

Investor Presentation

2nd Quarter 2008



The Hartford Financial Services Group, Inc.

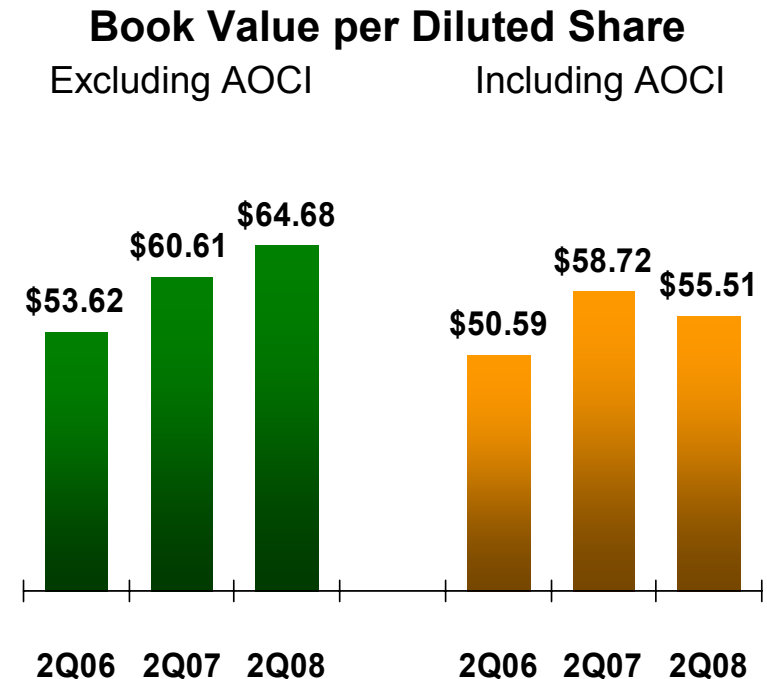
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The discussion in this presentation of The Hartford's financial performance includes financial measures that are not derived from generally accepted accounting principles, or GAAP. Information regarding these non-GAAP and other financial measures is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

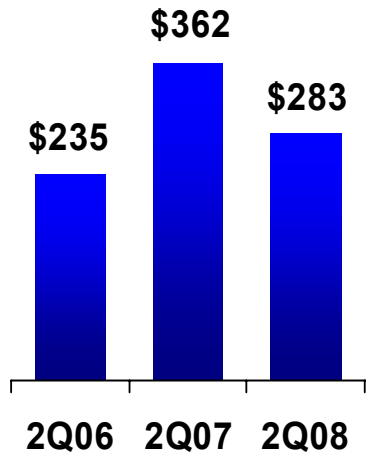
Second Quarter 2008 Highlights

- ✓ Core earnings of \$696 million or \$2.22 per diluted share
 - Excellent P&C accident year underwriting resulted in an ongoing operations x-CAT combined ratio of 90.7%; 6.6 points of catastrophe losses
 - Life assets under management rose 3% since June 30, 2007 with record mutual fund and retirement plans deposits in 2Q08
- ✓ Net income per diluted share of \$1.73 including realized capital losses of \$156 million
- ✓ Over the last 12 months, core earnings ROE, x-AOCI, was 17.4%, with a net income return on equity of 12.0%
- ✓ Strong capital position and liquidity

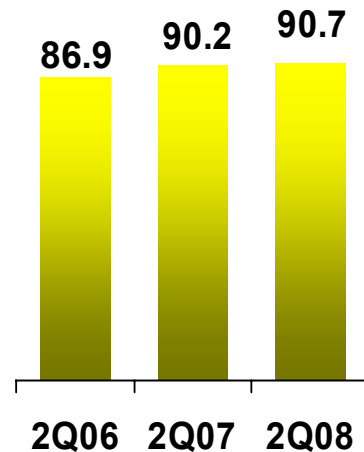


Property and casualty delivered another quarter of strong underwriting results with a relatively stable combined ratio

Core Earnings
(\$ in millions)



Ongoing Operations Combined Ratio*



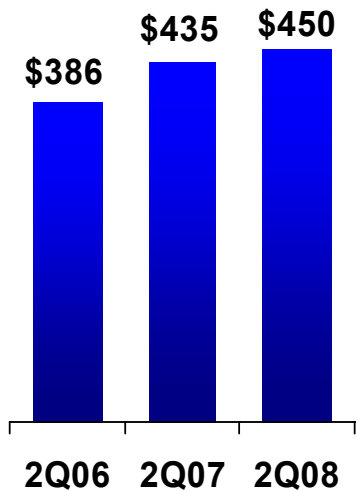
*excludes catastrophes and prior year development

- ✓ Property casualty core earnings were \$283 million in 2Q08
 - Catastrophes were \$171 million
 - Ongoing operations had net favorable prior year development of \$39 million
 - Net asbestos reserves were increased by \$50 million
 - Net investment income was \$391 million, down 12% primarily due to a \$45 million decrease in income from limited partnerships and alternative investments
- ✓ Written premium at \$2.6 billion, down 3% from last year
- ✓ All segments report strong x-CAT accident year combined ratios

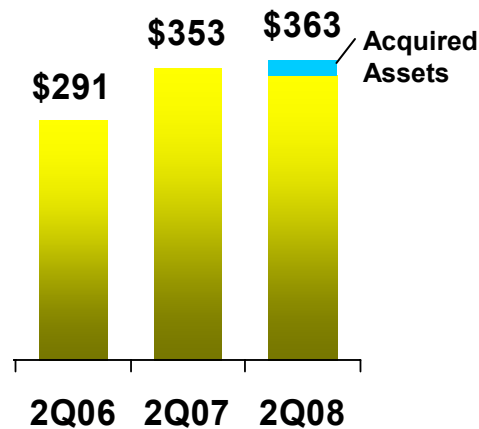
In the second quarter, life operations recorded 3% growth in core earnings

Life Operations

Core Earnings
(\$ in millions)



Assets Under Management
(\$ in billions)



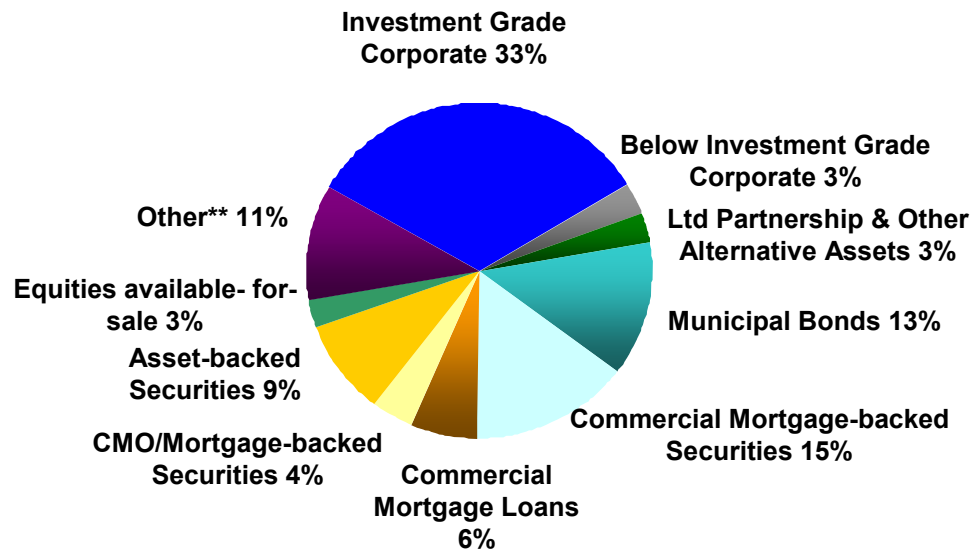
- ✓ Life core earnings were \$450 million compared to \$435 million in 2Q07
 - Tax benefits related to prior periods totaled \$22 million
 - Alternative investment income for 2Q08 was \$37 million below the prior year period, pre-tax
- ✓ Life assets under management at \$363 billion, 3% higher than 2Q07
 - Retirement plan acquisitions added \$18.7 billion of AUM
- ✓ Retail mutual funds had record deposits of \$4 billion and net sales of \$1.9 billion

Based on year-to-date results we are maintaining our full year 2008 guidance

- ✓ Our full year outlook of \$9.20 to \$9.50 per diluted share assumes:
 - A 4.5% annualized yield on alternative investments for the next 6 months
 - A \$160 million pre-tax underwriting loss in P&C Other Operations for 2008
 - Does not incorporate any estimated impact from 3Q DAC unlock
 - Average weighted shares outstanding of 308 million for full year 2008
 - No additional share repurchases over the rest of the year
- ✓ We will complete our annual Life DAC unlock in the third quarter
 - Updates expected gross profits for actual separate account performance as well as other assumptions
 - Based on separate account returns through June 30th and disclosed sensitivities, the effect of market performance on the DAC unlock could range from \$330 to \$640 million, after-tax (\$1.07 - \$2.08 per diluted share)

The Hartford's investment portfolio was affected by interest rate and credit spread volatility in the second quarter

Investments by Asset Class* \$94.6 billion as of 6/30/08



*Excludes equity securities held for trading.

**Other includes U.S. government agency, foreign government, short-term, redeemable preferred stock, policy loans and other investments.

- ✓ Fixed income net unrealized losses grew by \$876 million, before tax
 - Rising interest rates were partially offset by a tightening of credit spreads across most asset classes
- ✓ Cash flows for sub-prime RMBS and CMBS investments are stress tested each quarter
 - Impairments in 2Q primarily reflect further price deterioration on previously impaired securities
- ✓ Recorded \$88 million, after-tax and after-DAC, of impairments in 2Q08
 - \$27 million related to Fannie Mae and Freddie Mac preferred equity

The Hartford's capital position remains strong with at least a \$1.5 billion capital margin in place

- ✓ Our capital management and long-term goal of a 13% - 15% return on equity remains unchanged
- ✓ We manage our capital resources to:
 - Meet the minimum capital required for AA level rating for both our Life and P&C companies
 - Hold at least \$1.5 billion of additional capital margin above the sum of rating agency minimums
 - Maintain debt capacity and contingent capital resources
- ✓ Repurchased \$1 billion of stock and paid \$336 million of shareholder dividends since the beginning of the year
 - Used hybrid proceeds to fund \$500 million accelerated share repurchase program
 - Year-to-date we repurchased a total of \$500 million of stock in the open market; \$371 million in 2Q08 and \$129 million in July
 - Plans do not include additional share repurchases over the remainder of the year

Questions and Answers



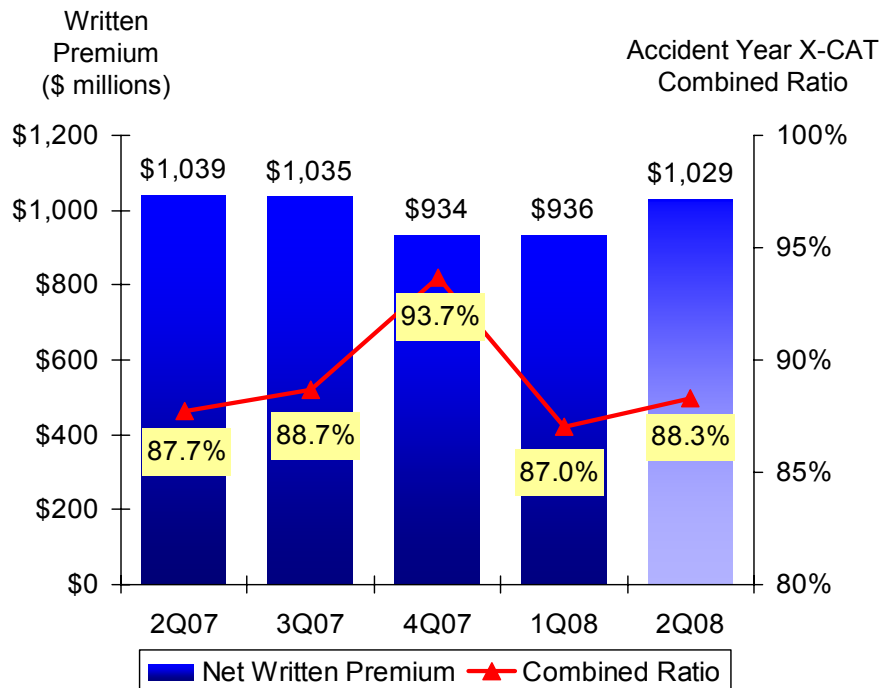
The Hartford Financial Services Group, Inc.

Appendix



Personal lines' underwriting performance reflects strong returns in a competitive market

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



* Excluding catastrophes and prior year development

✓ Delivered a solid second quarter of 2008

- Reported an 88.3% accident year combined ratio, excluding catastrophes of 9.8 points
- Written premium decreased 1% from 2Q07
- AARP written premium continued to grow, up 2% over prior year
- Personal lines premium retention remains strong at 88%
- Auto claim frequency trends are improving

✓ 2008 progress and action plans

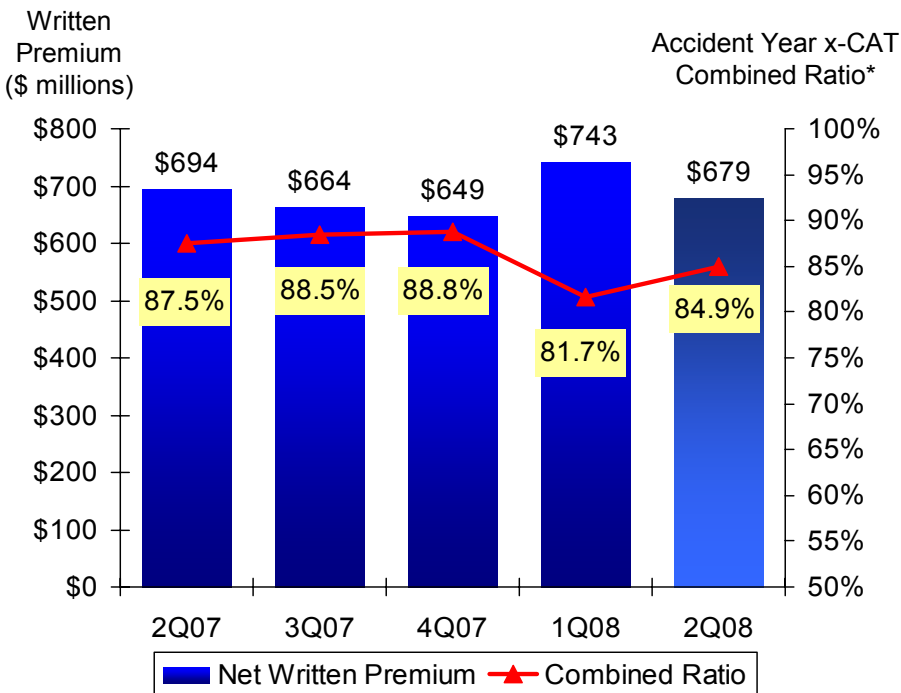
- In Agency, Dimensions v5 roll-out continues, which includes refined rates and improved pricing in the under-50 demographic
- In AARP, our next-generation auto class plan is now in 37 states
- Over 600 Personal Lines agencies were appointed in the first half of 2008

✓ Full year 2008 guidance

- Written Premium Growth: (2%) to +1%
 - Previously Flat to +3%
- Combined Ratio*: 88.0% to 91.0
 - Previously 88.5% to 91.5%

Small commercial continues to deliver outstanding underwriting performance

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



* Excludes catastrophes and prior year development

✓ Accident year underwriting results x-CATs of \$102 million improved 19% over 2Q07

- 2Q08 combined ratio* was an excellent 84.9%
- CATs were 5.2% of earned premium and almost three times greater than 2Q07
- 2Q08 written premium decreased 2% from 2Q07
- Policies in force increased 4% over 2Q07

✓ 2008 progress and action plans

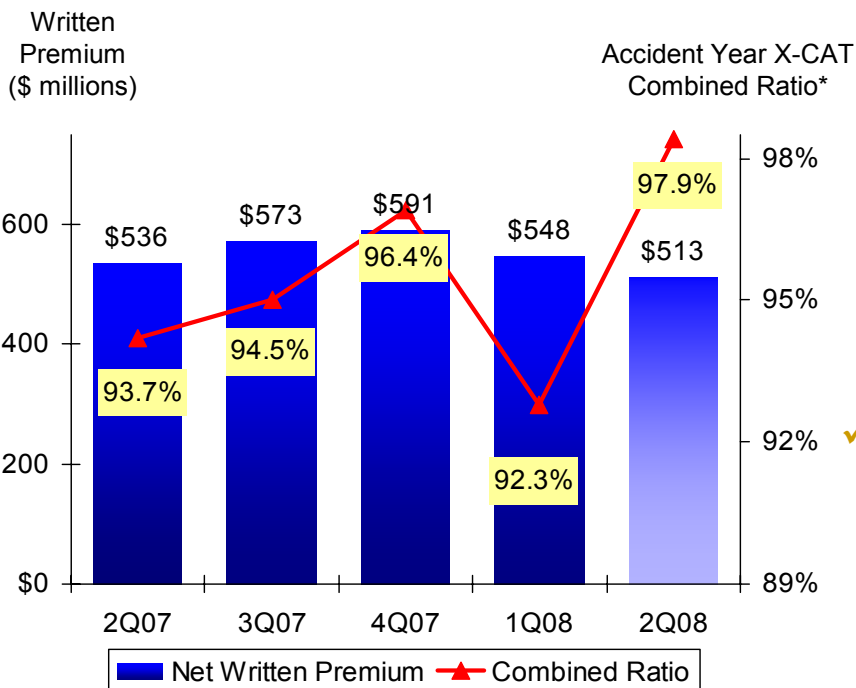
- Improved ease of doing business has increased new business submissions
- Continue to enhance product sophistication and segmentation to leverage our strengths

✓ Full year 2008 guidance

- Written Premium Growth: (2%) to +1%
 - Previously Flat to +3%
- Combined Ratio*: 83.0% to 86.0%
 - Previously 84.0% to 87.0%

Middle market continues to maintain underwriting discipline in 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 new business growth

- 2Q08 written premium decreased 4% from 2Q07
- New business written premium was \$100 million, 3% higher than 2Q07
- 2Q08 had \$11 million, or 2.0 points, of policyholder dividends related to workers compensation
- Net favorable prior year development was \$22 million driven by release of general liability reserves
- Policies in force grew 4% over 2Q07
- Premium retention was 78%, up 2 points over 2Q07

✓ 2008 progress and action plans

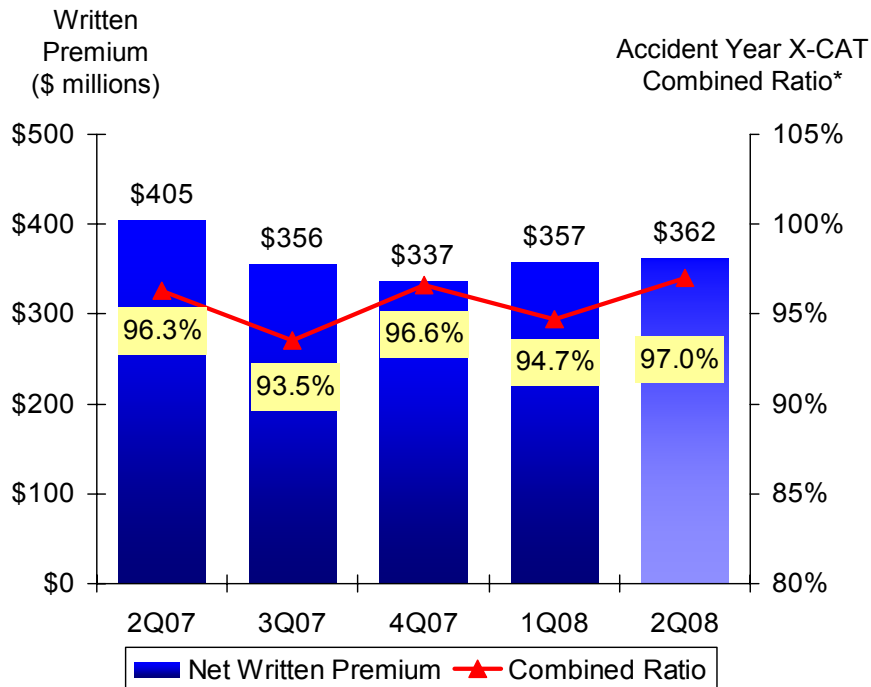
- Continuing to deploy more sophisticated account scoring models and data-driven analytics
- Fine-tuning pricing to target profitable opportunities
- Refining product portfolio and appetite by market

✓ Full year 2008 guidance

- Written Premium Growth: (5%) to (2%)
 - Previously (4%) to (1%)
- Combined Ratio*: 93.5% to 96.5%

Strong performance in specialty commercial resulted in a 97.0% combined ratio*

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



* Excludes catastrophes and prior year development

✓ Specialty commercial top line faces increased competition and reduced pricing

- 2Q08 written premium decreased 11% from 2Q07
- Current accident year losses before catastrophes remained relatively stable compared to 2Q07
- Our professional liability book maintains an underweighted exposure to sub-prime issues

2008 progress and action plans

- Expanding international sales of professional liability and D&O through a new London office
- Streamlining sales and service management processes in Casualty to add customer value

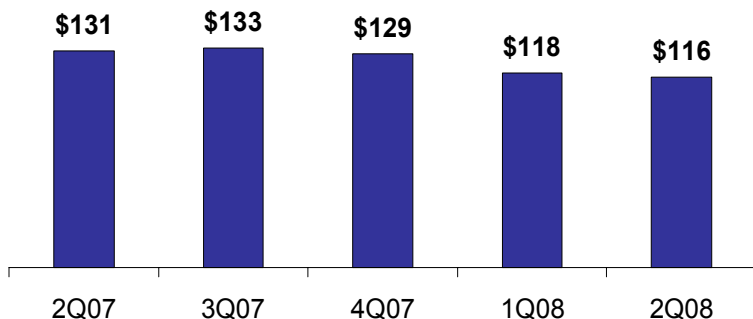
✓ Full year 2008 guidance

- Written Premium Growth: (8%) to (5%)
 - Previously (3%) to Flat
- Combined Ratio*: 96.0% to 99.0%

Retail products introduced a new VA product in May and we expect deposits to increase in the second half

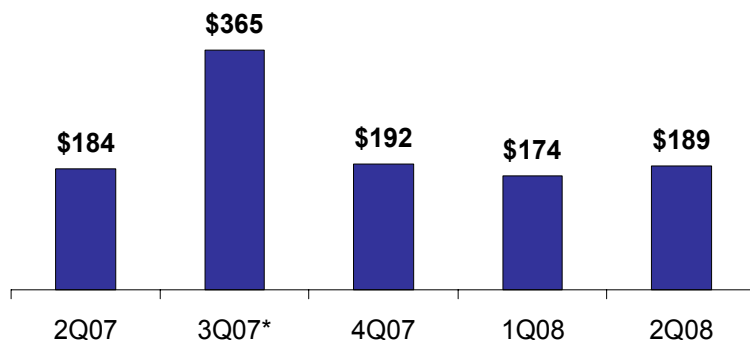
(\$ in billions)

Individual Annuity Assets Under Management



(\$ in millions)

Individual Annuity Core Earnings



* Includes DAC unlock of \$198, after tax

✓ Second quarter 2008 results

- Deposits for individual annuities were \$2.6 billion with fixed annuity deposits of \$323 million
- Individual annuity net flows were (\$1.5) billion with fixed annuity net flows of \$117 million
- Recorded a \$16 million tax benefit related to the dividends received deduction/foreign tax credit adjustment with \$10 million related to prior periods

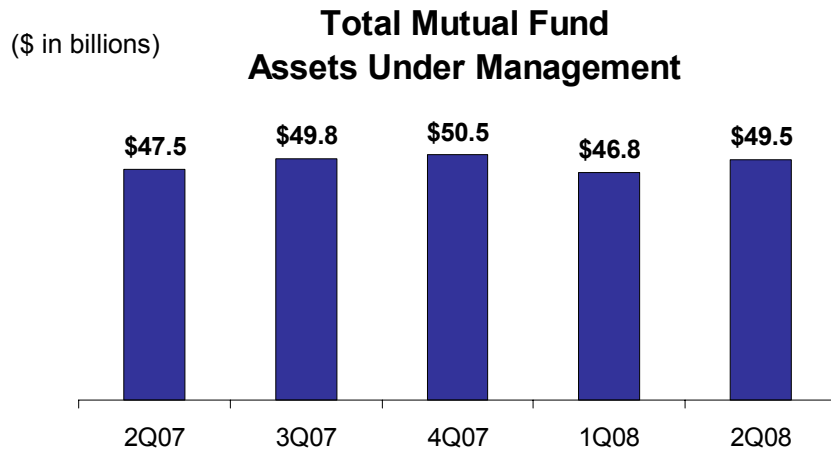
✓ Key initiatives

- Continuing to build momentum from 2Q08 product launch and wholesaling changes
- Launching an additional variable annuity product enhancement in August

✓ Full year 2008 guidance

- Variable annuity deposits: \$9.25 to \$10.25 billion
 - Previously \$11.0 to \$12.0 billion
- Variable annuity net flows: (\$6.0) to (\$5.0) billion
 - Previously (\$5.2) to (\$4.2) billion
- Individual annuity ROA: 60 to 62 bps
 - Previously 55 to 57 bps

Retail mutual funds had a record quarter in terms of deposits and net flows



✓ Second quarter 2008 results

- Set a record for quarterly deposits at \$4 billion
- Net sales topped \$1.9 billion for the first time
- According to Lipper, 68% of The Hartford Mutual Funds ranked in the first or second quartile during 2Q08. Since inception, 67% of funds ranked in the first or second performance quartile

✓ Key initiatives

- Continue to deliver strong investment results
- Selectively launch new investment strategies to expand our product offering

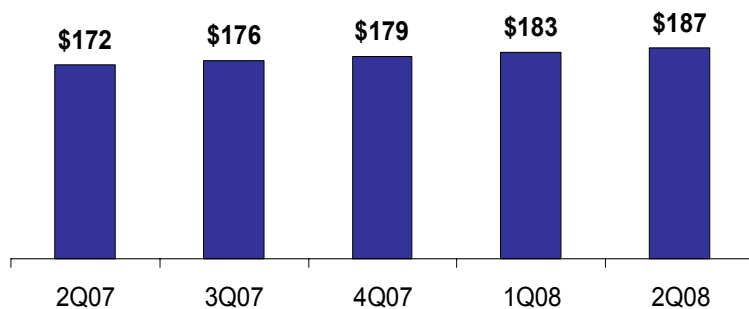
✓ Full year 2008 guidance

- Retail mutual fund deposits: \$14.5 to \$15.5 billion
 - Previously \$14.0 to \$15.5 billion
- Retail mutual fund net flows: \$4.7 to \$5.7 billion
 - Previously \$4.0 to \$5.5 billion
- Other retail ROA: 11 to 13 bps
 - Previously 13 to 15 bps

Individual life saw an increase in sales from the independent channel and launched a new variable universal life product

Individual Life In Force

(\$ in billions)

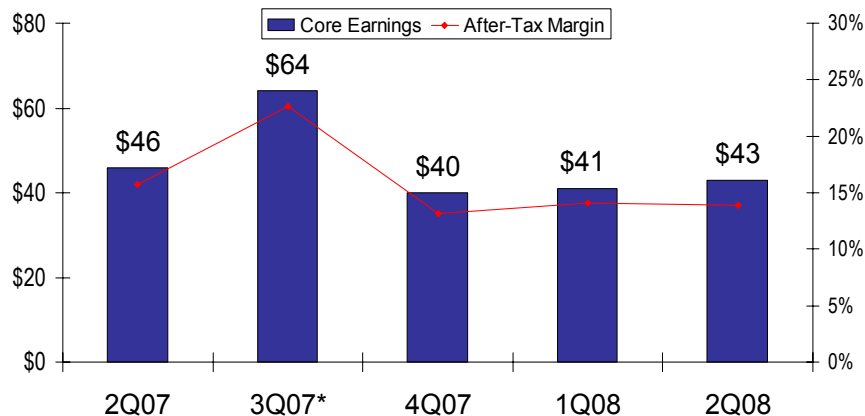


✓ Second quarter 2008 results

- Life insurance in force reached \$187 billion, an increase of 9% over 2Q07
- Sales were \$70 million, up 3% over 2Q07, driven by a 38% increase in universal life and 17% growth in term life
- Sales through the independent channel increased 19% over the previous year
- Higher than expected mortality reduced 2Q08 core earnings by \$3 million

Individual Life Core Earnings & After-Tax Margin

(\$ in millions)



✓ Key initiatives

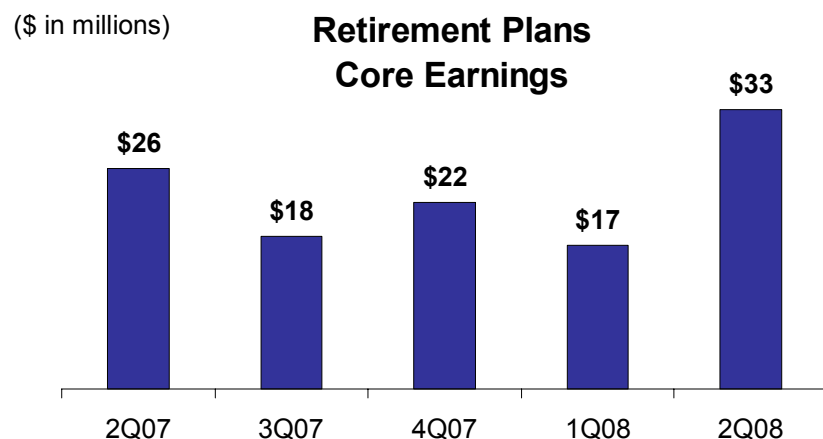
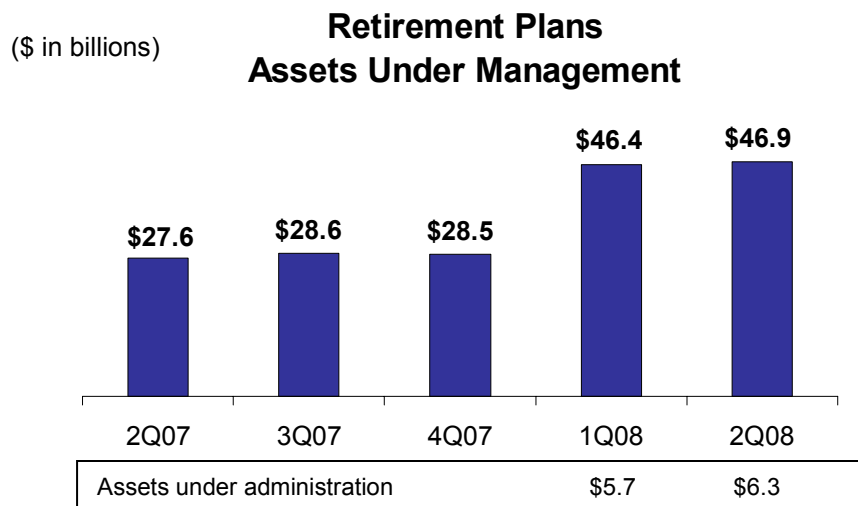
- Continue to expand distribution opportunities
- Focus on innovative product development in the second half of 2008

✓ Full year 2008 guidance

- In Force growth: 8% to 9%
- After-tax margin: 14% to 15%

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

Retirement plans saw solid organic growth while continuing to integrate its acquisitions



✓ Second quarter 2008 results

- Organic growth in deposits of 17% combined with the benefits of the recent acquisitions drove total retirement plan deposits to \$2.4 billion, a 72% increase over last year
- Net flows increased to \$381 million, 18% higher than 2Q07
- Recorded a \$15 million tax benefit related to the dividends received deduction with \$12 million related to prior periods

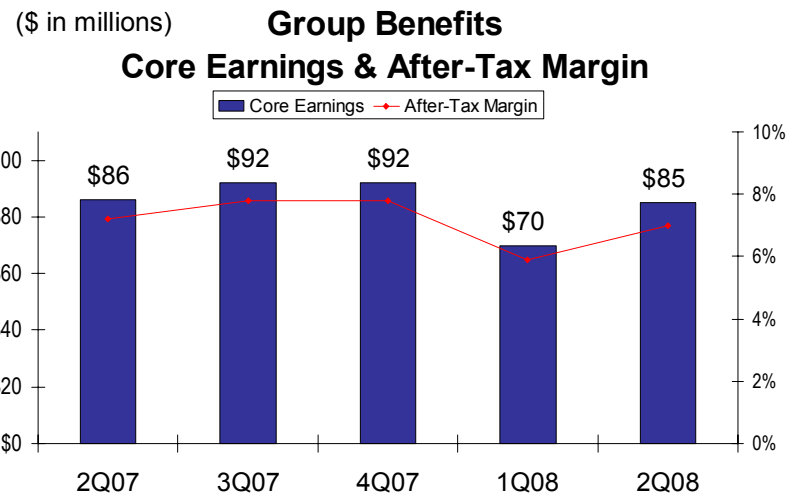
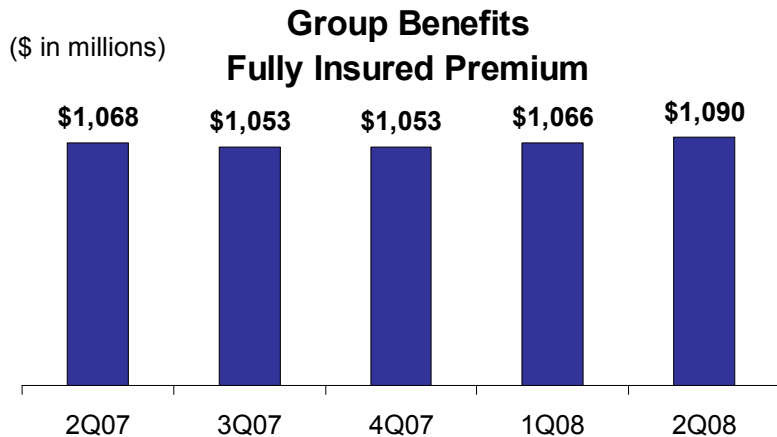
✓ Key initiatives

- Continue to focus on integration of acquisitions
- Expand 403(b) effort to capitalize on regulatory changes

✓ Full year 2008 guidance

- Deposits: \$8.5 to \$9.5 billion
 - Previously \$8.0 to \$9.5 billion
- Net flows: \$1.6 to \$2.4 billion
 - Previously \$1.5 to \$2.5 billion
- ROA: 21 to 23 bps
 - Previously 17 to 19 bps

Group benefits had a strong second quarter with a 13% increase in fully insured sales



✓ Second quarter 2008 results

- Strong sales and persistency drove a 7% increase in fully insured premium, excluding the medical stop loss business sold last year
- Loss ratio of 73.7% was driven by higher mortality partially offset by favorable disability experience

✓ Key initiatives

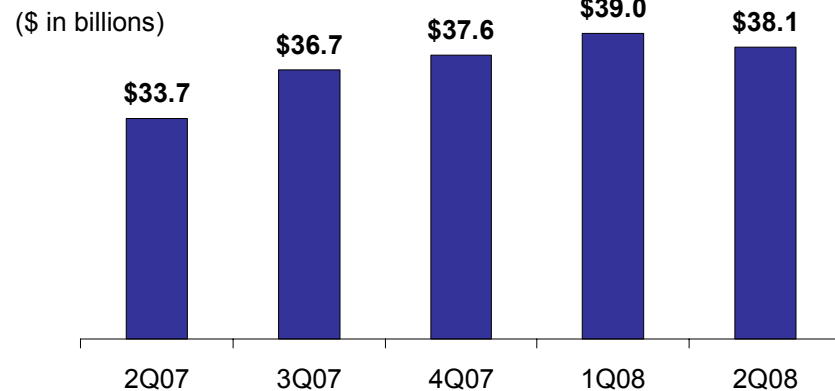
- Continue to maintain strong underwriting, pricing and claims management discipline
- Drive distribution effectiveness through technology and education
- Expand absence management and productivity offerings to large accounts
- Focused renewal strategy to drive strong persistency

✓ Full year 2008 guidance

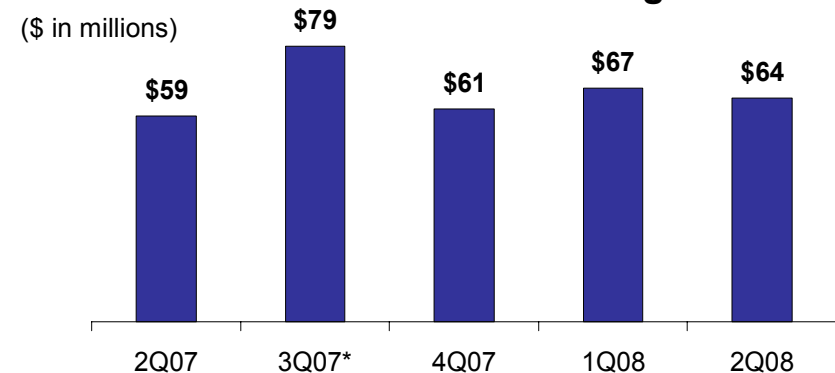
- Fully insured premium: \$4,250 to \$4,350 million
- Loss ratio: 71% - 74%
- Expense ratio: 27% - 29%
- After-Tax Margin: 7.0% - 7.3%

Japan variable annuity sales reflect the effects of ongoing equity market volatility and increasing competition

Japan Annuity Assets Under Management



International Core Earnings



* Includes \$22, after tax, DAC unlock

✓ Second quarter 2008 results

- Japan variable annuity deposits of \$863 million reflect a significant drop in industry sales as well as increased competition
- Lower lapse rates drove variable annuity net flows of \$469 million
- Launched a new estate planning product in 2Q

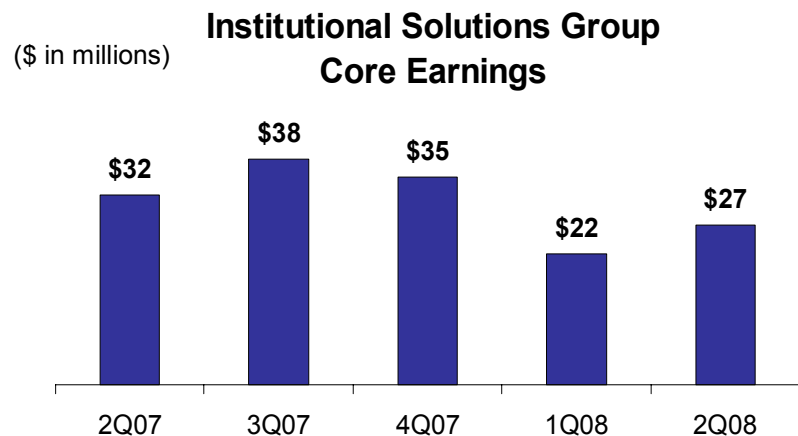
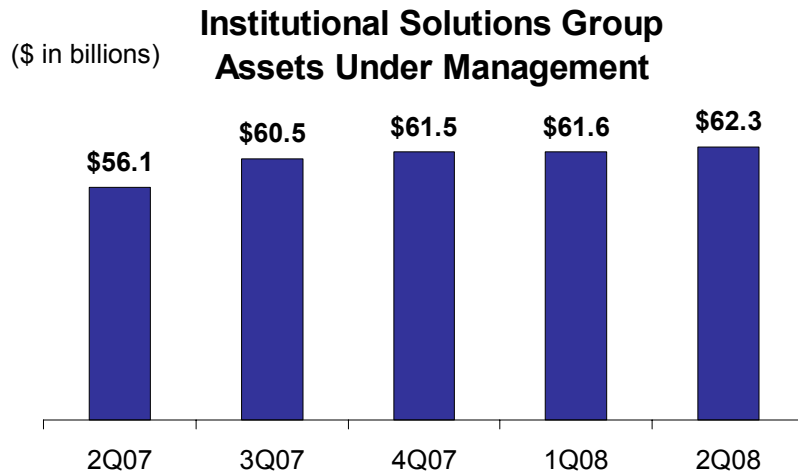
✓ Key initiatives

- Expect to launch a new variable annuity product in the second half of 2008
- Added SMBC, the second largest variable annuity distributor in Japan, as a distribution partner in mid-July and we expect to continue to expand our distribution

✓ Full year 2008 guidance

- Japan VA deposits: \$3.1 to \$4.0 billion
 - ¥325 - ¥425 billion (at ¥106/\$1 exchange)
 - Previously \$3.0 to \$4.5 billion
- Japan VA net flows: \$1.5 to \$2.4 billion
 - ¥165 - ¥275 billion (at ¥106/\$1 exchange)
 - Previously \$1.2 to \$2.7 billion
- Japan ROA: 66 to 72 bps

Institutional solutions assets under management increased 11% over the past 12 months to \$62.3 billion



✓ **Second quarter 2008 results**

- Deposits of \$1.4 billion compared to \$2.4 billion in 2Q07
- Net flows were \$313 million versus \$1.4 billion in 2Q07 which benefited from several large PPLI sales
- Net investment income was \$5 million lower due to reduced yields on variable rate and partnership investments

✓ **Key initiatives**

- Expand mega-BOLI core competencies into adjacent markets
- Expand market leadership in structured settlements
- Build out structured notes platform

✓ **Full year 2008 guidance**

- Deposits: \$7.0 to \$8.5 billion
- Net flows: \$1.8 to \$2.5 billion
- ROA: 17 to 19 bps