



# GUARDIAN<sup>®</sup>

**Guardian Life Global Funding:  
Funding Agreement-Backed Global Notes Program**

June 2016





# Notice to Potential Investors

## Forward-Looking Statements

This presentation may contain certain statements that constitute “forward-looking statements”. Forward-looking statements are statements not based on historical information and which relate to future operations, strategies, financial results, or other developments. Statements using verbs such as “expect,” “anticipate,” “believe” or words of similar import generally involve forward-looking statements. Forward-looking statements include statements which are based on the beliefs and assumptions of The Guardian Life Insurance Company of America (“Guardian”) concerning future levels of sales and redemptions of Guardian’s products, investment spreads and yields, or the earnings and profitability of Guardian’s activities.

Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond Guardian’s control and many of which are subject to change. These uncertainties and contingencies could cause actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, Guardian. Whether or not actual results differ materially from forward-looking statements may depend on numerous foreseeable and unforeseeable developments. Some may be national in scope, such as general economic conditions, changes in tax law and changes in interest rates. Some may be related to the insurance industry generally, such as pricing competition, regulatory developments and industry consolidation. Others may relate to Guardian specifically, such as credit, volatility and other risks associated with Guardian’s investment portfolio. Any forward-looking statements reflect Guardian’s views and assumptions as of the date of this presentation and Guardian disclaims any obligation to update forward-looking information, whether as a result of new information, future events, or otherwise.

# Guardian Life Funding-Agreement Backed Global Note Issuance Program

<b>Issuer</b>	Guardian Life Global Funding (Ticker: "GUARDN")
<b>Program Terms</b>	\$3 billion FA-backed GMTN program (144A / Reg S)
<b>Funding Agreement Issuer</b>	The Guardian Life Insurance Company of America ("Guardian")
<b>Guardian Financial Strength Ratings</b>	A.M. Best: A++   Fitch: AA+   Moody's: Aa2   S&P: AA+
<b>Listing</b>	Irish Stock Exchange



## Plans for Funding Agreement-Backed Notes

### **Guardian established the Guardian Life Funding Agreement-Backed Notes program to leverage Guardian's industry reputation and investment capabilities**

- The program will allow Guardian to grow its spread business by leveraging two core competencies, Guardian's high credit rating and the Investment Group's fundamental credit talent
- Guardian's considerable expertise in asset/liability and investment management, and strong financial flexibility provide a solid platform for establishing Funding Agreement backed program

### **Funding Agreements will be managed similarly to Guardian's retail annuities**

- Investment assets purchased with proceeds will be allocated in accordance with Guardian's existing investment guidelines and managed by existing fundamental credit teams
- Guardian's Funding Agreement program will be overseen by the same asset liability management ("ALM") team as Guardian's other products

# Guardian Investment Highlights

<b>Commitment to mutual status</b>	<ul style="list-style-type: none"> <li>▪ Long-term financial strength and stability and the payment of competitive dividends as primary objectives</li> <li>▪ Does not experience the same short-term earnings pressures as its publicly-traded life insurance peers</li> </ul>
<b>Diversified product portfolio</b>	<ul style="list-style-type: none"> <li>▪ Diversity of product portfolio allows it to meet the needs of its clients</li> <li>▪ Provides diversification of earnings and reduces volatility in financial results</li> </ul>
<b>Industry-leading products</b>	<ul style="list-style-type: none"> <li>▪ 4<sup>th</sup> largest writer of participating whole life insurance in 2015 according to LIMRA</li> <li>▪ High net worth customer base has resulted in larger average premiums per policy than most peers</li> <li>▪ Dental business ranked first in in-force PPO cases in 2015 LIMRA survey results</li> </ul>
<b>Highly productive career agent system</b>	<ul style="list-style-type: none"> <li>▪ Career agent system consists of over 2,981 active agents and enjoys one of the highest retention rates in the industry</li> <li>▪ Benefits include the commitment of career agents to the long-term protection of clients and the long-term financial success, financial strength and stability of Guardian</li> </ul>
<b>Strong balance sheet</b>	<ul style="list-style-type: none"> <li>▪ Strong financial strength and capitalization, with strong insurance financial strength / claims paying ability ratings, and regulatory capital ratios in excess of required regulatory levels</li> <li>▪ Investment portfolio is conservative and well-diversified, with approximately 94% of fixed-income investments rated investment grade as of December 31, 2015</li> </ul>
<b>Long-term track record</b>	<ul style="list-style-type: none"> <li>▪ Strong operating results with 2015 statutory net income of \$433 million and consistently profitable</li> <li>▪ Net income and policyholder surplus increased at a CAGR of approximately 6% and 7%, respectively, from 2003 to 2015</li> </ul>
<b>Strong Enterprise Risk Management</b>	<ul style="list-style-type: none"> <li>▪ Strong enterprise risk management culture with internal controls, reporting and oversight systems</li> <li>▪ Low product risk profile with focus on participating life insurance, annually renewable group insurance, and a conservative set of product guarantees</li> </ul>
<b>Accomplished and deep management</b>	<ul style="list-style-type: none"> <li>▪ Well-respected executives with extensive experience in the industry and at Guardian</li> </ul>

# Guardian Overview

**Founded in New York in 1860, Guardian provides life and disability insurance, employee benefits, retirement services and investment products**

**Dividends paid to policyholders every year since 1868**

**Converted to a mutual company in 1925**

**4<sup>th</sup> largest mutual life insurance company in the U.S based on surplus according to NAIC peer-compiled data**

- Surplus of \$6.1 billion as of December 31, 2015
- Total adjusted capital of \$7.4 billion as of December 31, 2015
- Total life insurance in-force of \$555.5 billion as of December 31, 2015

**3 principal business segments<sup>(a)</sup>**

- Individual Insurance: Individual life insurance (\$3,669 million) / Individual disability income insurance (\$558 million)
- Group Insurance (\$3,474 million)
- Retirement Products and Services (\$1,674 million)

**Leading market positions**

- 4<sup>th</sup> largest writer of participating whole life insurance in the industry in 2015 according to LIMRA sales report
- BLICOA is a top 5 writer of Individual disability insurance according to the LIMRA Disability Income Sale survey
- Dental business ranked first in in-force PPO cases according to 2015 LIMRA survey results

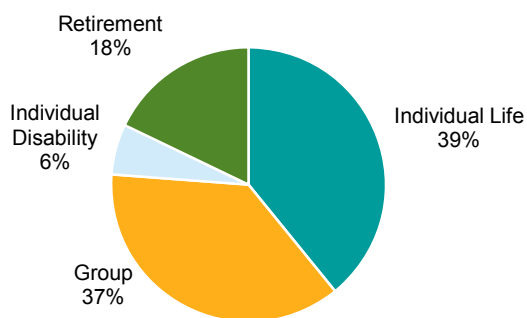
(a) 2015 consolidated statutory premium income. Please see page 13 for discussion of our recent business operating model reorganization.  
Sources: NAIC, LIMRA, Statutory filings

# Guardian Business Profile

## Individual Insurance

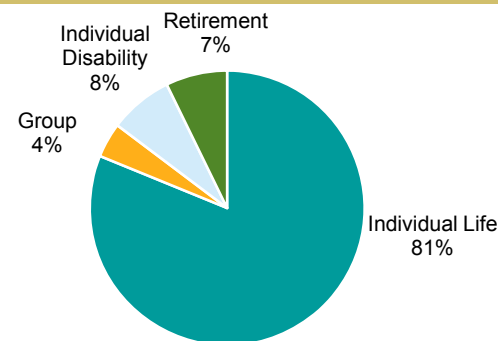
	Individual Life	Individual Disability	Group Insurance	Retirement Products and Services
Products	<ul style="list-style-type: none"> <li>• Whole Life</li> <li>• Term Life</li> <li>• Universal Life</li> <li>• Variable Universal Life</li> </ul>	<ul style="list-style-type: none"> <li>• Individual Disability</li> <li>• Multi-Life Disability</li> </ul>	<ul style="list-style-type: none"> <li>• Dental</li> <li>• Short and Long Term Disability</li> <li>• Life and AD&amp;D</li> <li>• Absence Management Administration</li> <li>• Vision</li> <li>• Critical Illness</li> <li>• Stop Loss</li> <li>• Accident</li> <li>• Cancer</li> </ul>	<ul style="list-style-type: none"> <li>• Fixed Annuities</li> <li>• Variable Annuities</li> <li>• 401(k) Plans / Defined Contribution</li> </ul>
Target Markets	<ul style="list-style-type: none"> <li>• SME Businesses and Owners</li> <li>• Professionals</li> <li>• Principals and Partners</li> </ul>	<ul style="list-style-type: none"> <li>• Small Business Owners</li> <li>• Professionals</li> <li>• Executives</li> </ul>	<ul style="list-style-type: none"> <li>• Employers with 2 – 10,000 employees</li> </ul>	<ul style="list-style-type: none"> <li>• Companies with less than \$1mm to \$10mm in retirement plan assets</li> <li>• Affluent and Emerging Affluent Individuals</li> </ul>
Distribution	<ul style="list-style-type: none"> <li>• 67 General Agencies and Guardian-managed agencies</li> <li>• Over 2,981 Career Agents</li> <li>• Banks and Broker-dealers</li> </ul>		<ul style="list-style-type: none"> <li>• 235 Group Sales Professionals</li> <li>• 90 Account Managers</li> <li>• Over 15,000 Active Group Brokers and Benefit Consultants</li> </ul>	<ul style="list-style-type: none"> <li>• Internal Wholesaling Force</li> <li>• Broker-dealers</li> </ul>

2015 Consolidated statutory premium income<sup>(a)</sup>



**Total: \$9,375 million**

2015 Consolidated statutory reserves<sup>(b)</sup>



**Total: \$40,754 million**

(a) Premium income is net of reinsurance. The total consolidates financial information from statutory financial statements of Guardian (parent company), BLICOA and GIAC (subsidiaries).  
 (b) Reflects general account reserves only (excludes separate account reserves).

## Experienced Management Team

Name	Age	Title	Insurance Industry Experience
<b>Deanna Mulligan</b>	52	President & CEO	30
<b>Marc Costantini</b>	46	EVP, Chief Financial Officer	26
<b>D. Scott Dolfi</b>	53	Chief Operating Officer	19
<b>Michael Slipowitz</b>	57	SVP, Corporate Chief Actuary & Chief Risk Officer	36
<b>Tracy Rich</b>	64	EVP, General Counsel	34
<b>Thomas Sorell</b>	60	EVP, Chief Investment Officer	26 <sup>(a)</sup>

Note: Ages as of January 2016.

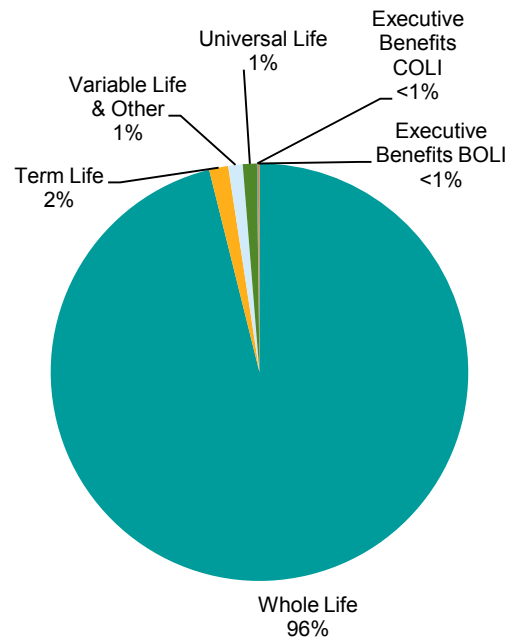
(a) Thomas Sorell has 36 years of cumulative investment experience.



# Individual Insurance Segment

## Individual Life

(\$USD millions)  
2015 business mix by premium income



**Total premium income<sup>(a)</sup>: \$3,669 million**

(a) Premium income is net of reinsurance.  
(b) According to the 2015 LIMRA Sales Report.

## Description

### Key products

- Participating Whole Life (96% of individual life product segment premium income in 2015)
- Term Life

### Distribution model

- Highly trained, productive career agent network
- Growing brokerage business for participating products

### Strategy

- Continue focus on Whole Life business while maintaining diversified product portfolio to meet wide array of needs
- Target affluent and emerging affluent market segments including professionals, business owners, small- and mid-sized businesses, corporations, banks, principals and partners
- Invest substantially to enable career agent network to more effectively run their businesses and better serve customers

### Market position

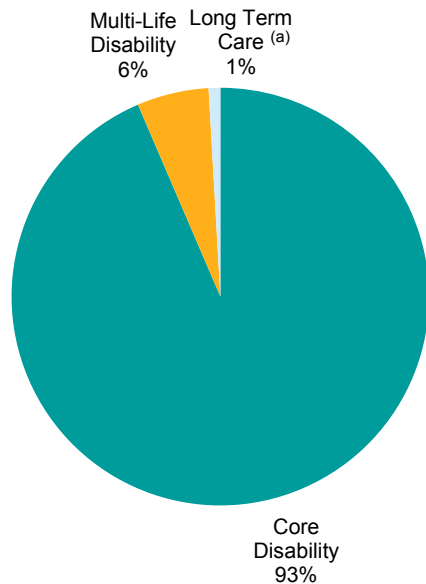
- 4<sup>th</sup> largest writer of participating whole life insurance; the highest average life premium in the market by a multiple greater than 2<sup>(b)</sup>

# Individual Insurance Segment

## Individual Disability

(\$USD millions)

### 2015 business mix by premium income



Total premium income<sup>(b)</sup>: \$558 million

### Description

#### Key products

- Individual Disability
- Multi-Life Disability (introduced in 2007)

#### Distribution model

- Career agent network and brokers
- Wholesalers for Multi-Life

#### Strategy

- Focus on small business owners, professionals and executives
- Multi-Life plans for measured growth
- Maintain outsourcing / reinsurance model for long-term care; long-term care block is in runoff

#### Market position

- BLICOA is a top 5 writer of individual disability insurance

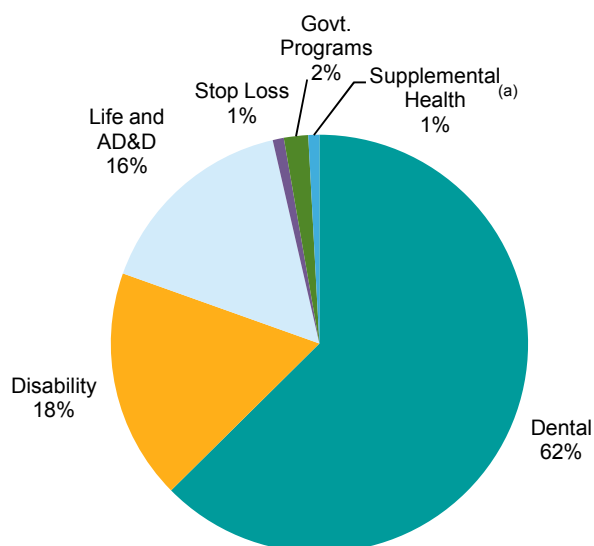
(a) Long-term care product not offered since 2011.

(b) Premium income is net of reinsurance.

# Group Insurance Segment

(\$USD millions)

## 2015 business mix by premium income



Total premium income<sup>(b)</sup>: \$3,474 million

(a) Medical product not offered since 2011.

(b) Premium income is net of reinsurance.

(c) DHMO products are marketed in California, Florida, Illinois, Indiana, Michigan, Missouri, New Jersey, New York, Ohio and Texas.

## Description

### Key products

- **Dental** – PPO and Dental HMO plans offered throughout the United States<sup>(c)</sup>
- **Disability** – long and short-term
- **Life** – death benefit for a fixed period
- **Vision** – Primarily a PPO product that provides comprehensive benefits
- **Supplemental Health** – Accident, Critical Illness and Hospital Indemnity products marketed at worksite

### Distribution model

- Long-term relationships with independent brokers through highly trained sales reps and benefit advisors
- Currently 235 group sales professionals and 15,000 brokers with in-force group insurance product business

### Strategy

- Focus on employers with up to 10,000 employees
- Expand leading presence in dental, maintain niche presence in life insurance and disability
- Ongoing focus on high quality customer service, product leadership, and tenured sales force
- Majority of the business is re-priceable annually

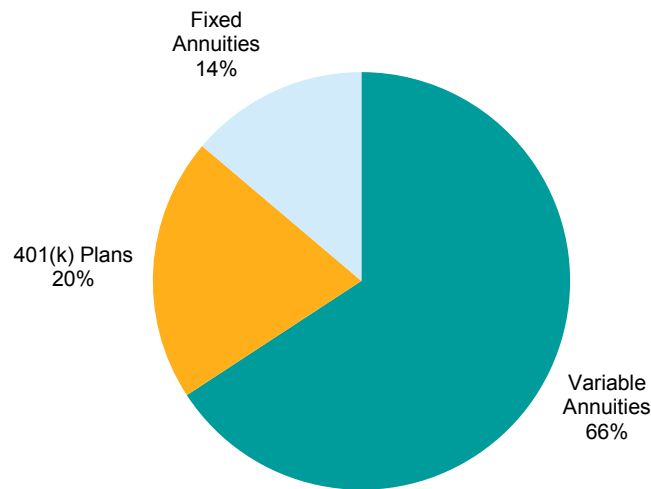
### Market position

- Dental business ranked first in in-force PPO cases sold according to 2015 LIMRA survey results

# Retirement Products and Services Segment

(\$USD billions)

## 2015 business mix by AUM



Total AUM: \$15.2 billion

## Description

### Key products

- **Annuities** – single premium deferred and immediate fixed annuities, variable annuities
- **401(k) plans** – focused on plan sizes under \$10 million

### Distribution model

- **Annuities** – fixed annuities sold through GIAC's wholesaling force and third-party registered broker-dealers; variable annuities are distributed primarily through Park Avenue Securities, a registered broker-dealer that Guardian indirectly wholly owns
- **401(k) plans** – distributed through career agents and select 3<sup>rd</sup> parties

### Strategy

- Maintain strong penetration in our career agencies while capturing increasing share of select independent distribution
- Manage product portfolio to remain competitive and profitable while continuing to support customers' needs for guaranteed income for life

# Recent Developments

## Operating Model Reorganization

- Effective March 9, 2016, Guardian announced a shift of its operating model from a set of businesses defined by product (Group, Individual Life, Individual Disability, Retirement Solutions) to a more client-segment focused organization
- Guardian will now be operated through two separate operating organizations - Individual Markets and Group and Worksite Markets
  - Individual Markets will combine the products and services Guardian provides directly to individual clients primarily through its general agency distribution channel
  - Group and Worksite Markets will provide products and services to individual end customers distributed primarily to and through employers and other groups

## RS Investment Management Co. LLC Divestiture

- On December 18, 2015, Victory Capital entered into a purchase agreement to acquire RS Investment Management Co. LLC from Guardian. The closing of the transaction is pending the satisfaction of customary closing conditions and the receipt of regulatory approvals

# Financial Priorities

**1**

**Preservation of capital and ratings**

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**2**

**Enterprise risk management**

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**3**

**Profitable growth**

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**4**

**Productivity and expense management**

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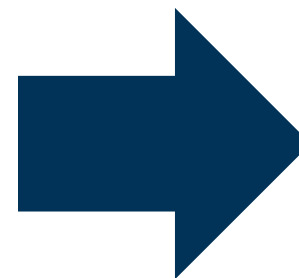
**5**

**Continued investment in business**

1

# Preservation of Capital and Ratings Strong, Conservative Balance Sheet

Total surplus	\$6.1 billion
Total adjusted capital	\$7.4 billion
Surplus notes (as % of TAC)	\$0.8 billion (11.5%)
Invested assets	\$43.2 billion
Senior debt	\$0.0 billion



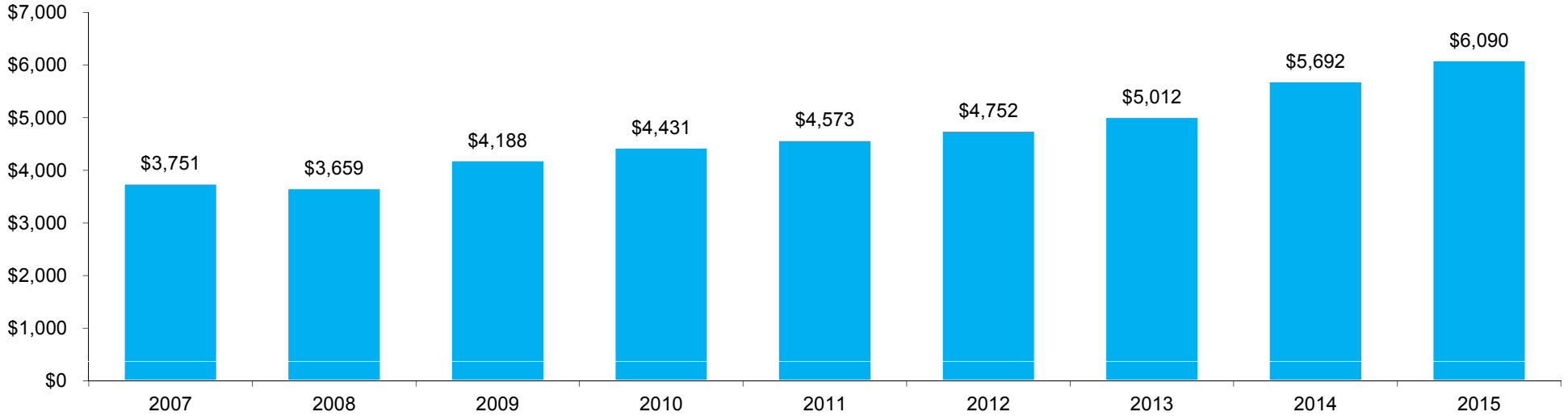
## Key takeaways

- Excellent financial strength
- Very high investment liquidity
- Very low leverage

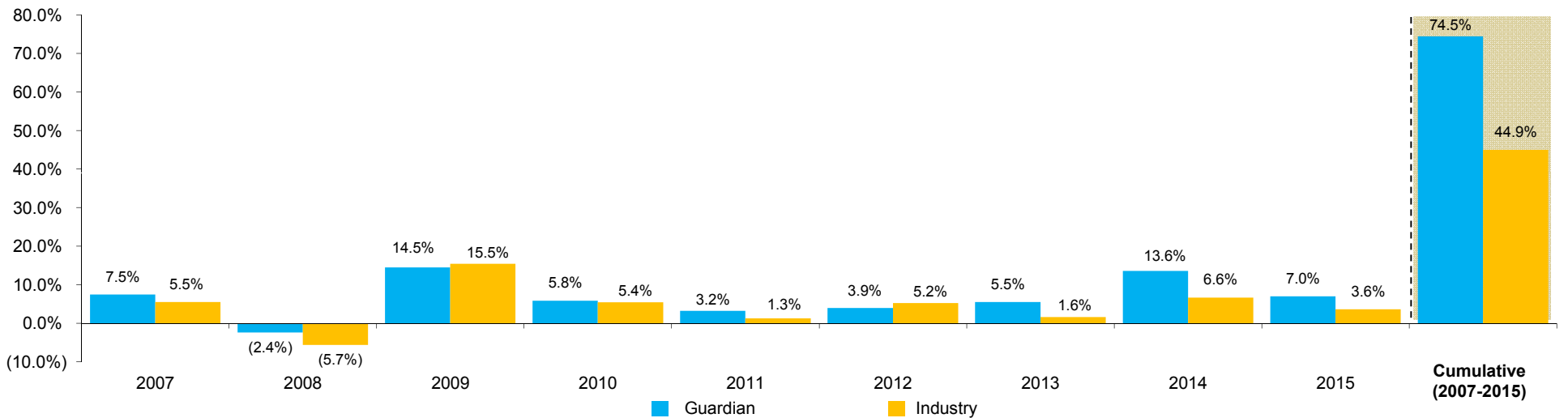
# 1

## Preservation of Capital and Ratings Proven Ability to Grow Capital

Total surplus (\$USD millions)



Increase in total surplus over time



Note: Growth in surplus includes issuance of surplus notes in 2009 and 2014. Cumulative increase in surplus is from beginning of 2007 to end of 2015. "Industry" comprises all life insurance underwriters domiciled in the U.S. that file statutory reports with NAIC.

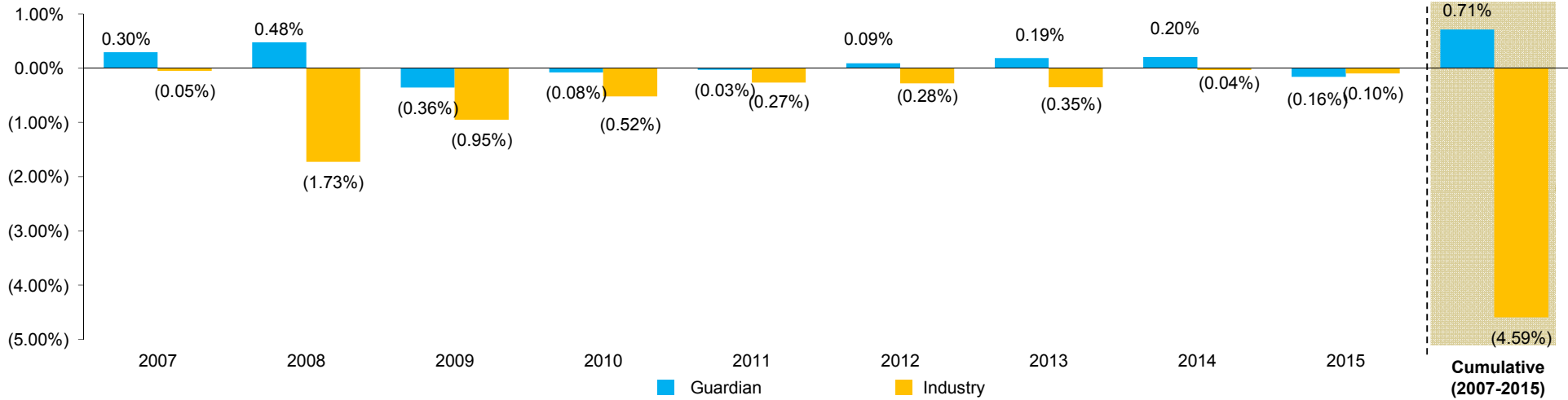
Source: SNL Financial



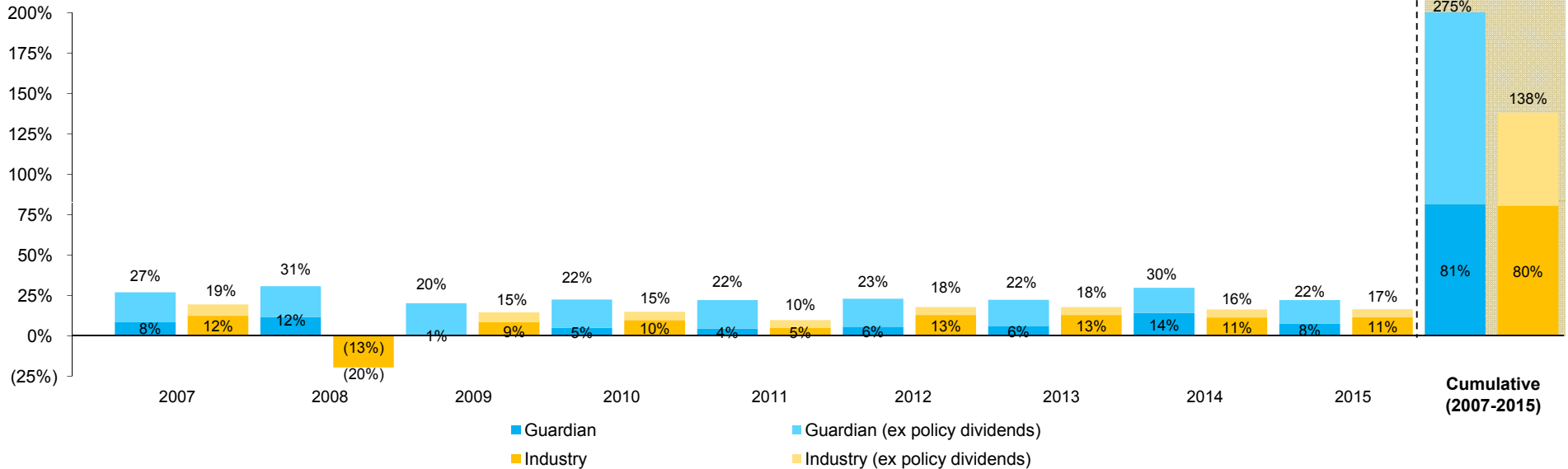
# 1

## Preservation of Capital and Ratings Proven Ability to Withstand Stress Scenarios

Net realized capital gains / (losses) as a % of BOP invested assets



Net income as a % of BOP surplus



Note: Growth in surplus includes issuance of surplus notes in 2009 and 2014. "Industry" comprises all life insurance underwriters domiciled in the U.S. that file statutory reports with NAIC.  
Source: SNL Financial

## 1

## Preservation of Capital and Ratings

### Consistently Top-Tier Financial Strength Ratings

Agency	Current	
	Guardian Financial Strength	Outlook
A.M. Best	A++ (Superior – highest of 15 ratings) <i>Upgraded in November 2008 from A+</i>	Stable
Fitch	AA+ (Very Strong – 2 <sup>nd</sup> highest of 21 ratings) <i>Upgraded in October 2007 from AA</i>	Stable
Moody's	Aa2 (Excellent – 3 <sup>rd</sup> highest of 21 ratings) <i>Since 2003</i>	Stable
S&P	AA+ (Very Strong – 2 <sup>nd</sup> highest of 22 ratings) <i>Upgraded in July 2008 from AA</i>	Stable

- Guardian's ratings profile has been strong across all agencies over the last 10 years

# Enterprise Risk Management

## Low Enterprise Risk Profile

### Guardian risk profile

- Very low product risk profile
  - Participating life insurance
  - Annual renewal of Group products
  - Limited product guarantees
- Well managed investment portfolio
  - Diversified investments within asset classes
  - Avoided structured finance securities that were adversely impacted during the credit crisis
  - Dynamic hedging program protects capital
- Very low liquidity and withdrawal risks
- Very strong capital position
- Demonstrated willingness and ability to change course if risks dictate; as evidenced by exit from long-term care, medical products and Executive Benefits – COLI; and restrained Variable Annuity sales

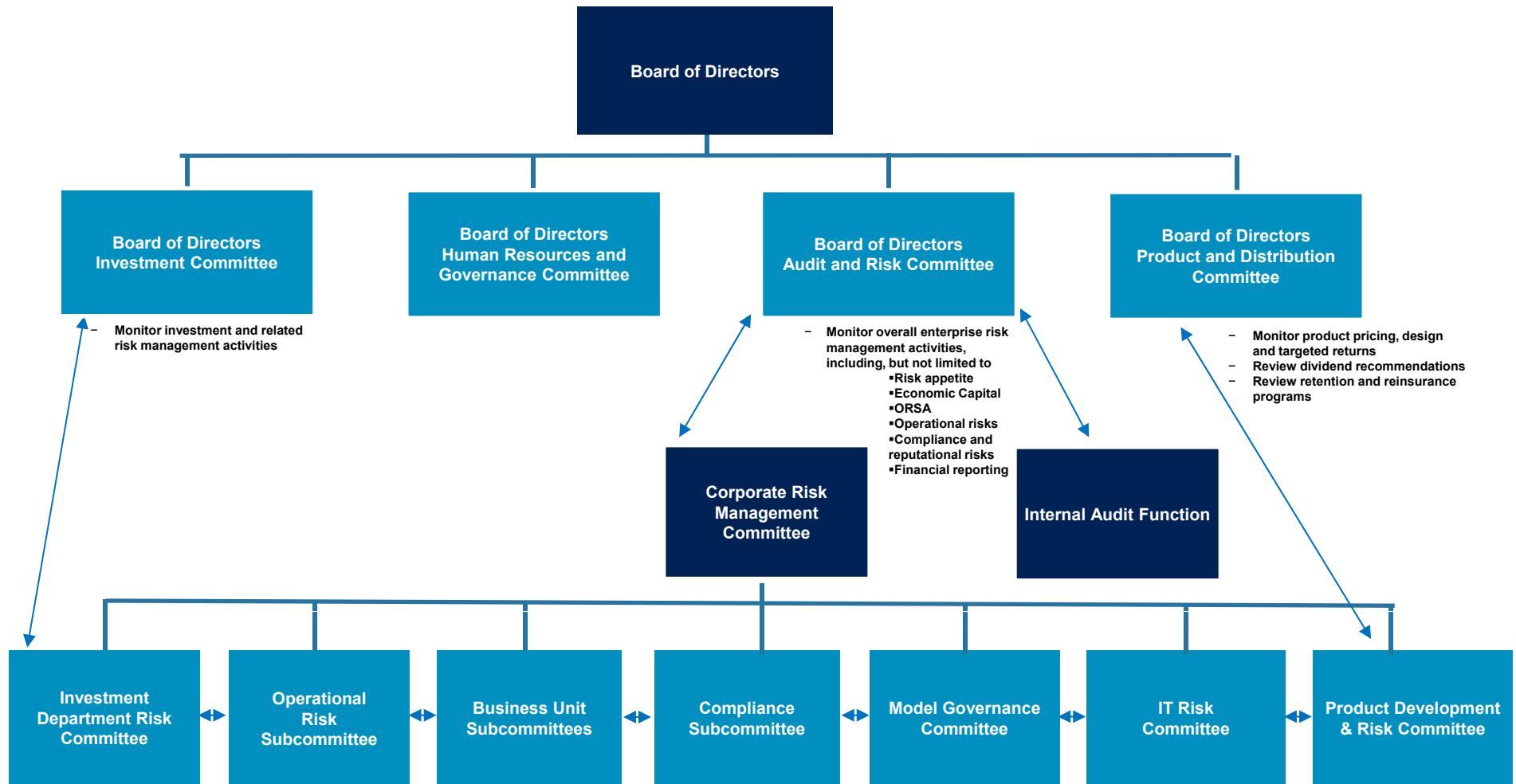
### Recent focus

- Investments
- Economic Capital
- Stress Scenario Testing
- Risk Appetite
- New Products
- Operational Risk
- Compliance
- Cyber-security

# 2

## Enterprise Risk Management Formal Risk Governance Structure

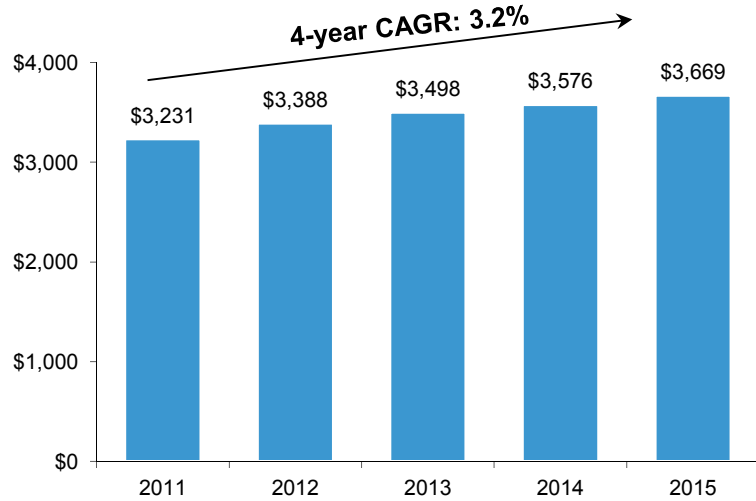
Guardian has a formal risk governance and organizational structure to monitor and manage enterprise risk with assigned responsibilities



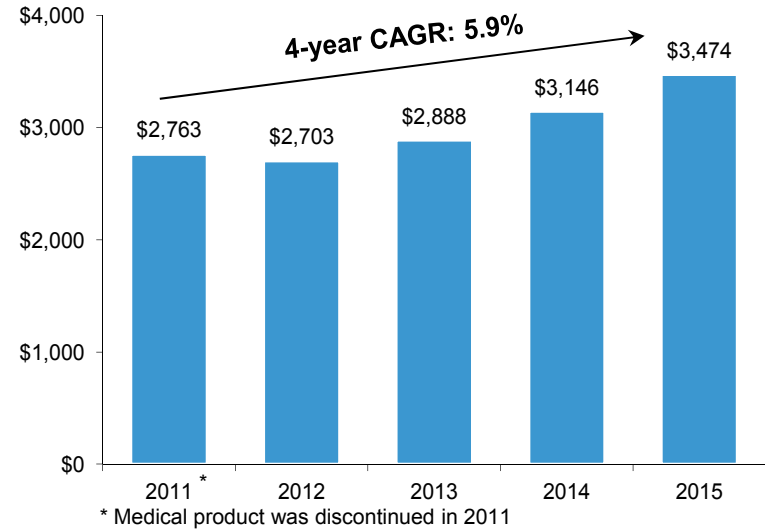
3

# Profitable Growth Premium / Assets Under Management Growth

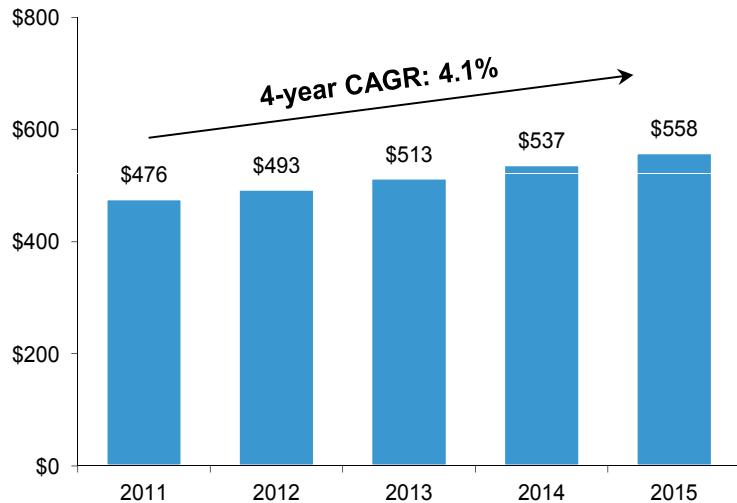
## Individual Life



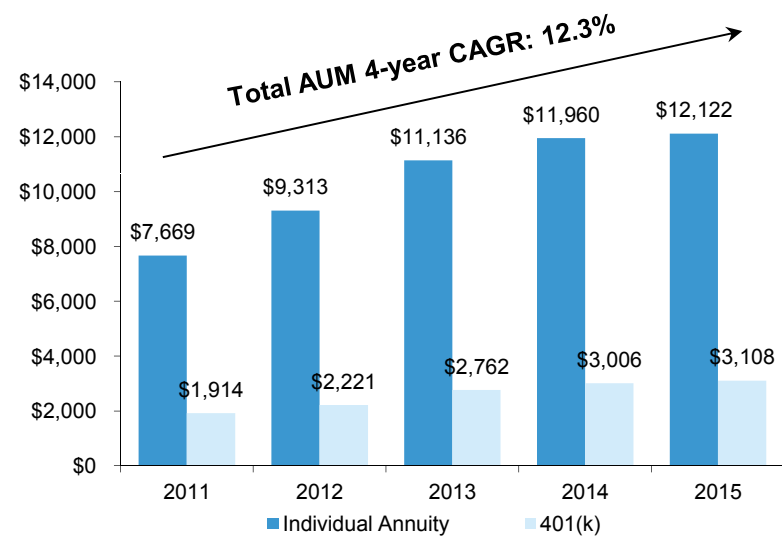
## Group



## Individual Disability



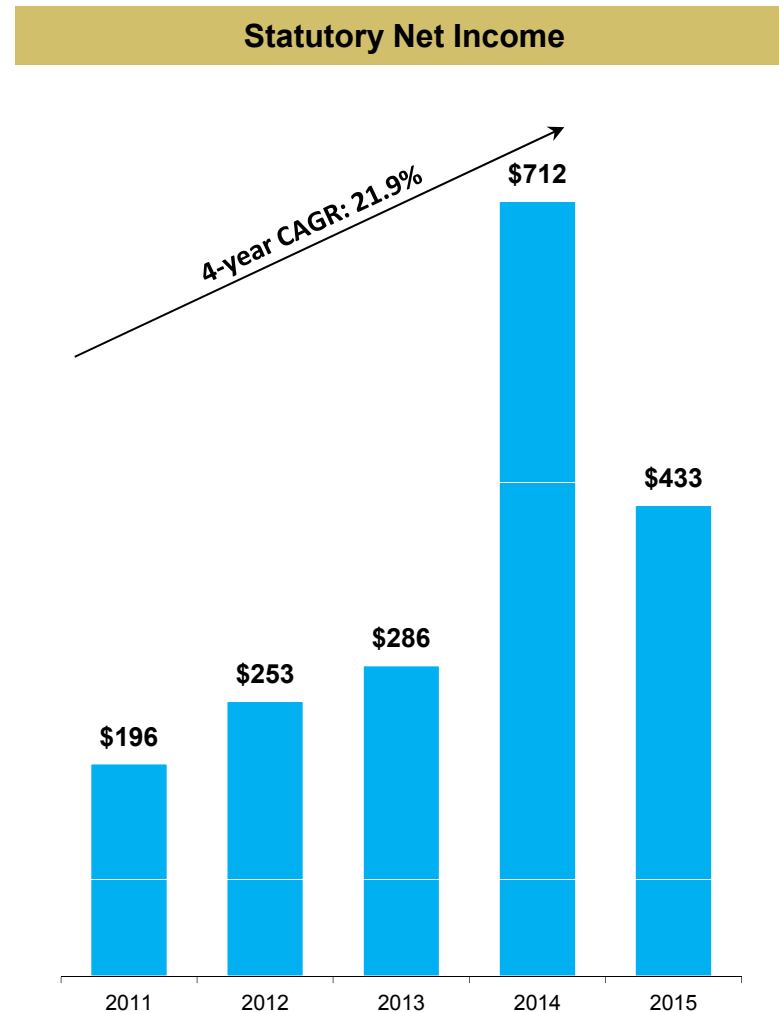
## Retirement Products and Services (AUM)



## 3

## Profitable Growth Increased Capital Generation

(\$USD millions)	Year ended December 31,				
	2011	2012	2013	2014	2015
Premiums <sup>(a)</sup>	\$5,860	\$5,998	\$8,734 <sup>(a)</sup>	\$6,999	\$7,334
Net investment income	1,715	1,728	1,765	2,146 <sup>(b)</sup>	1,985
Other income	169	241	407	397	376
<b>Total revenue</b>	<b>\$7,744</b>	<b>\$7,967</b>	<b>\$10,906</b>	<b>\$9,542</b>	<b>\$9,695</b>
Benefit payments to policyholders	3,401	3,333	3,659	3,858	4,104
Total benefits and expenses	6,672	6,891	9,781*	8,027	8,289
<b>Gain from operations before taxes and dividends</b>	<b>\$1,072</b>	<b>\$1,076</b>	<b>\$1,125</b>	<b>\$1,515</b>	<b>\$1,406</b>
<b>Net income</b>	<b>\$196</b>	<b>\$253</b>	<b>\$286</b>	<b>\$712</b>	<b>\$433</b>



Note: Statutory financials for parent company level.

(a) Represents premiums, annuity considerations and fund deposits. 2013 premiums include the impact of the BLICOA inter-company reinsurance transaction of \$2,306mm.

(b) Includes BLICOA dividend in 2014 of \$304 million.

## 4

# Productivity and Expense Management

**Guardian's profitability has been consistently above peer mutual average, while the company continues efforts to reduce expenses and invest in profitable growth areas**

**Guardian performed favorably in 2015 compared to its main competitors (Northwestern Mutual, New York Life, MassMutual):**

- #2 in ROC pre-tax before dividend with 20.1% in 2015 (vs. peer average of 17.2%)
- #1 in ROC pre-tax after dividend with 8.5% in 2015 (vs. peer average of 3.7%)
- #2 in ROA pre-tax before dividend with 2.2% in 2015 (vs. peer average of 1.6%)
- #1 in ROA pre-tax after dividend with 0.9% in 2015 (vs. peer average of 0.3%)
- #1 in pre-tax Operating Income as percentage of premium after dividend with 6.6% in 2015 (vs. peer average of 3.3%)

**Expense ratios<sup>(a)</sup> for Guardian's core business were in line with or better than peer mutual average in 2015**

- Individual Life: 18.8% (ranks #2, peer average: 19.7%)

(a) Expense ratios include general insurance expenses and commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).  
Source: SNL Financial

## 5

# Continued Investment in Business

## Acquisitions that expand service platform and strengthen Guardian's ability to deliver key products and services

### Strategic Rationale

<b>Avēsis Incorporated</b> (Jan 2016)	<ul style="list-style-type: none"> <li>Provides significant synergies with Guardian's extensive benefits portfolio, as well as those of Guardian's subsidiaries Premier Access Insurance Company and Access Dental Services</li> <li>Strengthens Guardian's government programs business with an experienced management team possessing deep knowledge of the market, a scalable operating and technology platform, existing relationships with leading managed care organizations and a broad product portfolio</li> </ul>
<b>Aon Hewitt's absence-management admin business</b> (Dec 2015)	<ul style="list-style-type: none"> <li>Makes Reed Group the industry's premier absence management services provider, surpassing the previous largest third-party administrator in size and capability</li> <li>Enhances Reed Group's capacity, expertise, technology and resources</li> </ul>
<b>Premier Access Insurance Company</b> (Aug 2014)	<ul style="list-style-type: none"> <li>Strengthens Guardian's existing Dental PPO and Dental HMO network in several states</li> <li>Extends Guardian's reach into the state-run Medicaid and CHIP dental markets which are expected to grow significantly</li> <li>Gains a dental presence on six individual state exchanges, complementing existing offering on 48 of the small business health ("SHOP") exchanges</li> </ul>
<b>Reed Group</b> (Dec 2012)	<ul style="list-style-type: none"> <li>Expands Guardian's disability and absence management portfolio</li> <li>Increases Guardian's ability to provide administrative services, software and content subscriptions to employers and insurance carriers to manage employee absences</li> </ul>

## Continued investments to increase distribution productivity and capacity

<b>Distribution system</b>	<ul style="list-style-type: none"> <li>Guardian has invested significant resources in expanding and strengthening its distribution system, including expansion into the Worksite market, where consumers are increasingly purchasing insurance products; and facilitating the succession of general agencies</li> <li>Management team remains committed to distribution excellence to generate profitable growth for the company</li> </ul>
<b>Client service</b>	<ul style="list-style-type: none"> <li>Specific customer segments are targeted via appropriate channels, leveraging technology to deliver products and service more efficiently</li> <li>Guardian remains committed to providing superior service that has been recognized by such organizations as J.D. Power and DALBAR</li> </ul>



# Guardian Investment Portfolio Objectives

## Guiding principles

- Competitive policyholder dividends
  - Strategic asset allocation
  - Tactical execution
  - Investment results

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- Protecting capital and financial strength ratings
  - Effective risk management
  - Achieving return objectives within risk constraints

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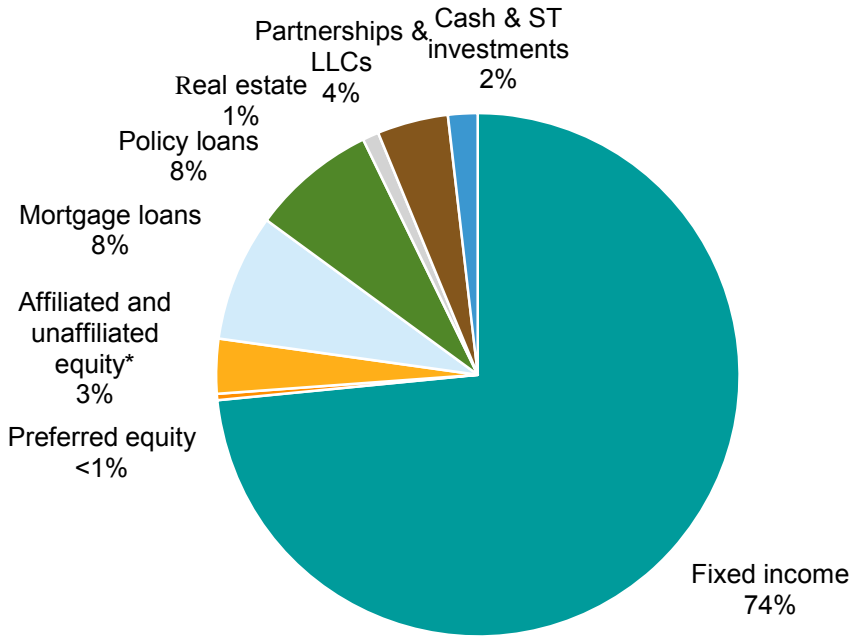
- Product support
  - Asset liability management (ALM)
  - New products – pricing, hedging

## Investment guidelines

- Well-diversified portfolios with risk limits
- Dynamic hedging program protects capital
- Actively manage credit and portfolio risks
- Conduct independent research
- Constantly identify and manage emerging risks
- Strong risk management culture, controls, reporting and oversight
- Experienced asset class specialists

# High Quality Investment Portfolio

## Invested assets by type



**\$43.2 billion total**

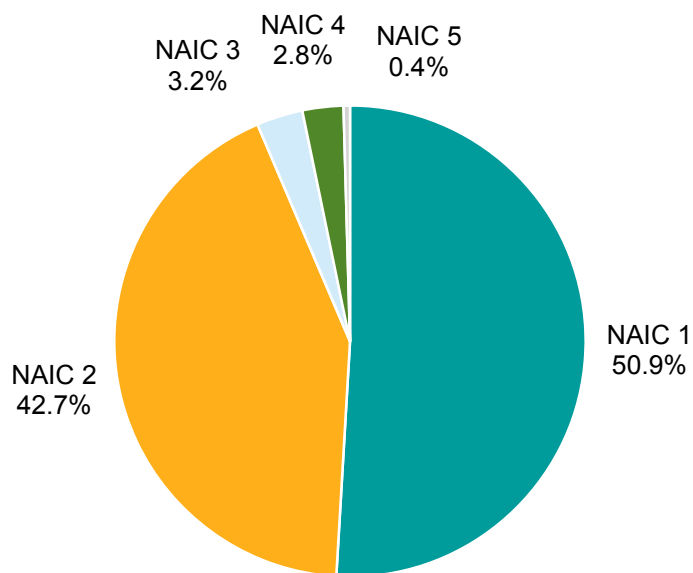
## Highlights

- Strong fixed income credit quality
- Approximately 94% of bond portfolio rated investment grade
- 2015 net investment portfolio yield of 4.91%

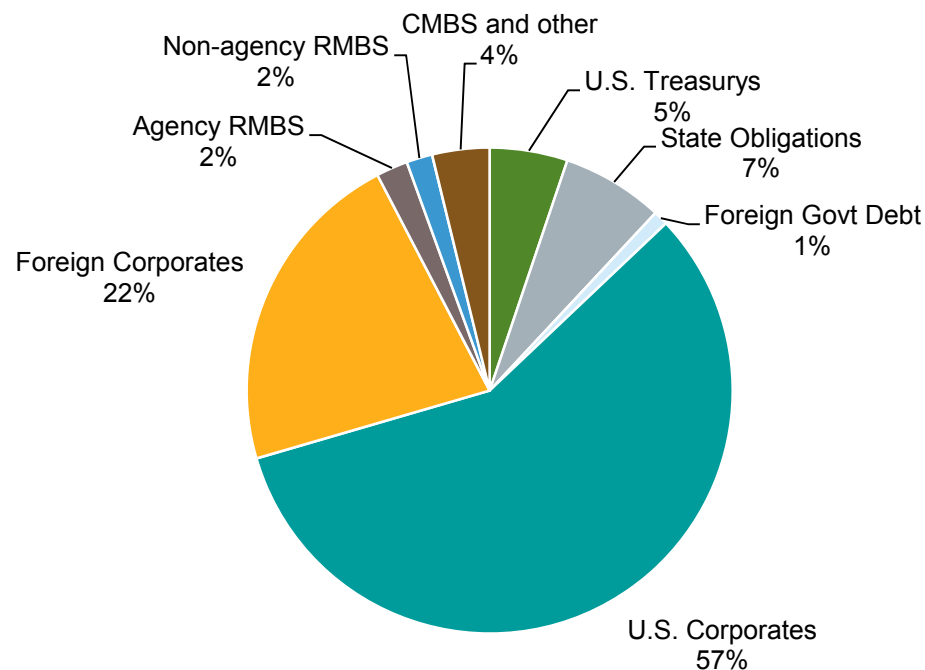
Note: Financials as of December 31, 2015. Percentages may not sum to 100% due to rounding. Portfolio yield is after deduction of all investment expenses.  
\* Unaffiliated equity = 1.1%.

# Breakdown of Fixed-Maturity Securities

By NAIC designation (a)



By Allocation (a)



**\$31.7 billion total**

Note: Financials as of December 31, 2015.

(a) Foreign securities are U.S. Dollar denominated excluding Foreign Private Placements for \$142 million that are currency hedged into U.S. Dollars.

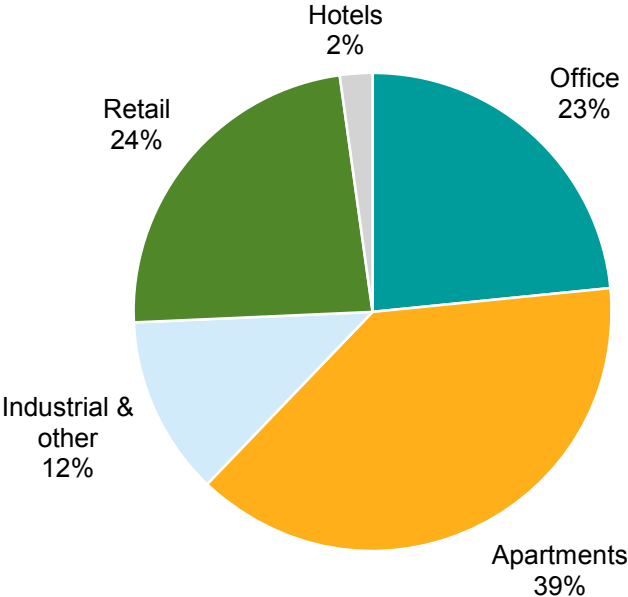
# Collateralized Securities are Highly Rated

(\$USD millions)	Mortgage-Backed and Other Asset-Backed Securities					Carrying Value						
	December 31, 2015					NAIC 1	NAIC 2	NAIC 3	NAIC 4	NAIC 5	NAIC 6	Total
	Carrying Value	% of Total	Fair Value	% of Total	Gains / (Losses)							
<b>Residential mortgage-backed securities:</b>												
Government Agency	\$664	27.4%	\$677	27.8%	\$13.3	\$664	--	--	--	--	--	\$664
Non-Agency RMBS	549	22.6%	544	22.4%	(4.6)	531	5	4	9	--	--	549
CMBS	1,156	47.7%	1,158	47.6%	2.4	1,156	--	--	--	--	--	1,156
Asset Backed Securities (ABS)	54	2.2%	55	2.3%	0.6	20	35	--	--	--	--	54
<b>Total</b>	<b>\$2,422</b>	<b>100.0%</b>	<b>\$2,434</b>	<b>100.0%</b>	<b>\$12</b>	<b>\$2,370</b>	<b>\$40</b>	<b>\$4</b>	<b>\$9</b>	<b>--</b>	<b>--</b>	<b>\$2,422</b>

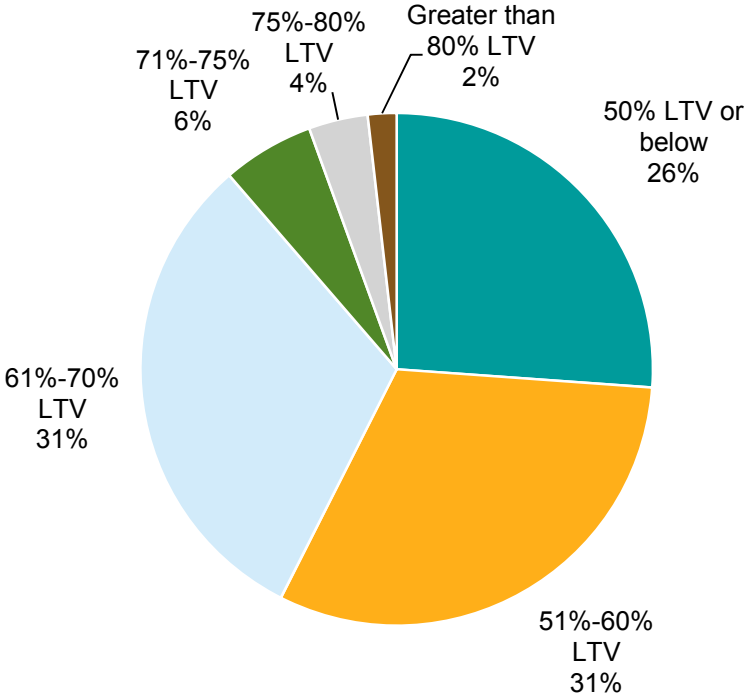
Note: Financials as of December 31, 2015.

# Composition of Mortgage Loan Portfolio

**By Type**



**By LTV Range**



**\$3.4 billion total**

Note: Financials as of December 31, 2015.



## **Appendix**

Additional Financial Information

# Financial Summary

(\$ in Millions)	2011	2012	2013	2014	2015
<b>Selected Income Statement Data</b>					
Premiums, Considerations and Deposits	\$5,860	\$5,998	\$8,734	\$6,999	\$7,334
Net Investment Income	1,715	1,728	1,765	2,146	1,985
Total Revenue	7,744	7,967	10,906	9,542	9,695
Total Benefits and Expenses	6,672	6,891	9,781	8,027	8,289
Net Income	196	253	286	712	433
<b>Selected Balance Sheet Data</b>					
Total Invested Assets	\$33,023	\$35,479	\$37,711	\$40,633	\$43,180
Total Assets	35,127	37,529	42,066	45,296	48,121
Total Reserves	26,732	28,621	32,685	34,856	37,031
Surplus Notes	396	396	396	845	845
Capital and Surplus	4,573	4,752	5,012	5,692	6,090

Source: Statutory filings, SNL Financial



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