

CUNA Mutual Holding Company and Subsidiaries

**Consolidated Financial Results, Unaudited
as of March 31, 2025 and December 31,
2024 and for the Three Months Ended
March 31, 2025 and 2024**



CUNA Mutual Holding Company and Subsidiaries

Consolidated Balance Sheets, unaudited

March 31, 2025 and December 31, 2024

(000s omitted)

		(as restated)
	March 31,	December 31,
Assets	2025	2024
Cash and investments		
Debt securities, available for sale, at fair value, net	\$ 23,558,888	\$ 23,396,397
Debt securities, trading, at fair value, net	49,920	50,136
Equity securities	362,770	392,636
Mortgage loans, net	4,643,325	4,530,714
Policy loans	148,146	145,316
Equity in unconsolidated affiliates	49,213	51,843
Limited partnerships	2,988,365	2,945,901
Securities lending assets	592,865	575,075
Derivative assets, at fair value	810,811	1,218,639
Other invested assets	366,218	374,599
Total investments	33,570,521	33,681,256
Cash and cash equivalents	381,777	385,251
Total cash and investments	33,952,298	34,066,507
Accrued investment income	273,769	266,861
Premiums receivable, net	340,316	349,849
Reinsurance recoverables, net	3,146,921	3,147,837
Net federal income taxes recoverable	29,601	34,049
Deferred policy acquisition costs	1,856,637	1,803,644
Value of business acquired	120,980	123,323
Office properties, equipment and computer software at cost, net	267,729	273,380
Net deferred tax asset	653,753	692,956
Goodwill, net	589,411	589,262
Intangible assets, net	53,693	56,113
Assets on deposit	1,723,006	1,670,611
Other assets and receivables	453,898	451,814
Market risk benefits, asset	53,771	57,676
Separate account assets	3,667,400	3,873,941
Total assets	\$ 47,183,183	\$ 47,457,823

CUNA Mutual Holding Company and Subsidiaries
Consolidated Balance Sheets, unaudited - continued
March 31, 2025 and December 31, 2024
(000s omitted)

		(as restated)
	March 31,	December 31,
	2025	2024
Liabilities and Policyholders' Surplus		
Liabilities		
Policyholder account balances	\$ 22,092,230	\$ 22,153,788
Claim and policy benefit reserves - life and health	11,340,352	11,181,361
Market risk benefits, liability	72,937	53,560
Loss and loss adjustment expense reserves - property and casualty	830,871	802,551
Unearned premiums	1,524,889	1,473,904
Notes and interest payable	1,453,910	1,461,243
Dividends payable to policyholders	14,023	14,379
Reinsurance payable	84,325	98,638
Net federal income taxes payable	1,747	5,695
Accrued pension and postretirement benefit liability	138,798	136,453
Payable for securities lending	592,865	575,075
Derivative liabilities, at fair value	315,552	535,009
Accounts payable and other liabilities	1,235,523	1,492,448
Separate account liabilities	3,667,400	3,873,941
Total liabilities	43,365,422	43,858,045
Policyholders' surplus		
Retained earnings	5,357,332	5,309,342
Accumulated other comprehensive income (loss), net	(1,539,571)	(1,709,564)
Total policyholders' surplus	3,817,761	3,599,778
Total liabilities and policyholders' surplus	\$ 47,183,183	\$ 47,457,823

CUNA Mutual Holding Company and Subsidiaries

Consolidated Statements of Operations and Comprehensive Income, unaudited

Three Months Ended March 31, 2025 and 2024

(000s omitted)

	March 31, 2025	(as restated) March 31, 2024
Revenues		
Life and health premiums, net	\$ 563,733	\$ 591,181
Contract charges	94,856	100,520
Property and casualty premiums, net	348,617	318,400
Net investment income	328,598	302,447
Net realized investment (losses)	(63,029)	(28,306)
Commission and fee income	117,189	100,069
Other income	20,719	17,020
Total revenues	1,410,683	1,401,331
Benefits and expenses		
Life and health insurance claims and benefits, net	491,121	477,360
Policyholder liability remeasurement (gains)	(48,190)	(2,909)
Market risk benefits (gains) losses	29,153	(19,727)
Property and casualty insurance loss and loss adjustment expenses, net	218,385	213,097
Interest credited to policyholder account balances	129,537	124,623
Policyholder dividends	6,791	6,871
Operating and other expenses	522,585	518,632
Total benefits and expenses	1,349,382	1,317,947
Income from operations before income taxes and equity of unconsolidated affiliates	61,301	83,384
Income tax expense	9,258	13,924
Income from operations before equity of unconsolidated affiliates	52,043	69,460
Equity in (loss) of unconsolidated affiliates, net of tax	(4,053)	(4,292)
Net income	47,990	65,168
Foreign currency translation adjustment, net of tax	743	2,110
Change in unrealized gains (losses), net of tax	217,270	(127,214)
Change in current discount rate - liability for future policy benefits	(56,121)	134,020
Change in instrument-specific credit risk - market risk benefits	3,508	(9,269)
Change in pension liability, net of tax	4,593	5,028
Other comprehensive income	169,993	4,675
Total comprehensive income	\$ 217,983	\$ 69,843

CUNA Mutual Holding Company and Subsidiaries

Consolidated Statement of Policyholders' Surplus, unaudited
For the Years Ended December 31, 2024 and 2023 and the
Three Months Ended March 31, 2025
(000s omitted)

	Retained earnings	Accumulated other comprehensive income (loss), net	Total policyholders' surplus
Balance, January 1, 2023	\$ 4,833,379	\$ (2,789,581)	\$ 2,043,798
Cumulative effect of change in accounting principles, net of income tax	(36,368)	348,952	312,584
Net income	242,598	-	242,598
Other comprehensive income	-	497,277	497,277
Balance, December 31, 2023, as restated	\$ 5,039,609	\$ (1,943,352)	\$ 3,096,257
Net income	269,733	-	269,733
Other comprehensive income	-	233,788	233,788
Balance, December 31, 2024, as restated	\$ 5,309,342	\$ (1,709,564)	\$ 3,599,778
Net income	47,990	-	47,990
Other comprehensive income	-	169,993	169,993
Balance, March 31, 2025	\$ 5,357,332	\$ (1,539,571)	\$ 3,817,761

The Company adopted Accounting Standards Update No. 2018-12, Targeted Improvements to the Accounting for Long-Duration Contracts (LDTI), as of January 1, 2025. The adoption of LDTI is presented for the first time in these March 31, 2025 financial statements and includes impacts as of the transition date (January 1, 2023) and in the recast financial results for the three months ended March 31, 2024.

The Company recorded LDTI transition impacts related to updates, such as: (i) the measurement of market risk benefits at fair value; (ii) the difference between the discount rate currently used (for measuring the liability for future policy benefits for certain long duration contracts), compared to the observed upper-medium-grade investment yield at the date of transition, and (iii) the removal of shadow (unrealized gain/loss-related) adjustments from the deferred acquisition cost balances, unearned revenue liability and value of business acquired balances. These adjustments were recorded as of January 1, 2023 with restatement of prior period balances presented in these financial statements. Cumulative impacts of implementing the standard are included in the consolidated statement of policyholders' surplus.

CUNA Mutual Holding Company and Subsidiaries

Consolidated Statements of Cash Flows, unaudited

Three Months Ended March 31, 2025 and 2024

(000s omitted)

	March 31, 2025	(as restated) March 31, 2024
Cash flows from operating activities		
Net income	\$ 47,990	\$ 65,168
Adjustments to reconcile net income from operations to net cash provided by operating activities:		
Undistributed (income) of limited partnerships	9,490	13,048
Net realized investment losses	63,029	28,306
Undistributed losses of unconsolidated subsidiaries	4,053	3,881
Amortization of value of business acquired	2,619	2,896
Policy acquisition costs deferred	(173,388)	(191,389)
Amortization of deferred policy acquisition costs	120,697	111,868
Depreciation of office properties, equipment, computer software and real estate	9,795	9,165
Amortization of intangible assets	2,424	1,819
Amortization of premium and discount and low-income housing tax credits	19,146	22,684
Deferred income tax expense (benefit)	(787)	8,277
Policyholder charges on investment-type contracts	(139,906)	(186,687)
Interest credited to policyholder account balances	129,537	124,623
Changes in other assets and liabilities		
Sales of debt securities, trading	1,000	5,000
Accrued investment income	(6,908)	(19,195)
Premiums receivable	9,533	(770)
Reinsurance recoverables	158	72,811
Net federal income taxes	(4,733)	(17,809)
Other assets and receivables	953	(25,921)
Change in market risk benefits, net	29,152	(7,900)
Insurance reserves	114,950	83,770
Unearned premiums	50,549	95,542
Reinsurance payable	(14,314)	(5,290)
Accounts payable and other liabilities	(36,489)	(13,250)
Net cash provided by operating activities	238,550	180,647

CUNA Mutual Holding Company and Subsidiaries

Consolidated Statements of Cash Flows, unaudited - continued

Three Months Ended March 31, 2025 and 2024

(000s omitted)

	March 31, 2025	(as restated) March 31, 2024
Cash flows from investing activities		
Purchases of investments		
Debt securities, available for sale	\$ (838,047)	\$ (1,103,123)
Equity securities	(25,233)	(7,000)
Mortgage loans	(167,510)	(89,385)
Limited partnerships	(110,483)	(112,441)
Derivative financial instruments	(342,161)	(450,058)
Other invested assets	(905,494)	(258,579)
Proceeds on sale or maturity of investments		
Debt securities, available for sale	925,045	543,132
Equity securities	60,764	11,627
Mortgage loans	53,159	48,308
Limited partnerships	58,530	24,974
Derivative financial instruments	385,047	485,535
Other invested assets	696,317	418,947
Purchases of office properties, equipment, and software	(5,270)	(8,093)
Investment in unconsolidated affiliates	(2,500)	-
Net change in collateral under securities lending	(30,125)	6,300
Net change in payable for collateral under securities lending	30,125	(6,300)
Change in policy loans	(2,852)	(2,419)
Net cash used in investing activities	(220,688)	(498,575)
Cash flows from financing activities		
Policyholder account - deposits	763,957	1,034,625
Policyholder account - withdrawals	(729,600)	(699,533)
Assets on deposit - deposits	(75,172)	(296,649)
Assets on deposit - withdrawals	36,500	37,222
Notes payable - borrowings	120,000	275,000
Notes payable - repayments	(133,167)	(193,385)
Change in bank overdrafts	(4,817)	165
Payment of debt financing costs	-	(1,129)
Net cash provided by (used in) financing activities	(22,299)	156,316
Change in cash and cash equivalents	(4,437)	(161,612)
Effect of foreign exchange rate on cash	963	(672)
Cash and cash equivalents at beginning of year	385,251	453,317
Cash and cash equivalents at end of period	\$ 381,777	\$ 291,033