



# **Protective Life Corporation ("PLC")**

Supplemental Schedules  
Second Quarter 2021

<b>Financial Highlights</b>
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(Dollars In Millions)  
(Unaudited)

	2ND QTR		3RD QTR		4TH QTR		1ST QTR		2ND QTR		6 MTHS			
	2020		2020		2020		2021		2021		2020	2021		
<b>Earnings</b>														
<b>Pre-tax Adjusted Operating Income (Loss)</b> <sup>(1)</sup>														
Retail Life & Annuity	\$	33	\$	24	\$	53	\$	(18)	\$	36	\$	21	\$	18
Acquisitions		98		65		168		77		136		173		213
Stable Value Products		16		20		29		31		34		41		65
Asset Protection		14		10		10		11		8		26		19
Corporate & Other		(10)		(12)		(66)		(25)		(19)		(38)		(44)
Pre-tax adjusted operating income	\$	151	\$	107	\$	194	\$	76	\$	195	\$	223	\$	271
Adjusted operating income tax expense		(27)		(22)		(45)		(8)		(37)		(45)		(45)
After-tax adjusted operating income	\$	124	\$	85	\$	149	\$	68	\$	158	\$	178	\$	226
Non-operating income (loss)		106		56		(8)		51		40		(111)		91
Income tax (expense) benefit on adjustments		(23)		(11)		1		(11)		(8)		23		(19)
<b>Net Income</b>	\$	207	\$	130	\$	142	\$	108	\$	190	\$	90	\$	298

<b>Balance Sheet Data</b>
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	Jun. 30, 2020		Sept. 30, 2020		Dec. 31, 2020		Mar. 31, 2021		Jun. 30, 2021	
	(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)	
Total Assets	\$	123,285	\$	125,224	\$	126,943	\$	125,953	\$	130,453
Total Shareowner's Equity	\$	9,776	\$	10,445	\$	11,356	\$	9,492	\$	10,736
Total Shareowner's Equity (excluding AOCI) <sup>(2)</sup>	\$	7,577	\$	7,705	\$	7,848	\$	7,775	\$	7,965
Holding Company Cash & Short-Term Investments	\$	102	\$	95	\$	71	\$	86	\$	88

<sup>(1)</sup> "Pre-tax Adjusted Operating Income" and "After-tax Adjusted Operating Income" are non-GAAP financial measures. "Income (loss) Before Income Tax" is a GAAP financial measure to which "Pre-tax Adjusted Operating Income" may be compared. See Page 3 for a reconciliation of "Pre-tax Adjusted Operating Income" to "Income (loss) Before Income Tax".

<sup>(2)</sup> "Total Shareowner's Equity excluding accumulated other comprehensive income (loss)" is a non-GAAP financial measure. "Total Shareowner's Equity" is a GAAP financial measure to which "Total Shareowner's Equity excluding accumulated other comprehensive income (loss)" may be compared.

<b>Consolidated Statements of Income</b>
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(Dollars In Millions) (Unaudited)	2ND QTR 2020	3RD QTR 2020	4TH QTR 2020	1ST QTR 2021	2ND QTR 2021	6 MTHS	
						2020	2021
<b>REVENUES</b>							
Gross premiums and policy fees	\$ 1,016	\$ 1,053	\$ 1,060	\$ 1,128	\$ 1,061	\$ 1,919	\$ 2,189
Reinsurance ceded	(365)	(292)	(350)	(327)	(356)	(406)	(683)
Net premiums and policy fees	651	761	710	801	705	1,513	1,506
Net investment income	792	785	704	768	794	1,582	1,562
Realized gains (losses)	28	89	(3)	105	(21)	(271)	84
Other income	141	147	214	133	146	300	279
Total revenues	1,612	1,782	1,625	1,807	1,624	3,124	3,431
<b>BENEFITS &amp; EXPENSES</b>							
Benefits and settlement expenses	1,133	1,262	1,168	1,321	1,107	2,484	2,428
Amortization of deferred policy acquisition costs and value of business acquired	(18)	110	63	108	39	36	147
Other operating expenses	240	247	208	251	243	492	494
Total benefits and expenses	1,355	1,619	1,439	1,680	1,389	3,012	3,069
<b>INCOME BEFORE INCOME TAX</b>							
	\$ 257	\$ 163	\$ 186	\$ 127	\$ 235	\$ 112	\$ 362
Income tax expense	50	33	44	19	45	22	64
<b>NET INCOME</b>	<b>\$ 207</b>	<b>\$ 130</b>	<b>\$ 142</b>	<b>\$ 108</b>	<b>\$ 190</b>	<b>\$ 90</b>	<b>\$ 298</b>
<b>PRE-TAX ADJUSTED OPERATING INCOME</b>							
	\$ 151	\$ 107	\$ 194	\$ 76	\$ 195	\$ 223	\$ 271
Adjustments to reconcile to income (loss) before income tax:							
Fixed maturities - realized gains (losses)	2	3	1	30	9	41	39
Equity securities - realized gains (losses) and other	55	9	17	(9)	11	11	2
Change in net expected credit losses - fixed maturities	(30)	(38)	(5)	5	-	(82)	5
Commercial mortgage loans - realized gains (losses)	(4)	(2)	(51)	56	36	(99)	92
Net gain/loss from Modco arrangements	117	25	41	(37)	28	69	(9)
Derivatives related to VA and indexed products	(89)	115	18	85	(80)	(165)	5
VA/VUL market impacts <sup>(1)</sup>	-	-	-	8	11	-	19
Related amortization <sup>(2)</sup>	55	(56)	(29)	(87)	25	114	(62)
Total non-operating income (loss)	106	56	(8)	51	40	(111)	91
Income before income tax	\$ 257	\$ 163	\$ 186	\$ 127	\$ 235	\$ 112	\$ 362
Income tax expense	50	33	44	19	45	22	64
<b>NET INCOME</b>	<b>\$ 207</b>	<b>\$ 130</b>	<b>\$ 142</b>	<b>\$ 108</b>	<b>\$ 190</b>	<b>\$ 90</b>	<b>\$ 298</b>

<sup>(1)</sup> Represents the immediate impacts on DAC, VOBA, reserves and other non-cash items in current period results due to changes in current market conditions on estimates of profitability, which are excluded from pre-tax and after-tax adjusted operating income (loss) beginning in Q1 of 2021.

<sup>(2)</sup> Includes amortization of DAC/VOBA and benefits and settlement expenses that are impacted by realized gains (losses).

<b>Consolidated Balance Sheets</b>
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(Dollars In Millions)

	Jun. 30, 2020 (Unaudited)	Sept. 30, 2020 (Unaudited)	Dec. 31, 2020	Mar. 31, 2021 (Unaudited)	Jun. 30, 2021 (Unaudited)
<b>ASSETS</b>					
Fixed maturities, at fair value	\$ 69,016	\$ 70,530	\$ 72,727	\$ 69,986	\$ 73,424
Fixed maturities, at amortized cost	2,728	2,680	-	-	-
Equity securities	580	602	706	780	716
Commercial mortgage loans	9,546	9,765	10,006	10,137	10,288
Investment real estate	10	10	10	10	10
Policy loans	1,657	1,640	1,593	1,576	1,551
Other long-term investments	2,596	2,843	3,187	3,189	3,217
Long-term investments	86,133	88,070	88,229	85,678	89,206
Short-term investments	1,379	1,253	475	773	860
Total investments	87,512	89,323	88,704	86,451	90,066
Cash	584	570	751	700	461
Accrued investment income	709	725	708	725	707
Accounts and premiums receivable	135	138	131	177	195
Reinsurance receivables	4,357	4,314	4,223	4,275	4,314
Deferred policy acquisition costs and value of business acquired	3,569	3,469	3,428	3,733	3,675
Goodwill	826	826	826	957	957
Other intangibles, net	565	553	541	607	593
Property and equipment, net	216	214	208	211	206
Other assets	698	370	434	328	326
Current/Deferred income tax	-	-	-	-	7
Assets related to separate accounts					
Variable annuity	11,395	11,487	12,378	12,699	13,214
Variable universal life	1,087	1,144	1,286	1,646	1,739
Reinsurance assumed	11,632	12,091	13,325	13,444	13,993
<b>TOTAL ASSETS</b>	<b>\$ 123,285</b>	<b>\$ 125,224</b>	<b>\$ 126,943</b>	<b>\$ 125,953</b>	<b>\$ 130,453</b>

<b>Consolidated Balance Sheets - Continued</b>
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(Dollars In Millions)

	Jun. 30, 2020 (Unaudited)	Sept. 30, 2020 (Unaudited)	Dec. 31, 2020	Mar. 31, 2021 (Unaudited)	Jun. 30, 2021 (Unaudited)
<b>LIABILITIES</b>					
Policy liabilities and accruals					
Future policy benefits and claims	\$ 53,990	\$ 54,075	\$ 54,109	\$ 53,622	\$ 53,834
Unearned premiums	873	881	881	1,079	1,073
Stable value product account balances	5,984	6,017	6,056	6,655	7,461
Annuity account balances	14,694	15,213	15,478	15,679	15,770
Other policyholders' funds	1,691	1,715	1,865	1,515	1,808
Secured financing liabilities	203	233	496	987	1,162
Other liabilities	5,131	5,035	5,361	4,994	5,380
Deferred income taxes	1,506	1,639	1,832	1,385	1,663
Income tax payable	40	40	59	100	-
Non-recourse funding obligations	2,732	2,684	2	2	2
Debt	1,945	1,919	1,853	2,048	2,012
Subordinated debt	606	606	606	606	606
Liabilities related to separate accounts					
Variable annuity	11,395	11,487	12,378	12,699	13,214
Variable universal life	1,087	1,144	1,286	1,646	1,739
Reinsurance assumed	11,632	12,091	13,325	13,444	13,993
<b>TOTAL LIABILITIES</b>	<b>113,509</b>	<b>114,779</b>	<b>115,587</b>	<b>116,461</b>	<b>119,717</b>
<b>SHAREOWNER'S EQUITY</b>					
Common stock	-	-	-	-	-
Additional paid-in-capital	5,804	5,804	5,804	5,804	5,804
Retained earnings	1,773	1,901	2,044	1,971	2,161
Accumulated other comprehensive income	2,199	2,740	3,508	1,717	2,771
<b>TOTAL SHAREOWNER'S EQUITY</b>	<b>9,776</b>	<b>10,445</b>	<b>11,356</b>	<b>9,492</b>	<b>10,736</b>
<b>TOTAL LIABILITIES AND SHAREOWNER'S EQUITY</b>	<b>\$ 123,285</b>	<b>\$ 125,224</b>	<b>\$ 126,943</b>	<b>\$ 125,953</b>	<b>\$ 130,453</b>

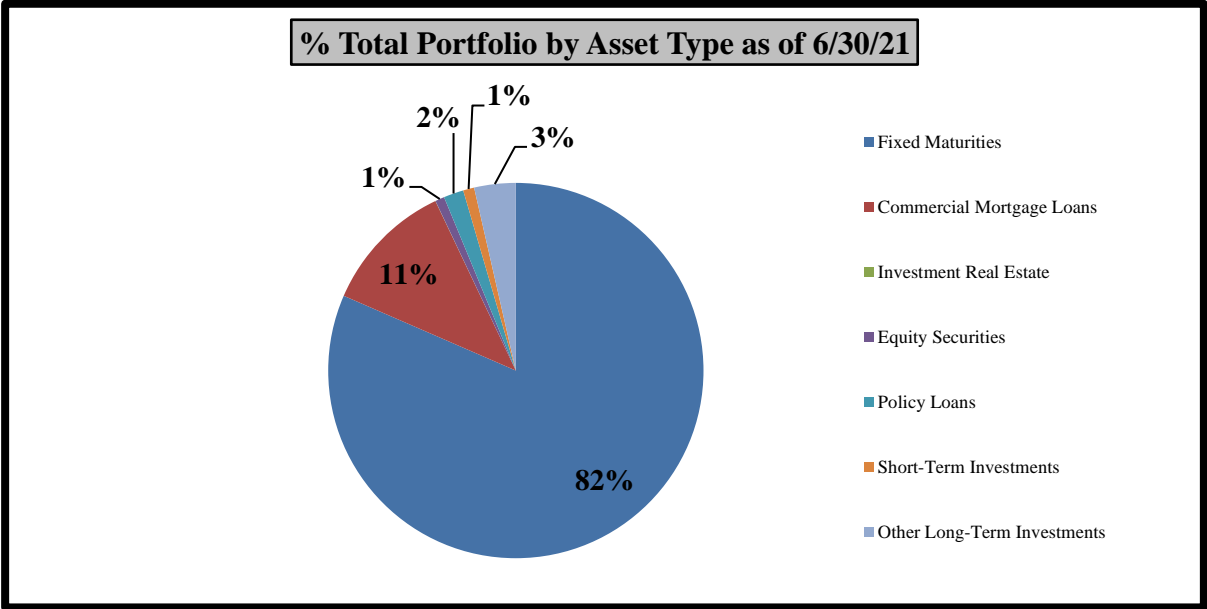
## Invested Asset Summary

(Dollars In Millions)  
(Unaudited)

	Jun. 30, 2020	Sept. 30, 2020	Dec. 31, 2020	Mar. 31, 2021	Jun. 30, 2021	% of Total
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### Total Portfolio

Fixed Maturities	\$ 71,744	\$ 73,210	\$ 72,727	\$ 69,986	\$ 73,424	82%
Commercial Mortgage Loans	9,546	9,765	10,006	10,137	10,288	11%
Investment Real Estate	10	10	10	10	10	0%
Equity Securities	580	602	706	780	716	1%
Policy Loans	1,657	1,640	1,593	1,576	1,551	2%
Short-Term Investments	1,379	1,253	475	773	860	1%
Other Long-Term Investments	2,596	2,843	3,187	3,189	3,217	3%
<b>Total Invested Assets</b>	<b>\$ 87,512</b>	<b>\$ 89,323</b>	<b>\$ 88,704</b>	<b>\$ 86,451</b>	<b>\$ 90,066</b>	<b>100%</b>



<b>Invested Asset Summary - Fixed Maturities</b>
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(Dollars In Millions)  
(Unaudited)

	Jun. 30, 2020	Sept. 30, 2020	Dec. 31, 2020	Mar. 31, 2021	Jun. 30, 2021	% of Total
<b>Fixed Maturities - Type</b>						
Corporate Securities	\$ 50,387	\$ 52,075	\$ 54,093	\$ 52,252	\$ 55,367	75%
Residential Mortgage-Backed Securities	7,217	7,065	6,877	7,084	7,199	10%
Commercial Mortgage-Backed Securities	2,759	2,794	2,748	2,638	2,566	4%
Other Asset-Backed Securities	1,846	1,734	1,741	1,710	1,692	2%
U.S. Government-Related Securities	1,217	1,267	1,606	995	958	1%
Other Government-Related Securities	660	672	753	679	805	1%
States, Municipals and Political Subdivisions	4,852	4,843	4,702	4,401	4,537	6%
Redeemable Preferred Stocks	77	80	207	227	300	1%
Securities issued by affiliates	2,729	2,680	-	-	-	0%
Total Fixed Maturities Portfolio	<u>\$ 71,744</u>	<u>\$ 73,210</u>	<u>\$ 72,727</u>	<u>\$ 69,986</u>	<u>\$ 73,424</u>	<u>100%</u>

<b>Fixed Maturities - Quality</b>
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AAA	14.4%	13.5%	13.1%	13.2%	12.8%
AA	10.5%	10.1%	10.1%	9.9%	9.7%
A	33.0%	32.8%	33.6%	32.1%	31.5%
BBB	35.4%	36.6%	39.4%	41.0%	42.2%
Below investment grade	2.9%	3.3%	3.8%	3.8%	3.8%
Not rated <sup>(1)</sup>	3.8%	3.7%	0.0%	0.0%	0.0%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

(1) The Company's "not rated" securities were held-to-maturity securities issued by affiliates of the Company which were considered variable interest entities. The Company is not the primary beneficiary of these entities and thus these securities were not eliminated in consolidation. These securities were collateralized by non-recourse funding obligations issued by captive insurance companies that were wholly owned subsidiaries of the Company. As of December 31, 2020, the Company no longer held any held-to-maturity securities.

<b>Invested Asset Summary - Corporate Securities</b>
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(Dollars In Millions)  
(Unaudited)

<b>Corporate Securities by Industry - Fair Value</b>
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	Jun. 30, 2020	Sept. 30, 2020	Dec. 31, 2020	Mar. 31, 2021	Jun. 30, 2021	% of Total
Banking	\$ 7,039	\$ 7,347	\$ 7,798	\$ 7,787	\$ 8,257	16%
Other Finance	966	958	952	988	1,009	2%
Electric	5,526	5,695	5,765	5,466	5,756	11%
Natural Gas	1,210	1,258	1,275	1,182	1,253	2%
Insurance	5,431	5,715	5,927	5,712	6,195	11%
Energy	4,503	4,522	4,764	4,488	4,657	8%
Communications	2,746	2,812	2,952	2,851	2,863	5%
Basic Industrial	2,190	2,374	2,541	2,453	2,677	5%
Consumer Noncyclical	6,951	7,090	7,380	6,970	7,364	13%
Consumer Cyclical	2,662	2,740	2,839	2,690	2,862	5%
Finance Companies	232	298	321	352	430	1%
Capital Goods	3,473	3,553	3,656	3,534	3,641	7%
Airlines	221	232	238	236	212	0%
Other Transportation	1,994	1,975	2,001	1,837	1,925	3%
Other Industrial	671	695	692	678	705	1%
Brokerage	1,536	1,664	1,752	1,782	1,867	3%
Technology	2,429	2,523	2,604	2,652	3,070	6%
Real Estate	560	575	587	549	559	1%
Other Utility	47	49	49	45	65	0%
Total Corporate Securities	\$ 50,387	\$ 52,075	\$ 54,093	\$ 52,252	\$ 55,367	100%

<b>Corporate Securities by Industry - Amortized Cost</b>
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Banking	\$ 6,520	\$ 6,764	\$ 7,047	\$ 7,340	\$ 7,633	16%
Other Finance	933	913	897	956	953	2%
Electric	5,156	5,232	5,224	5,305	5,354	12%
Natural Gas	1,131	1,153	1,145	1,141	1,160	2%
Insurance	5,008	5,179	5,219	5,372	5,595	11%
Energy	4,578	4,420	4,384	4,258	4,210	8%
Communications	2,486	2,514	2,579	2,669	2,577	5%
Basic Industrial	1,998	2,116	2,182	2,244	2,373	5%
Consumer Noncyclical	6,206	6,269	6,390	6,482	6,571	13%
Consumer Cyclical	2,491	2,512	2,535	2,557	2,627	5%
Finance Companies	235	294	299	340	410	1%
Capital Goods	3,205	3,220	3,241	3,315	3,294	7%
Airlines	242	248	243	235	207	0%
Other Transportation	1,821	1,773	1,758	1,718	1,747	3%
Other Industrial	618	635	629	637	642	1%
Brokerage	1,407	1,497	1,554	1,676	1,705	3%
Technology	2,141	2,192	2,220	2,430	2,737	5%
Real Estate	526	532	537	514	517	1%
Other Utility	43	43	43	43	60	0%
Total Corporate Securities	\$ 46,745	\$ 47,506	\$ 48,126	\$ 49,232	\$ 50,372	100%



## Fixed Maturities by NAIC Rating

### STAT Carrying Value % of Total

	Jun. 30, 2020	Sept. 30, 2020	Dec. 31, 2020	Mar. 31, 2021	Jun. 30, 2021
<b>NAIC Rating</b>					
1	55.9%	54.4%	55.1%	54.4%	52.8%
2	36.2%	37.5%	40.4%	41.1%	42.7%
3	3.3%	3.6%	4.0%	4.1%	4.1%
4	0.4%	0.4%	0.5%	0.4%	0.4%
5	0.1%	0.0%	0.0%	0.0%	0.0%
6	0.0%	0.0%	0.0%	0.0%	0.0%
Not Rated <sup>(1)</sup>	4.1%	4.1%	0.0%	0.0%	0.0%
	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Below investment grade (using NAIC 3-6)</b>	3.8%	4.1%	4.5%	4.5%	4.5%

**Note:** NAIC Ratings reflect statutory carrying values

<sup>(1)</sup> Special purpose vehicle note held in a captive insurance company that was redeemed as of December 31, 2020.

## Invested Asset Summary - Commercial Mortgages

Jun. 30, 2020	Sept. 30, 2020	Dec. 31, 2020	Mar. 31, 2021	Jun. 30, 2021
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(Unaudited)

### Commercial Mortgage Loans - Type

Retail	35.8%	35.3%	34.9%	34.2%	33.0%
Apartments	13.1%	13.1%	12.7%	13.2%	13.7%
Office Buildings	14.1%	14.2%	15.1%	15.2%	15.1%
Warehouses	16.7%	16.6%	16.0%	15.7%	15.9%
Senior Living	15.1%	15.5%	16.2%	16.5%	17.1%
Miscellaneous	5.2%	5.3%	5.1%	5.2%	5.2%
	100.0%	100.0%	100.0%	100.0%	100.0%

### Delinquent Loans & Foreclosed Properties

(Dollars In Millions)

60 - 89 Days Past Due	\$ 2	\$ -	\$ 1	\$ -	-
90 Days And Greater Past Due	-	-	-	1	1
Foreclosed Real Estate	1	1	2	-	-
	\$ 3	\$ 1	\$ 3	\$ 1	1

<b>Retail Life &amp; Annuity - Earnings and Key Metrics</b>
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(Dollars In Millions)  
(Unaudited)

	2ND QTR 2020	3RD QTR 2020	4TH QTR 2020	1ST QTR 2021	2ND QTR 2021	6 MTHS	
						2020	2021
<b>REVENUES</b>							
Gross premiums and policy fees	\$ 558	\$ 564	\$ 594	\$ 576	\$ 589	\$ 995	\$ 1,165
Reinsurance ceded	(238)	(176)	(232)	(205)	(211)	(205)	(416)
Net premiums and policy fees	320	388	362	371	378	790	749
Net investment income	252	252	264	267	278	502	545
Realized gains (losses)	(20)	(20)	(21)	(22)	(22)	(40)	(44)
Other income	69	72	74	79	83	143	162
Total operating revenues	621	692	679	695	717	1,395	1,412
<b>BENEFITS &amp; EXPENSES</b>							
Benefits and settlement expenses	484	549	509	579	547	1,122	1,126
Amortization of deferred policy acquisition costs and value of business acquired	30	39	36	48	44	98	92
Other operating expenses	74	80	81	86	90	154	176
Total operating benefits and expenses	588	668	626	713	681	1,374	1,394
<b>PRE-TAX ADJUSTED OPERATING INCOME (LOSS)</b>	<b>\$ 33</b>	<b>\$ 24</b>	<b>\$ 53</b>	<b>\$ (18)</b>	<b>\$ 36</b>	<b>\$ 21</b>	<b>\$ 18</b>
Non-operating income (loss):							
Realized gains (losses)	(34)	101	(9)	92	(55)	(246)	37
Related benefits and settlement expenses	(4)	(10)	(10)	(12)	12	20	-
Related amortization of DAC/VOBA	23	(38)	(10)	(43)	20	105	(23)
VA/VUL market impacts <sup>(1)</sup>	-	-	-	5	8	-	13
Total non-operating income (loss)	(15)	53	(29)	42	(15)	(121)	27
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>\$ 18</b>	<b>\$ 77</b>	<b>\$ 24</b>	<b>\$ 24</b>	<b>\$ 21</b>	<b>\$ (100)</b>	<b>\$ 45</b>
<b>SALES BY PRODUCT</b>							
Traditional life <sup>(2)</sup>	\$ 48	\$ 74	\$ 70	\$ 62	\$ 70	\$ 118	\$ 132
Universal life <sup>(2)</sup>	11	10	52	16	22	22	38
BOLI/COLI <sup>(3)</sup>	-	-	-	421	98	-	519
Fixed annuity <sup>(4)</sup>	398	793	490	443	366	1,011	809
Variable annuity <sup>(4)</sup>	38	80	144	219	276	93	495
Total	\$ 495	\$ 957	\$ 756	\$ 1,161	\$ 832	\$ 1,244	\$ 1,993
<b>AVERAGE LIFE INSURANCE IN-FORCE</b>							
Traditional	\$ 373,097	\$ 382,629	\$ 392,990	\$ 404,683	\$ 417,830	\$ 370,852	\$ 411,441
Universal life	288,510	288,154	287,984	288,623	289,835	288,700	289,216
Total	\$ 661,607	\$ 670,783	\$ 680,974	\$ 693,306	\$ 707,665	\$ 659,552	\$ 700,657
<b>AVERAGE ACCOUNT VALUES</b>							
Universal life	\$ 7,692	\$ 7,656	\$ 7,632	\$ 7,698	\$ 7,777	\$ 7,715	\$ 7,735
Variable universal life	830	848	918	1,147	1,356	845	1,229
Fixed annuity	10,714	11,099	11,533	11,818	11,985	10,589	11,901
Variable annuity	10,355	10,797	11,337	11,929	12,347	10,724	12,138
Total	\$ 29,591	\$ 30,400	\$ 31,420	\$ 32,592	\$ 33,465	\$ 29,873	\$ 33,003

(1) Represents the immediate impacts on DAC, VOBA, reserves and other non-cash items in current period results due to changes in current market conditions on estimates of profitability, which are excluded from pre-tax and after-tax adjusted operating income (loss) beginning in Q1 of 2021.

(2) Sales data for traditional life insurance, other than Single Premium Whole Life ("SPWL") insurance, is based on annualized premiums. SPWL insurance sales are based on total single premium dollars received in the period. Universal life sales are based on annualized planned premiums, or "target" premiums if lesser, plus 6% of amounts received in excess of target premiums and 10% of single premiums. "Target" premiums for universal life are those premiums upon which full first year commissions are paid.

(3) BOLI sales are measured based on total premiums received. COLI sales represent expected premium within one year of policy issue date.

(4) Sales are measured based on the amount of purchase payments received less first year surrenders.

## Acquisitions - Earnings and Key Metrics

(Dollars In Millions)  
(Unaudited)

	2ND QTR 2020	3RD QTR 2020	4TH QTR 2020	1ST QTR 2021	2ND QTR 2021	6 MTHS 2020	2021
<b>REVENUES</b>							
Gross premiums and policy fees	\$ 375	\$ 405	\$ 384	\$ 442	\$ 363	\$ 756	\$ 805
Reinsurance ceded	(76)	(63)	(66)	(66)	(67)	(99)	(133)
Net premiums and policy fees	299	342	318	376	296	657	672
Net investment income	413	406	413	399	400	829	799
Realized gains (losses)	(3)	(3)	(3)	(3)	(3)	(6)	(6)
Other income	37	37	102	7	14	87	21
Total operating revenues	746	782	830	779	707	1,567	1,486
<b>BENEFITS &amp; EXPENSES</b>							
Benefits and settlement expenses	590	645	596	644	515	1,261	1,159
Amortization of deferred policy acquisition costs and value of business acquired	(5)	7	(9)	(2)	-	6	(2)
Other operating expenses	63	65	75	60	56	127	116
Total operating benefits and expenses	648	717	662	702	571	1,394	1,273
<b>PRE-TAX ADJUSTED OPERATING INCOME</b>							
	\$ 98	\$ 65	\$ 168	\$ 77	\$ 136	\$ 173	\$ 213
Non-operating income (loss):							
Realized gains (losses)	52	20	53	10	37	30	47
Related benefits and settlement expenses	(1)	(1)	-	(27)	(5)	(7)	(32)
Related amortization of VOBA	37	(7)	(9)	(5)	(2)	(4)	(7)
VA/VUL market impacts <sup>(1)</sup>	-	-	-	3	3	-	6
Total non-operating income (loss)	88	12	44	(19)	33	19	14
<b>INCOME BEFORE INCOME TAX</b>	<b>\$ 186</b>	<b>\$ 77</b>	<b>\$ 212</b>	<b>\$ 58</b>	<b>\$ 169</b>	<b>\$ 192</b>	<b>\$ 227</b>
<b>AVERAGE ACCOUNT VALUES</b>							
Universal life <sup>(2)</sup>	\$ 15,508	\$ 15,570	\$ 15,625	\$ 15,424	\$ 15,162	\$ 15,576	\$ 15,323
Variable universal life	7,447	7,869	8,433	8,887	9,119	7,558	9,031
Fixed annuity <sup>(2)</sup>	10,351	10,219	9,967	9,711	9,542	10,440	9,625
Variable annuity	4,445	4,859	5,200	5,462	5,595	4,836	5,540
Total	\$ 37,751	\$ 38,517	\$ 39,225	\$ 39,484	\$ 39,418	\$ 38,410	\$ 39,519
<b>AVERAGE LIFE INSURANCE IN-FORCE<sup>(3)</sup></b>							
Traditional	\$ 245,999	\$ 242,435	\$ 237,844	\$ 232,140	\$ 225,638	\$ 249,424	\$ 228,953
Universal life	67,294	67,638	67,959	68,163	67,927	67,939	68,040
Total	\$ 313,293	\$ 310,073	\$ 305,803	\$ 300,303	\$ 293,565	\$ 317,363	\$ 296,993

(1) Represents the immediate impacts on DAC, VOBA, reserves and other non-cash items in current period results due to changes in current market conditions on estimates of profitability, which are excluded from pre-tax and after-tax adjusted operating income (loss) beginning in Q1 of 2021.

(2) Includes general account balances held within variable products and is net of reinsurance ceded. Excludes structured annuity products.

(3) Amounts are not adjusted for reinsurance ceded.

<b>Stable Value Products - Earnings and Key Metrics</b>
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(Dollars In Millions)  
(Unaudited)

	2ND QTR 2020	3RD QTR 2020	4TH QTR 2020	1ST QTR 2021	2ND QTR 2021	6 MTHS 2020	2021
<b>REVENUES</b>							
Net investment income	\$ 52	\$ 54	\$ 61	\$ 63	\$ 68	\$ 115	\$ 131
Other income	-	-	-	-	-	-	-
Total operating revenues	52	54	61	63	68	115	131
<b>BENEFITS &amp; EXPENSES</b>							
Benefits and settlement expenses	34	32	31	30	32	70	62
Amortization of deferred policy acquisition costs	1	1	-	1	1	2	2
Other operating expenses	1	1	1	1	1	2	2
Total operating benefits and expenses	36	34	32	32	34	74	66
<b>PRE-TAX ADJUSTED OPERATING INCOME</b>	<b>\$ 16</b>	<b>\$ 20</b>	<b>\$ 29</b>	<b>\$ 31</b>	<b>\$ 34</b>	<b>\$ 41</b>	<b>\$ 65</b>
Add: Realized gains (losses)	-	(6)	(22)	18	20	(26)	38
<b>INCOME BEFORE INCOME TAX</b>	<b>\$ 16</b>	<b>\$ 14</b>	<b>\$ 7</b>	<b>\$ 49</b>	<b>\$ 54</b>	<b>\$ 15</b>	<b>\$ 103</b>
<b>SALES</b>							
GICs	\$ -	\$ 75	\$ -	\$ -	\$ -	\$ 3	\$ -
GFA	500	750	500	875	1,835	1,000	2,710
Total	\$ 500	\$ 825	\$ 500	\$ 875	\$ 1,835	\$ 1,003	\$ 2,710
<b>DEPOSIT BALANCE</b>							
Ending Account Values	\$ 5,984	\$ 6,017	\$ 6,056	\$ 6,655	\$ 7,461		
Average Account Values	\$ 5,678	\$ 6,074	\$ 6,277	\$ 6,624	\$ 7,478		
<b>OPERATING SPREAD</b>	1.17%	1.32%	1.75%	1.92%	1.80%		
<b>ADJUSTED OPERATING SPREAD <sup>(1)</sup></b>	1.16%	1.31%	1.39%	1.65%	1.58%		

<sup>(1)</sup> Excludes participation commercial mortgage loan income, accelerated discount accretion from called securities, and the impact of commercial mortgage loan prepayments.

<b>Asset Protection - Earnings and Key Metrics</b>
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(Dollars In Millions)  
(Unaudited)

2ND QTR 2020	3RD QTR 2020	4TH QTR 2020	1ST QTR 2021	2ND QTR 2021	6 MTHS	
					2020	2021

<b>REVENUES</b>
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Gross premiums and policy fees	\$ 80	\$ 81	\$ 79	\$ 107	\$ 107	\$ 162	\$ 214
Reinsurance ceded	(51)	(53)	(52)	(56)	(78)	(102)	(134)
Net premiums and policy fees	29	28	27	51	29	60	80
Net investment income	8	7	5	7	5	17	12
Other income	35	37	37	47	49	70	96
Total operating revenues	72	72	69	105	83	147	188

<b>BENEFITS &amp; EXPENSES</b>
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Benefits and settlement expenses	18	21	17	27	24	39	51
Amortization of deferred policy acquisition costs and value of business acquired	16	18	17	18	17	31	35
Other operating expenses	24	23	25	49	34	51	83
Total operating benefits and expenses	58	62	59	94	75	121	169

<b>PRE-TAX ADJUSTED OPERATING INCOME</b>
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	\$ 14	\$ 10	\$ 10	\$ 11	\$ 8	\$ 26	\$ 19
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<b>INCOME BEFORE INCOME TAX</b>
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	\$ 14	\$ 10	\$ 10	\$ 11	\$ 8	\$ 26	\$ 19
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<b>SALES</b>
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Credit insurance	\$ 1	\$ 2	\$ 1	\$ -	\$ -	\$ 2	\$ -
Service contracts	90	121	106	142	186	191	328
GAP products	17	21	18	21	27	35	48
Total	\$ 108	\$ 144	\$ 125	\$ 163	\$ 213	\$ 228	\$ 376

<b>LOSS RATIOS</b>
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Credit insurance	13.1%	37.0%	43.4%	15.2%	46.4%	29.9%	29.6%
Service contracts	59.7%	65.0%	55.5%	65.9%	62.2%	58.6%	64.1%
GAP products	80.6%	107.2%	83.6%	76.5%	63.6%	93.3%	70.1%

<b>Corporate &amp; Other Earnings</b>
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(Dollars In Millions)  
(Unaudited)

	2ND QTR 2020	3RD QTR 2020	4TH QTR 2020	1ST QTR 2021	2ND QTR 2021	6 MTHS 2020	2021
<b>REVENUES</b>							
Gross premiums and policy fees	\$ 3	\$ 3	\$ 3	\$ 3	\$ 2	\$ 6	\$ 5
Reinsurance ceded	-	-	-	-	-	-	-
Net premiums and policy fees	3	3	3	3	2	6	5
Net investment income	67	66	(39)	32	43	119	75
Other income	-	1	1	-	-	-	-
Total operating revenues	70	70	(35)	35	45	125	80
<b>BENEFITS &amp; EXPENSES</b>							
Benefits and settlement expenses	2	4	5	5	2	5	7
Amortization of deferred policy acquisition costs and value of business acquired	-	-	-	-	-	-	-
Other operating expenses	78	78	26	55	62	158	117
Total operating benefits and expenses	80	82	31	60	64	163	124
<b>PRE-TAX ADJUSTED OPERATING INCOME (LOSS)</b>	<b>\$ (10)</b>	<b>\$ (12)</b>	<b>\$ (66)</b>	<b>\$ (25)</b>	<b>\$ (19)</b>	<b>\$ (38)</b>	<b>\$ (44)</b>
Add: Realized gains (losses)	33	(3)	(1)	10	2	17	12
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>\$ 23</b>	<b>\$ (15)</b>	<b>\$ (67)</b>	<b>\$ (15)</b>	<b>\$ (17)</b>	<b>\$ (21)</b>	<b>\$ (32)</b>

<b>Operating Segment Assets</b>
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(Dollars In Millions)  
(Unaudited)

	Retail Life and Annuity	Acquisitions	Stable Value Products	Asset Protection	Corporate and Other	Total Consolidated
<b>As of June 30, 2021</b>						
Investments and other assets	\$ 42,509	\$ 55,422	\$ 7,328	\$ 1,219	\$ 18,750	\$ 125,228
DAC and VOBA	2,641	825	13	196	-	3,675
Other intangibles	350	31	6	171	35	593
Goodwill	559	24	114	260	-	957
Total assets	<u>\$ 46,059</u>	<u>\$ 56,302</u>	<u>\$ 7,461</u>	<u>\$ 1,846</u>	<u>\$ 18,785</u>	<u>\$ 130,453</u>
<b>As of December 31, 2020</b>						
Investments and other assets	\$ 40,676	\$ 55,628	\$ 5,928	\$ 1,067	\$ 18,849	\$ 122,148
DAC and VOBA	2,489	761	8	170	-	3,428
Other intangibles	367	33	6	102	33	541
Goodwill	559	24	114	129	-	826
Total assets	<u>\$ 44,091</u>	<u>\$ 56,446</u>	<u>\$ 6,056</u>	<u>\$ 1,468</u>	<u>\$ 18,882</u>	<u>\$ 126,943</u>



<b>Financial Strength Ratings</b>
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<b>Legal Entity</b>	<b>A.M. Best</b>	<b>Fitch</b>	<b>Standard &amp; Poor's</b>	<b>Moody's</b>
Protective Life Insurance Company	A+	A+	AA-	A1
West Coast Life Insurance Company	A+	A+	AA-	A1
Protective Life and Annuity Insurance Company	A+	A+	AA-	-----
Protective Property & Casualty Insurance Company	A	-----	-----	-----
MONY Life Insurance Company	A+	A+	A+	A1