

# **TruStage Financial Group, Inc. and Subsidiaries**

**Consolidated Financial Results, Unaudited**

**As of September 30, 2025 and December 31, 2024 and**

**For the Nine Months Ended September 30, 2025 and 2024**



**TruStage Financial Group, Inc. and Subsidiaries**

Consolidated Balance Sheets, unaudited  
September 30, 2025 and December 31, 2024  
(000s omitted)

<b>Assets</b>	September 30, 2025	December 31, 2024 (as restated)
<b>Cash and investments</b>		
Debt securities, available for sale, at fair value, net	\$ 24,403,772	\$ 23,396,397
Debt securities, trading, at fair value, net	47,752	50,136
Equity securities	361,349	392,636
Mortgage loans, net	4,928,781	4,530,714
Policy loans	156,122	145,316
Equity in unconsolidated affiliates	45,884	51,843
Limited partnerships	3,086,279	2,945,901
Securities lending assets	558,600	575,075
Derivative assets, at fair value	1,512,168	1,218,639
Other invested assets	327,441	374,599
<b>Total investments</b>	<b>35,428,148</b>	<b>33,681,256</b>
Cash and cash equivalents	434,897	385,251
<b>Total cash and investments</b>	<b>35,863,045</b>	<b>34,066,507</b>
Accrued investment income	282,677	266,861
Premiums receivable, net	355,879	349,846
Reinsurance recoverables, net	3,194,109	3,144,483
Net federal income taxes recoverable	42,313	34,049
Deferred policy acquisition costs	1,967,041	1,803,644
Value of business acquired	118,791	123,323
Office properties, equipment and computer software at cost, net	263,154	273,380
Net deferred tax asset	601,794	692,956
Goodwill, net	591,076	589,262
Intangible assets, net	50,640	56,113
Assets on deposit	1,697,710	1,673,968
Other assets and receivables	462,923	451,814
Market risk benefits, assets	70,188	57,676
Separate account assets	3,843,406	3,873,941
<b>Total assets</b>	<b>\$ 49,404,746</b>	<b>\$ 47,457,823</b>

**TruStage Financial Group, Inc. and Subsidiaries**

Consolidated Balance Sheets, unaudited - continued

September 30, 2025 and December 31, 2024

(000s omitted)

	September 30, 2025	December 31, 2024 (as restated)
<b>Liabilities and Stockholder's Equity</b>		
<b>Liabilities</b>		
Policyholder account balances	\$ 22,504,517	\$ 22,153,788
Claim and policy benefit reserves - life and health	11,792,656	11,181,348
Market risk benefits, liability	53,996	53,560
Loss and loss adjustment expense reserves - property and casualty	922,100	802,551
Unearned premiums	1,672,100	1,473,904
Notes and interest payable	1,235,510	1,461,243
Dividends payable to policyholders	14,079	14,379
Reinsurance payable	82,303	98,638
Net federal income taxes payable	-	5,695
Accrued pension and postretirement benefit liability	144,002	136,453
Payable for securities lending	558,600	575,075
Derivative liabilities, at fair value	624,082	535,009
Accounts payable and other liabilities	1,702,965	1,493,251
Separate account liabilities	3,843,406	3,873,941
<b>Total liabilities</b>	<b>45,150,316</b>	<b>43,858,835</b>
<b>Stockholder's equity</b>		
Additional paid in capital	22,500	22,500
Retained earnings	5,561,183	5,286,741
Accumulated other comprehensive income (loss), net	(1,329,253)	(1,710,253)
<b>Total stockholder's equity</b>	<b>4,254,430</b>	<b>3,598,988</b>
<b>Total liabilities and stockholder's equity</b>	<b>\$ 49,404,746</b>	<b>\$ 47,457,823</b>

**TruStage Financial Group, Inc. and Subsidiaries**

Consolidated Statements of Operations and Comprehensive Income, unaudited

Nine Months Ended September 30, 2025 and 2024

(000s omitted)

	September 30, 2025	September 30, 2024 (as restated)
<b>Revenues</b>		
Life and health premiums, net	\$ 1,701,617	\$ 1,761,106
Contract charges	289,406	309,104
Property and casualty premiums, net	1,093,901	983,547
Net investment income	1,060,035	1,002,673
Net realized investment (losses)	(118,607)	(144,973)
Commission and fee income	336,229	327,526
Other income	63,524	71,470
<b>Total revenues</b>	<b>4,426,105</b>	<b>4,310,453</b>
<b>Benefits and expenses</b>		
Life and health insurance claims and benefits, net	1,403,945	1,440,402
Policyholder liability remeasurement (gains)	(29,512)	(36,864)
Market risk benefits (gains)	(6,887)	(20,646)
Property and casualty insurance loss and loss adjustment expenses, net	672,541	648,655
Interest credited to policyholder account balances	395,320	379,813
Policyholder dividends	21,380	23,044
Operating and other expenses	1,619,940	1,616,766
<b>Total benefits and expenses</b>	<b>4,076,727</b>	<b>4,051,170</b>
<b>Income from operations before income taxes and equity of unconsolidated affiliates</b>		
	349,378	259,283
Income tax expense	65,094	38,382
<b>Income from operations before equity of unconsolidated affiliates</b>		
	284,284	220,901
Equity in (loss) of unconsolidated affiliates, net of tax	(9,842)	(9,208)
<b>Net income</b>	<b>274,442</b>	<b>211,693</b>
Foreign currency translation adjustment, net of tax	(822)	2,500
Change in unrealized gains, net of tax	546,761	479,286
Change in current discount rate - liability for future policy benefits, net of tax	(179,626)	37,796
Change in instrument-specific credit risk - market risk benefits, net of tax	648	(7,928)
Change in pension liability, net of tax	14,039	15,107
<b>Other comprehensive income</b>	<b>381,000</b>	<b>526,761</b>
<b>Total comprehensive income</b>	<b>\$ 655,442</b>	<b>\$ 738,454</b>

**TruStage Financial Group, Inc. and Subsidiaries**

Consolidated Statement of Stockholder's Equity, unaudited  
For the Years Ended December 31, 2024 and 2023 and the  
Nine Months Ended September 30, 2025  
(000s omitted)

	Additional	Retained	Accumulated	Total
	paid in	earnings	other	stockholder's
	capital		comprehensive	equity
			income (loss)	
<b>Balance, January 1, 2023</b>	<b>\$ 22,500</b>	<b>\$ 4,810,879</b>	<b>\$ (2,789,581)</b>	<b>\$ 2,043,798</b>
Cumulative effect of change in accounting principles, net of income tax	-	(36,469)	347,852	311,383
Net income	-	242,598	-	242,598
Other comprehensive income	-	-	497,687	497,687
<b>Balance, December 31, 2023, as restated</b>	<b>\$ 22,500</b>	<b>\$ 5,017,008</b>	<b>\$ (1,944,042)</b>	<b>\$ 3,095,466</b>
Net income	-	269,733	-	269,733
Other comprehensive income	-	-	233,789	233,789
<b>Balance, December 31, 2024, as restated</b>	<b>\$ 22,500</b>	<b>\$ 5,286,741</b>	<b>\$ (1,710,253)</b>	<b>\$ 3,598,988</b>
Net income	-	274,442	-	274,442
Other comprehensive income	-	-	381,000	381,000
<b>Balance, September 30, 2025</b>	<b>\$ 22,500</b>	<b>\$ 5,561,183</b>	<b>\$ (1,329,253)</b>	<b>\$ 4,254,430</b>

**TruStage Financial Group, Inc. and Subsidiaries**

Consolidated Statements of Cash Flows, unaudited  
Nine Months Ended September 30, 2025 and 2024  
(000s omitted)

	September 30, 2025	September 30, 2024 (as restated)
<b>Cash flows from operating activities</b>		
Net income	\$ 274,442	\$ 211,693
Adjustments to reconcile net income from operations to net cash provided by operating activities:		
Undistributed (income) of limited partnerships	2,655	(60,889)
Net realized investment losses	118,607	144,973
Undistributed losses of unconsolidated subsidiaries	9,842	9,208
Amortization of value of business acquired	7,957	8,573
Policy acquisition costs deferred	(543,295)	(554,928)
Amortization of deferred policy acquisition costs	383,342	350,176
Depreciation of office properties, equipment, computer software and real estate	26,987	29,831
Amortization of intangible assets	5,527	22,897
Amortization of premium and discount and low-income housing tax credits	55,836	64,832
Deferred income tax expense (benefit)	22,161	15,802
Policyholder charges on investment-type contracts	(419,396)	(551,720)
Interest credited to policyholder account balances	395,320	379,813
Proceeds from divestiture	-	(5,615)
Changes in other assets and liabilities		
Sales of debt securities, trading	4,000	12,000
Accrued investment income	(15,817)	(29,781)
Premiums receivable	(6,030)	(4,801)
Reinsurance recoverables	(32,455)	61,524
Net federal income taxes	(43,268)	2,684
Other assets and receivables	(10,473)	43,370
Change in market risk benefits, net	(6,887)	(20,646)
Insurance reserves	497,812	447,410
Unearned premiums	192,747	270,531
Reinsurance payable	(16,335)	(21,169)
Accounts payable and other liabilities	45,597	73,640
<b>Net cash provided by operating activities</b>	<b>948,876</b>	<b>899,408</b>

**TruStage Financial Group, Inc. and Subsidiaries**

Consolidated Statements of Cash Flows, unaudited - continued

Nine Months Ended September 30, 2025 and 2024

(000s omitted)

	September 30, 2025	September 30, 2024 (as restated)
<b>Cash flows from investing activities</b>		
Purchases of investments		
Debt securities, available for sale	\$ (3,280,889)	\$ (3,014,424)
Equity securities	(79,440)	(67,994)
Mortgage loans	(617,059)	(325,215)
Equity in unconsolidated affiliates	(6,500)	-
Limited partnerships	(312,653)	(322,450)
Derivative financial instruments	(1,473,720)	(1,343,302)
Other invested assets	(2,490,619)	(1,381,571)
Proceeds on sale or maturity of investments		
Debt securities, available for sale	3,029,608	1,888,533
Equity securities	114,375	14,856
Mortgage loans	216,593	146,556
Limited partnerships	159,924	163,797
Derivative financial instruments	1,564,561	1,474,919
Other invested assets	2,688,474	1,681,546
Purchases of office properties, equipment, and software	(16,647)	(18,975)
Proceeds from divestiture	-	19,936
Net change in collateral under securities lending	(2,070)	(3,579)
Net change in payable for collateral under securities lending	2,070	3,579
Change in policy loans	(10,832)	(9,692)
<b>Net cash used in investing activities</b>	<b>(514,824)</b>	<b>(1,093,480)</b>
<b>Cash flows from financing activities</b>		
Policyholder account - deposits	2,425,194	2,938,610
Policyholder account - withdrawals	(2,547,540)	(2,229,306)
Assets on deposit - deposits	(140,722)	(634,568)
Assets on deposit - withdrawals	141,646	99,137
Notes payable - borrowings	1,425,000	1,870,000
Notes payable - repayments	(1,657,477)	(1,849,351)
Change in bank overdrafts	(32,347)	36,863
Payment of debt financing costs	-	(1,129)
<b>Net cash provided by (used in) financing activities</b>	<b>(386,246)</b>	<b>230,256</b>
<b>Change in cash and cash equivalents</b>	<b>47,806</b>	<b>36,184</b>
<b>Effect of foreign exchange rate on cash</b>	<b>1,840</b>	<b>1,005</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>385,251</b>	<b>453,317</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 434,897</b>	<b>\$ 490,506</b>