

Liquidity and Capital Uses

The primary uses of liquidity of MetLife, Inc. include debt service, cash dividends on common and preferred stock, capital contributions to subsidiaries, common and preferred stock repurchases, payment of general operating expenses and acquisitions. Based on our analysis and comparison of our current and future cash inflows from the dividends we receive from subsidiaries that are permitted to be paid without prior insurance regulatory approval, our investment portfolio and other cash flows and anticipated access to the capital markets, we believe there will be sufficient liquidity and capital to enable MetLife, Inc. to make payments on debt, pay cash dividends on its common and preferred stock, contribute capital to its subsidiaries, repurchase its common and preferred stock, pay all general operating expenses and meet its cash needs.

In addition to the description of liquidity and capital uses in “— The Company — Liquidity and Capital Uses” and “— The Company — Contractual Obligations” the following additional information is provided regarding MetLife, Inc.’s primary uses of liquidity and capital:

Affiliated Capital and Debt Transactions

During the year ended December 31, 2017, MetLife, Inc. invested a net amount of \$729 million in various non-Brighthouse subsidiaries. During the years ended December 31, 2016 and 2015, MetLife, Inc. invested a net amount of \$1.5 billion and \$88 million, respectively, in various subsidiaries. The investment in 2016 included a cash capital contribution of \$1.5 billion to Brighthouse Insurance in connection with the Separation.

MetLife, Inc. lends funds, as necessary, to its subsidiaries and affiliates, some of which are regulated, to meet their capital requirements. MetLife, Inc. had loans to subsidiaries outstanding of \$100 million and \$1.2 billion at December 31, 2017 and 2016, respectively.

In April 2017, in connection with the Separation, MRD repaid \$750 million and \$350 million surplus notes to MetLife, Inc., in an exchange transaction. The \$750 million surplus note bore interest at a fixed rate of 5.13% and the \$350 million surplus note bore interest at a fixed rate of 6.00%, both payable semi-annually. Simultaneously, MetLife, Inc. repaid \$750 million and \$350 million senior notes to MRD.

In February 2017, MetLife, Inc. exchanged \$750 million aggregate principal amount of its 9.250% Fixed-to-Floating Rate Junior Subordinated Debentures due 2068 for \$750 million aggregate liquidation preference of the 9.250% Fixed-to-Floating Rate Exchangeable Surplus Trust Securities of MetLife Capital Trust X (the “Trust”). As a result of the exchange, MetLife, Inc. became the sole beneficial owner of the Trust, a special purpose entity which issued the exchangeable surplus trust securities to third-party investors. In March 2017, MetLife, Inc. dissolved the Trust and became the direct holder of \$750 million 8.595% surplus notes previously held by the Trust that were issued by Brighthouse Insurance. See Note 14 of the Notes to the Consolidated Financial Statements. In June 2017, MetLife, Inc. forgave Brighthouse Insurance’s obligation to pay the principal amount of such surplus notes. This transaction, which was a non-cash capital contribution to Brighthouse Holdings, LLC, and a corresponding non-cash capital contribution to Brighthouse Insurance, had no impact on the consolidated financial statements of MetLife, Inc. as of the date of the transaction.

In April 2016, American Life issued a \$140 million short-term note to MetLife, Inc. which was repaid in June 2016. The short-term note bore interest at six-month LIBOR plus 1.00%.

In May 2015, American Life issued a \$150 million short-term note to MetLife, Inc. which was repaid in June 2015. The short-term note bore interest at six-month LIBOR plus 1.00%.

In April 2015, American Life issued a \$150 million short-term note to MetLife, Inc. which was repaid in May 2015. The short-term note bore interest at six-month LIBOR plus 0.875%.

In July 2013, MIT borrowed the Chilean peso equivalent of \$1.5 billion from MetLife, Inc., which was due July 2023. The loan bore interest at a fixed rate of 8.5%, payable annually. In December, September and June 2015, MIT made loan payments of the Chilean peso equivalent of \$77 million, \$153 million and \$231 million, respectively. At December 31, 2015, the loan was fully paid.

Debt Repayments

For information on MetLife, Inc.’s debt repayments, see “— The Company — Liquidity and Capital Uses — Debt Repayments.” MetLife, Inc. intends to repay or refinance, in whole or in part, all the debt that is due in 2018.