
Financial Supplement

Fourth Quarter and Full Year 2024

Recast for long-duration targeted improvements (LDTI) accounting guidance

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Financial Highlights

(in millions USD, unless otherwise indicated, unaudited)

	For the Three Months Ended or As of				Year Ended or As of		Change
	3/31/2024	6/30/2024	9/30/2024	12/31/2024	2023	2024	Y/Y
ASSETS & RESERVES							
Average Net Invested Assets, at carrying value ¹	76,196	74,570	75,604	75,202	54,638	75,335	38 %
Average Separate Account Assets ²	21,973	21,872	21,747	21,370	21,570	21,656	- %
Total Average Invested and Managed Assets	98,169	96,442	97,351	96,572	76,208	96,991	27 %
PERFORMANCE & PROFITABILITY MEASURES							
Core Operating Earnings	204	200	203	193	723	800	11 %
Net Investment Spread (%)	1.58 %	1.70 %	1.61 %	1.11 %	1.70 %	1.50 %	(20) bps
Policy and Other Operating Expense ratio	(0.43)%	(0.40)%	(0.44)%	(0.41)%	(0.52)%	(0.42)%	(10) bps
Core Return on Assets (ROA) (%)	1.07 %	1.07 %	1.07 %	1.03 %	1.32 %	1.06 %	(26) bps
CAPITAL INFORMATION							
US CAL RBC ratio (%)					868 %	590 % ³	(278)%
Bermuda Solvency Capital Requirement ratio (%)					218 %	196 % ⁴	(22)%

1. Excludes separate accounts

2. Includes only Retained separate accounts

3. As of December 31, 2024

4. As of September 30, 2024

Note: Please refer to "Notes to the Financial Statement" section for more information on non-GAAP measures.

Consolidated Statements of Income (GAAP View)

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(in millions USD, unless otherwise indicated, unaudited)

	For the Three Months Ended or As of				Year Ended or As of		Change Y/Y
	3/31/2024	6/30/2024	9/30/2024	12/31/2024	2023	2024	
REVENUES:							
Premiums	64	60	58	61	245	243	(1)%
Policy charges and fee income	331	347	351	329	722	1,358	88 %
Net investment income	1,047	1,011	1,021	1,064	2,523	4,143	64 %
Change in fair value of funds withheld - directly managed	(548)	(554)	1,843	(1,969)	1,996	(1,228)	n.m.
Investment gains (losses)	(562)	(381)	642	(1,167)	(933)	(1,468)	57 %
Foreign exchange gains (losses)	2	(11)	(73)	(100)	(98)	(182)	86 %
Asset management and service fees	23	23	24	23	91	93	2 %
Other income	22	21	22	21	85	86	1 %
Total Revenues	379	516	3,888	(1,738)	4,631	3,045	(34)%
BENEFITS AND EXPENSES:							
Policyholder benefits and changes in fair value of insurance liabilities	217	576	1,512	31	2,238	2,336	4 %
Policyholder liability remeasurement (gain) loss	29	3	(18)	78	28	92	229 %
Interest credited to policyholder account balances	239	223	220	241	449	923	106 %
General operating and other expenses	176	163	186	173	616	698	13 %
Goodwill impairment	—	—	—	—	93	—	n.m.
Interest expense	36	26	34	30	66	126	91 %
Total Benefits and Expenses	697	991	1,934	553	3,490	4,175	20 %
Income (loss) before income tax expense (benefit)	(318)	(475)	1,954	(2,291)	1,141	(1,130)	n.m.
Income tax expense (benefit)	(52)	(143)	390	(468)	235	(273)	n.m.
Net Income (Loss)	(266)	(332)	1,564	(1,823)	906	(857)	n.m.

Adjusted Income/ Return on Assets (Management View)

(in millions USD, unless otherwise indicated, unaudited)

	For the Three Months Ended or As of				Year Ended or As of		Change
	3/31/2024	6/30/2024	9/30/2024	12/31/2024	2023	2024	Y/Y
<i>Fixed income and other net investment income</i>	945	914	904	944	2,231	3,706	66 %
<i>Alternative net investment income</i>	88	81	101	104	217	374	72 %
Net investment earnings	1,033	994	1,005	1,048	2,448	4,080	67 %
Cost of insurance	(732)	(677)	(700)	(839)	(1,518)	(2,948)	94 %
Net Investment Spread	301	318	305	208	930	1,132	22 %
Policy and other operating expenses	(82)	(75)	(83)	(77)	(282)	(317)	12 %
Interest and other financing costs	(37)	(27)	(32)	(30)	(66)	(126)	91 %
Income tax (expense) benefit	(18)	(21)	(18)	(10)	(97)	(67)	(31)%
Adjusted Net Income	165	195	171	91	485	622	28 %
Less: Non-operating items	(39)	(5)	(32)	(102)	(238)	(178)	(25)%
Core Operating Earnings	204	200	203	193	723	800	11 %
<i>Fixed income and other net investment income</i>	5.29 %	5.24 %	5.12 %	5.37 %	4.40 %	5.26 %	86 bps
<i>Alternative net investment income</i>	7.50 %	6.74 %	8.17 %	8.41 %	5.53 %	7.73 %	220 bps
Net investment return ratio	5.42 %	5.33 %	5.32 %	5.57 %	4.48 %	5.42 %	94 bps
Net cost of insurance ratio	(3.84)%	(3.63)%	(3.70)%	(4.47)%	(2.78)%	(3.91)%	(113) bps
Net Investment Spread	1.58 %	1.70 %	1.61 %	1.11 %	1.70 %	1.50 %	(20) bps
Policy and other operating expense ratio	(0.43)%	(0.40)%	(0.44)%	(0.41)%	(0.52)%	(0.42)%	(10) bps
Interest expense ratio	(0.19)%	(0.14)%	(0.17)%	(0.16)%	(0.12)%	(0.17)%	5 bps
Income tax expense ratio	(0.09)%	(0.11)%	(0.10)%	(0.05)%	(0.18)%	(0.09)%	(11) bps
Return on Assets	0.86 %	1.04 %	0.90 %	0.49 %	0.89 %	0.83 %	(6) bps
Less: Non-operating items	(0.20)%	(0.03)%	(0.17)%	(0.54)%	(0.44)%	(0.24)%	20 bps
Core Return on Assets	1.07 %	1.07 %	1.07 %	1.03 %	1.32 %	1.06 %	(26) bps
Avg Net Invested Assets, at carrying value	76,196	74,570	75,604	75,202	54,638	75,335	38 %

Note: Please refer to "Notes to the Financial Statement" section for more information on non-GAAP measures.

Consolidated Balance Sheet (GAAP View)

(in millions USD, unless otherwise indicated, unaudited)

	Balances as of					Change Y/Y
	12/31/2023	3/31/2024	6/30/2024	9/30/2024	12/31/2024	
ASSETS						
Funds withheld by ceding companies, at fair value	41,673	40,738	39,705	41,389	38,649	(7)%
Fixed maturities available for sale, at fair value	20,253	19,756	18,499	18,872	17,842	(12)%
Fixed maturity securities, at fair value	10,344	10,846	10,412	11,148	10,587	2 %
Mortgage loans, at fair value	1,318	1,447	2,658	3,279	3,626	175 %
Other invested assets, at fair value	2,011	2,044	2,217	2,138	1,986	(1)%
Short term investments	70	138	84	187	178	154 %
Total Investments	75,669	74,969	73,575	77,013	72,868	(4)%
Cash and cash equivalents	3,064	1,945	2,033	2,114	1,997	(35)%
Deferred income taxes	1,608	1,573	1,672	1,464	1,754	9 %
Deferred cost of reinsurance contracts	3,837	3,782	3,731	3,670	3,620	(6)%
Other assets	1,874	1,735	1,686	1,760	1,597	(15)%
Separate account assets, at fair value	23,871	24,262	23,675	24,010	22,857	(4)%
Total Assets	109,923	108,266	106,372	110,031	104,693	(5)%
Average Total Investments	61,356	75,319	74,272	75,294	74,941	22 %
Average Net Invested Assets, at carrying value	62,533	76,196	74,570	75,604	75,202	20 %

*Quarterly averages are calculated by averaging the current and immediately preceding quarter. For year-to-date periods, calculated by averaging as of the end of each quarter in the applicable trailing period.

Consolidated Balance Sheet (GAAP View) – continued

(in millions USD, unless otherwise indicated, unaudited)

	Balances as of					Change Y/Y
	12/31/2023	3/31/2024	6/30/2024	9/30/2024	12/31/2024	
LIABILITIES						
Future policy benefits	38,850	37,841	37,076	39,215	37,115	(4)%
Policyholder contract deposits	28,201	27,419	26,862	27,069	26,168	(7)%
Insurance liabilities, at fair value	5,004	4,545	4,386	4,754	4,380	(12)%
Liability for unpaid losses and loss adjustment expenses	3,168	3,088	2,993	2,700	2,639	(17)%
Value of business acquired	3,617	3,573	3,531	3,476	3,434	(5)%
Debt	1,491	1,492	1,492	1,493	1,494	— %
Deferred gain from reinsurance contracts	711	697	697	695	685	(4)%
Loaned securities and repurchase agreements	968	1,121	1,123	1,249	1,449	50 %
Other liabilities	1,622	1,632	1,995	1,791	2,155	33 %
Separate account liabilities, at fair value	23,871	24,262	23,675	24,010	22,857	(4)%
Total Liabilities	107,503	105,670	103,830	106,452	102,376	(5)%
EQUITY						
Owners' equity	5,291	5,295	5,298	5,301	5,305	— %
Retained earnings (deficit)	(5,341)	(5,607)	(5,939)	(4,375)	(6,398)	(20)%
Accumulated other comprehensive income (loss)	2,470	2,908	3,183	2,653	3,410	38 %
Total Equity (deficit)	2,420	2,596	2,542	3,579	2,317	(4)%
Total Liabilities and Equity	109,923	108,266	106,372	110,031	104,693	(5)%
Memo: Non-Economic Items Included in Total Equity (deficit)						
Accumulated other comprehensive income (loss), net of tax	2,470	2,908	3,183	2,653	3,410	38 %
Cumulative change in fair value of funds withheld, net of tax	(5,026)	(5,459)	(5,897)	(4,441)	(5,997)	(19)%
Cumulative income statement impact of unrealized investment (gains) losses on AIL, net of tax*	(460)	(348)	(214)	(501)	(166)	64%
Total Non-Economic Items Included in Total Equity (deficit)	(3,016)	(2,899)	(2,928)	(2,289)	(2,753)	9%

*AIL refers to Additional Insurance Liabilities. Cumulative change in AIL results from market-driven unrealized gains and losses recorded within the funds withheld portfolio and partially reflected within the AIL reserve balance. Since these market movements do not reflect underlying business performance, the impact is considered a non-economic component of GAAP equity and excluded from adjusted equity.

GAAP Reserves Summary by Product

(in millions USD, unless otherwise indicated, unaudited)

	12/31/2023		3/31/2024		6/30/2024		9/30/2024		12/31/2024		Change Y/Y
	Carrying Value	% of Total									
NET RESERVE LIABILITIES											
Traditional Whole Life	4,293	6 %	4,126	6 %	3,949	6 %	4,100	6 %	3,871	6 %	(10)%
Term Life	1,679	2 %	1,643	2 %	1,626	2 %	1,742	2 %	1,635	2 %	(3)%
Universal Life	11,127	15 %	11,073	16 %	11,002	16 %	11,512	16 %	11,184	16 %	1 %
Universal Life with Secondary Guarantees	12,172	17 %	12,170	17 %	12,147	18 %	12,423	17 %	12,300	18 %	1 %
Total Life Insurance	29,271	40 %	29,012	41 %	28,724	42 %	29,777	42 %	28,990	43 %	(1)%
<i>Fixed Payments</i>	11,004	15 %	10,399	15 %	9,952	14 %	10,298	14 %	9,447	14 %	(14)%
<i>Life Contingent Payments</i>	14,870	20 %	14,254	20 %	13,808	20 %	14,510	20 %	13,525	20 %	(9)%
Payout Annuities	25,874	35 %	24,653	35 %	23,760	34 %	24,808	35 %	22,972	34 %	(11)%
Fixed Deferred Annuities (including equity-indexed)	11,394	16 %	11,104	16 %	10,980	16 %	11,213	16 %	10,842	16 %	(5)%
Variable Annuities (general account)	2,557	4 %	2,064	3 %	1,954	3 %	2,223	3 %	1,910	3 %	(25)%
Total Annuities	39,825	55 %	37,821	54 %	36,694	53 %	38,244	54 %	35,724	53 %	(10)%
Health	692	1 %	672	1 %	657	1 %	682	1 %	671	1 %	(3)%
P&C	3,167	4 %	3,087	4 %	2,993	4 %	2,699	4 %	2,639	4 %	(17)%
Other	3,859	5 %	3,759	5 %	3,650	5 %	3,381	5 %	3,310	5 %	(14)%
Total GAAP Reserves and Insurance Liabilities, net of reinsurance	72,956	100 %	70,592	100 %	69,069	100 %	71,404	100 %	68,025	100 %	(7)%
Ceded Reinsurance	2,267		2,301		2,248		2,335		2,277		
Total GAAP Reserves and Insurance Liabilities, gross of reinsurance	75,223		72,893		71,317		73,739		70,302		
Separate Account Reserves	23,871		24,262		23,675		24,010		22,857		
Total Gross GAAP Reserves	99,094		97,155		94,992		97,749		93,159		

Invested Assets by Asset Class

(in millions USD, unless otherwise indicated, unaudited)

	December 31, 2023		December 31, 2024	
	Fair Value	FV % of Total	Fair Value	FV % of Total
Credit	54,121	72 %	45,584	63 %
RMBS	1,523	2 %	1,720	3 %
CMBS	1,488	2 %	1,574	2 %
CLO/ABS	6,993	9 %	10,348	14 %
Structured products	10,004	13 %	13,642	19 %
Commercial	3,671	5 %	3,361	5 %
Residential	1,240	1 %	3,524	5 %
Loans and income-generating assets	4,911	6 %	6,885	10 %
Private equity funds	4,628	6 %	4,836	6 %
Derivatives and other	1,352	2 %	1,274	1 %
Other invested assets	5,980	8 %	6,110	7 %
Short-term investments	653	1 %	647	1 %
Total Investments	75,669	100 %	72,868	100 %
Cash and cash equivalents	3,064		1,997	
Ceded investments (including cash)	(1,605)		(1,792)	
Net Invested Assets, at carrying value	77,128		73,073	

Credit Quality of Securities – Credit

(in millions USD, unless otherwise indicated, unaudited)

	December 31, 2023		December 31, 2024	
	Fair Value	FV % of Total	Fair Value	FV % of Total
AAA/AA/A	23,810	44 %	20,020	44 %
BBB	20,853	39 %	18,729	41 %
BIG	1,376	2 %	906	2 %
Non-rated investment grade	30	— %	79	— %
Total Corporate Debt	46,069	84 %	39,734	87 %
AAA/AA/A	3,582	7 %	2,296	5 %
BBB	49	— %	38	— %
BIG	1	— %	7	— %
Non-rated investment grade	5	— %	4	— %
Total Obligations of states, municipalities and political subdivisions	3,637	7 %	2,345	5 %
AAA/AA/A	1,399	3 %	1,099	2 %
BBB	457	1 %	243	1 %
BIG	67	— %	50	— %
Non-rated investment grade	—	— %	—	— %
Total Non-U.S. governments	1,923	4 %	1,392	3 %
AAA/AA/A	2,492	5 %	2,113	5 %
BBB	—	— %	—	— %
BIG	—	— %	—	— %
Non-rated investment grade	—	— %	—	— %
Total U.S. government and government sponsored entities	2,492	5 %	2,113	5 %
Total Credit	54,121	100 %	45,584	100 %

Credit Quality of Securities – Structured Products

(in millions USD, unless otherwise indicated, unaudited)

	December 31, 2023		December 31, 2024	
	Fair Value	FV % of Total	Fair Value	FV % of Total
NAIC designation				
1	7,634	76 %	9,042	66 %
2	2,086	21 %	3,711	27 %
Total investment grade	9,720	97 %	12,753	93 %
3	99	1 %	387	3 %
4	43	— %	142	1 %
5	17	— %	18	— %
6	125	1 %	342	3 %
Total below investment grade	284	3 %	889	7 %
Total Structured Products	10,004	100 %	13,642	100 %
NRSRO rating agency designation				
AAA/AA/A	7,591	76 %	9,073	67 %
BBB	2,160	22 %	3,736	27 %
Total investment grade	9,751	98 %	12,809	94 %
BB	108	1 %	390	3 %
B	38	— %	149	1 %
CCC	7	— %	7	— %
CC and lower	100	1 %	287	2 %
Total below investment grade	253	2 %	833	6 %
Total Structured Products	10,004	100 %	13,642	100 %

Credit Quality of Securities – Commercial Mortgage Loans

(in millions USD, unless otherwise indicated, unaudited)

	December 31, 2024	
	Fair Value	FV % of Total
CM Rating		
CM1	1,062	32 %
CM2	1,884	56 %
CM3	330	10 %
CM4	69	2 %
CM5	—	— %
CM6	16	— %
Total Commercial Mortgage Loans	3,361	100 %

KEY OPERATING AND NON-GAAP MEASURES

In addition to presenting results and key metrics determined in accordance with US GAAP, we believe that using certain non-GAAP measures provide investors with an increased understanding of our results of operations, financial condition, and underlying profitability drivers of the business. Management believes that adjusted net income and core operating earnings provide valuable measures of the ongoing profitability and underlying trends of the Company's ongoing operations.

Key Operating or non-GAAP measure	Comparable GAAP measure
Adjusted Net Income	Net Income
Core operating earnings	Net Income
Core Return on Assets	Return On Assets
Net Invested Assets, at carrying value	Total Investments
Net Investment Spread	Investment Yield
Net Reserves	Total Liabilities
Adjusted Equity	Equity

ADJUSTED NET INCOME AND CORE OPERATING EARNINGS

In addition to presenting net income (loss) determined in accordance with US GAAP, the company uses non-GAAP measures called Adjusted Net Income and Core Operating Earnings. Management believes that adjusted net income and core operating earnings provide valuable measures of the ongoing profitability and underlying trends of the Company's ongoing operations. Adjusted net income excludes change in fair value of funds withheld, net investment gains and losses and the associated impact of unrealized investment gains and losses on our additional insurance liabilities, certain variable annuity product features, foreign exchange gains and losses, long term incentive plan expenses, and goodwill impairment. Core Operating Earnings further adjusts the performance of our alternative investment portfolio based on its long-term return target and excludes certain actuarial experience and model update gains and losses, management fees and operational adjustments, and the impact of realized investment gains and losses on our additional insurance liabilities.

NET INVESTED ASSETS, AT CARRYING VALUE

The Company evaluates its invested asset position using net invested assets, at carrying value which includes cash and cash equivalents and excludes ceded investments and cash and cash equivalents. Management believes this is a more useful measure of invested assets as it removes the impact of the ceded investments and cash and cash equivalents as the full economics are ceded back to counterparties. Average net invested assets, at carrying value, is a trailing five quarter average for the year ending period.

NET RESERVES

Net Reserves is defined as total liabilities per US GAAP less separate account liabilities, value of business acquired, deferred gain from reinsurance contracts, loaned securities and repurchase agreements, debt, and other non-reserve-type liabilities. Net Reserves also excludes liabilities of fully ceded business units. Average net reserves is a trailing five quarter average for the year ending period.

ADJUSTED EQUITY

The Company evaluates its equity position using adjusted equity, which excludes the net of tax impact of accumulated other comprehensive (loss) income, the net of tax impact of cumulative change in the fair value of the funds withheld, and the net of tax impact of cumulative investment (gains) losses on additional insurance liabilities. Management believes this is a more useful measure of equity as it is unaffected by changes in interest rates and credit spreads that can fluctuate significantly from period to period.

NET INVESTMENT RETURN RATIO

The net investment return ratio is calculated as the annualized earned net invested income per US GAAP after deducting certain adjustments related to ceded investments divided by average net invested assets, at carrying value.

NET COST OF INSURANCE RATIO

The net cost of insurance ratio is calculated as total benefits and expenses per US GAAP after deducting certain adjustments unrelated to actuarial benefit expenses and including certain actuarial income items divided by average net invested assets, at carrying value.

POLICY AND OTHER OPERATING EXPENSE RATIO

The policy and other operating expense ratio is calculated as total general operating expenses per US GAAP after deducting certain adjustments unrelated to core expenses required to run the business divided by average net invested assets, at carrying value.

NON-OPERATING ITEMS

Non-operating items include certain impacts determined by the Company to be unusual or one-time items that are adjusted in order to provide insight into the core earnings potential of the business.

ALTERNATIVE INVESTMENTS ADJUSTMENT FOR LONG-TERM RETURN EXPECTATIONS

Represents the difference between actual returns on alternative investments and an assumed 12% long term return expectation. This adjustment normalizes investment performance by excluding short-term volatility and aligning results with long-term expected returns.

ACTUARIAL ADJUSTMENTS / MODEL UPDATES

Adjustments related to differences between actual and expected actuarial experience, as well as updates to actuarial assumptions or methodologies and realized investment gain or loss impacts on our AIL. These adjustments include impacts relating to prior year development ("PYD") on the property and casualty line of business. These changes may arise from policyholder behavior, mortality, longevity, or other assumptions and are excluded to provide a clearer view of underlying business trends and performance. Also includes gains or losses recognized in connection with the novation of reinsurance agreements as these are typically infrequent in nature and do not reflect ongoing business operations.

MANAGEMENT FEES AND OPERATIONAL ADJUSTMENTS

Represents management fees under our investment management agreement and strategic advisory services agreement. Also includes other operational adjustments which are typically infrequent in nature and do not reflect ongoing business operations.

REALIZED GAIN OR LOSS IMPACTS ON AIL

Realized gains and losses are reflected within the benefit ratio and in the historical cumulative assessments used in the calculation of the AIL. This results in market-driven realized gains and losses being partially reflected within the movement in the AIL through the Income Statement. Since these market movements do not necessarily reflect underlying business performance, the impact of realized gains and losses impacts on the AIL are also excluded from core operating earnings.

INCOME TAX EXPENSE OR BENEFIT ON ADJUSTMENTS

The adjustments to arrive at adjusted net income and core operating earnings are tax effected by applying the appropriate jurisdiction's tax rate to all adjustments subject to income tax.

Reconciliation of Non-GAAP Measures (1/2)

(in millions USD, unless otherwise indicated, unaudited)

	For the Three Months Ended or As of				Year Ended or As of		Change Y/Y
	3/31/2024	6/30/2024	9/30/2024	12/31/2024	2023	2024	
RECONCILIATION OF TOTAL ASSETS TO NET INVESTED ASSETS							
GAAP Total Investments	74,969	73,575	77,013	72,868	75,669	72,868	(4)%
Ceded investments and cash	(1,651)	(1,730)	(1,796)	(1,792)	(1,605)	(1,792)	12 %
Cash and cash equivalents	1,945	2,033	2,114	1,997	3,064	1,997	(35)%
Net Invested Assets, at carrying value	75,263	73,878	77,331	73,073	77,128	73,073	(5)%
RECONCILIATION OF TOTAL LIABILITIES TO NET RESERVES							
GAAP Liabilities	105,670	103,830	106,452	102,376	107,503	102,376	(5)%
Separate account liabilities	(24,262)	(23,675)	(24,010)	(22,857)	(23,871)	(22,857)	(4)%
Value of business acquired	(3,573)	(3,531)	(3,476)	(3,434)	(3,617)	(3,434)	(5)%
Ceded reserves	(2,301)	(2,248)	(2,335)	(2,277)	(2,267)	(2,277)	— %
Deferred gain from reinsurance contracts	(697)	(697)	(695)	(685)	(711)	(685)	(4)%
Loaned securities and repurchase agreements	(1,121)	(1,123)	(1,249)	(1,449)	(968)	(1,449)	50 %
Debt	(1,492)	(1,492)	(1,493)	(1,494)	(1,491)	(1,494)	— %
Other liabilities	(1,632)	(1,995)	(1,791)	(2,155)	(1,622)	(2,155)	33 %
Net Reserves	70,592	69,069	71,404	68,025	72,956	68,025	(7)%

Note: Please refer to "Notes to the Financial Statement" section for more information on non-GAAP measures

Reconciliation of Non-GAAP Measures (2/2)

(in millions USD, unless otherwise indicated, unaudited)

	For the Three Months Ended or As of				Year Ended or As of		Change
	3/31/2024	6/30/2024	9/30/2024	12/31/2024	2023	2024	Y/Y
NET INCOME TO CORE EARNINGS							
Net Income (Loss)	(266)	(332)	1,564	(1,823)	906	(857)	n.m.
Change in fair value of funds withheld - directly managed	548	554	(1,843)	1,969	(1,996)	1,228	n.m.
Net investment losses	241	233	(408)	714	623	780	25 %
Unrealized investment (gains) loss impacts on AIL	(142)	(169)	363	(423)	582	(371)	n.m.
Variable annuity product features	(149)	58	45	25	36	(21)	n.m.
Foreign exchange (gains) losses	(2)	11	73	100	98	182	86 %
Long-term incentive plan expenses	3	4	3	4	7	14	100 %
Goodwill impairment	—	—	—	—	93	—	n.m.
Income tax (expense) benefit related to above adjustments	(68)	(164)	374	(475)	136	(333)	n.m.
Adjusted net income	165	195	171	91	485	622	28 %
Alternative investments adj. for long-term return expectations	39	58	43	38	230	178	(23)%
Actuarial experience / model updates	(18)	(92)	(69)	47	13	(132)	n.m.
Management fees and operational adjustments	19	19	34	25	44	97	120 %
Realized (gains) loss impacts on AIL	10	26	38	18	9	92	n.m.
Income tax (expense) benefit related to above adjustments	(11)	(6)	(14)	(26)	(58)	(57)	(2)%
Core Operating Earnings	204	200	203	193	723	800	11 %

Note: Please refer to "Notes to the Financial Statement" section for more information on non-GAAP measures