

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

**Consolidated Financial Results, Unaudited  
as of June 30, 2025 and December 31, 2024 and for  
the Six Months Ended June 30, 2025 and 2024**



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

Consolidated Balance Sheets, unaudited

June 30, 2025 and December 31, 2024

(000s omitted)

	June 30, 2025	December 31, 2024 (as restated)
<b>Assets</b>		
<b>Cash and investments</b>		
Debt securities, available for sale, at fair value, net	\$ 23,544,113	\$ 23,396,397
Debt securities, trading, at fair value, net	47,436	50,136
Equity securities	355,505	392,636
Mortgage loans, net	4,796,026	4,530,714
Policy loans	151,456	145,316
Equity in unconsolidated affiliates	47,694	51,843
Limited partnerships	3,018,351	2,945,901
Securities lending assets	589,769	575,075
Derivative assets, at fair value	1,192,930	1,218,639
Other invested assets	467,471	374,599
<b>Total investments</b>	<b>34,210,751</b>	<b>33,681,256</b>
Cash and cash equivalents	488,534	385,251
<b>Total cash and investments</b>	<b>34,699,285</b>	<b>34,066,507</b>
Accrued investment income	267,934	266,861
Premiums receivable, net	384,944	349,846
Reinsurance recoverables, net	3,146,143	3,144,483
Net federal income taxes recoverable	40,786	34,049
Deferred policy acquisition costs	1,924,699	1,803,644
Value of business acquired	123,222	123,323
Office properties, equipment and computer software at cost, net	267,342	273,380
Net deferred tax asset	638,439	692,956
Goodwill, net	592,065	589,262
Intangible assets, net	52,212	56,113
Assets on deposit	1,731,845	1,673,968
Other assets and receivables	422,014	451,814
Market risk benefit assets	62,007	57,676
Separate account assets	3,761,605	3,873,941
<b>Total assets</b>	<b>\$ 48,114,542</b>	<b>\$ 47,457,823</b>

**TruStage Financial Group, Inc. and Subsidiaries**  
Consolidated Balance Sheets, unaudited - continued  
June 30, 2025 and December 31, 2024  
(000s omitted)

	June 30,	December 31,
	2025	2024
<b>Liabilities and Stockholder's Equity</b>		(as restated)
<b>Liabilities</b>		
Policyholder account balances	\$ 22,429,798	\$ 22,153,788
Claim and policy benefit reserves - life and health	11,487,928	11,181,348
Market risk benefits, liability	58,450	53,560
Loss and loss adjustment expense reserves - property and casualty	873,699	802,551
Unearned premiums	1,631,943	1,473,904
Notes and interest payable	1,086,195	1,461,243
Dividends payable to policyholders	14,089	14,379
Reinsurance payable	115,096	98,638
Net federal income taxes payable	-	5,695
Accrued pension and postretirement benefit liability	141,913	136,453
Payable for securities lending	589,769	575,075
Derivative liabilities, at fair value	501,639	535,009
Accounts payable and other liabilities	1,442,757	1,493,251
Separate account liabilities	3,761,605	3,873,941
<b>Total liabilities</b>	<b>44,134,881</b>	<b>43,858,835</b>
<b>Stockholder's equity</b>		
Additional paid in capital	22,500	22,500
Retained earnings	5,435,380	5,286,741
Accumulated other comprehensive income (loss), net	(1,478,219)	(1,710,253)
<b>Total stockholder's equity</b>	<b>3,979,661</b>	<b>3,598,988</b>
<b>Total liabilities and stockholder's equity</b>	<b>\$ 48,114,542</b>	<b>\$ 47,457,823</b>

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

Consolidated Statements of Operations and Comprehensive Income, unaudited

Six Months Ended June 30, 2025 and 2024

(000s omitted)

	June 30, 2025	June 30, 2024 (as restated)
<b>Revenues</b>		
Life and health premiums, net	\$ 1,160,062	\$ 1,140,315
Contract charges	193,181	208,785
Property and casualty premiums, net	717,456	645,215
Net investment income	670,446	642,997
Net realized investment (losses)	(120,854)	(101,999)
Commission and fee income	236,989	202,259
Other income	43,302	43,988
<b>Total revenues</b>	<b>2,900,582</b>	<b>2,781,560</b>
<b>Benefits and expenses</b>		
Life and health insurance claims and benefits, net	966,393	899,794
Policyholder liability remeasurement (gains)	(52,213)	(5,857)
Market risk benefits (gains) losses	9,362	(40,475)
Property and casualty insurance loss and loss adjustment expenses, net	441,199	428,834
Interest credited to policyholder account balances	263,418	248,979
Policyholder dividends	14,199	15,744
Operating and other expenses	1,069,607	1,066,605
<b>Total benefits and expenses</b>	<b>2,711,965</b>	<b>2,613,624</b>
<b>Income from operations before income taxes and equity of unconsolidated affiliates</b>	<b>188,617</b>	<b>167,936</b>
Income tax expense	33,541	28,163
<b>Income from operations before equity of unconsolidated affiliates</b>	<b>155,076</b>	<b>139,773</b>
Equity in (loss) of unconsolidated affiliates, net of tax	(6,437)	(7,701)
<b>Net income</b>	<b>148,639</b>	<b>132,072</b>
Foreign currency translation adjustment, net of tax	(3,889)	3,178
Change in unrealized gains (losses), net of tax	286,476	(247,273)
Change in current discount rate - liability for future policy benefits, net of tax	(64,389)	259,786
Change in instrument-specific credit risk - market risk benefits, net of tax	4,650	(8,941)
Change in pension liability, net of tax	9,186	10,055
<b>Other comprehensive income</b>	<b>232,034</b>	<b>16,805</b>
<b>Total comprehensive income</b>	<b>\$ 380,673</b>	<b>\$ 148,877</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  
Six Months Ended June 30, 2025  
(000s omitted)

	Additional paid in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total stockholder's equity
<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	-	148,639	-	148,639
Other comprehensive income	-	-	232,034	232,034
<b>Balance, June 30, 2025</b>	<b>\$ 22,500</b>	<b>\$ 5,435,380</b>	<b>\$ (1,478,219)</b>	<b>\$ 3,979,661</b>

**TruStage Financial Group, Inc. and Subsidiaries**  
Consolidated Statements of Cash Flows, unaudited  
Six Months Ended June 30, 2025 and 2024  
(000s omitted)

	June 30, 2025	June 30, 2024 (as restated)
<b>Cash flows from operating activities</b>		
Net income	\$ 148,639	\$ 132,072
Adjustments to reconcile net income from operations to net cash provided by operating activities:		
Undistributed (income) of limited partnerships	14,369	8,977
Net realized investment losses	120,854	101,999
Undistributed losses of unconsolidated subsidiaries	6,437	7,701
Amortization of value of business acquired	5,317	5,740
Policy acquisition costs deferred	(363,913)	(391,413)
Amortization of deferred policy acquisition costs	248,483	228,064
Depreciation of office properties, equipment, computer software and real estate	19,412	8,109
Amortization of intangible assets	3,985	21,339
Amortization of premium and discount and low-income housing tax credits	37,566	44,528
Deferred income tax expense (benefit)	(1,378)	7,253
Policyholder charges on investment-type contracts	(275,737)	(381,083)
Interest credited to policyholder account balances	263,418	248,979
Proceeds from divestiture	-	(5,652)
Changes in other assets and liabilities		
Sales of debt securities, trading	4,000	11,000
Accrued investment income	(1,073)	(12,823)
Premiums receivable	(35,095)	25,256
Reinsurance recoverables	(718)	136,982
Net federal income taxes	(13,035)	13,812
Other assets and receivables	34,543	39,369
Change in market risk benefits, net	9,362	(40,475)
Insurance reserves	292,306	162,372
Unearned premiums	149,026	215,540
Reinsurance payable	16,458	(157)
Accounts payable and other liabilities	9,318	(7,316)
<b>Net cash provided by operating activities</b>	<b>692,544</b>	<b>580,173</b>

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

Consolidated Statements of Cash Flows, unaudited - continued

SixMonths Ended June 30, 2025 and 2024

(000s omitted)

	June 30, 2025	June 30, 2024 (as restated)
<b>Cash flows from investing activities</b>		
Purchases of investments		
Debt securities, available for sale	\$ (1,839,617)	\$ (2,055,259)
Equity securities	(75,683)	(62,395)
Mortgage loans	(400,389)	(211,620)
Equity in unconsolidated affiliates	(4,000)	-
Limited partnerships	(212,383)	(211,878)
Derivative financial instruments	(614,408)	(896,549)
Other invested assets	(2,079,553)	(776,200)
Proceeds on sale or maturity of investments		
Debt securities, available for sale	2,087,408	1,134,469
Equity securities	114,293	11,627
Mortgage loans	135,625	113,112
Limited partnerships	113,094	71,565
Derivative financial instruments	675,512	969,611
Other invested assets	1,991,691	993,120
Purchases of office properties, equipment, and software	(14,341)	(6,311)
Proceeds from divesture	-	19,974
Net change in collateral under securities lending	(30,633)	(5,494)
Net change in payable for collateral under securities lending	30,633	5,494
Change in policy loans	(6,125)	(5,981)
<b>Net cash used in investing activities</b>	<b>(128,876)</b>	<b>(912,715)</b>
<b>Cash flows from financing activities</b>		
Policyholder account - deposits	1,625,551	2,137,395
Policyholder account - withdrawals	(1,659,058)	(1,443,581)
Assets on deposit - deposits	(75,170)	(507,291)
Assets on deposit - withdrawals	36,889	76,010
Notes payable - borrowings	-	1,205,000
Notes payable - repayments	(375,355)	(1,166,438)
Change in bank overdrafts	(17,369)	46,278
Payment of debt financing costs	-	(1,129)
<b>Net cash provided by (used in) financing activities</b>	<b>(464,512)</b>	<b>346,244</b>
<b>Change in cash and cash equivalents</b>	<b>99,156</b>	<b>13,702</b>
<b>Effect of foreign exchange rate on cash</b>	<b>4,127</b>	<b>46</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>\$ 488,534</b>	<b>\$ 467,065</b>