

The Lafayette Life Insurance Company

Consolidated and Condensed GAAP Balance Sheet

\$ Thousands | December 31, 2019

Assets

Debt securities	\$4,098,469
Equity securities	138,778
Other invested assets	1,653,146
Total invested assets	5,890,393
Other assets	343,210
Total assets	\$6,233,603

Liabilities and equity

Future policy benefits and claims	\$5,206,872
Notes payable	0
Other liabilities	244,639
Total liabilities	5,451,511
Total equity	782,092
Total liabilities and equity	\$6,233,603

Consolidated and Condensed GAAP Income Statement

\$ Thousands | Year ended December 31, 2019

Revenue

Insurance premiums and product charges	\$ 429,395
Net investment income	246,909
Net realized investment gains (losses)	4,403
Commissions, fees and other income	277
Total revenue	680,984

Benefits and expenses

Policyholder benefits, interest credited and dividends to policyholders	520,326
Other operating expenses	102,054
Total benefits and expenses	622,380

Income before income tax expense	58,604
Income tax expense (benefit)	592
Net income	\$ 58,012

Western & Southern Financial Group

Consolidated and Condensed GAAP Balance Sheet

\$ Thousands | December 31, 2019

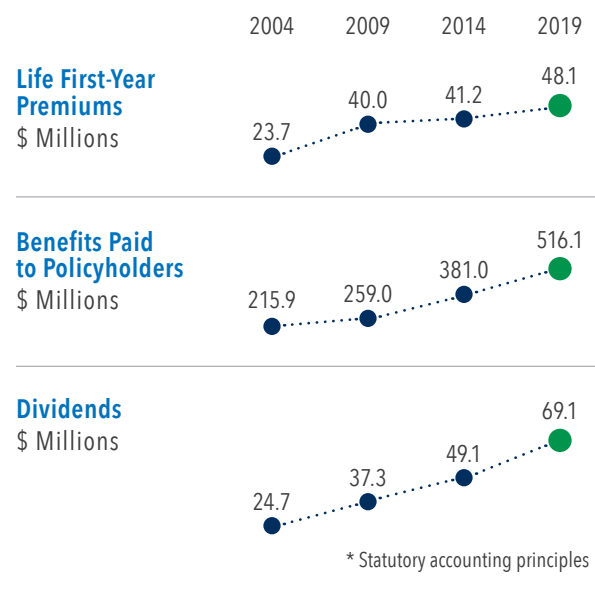
Assets

Debt securities	\$38,262,899
Equity securities	2,600,018
Other invested assets	11,028,709
Other general account assets	4,056,463
Assets held in separate accounts	2,479,565
Total assets	\$58,427,654

Liabilities and equity

Future policy benefits and claims	\$40,452,277
Notes payable	985,478
Other general account liabilities	3,626,381
Liabilities related to separate accounts	2,479,565
Total liabilities	47,543,701
Total equity	10,883,953
Total liabilities and equity	\$58,427,654

Lafayette Life 2019 Financial Highlights*



Outstanding Strength

A+ SUPERIOR A.M. Best

Superior ability to meet ongoing insurance obligations (second highest of 13 ratings; held since June 2009)

AA- VERY STRONG Standard & Poor's

Very strong financial security characteristics (fourth highest of 21 ratings; rating held since August 2018)

AA VERY STRONG Fitch

Very strong capacity to meet policyholder and contract obligations on a timely basis (third highest of 21 ratings; rating held since June 2009)

96 OUT OF 100 Comdex

The Comdex Ranking is a composite of all the ratings a company has received from the major rating agencies. It ranks insurers on a scale of 1 to 100 (where 1 is the lowest) in an effort to reduce confusion over ratings because each rating agency uses a different scale.*

This may contain information obtained from third parties, including ratings from credit ratings agencies such as Standard & Poor's. Reproduction and distribution of third-party content in any form is prohibited except with the prior written permission of the related third party. Third-party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information, including ratings, and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. THIRD-PARTY CONTENT PROVIDERS GIVE NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. THIRD-PARTY CONTENT PROVIDERS SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, EXEMPLARY, COMPENSATORY, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, COSTS, EXPENSES, LEGAL FEES, OR LOSSES (INCLUDING LOST INCOME OR PROFITS AND OPPORTUNITY COSTS OR LOSSES CAUSED BY NEGLIGENCE) IN CONNECTION WITH ANY USE OF THEIR CONTENT, INCLUDING RATINGS. Credit ratings are statements of opinion and are not statements of fact or recommendations to purchase, hold or sell securities. They do not address the suitability of securities or the suitability of securities for investment purposes, and should not be relied on as investment advice.

The ratings are current as of January 2021, and are subject to change. Ratings refer to the claims-paying ability of the insurance company and do not reflect the performance or safety of any investment product. The rating agencies listed above are independent of each other and use proprietary evaluation criteria and rating scales. *The Lafayette Life Insurance Company is not rated by Moody's.



Solutions for Life's Journey

2019 FINANCIAL SUMMARY



Solutions for Life's Journey

The President's Message



John H. Bultema III
President and Chief Executive Officer
The Lafayette Life Insurance Company

The Lafayette Life Insurance Company has the financial strength and customer-focused solutions to help meet your financial needs along life's journey.

Lafayette Life delivered another year of solid financial performance in 2019. In fact, we had our best year yet. Our GAAP operating income reached a record \$59.1 million from life and annuity business. Our annualized sales growth in life premiums was 37.2% and new life policies were 104.3% over 2018. In keeping with our company's tradition of paying dividends on our whole life products since our founding in 1905, we expensed dividends of \$69.1 million in 2019.

Lafayette Life introduced multi-year J.P. Morgan and Goldman Sachs index annuity allocation options in 2019 to give our producers and their clients more flexibility with indexing strategies within select Lafayette Life annuities. These new indexes complement the S&P 500® Index, which also continues to be among our clients' allocation choices.

We continue to build on our culture of exceptional service by investing in customer experience and digital technology solutions. We introduced electronic policy delivery as an option on many of our life insurance products in 2019, streamlining our process and making receipt of final policy documents more convenient and efficient. We enhanced our producers' online training portal to provide easy access to the latest industry content.

Lafayette Life Retirement Services continued to provide outstanding service to a growing number of customers. The team sold 83 qualified retirement plans, generating \$2 million of life premium and \$55.1 million in annuity premium.

Despite the COVID-19 pandemic that continues to test the resilience of our nation and the financial markets during 2020, we continue to invest in areas that make it easier to do business with us. Early in 2020, we introduced accelerated underwriting to give qualified clients faster, more convenient policy delivery while enhancing producers' ability to move business quickly.

As the year progresses, we are making further enhancements to our producer portal, agent account statements and annual statements for customers. We are also adding enhanced J.P. Morgan and Goldman Sachs options to in-force annuity contracts and to group annuity products available through our retirement plans.

In 2020, Lafayette Life will continue our commitment to customer-focused products, services and solutions to help protect and improve financial futures.

About Lafayette Life

Since our founding in 1905, The Lafayette Life Insurance Company has provided life insurance, annuity, retirement, and business-planning solutions to individuals and businesses. Our mission is to be a financially sound, quality-driven, growth-oriented company dedicated to meeting our customers' needs for a variety of financial products, services and solutions.

Lafayette Life's whole life products, indexed annuities and retirement services are offered to emerging affluent and affluent Americans through 7,600 independent producers and independent marketing organizations. We pride ourselves on a highly personalized experience with client access to our team members whenever needed.

Lafayette Life Board of Directors

John F. Barrett
Chairman, President and CEO, Western & Southern Financial Group

John H. Bultema III
President and CEO, The Lafayette Life Insurance Company

J.J. Miller
President and CEO, Columbus Life Insurance Company

Jill T. McGruder
Senior Vice President and Enterprise Chief Marketing Officer,
Western & Southern Financial Group

Jonathan D. Niemeyer
Senior Vice President, Chief Administrative Officer
and General Counsel, Western & Southern Financial Group

Lafayette Life Senior Management

John H. Bultema III
President and Chief Executive Officer

Lawrence R. Silverstein
Senior Vice President and Chief Marketing Officer

Michael F. Donahue
Vice President, Marketing Services

Daniel E. Haneline
Vice President and Chief Financial Officer

Cheryl A. Jorgenson
Vice President, Retirement Services

Have a question? Need to contact us? Visit our website at www.llic.com or call our home office toll-free at 800.243.6631. Lafayette Life is an Equal Opportunity Employer.



Lafayette Life Insurance Company

A member of Western & Southern Financial Group

The Lafayette Life Insurance Company
400 Broadway • Cincinnati, OH 45202-3341
www.llic.com

"Goldman Sachs" is a trademark of Goldman, Sachs & Co. LLC and is licensed for use to The Lafayette Life Insurance Company for use in connection with certain fixed annuities. These annuities are not sponsored, endorsed, sold, guaranteed, underwritten or promoted by Goldman, Sachs & Co. LLC.