
We are introducing new variable annuity products in the U.S. and Japan to address competitive pressures

- ✓ U.S. variable annuity deposits in 1Q08 were affected by weak equity markets and increased competition
 - A new VA product will be launched on May 5th with enhanced lifetime income withdrawal benefits, including a full annual step option
 - We combined our wholesalers and now have the largest force in the industry
 - We remain optimistic about the second half of 2008

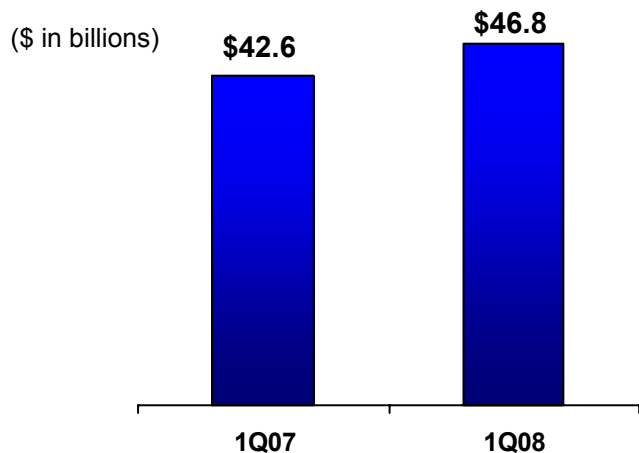
- ✓ In Japan, competition remains intense and we estimate first quarter VA industry sales are down
 - We plan to launch a new variable annuity product in the second half of 2008
 - We expect to diversify our product suite with a launch of mutual funds in the second half of 2008
 - We remain confident on the long term potential of the Japanese retirement market

Retirement plans and retail mutual funds continue to diversify Life earnings base

Retirement Plans Assets Under Management



Retail Mutual Funds Assets Under Management



✓ Retirement plans group is investing for long-term growth in an attractive market

- Completed the 3 acquisitions we reported in December 2007
- Acquisitions provide broader access to the defined benefit and defined contribution markets and add new capabilities and scale
- Expect the long term return on assets to be in the low-to-mid 20's

✓ Retail mutual funds deposits reach a record \$4.0 billion in first quarter

- The Hartford Mutual Funds was the #1 rated fund family in U.S. Equity for 2007 according to Barron's
- Strong fund performance, increased productivity from a more seasoned wholesaling force, and efforts to diversify deposits across fund family contribute to strong results

First quarter net realized capital losses included a one-time \$220 million transition charge related to SFAS 157

1Q08 Net Realized Capital Gains (Losses) After-tax and DAC

	\$ (in millions)	Per Diluted Share
Net gains and losses	\$ (76)	(\$0.24)
Other-than-temporary impairments	(191)	(0.60)
Japan fixed annuity hedges, net	(9)	(0.03)
GMWB derivatives, net	(41)	(0.13)
SFAS 157 transition impact	(220)	(0.70)
Other net gain (loss)	(111)	(0.35)
Total	\$ (648)	(\$2.05)

- ✓ **SFAS 157 transition impact was \$0.70 per diluted share**
- ✓ **Other-than-temporary impairments of \$191 million, similar to 4Q07**
 - Primarily related to CMBS CDOs, second lien residential mortgages, and financial services investments
- ✓ **In the first quarter, we reduced our exposure to future mark-to-market volatility on credit derivatives**
- ✓ **GMWB hedging performed well**
 - Over 2/3 of the GMWB losses (\$0.09 per share) due to updated mortality assumptions

We are lowering core earnings per share guidance for 2008 to \$9.20 - \$9.50 to reflect current market conditions

Guidance on Core Earnings per Share	<u>Low</u>	<u>High</u>
2008 EPS Guidance as of 1/23/08	\$9.80	\$10.20
Changes to outlook for the last 9 months of 2008:		
- Expected lower yields on alternative investments		(\$0.19)
- Equity market impacts for the U.S. from 3/31		(\$0.16)
- Lower expected net investment income on fixed income securities		(\$0.16)
- Other		(\$0.14)
2008 EPS Guidance as of 4/28/08	\$9.20	\$9.50

Questions and Answers



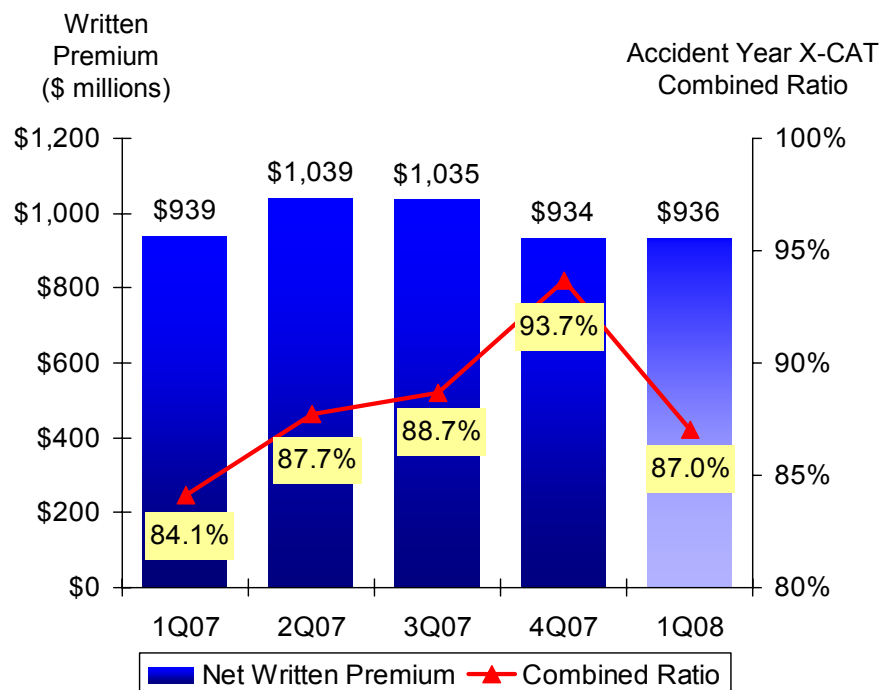
The Hartford Financial Services Group, Inc.

Appendix



Personal lines delivered excellent first quarter results in a very competitive market

Personal Lines Written Premium and Accident Year X-CAT Combined Ratio



* Excluding catastrophes and prior year development

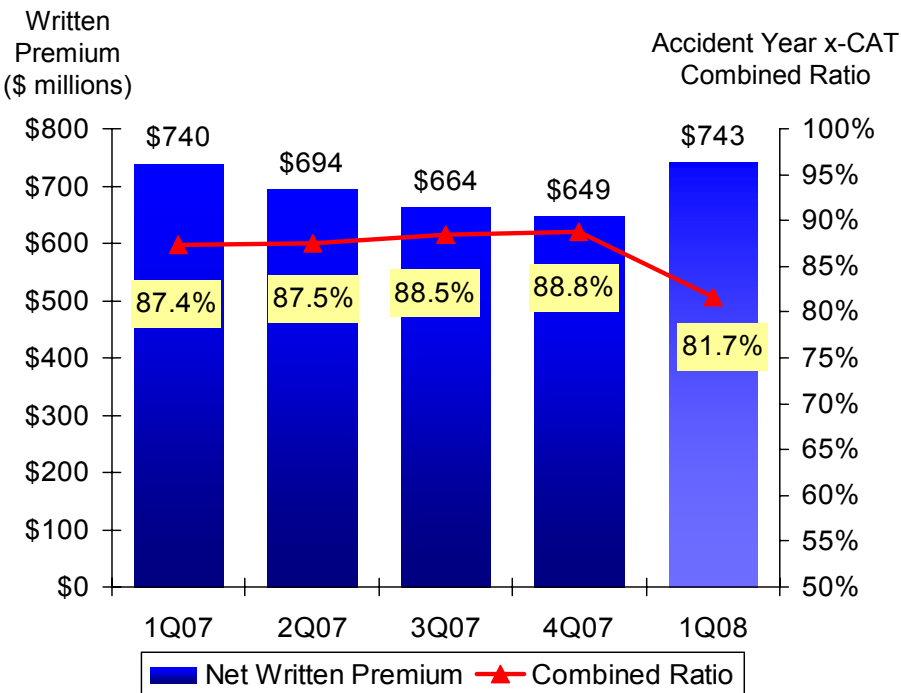
- ✓ **First quarter 2008 results were solid**
 - AARP written premium increased 2% over the first quarter of 2007
 - Current accident year combined ratio was 87.0%, excluding catastrophes of 3.1 points
 - Prior year reserve releases totaled 0.8%
 - Premium retention remains strong at 88%

- ✓ **2008 progress and action plans**
 - On-track to appoint 1,000 agents
 - Continue to roll-out Dimensions with Auto Packages for agencies and Next Gen product for AARP

- ✓ **Full year 2008 guidance**
 - Personal lines written premium:
 - Flat to +3% (down from +2% to +5%)
 - Auto written premium growth:
 - +1% to +4% (down from +3% to +6%)
 - Home written premium growth:
 - (1%) to +2% (down from flat to +3%)
 - Personal Lines combined ratio*:
 - 88.5% to 91.5%

Small commercial had an outstanding first quarter with a current accident year, x-CAT combined ratio of 81.7%

Small Commercial Written Premium and Accident Year X-CAT Combined Ratio



* Excludes catastrophes and prior year development

✓ Underwriting results improved 42% over 1Q07 to \$119M

- Written premium growth was flat to 1Q07, even with mandated rate reductions in workers compensation
- Current accident year combined ratio was 81.7%, excluding catastrophes of 1.3 points
- Policies in force increased 4% from 1Q07

✓ 2008 progress and action plans:

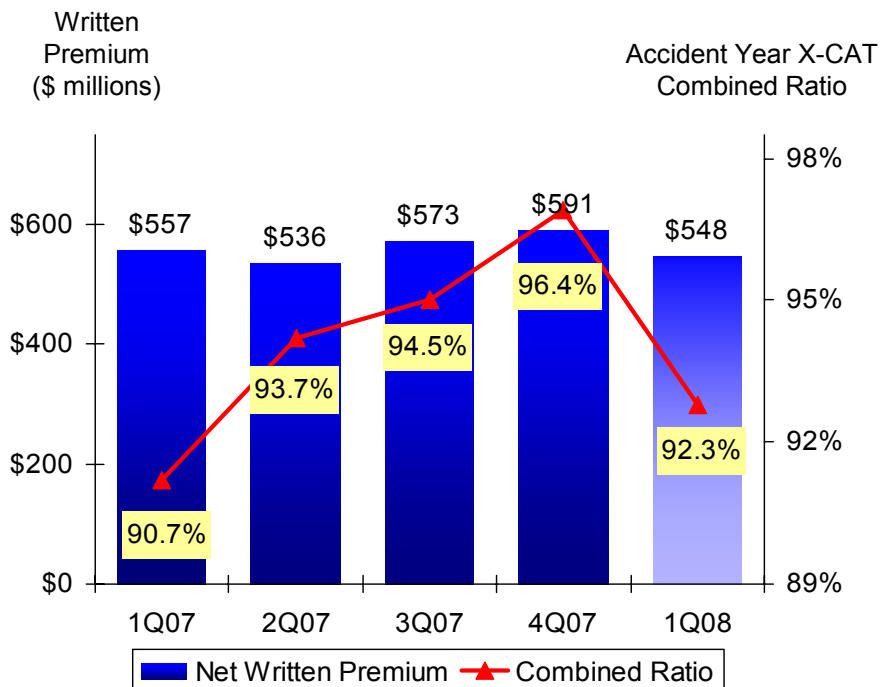
- Continue to enhance the pricing and underwriting sophistication of our business owner's policy
- Continue to streamline underwriting and sales processes
- Accelerating service turnaround time in underwriting centers to improve ease of doing business
- Added 175 new agents in 1Q08

✓ Full year 2008 guidance

- Written premium:
 - Flat to +3%
- Combined ratio*:
 - 84.0% to 87.0% (down from 86.0% to 89.0%)

Middle market continues to deliver strong underwriting results despite entering the fifth year of a soft market

Middle Market Written Premium and Accident Year X-CAT Combined Ratio



* Excludes catastrophes and prior year development

✓ Middle market is striking a balance between profitability and writing new business

- New business written premium was \$104 million, just 2% lower than 1Q07
- Current accident year combined ratio was 92.3%, excluding catastrophes of 1.6 points
- Policies in force grew by 3% over 1Q07 as a larger number of auto liability and workers' compensation policies were written

✓ 2008 progress and action plans

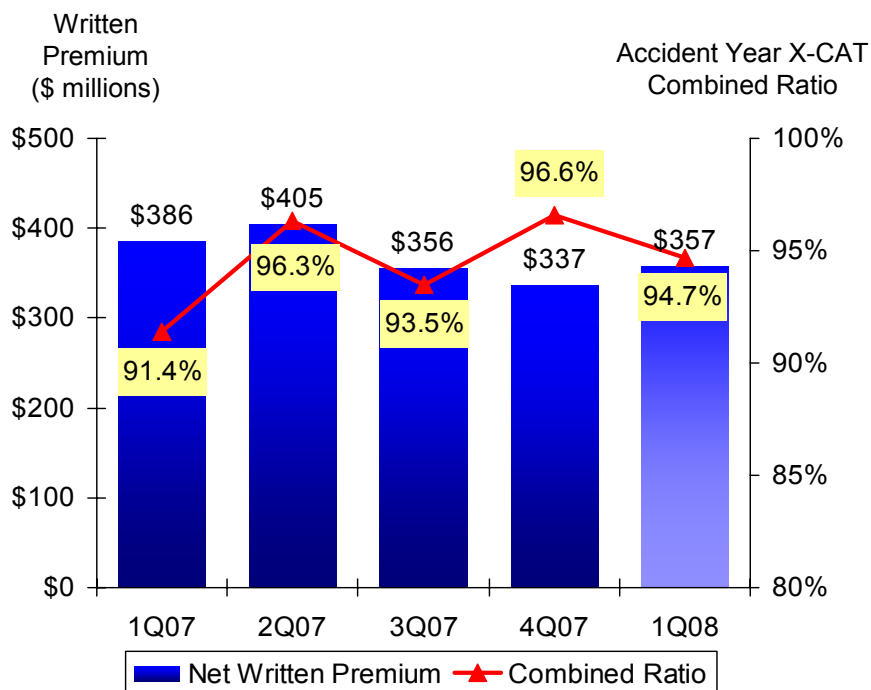
- Continue to develop account scoring models and data-driven analytics
- Fine tune pricing to capture profitable opportunities
- Refine product portfolio and appetite by market

✓ Full year 2008 guidance

- Written premium growth:
 - (4%) to (1%)
- Combined Ratio*:
 - 93.5% to 96.5% (down from 94.5% to 97.5%)

Specialty Commercial records a strong 94.7% accident year combined ratio, excluding catastrophes

Specialty Commercial Written Premium and Accident Year X-CAT Combined Ratio



* Excludes catastrophes and prior year development

✓ Continue to employ underwriting discipline

- Competitive pricing seen across most product lines with 1Q08 written premium down 8% from 1Q07
- Current accident year combined ratio was 94.7%, excluding catastrophes of 0.3 points
- Prior year reserve releases total 7.0%
- More than 60% of directors & officers' premium is derived from privately held companies

✓ 2008 progress and action plans

- Sales execution remains a priority with focus on national broker flow and improved sales management process
- Plan to rollout a new construction product in the second half of 2008

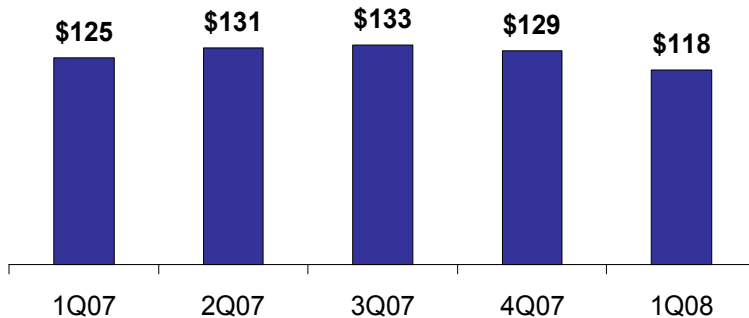
✓ Full year 2008 guidance

- Written premium growth:
 - (3%) to flat (down from flat to +3%)
- Combined Ratio*:
 - 96.0% to 99.0%

In Retail, we are introducing a new variable annuity and have realigned our wholesalers

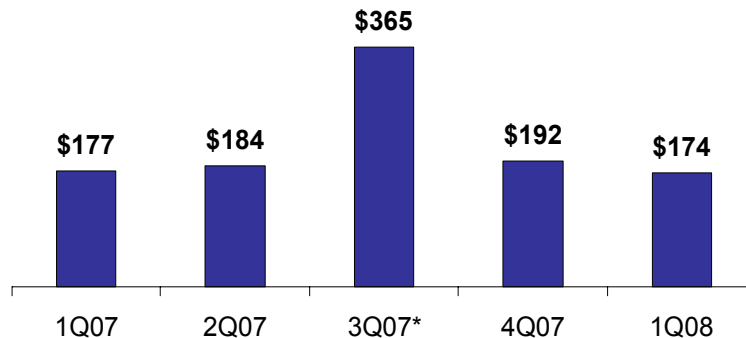
(\$ in billions)

Individual Annuity Assets Under Management



(\$ in millions)

Individual Annuity Core Earnings



✓ First Quarter 2008 Results

- Deposits for individual annuity were \$2.6 billion in 1Q08
- Net flows in first quarter were (\$1.5) billion

✓ Key Initiatives

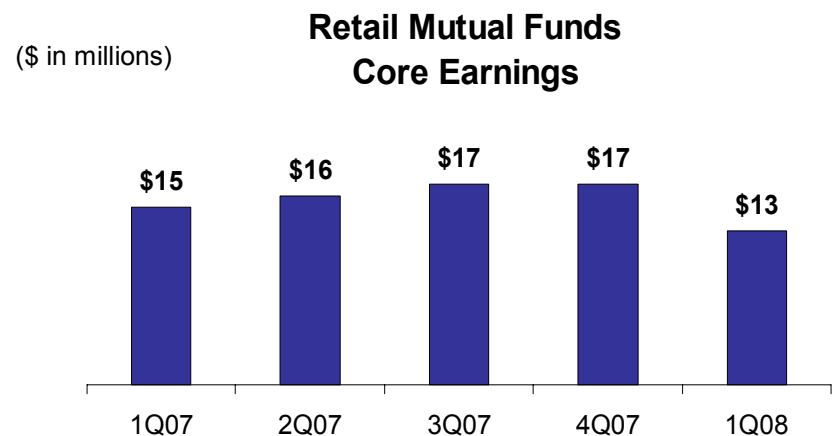
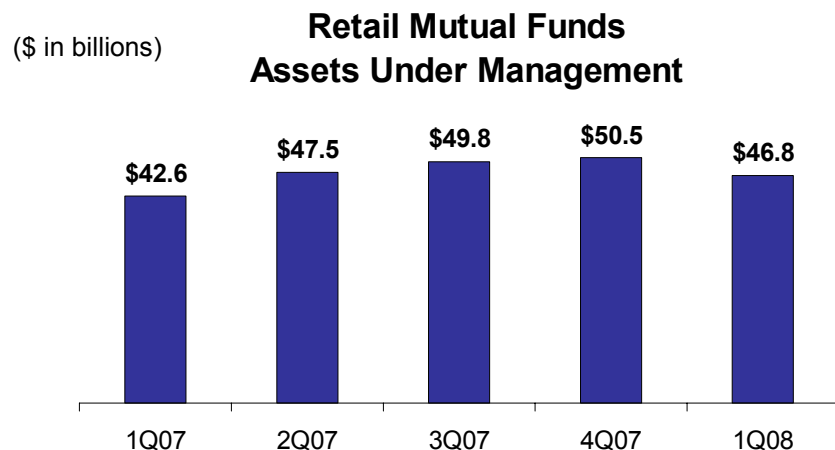
- Launching a new variable annuity product in May 2008
 - Includes an enhanced lifetime income withdrawal benefit with a full annual step option
 - Offers 81 investment options from 12 leading asset management companies
- Realigned wholesaling force will be the largest in the industry (175 wholesalers)

✓ Full year 2008 guidance

- Variable annuity deposits:
 - \$11.0 to \$12.0 billion (previously \$12.0 to \$13.0 billion)
- Variable annuity net flows:
 - (\$5.2) to (\$4.2) billion
- Individual annuity ROA:
 - 55 to 57 bps

* Includes DAC unlock of \$198, after tax

Retail mutual funds had an excellent first quarter with strong deposits in a volatile market



✓ First Quarter 2008 Results

- Record deposits of \$4 billion in 1Q08
- Net flows for 1Q08 were \$1.1 billion, with higher redemptions than the year ago period
- The Hartford Mutual Funds was the #1 rated fund family in U.S. equity for 2007 and ranked in the top five out of 67 fund families for the one-, five- and ten-year periods in Barron's annual mutual fund rankings

✓ Key Initiatives

- Expand depth and breadth of mutual fund sales
- Continue to build out equity investment capabilities through Hartford Investment Management Company

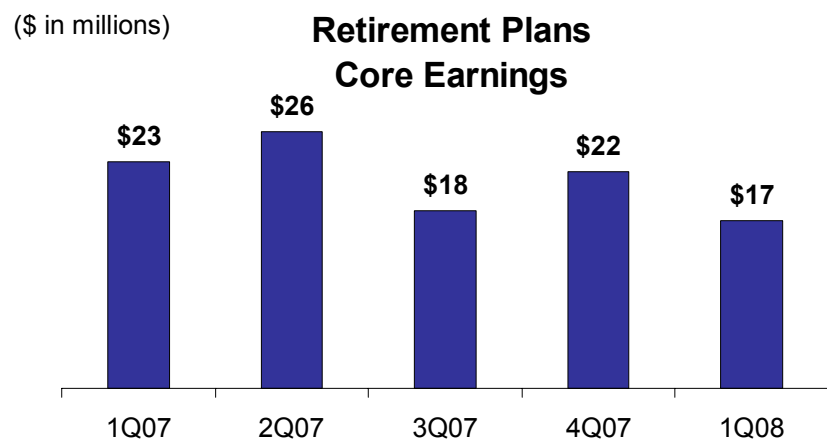
✓ Full year 2008 guidance

- Retail mutual fund deposits:
 - \$14.0 to \$15.5 billion (previously \$13.5 to \$15.5 billion)
- Retail mutual fund net flows:
 - \$4.0 to \$5.5 billion (previously \$4.0 to \$6.0 billion)
- Other Retail ROA:
 - 13 to 15 bps

Retirement plans completed three acquisitions and added \$18.7 billion of assets under management this quarter



Note: First Quarter 2008 also acquired \$5.7 billion of assets under administration.



✓ First Quarter 2008 Results

- Organic growth of assets under management was 7% since 1Q07
- Solid organic growth (11% growth in deposits and 17% increase in net flow) as well as a benefit from the Sun Life acquisition drove a 30% increase in total deposits to \$2.2 billion
- Net flows increased 27% over 1Q07 to \$1.0 billion

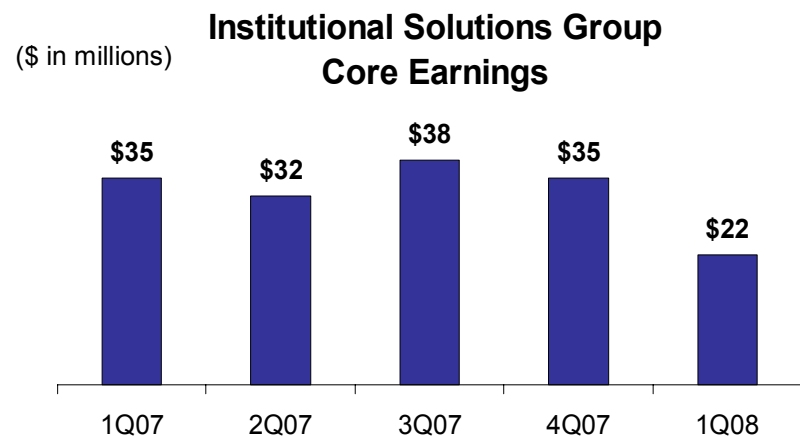
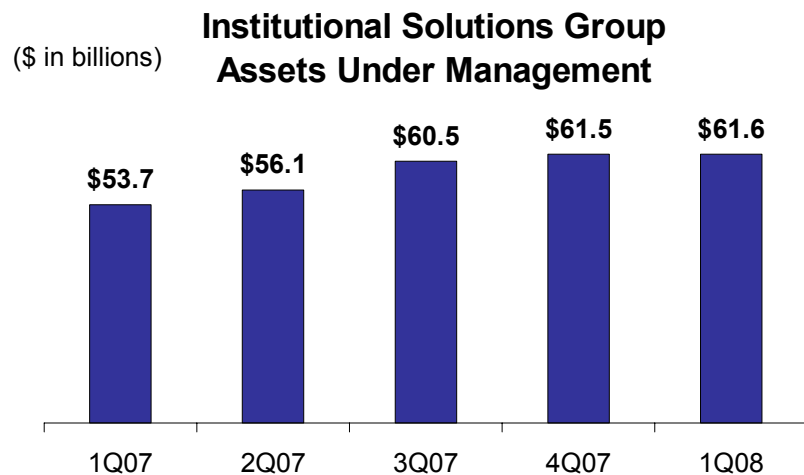
✓ Key Initiatives

- Continue to focus on integration of acquisitions
- Continue to achieve strong organic growth

✓ Full year 2008 guidance

- Deposits:
 - \$8.0 to \$9.5 billion (previously \$6.5 to \$7.5 billion)
- Net flows:
 - \$1.5 to \$2.5 billion
- ROA:
 - 17 to 19 bps (previously 31 to 33 bps)

Record institutional mutual fund sales in Institutional Solutions Group drove top line results



✓ First Quarter 2008 Results

- Deposits were \$1.7 billion, driven by record institutional mutual fund sales
- Net flows were \$479 million in 1Q08 compared to \$2.1 billion in 1Q07
- Sales of spread based products are under pressure due to current credit and liquidity issues
- 1Q08 had lower partnership income

✓ Key Initiatives

- Expand mega-BOLI core competencies into adjacent mid-case markets
- Expand market leadership in structured settlements through execution and service excellence

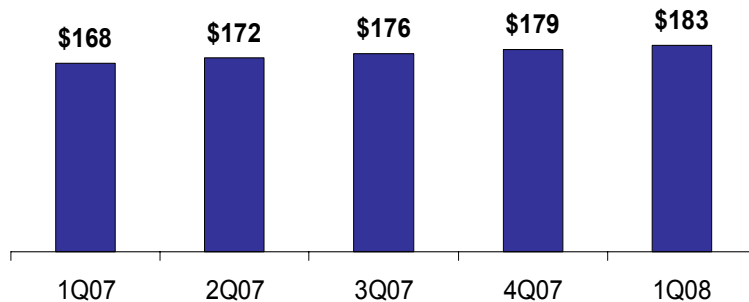
✓ Full year 2008 guidance

- Deposits
 - \$7.0 to \$8.5 billion
- Net flows:
 - \$1.8 to \$2.5 billion (previously \$3.3 to \$4.8 billion)
- ROA:
 - 17 to 19 bps (previously 20 to 22 bps)

Individual life sales increased in all major product lines as life insurance in-force grew 9%

Individual Life In Force

(\$ in billions)

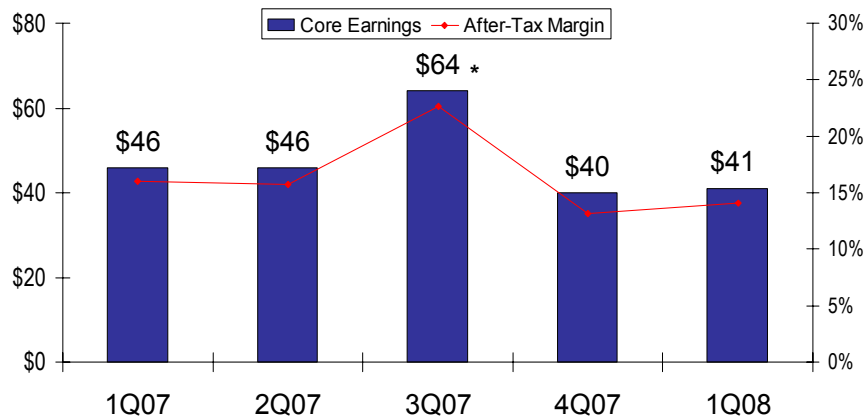


✓ First Quarter 2008 Results

- Sales in 1Q08 were \$65 million, up 8% over 1Q07
- Sales were up in all major product lines: variable universal life up 8%, universal life up 7%, and term life up 25%
- Life insurance in force increased 9% over 1Q07
- Higher than expected mortality in 1Q08 reduced core earnings by \$5 million

Individual Life Core Earnings & After-Tax Margin

(\$ in millions)



* Includes \$16m, after-tax, DAC unlock

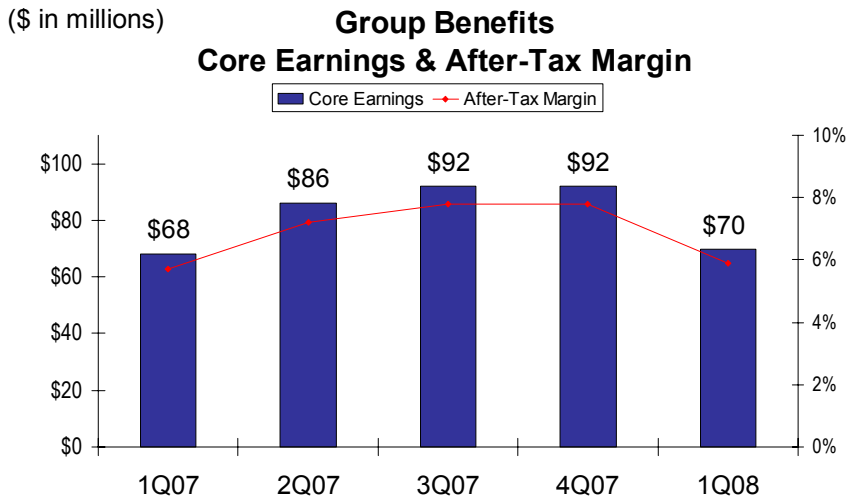
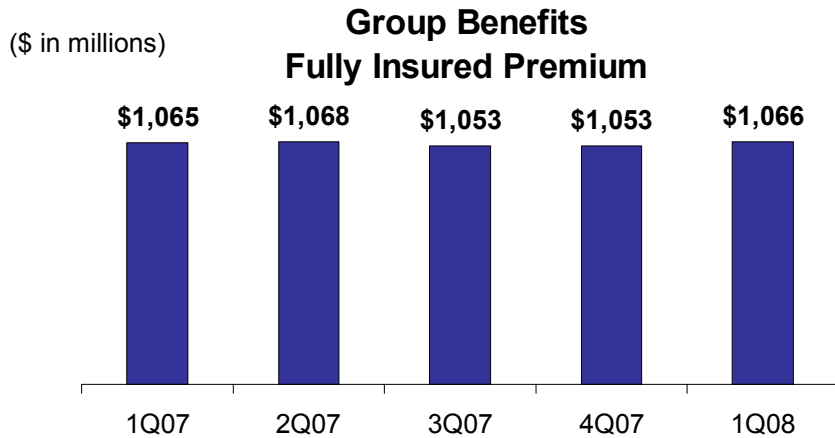
✓ Key Initiatives

- Launching new variable universal life product in May 2008
- Expanding distribution opportunities

✓ Full year 2008 guidance

- Inforce growth:
 - 8% to 9%
- After-Tax Margin:
 - 14% to 15%

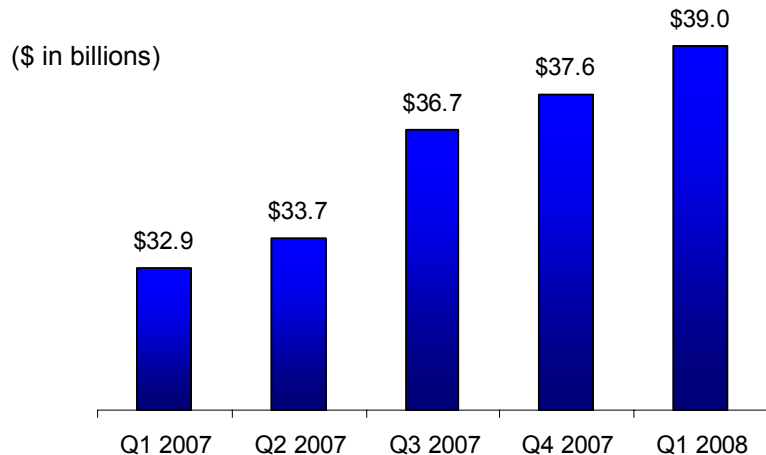
Group benefits first quarter earnings rise on strong execution and solid loss and expense ratios



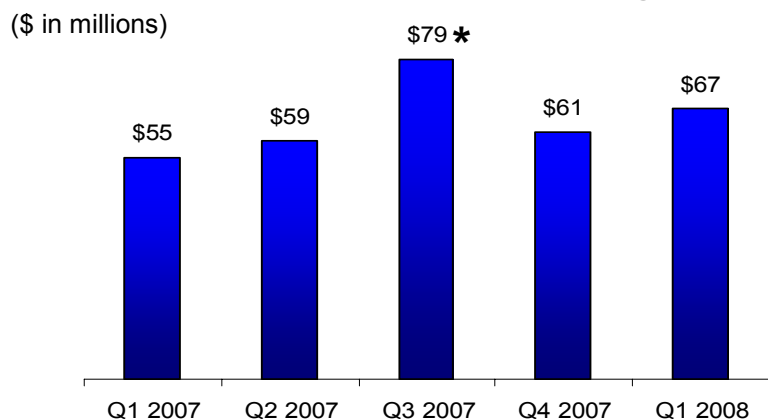
- ✓ **First Quarter 2008 results**
 - Core earnings of \$70 million were up 3% versus 1Q07
 - Favorable loss ratio of 73.4%
 - Life and disability fully insured premiums increased 5% over 1Q07
- ✓ **Key Initiatives**
 - Continue to maintain strong underwriting, pricing and claims management discipline
 - Drive distribution effectiveness through technology and education
 - Expand absence management and productivity offerings to large accounts
 - Focused renewal strategy to drive strong persistency
- ✓ **Full year 2008 guidance**
 - Fully insured premiums:
 - \$4,250 to 4,350 million
 - Loss ratio:
 - 71% - 74%
 - Expense ratio:
 - 27% - 29%
 - After-Tax Margin:
 - 7.0% - 7.3%

Market volatility and increasing competition is pressuring 2008 Japan variable annuity sales

Japan Annuity Assets Under Management



International Core Earnings



- ✓ **First Quarter 2008 results**
 - Japan VA deposits of \$944 million
 - Market volatility and increased competition impacted 1Q 2008 sales
 - Net flows of \$520 million within guidance range due to lower lapse rates

- ✓ **Key Initiatives**
 - Will launch new VA product in 2H of 2008
 - Adding distribution
 - Diversifying product offerings in Japan

- ✓ **Full year 2008 guidance**
 - VA deposits of \$3.0 to \$4.5 billion (previously \$5.0 to \$7.0 billion)
 - VA net flows of \$1.2 to \$2.7 billion (previously \$2.5 to \$4.5 billion)
 - ROA on Japan operations of 66 to 72 bps (previously 72 to 77 bps)

* Includes \$22, after tax, DAC unlock