

QUARTERLY FINANCIAL DATA

Western & Southern Financial Group, Inc.

September 30, 2024 (unaudited)

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Contact Information:

Bradley J. Hunkler
Senior Vice President & Chief Financial Officer
Western & Southern Financial Group, Inc.
400 Broadway Street
Cincinnati, OH 45202
(513) 629-1800

Western & Southern Financial Group, Inc.

Consolidated Balance Sheets

	September 30, 2024 <i>(unaudited)</i>	December 31, 2023
	<i>(In Thousands)</i>	
Assets		
Investments:		
Debt securities, available-for-sale at fair value	\$ 49,313,255	\$ 46,137,709
Equity securities	3,790,293	3,359,829
Debt trading securities, at fair value	3,635,961	3,382,505
Mortgage loans, net	7,936,597	7,210,025
Real estate	619,957	651,546
Policy loans	1,755,293	1,606,350
Short-term investments	1,027,777	1,030,656
Other invested assets	3,952,842	3,520,352
Total investments	72,031,975	66,898,972
Cash and cash equivalents	304,319	266,388
Accrued investment income	611,051	563,269
Deferred acquisition costs, net	2,069,975	2,159,859
Goodwill and other intangible assets	1,603,270	1,633,983
Deferred income tax asset, net	—	300,989
Other assets	1,066,717	850,026
Assets held in separate accounts	2,705,546	2,401,004
Total assets	<u>\$ 80,392,853</u>	<u>\$ 75,074,490</u>
Liabilities and equity		
Policy reserves	\$ 59,060,096	\$ 56,352,303
Securities lending obligation	1,158,971	942,749
Deferred income tax liability, net	139,594	—
Nonrecourse trust and partnership obligations	1,136,265	1,114,508
Notes payable	1,484,139	1,482,453
Employee benefit liabilities	588,630	561,840
Other liabilities and accrued expenses	1,239,038	1,281,054
Liabilities related to separate accounts	2,705,546	2,401,004
Total liabilities	67,512,279	64,135,911
Equity:		
Paid-in capital	5,000	5,000
Accumulated other comprehensive income (loss):		
Net unrealized gains (losses) on securities	(621,120)	(1,492,494)
Net unrecognized postretirement benefit obligation	107,448	34,127
Total accumulated other comprehensive income (loss)	(513,672)	(1,458,367)
Retained earnings	12,242,293	11,376,554
Total shareholders' equity attributable to Western & Southern Financial Group, Inc.	11,733,621	9,923,187
Noncontrolling interests	1,146,953	1,015,392
Total equity	12,880,574	10,938,579
Total liabilities and equity	<u>\$ 80,392,853</u>	<u>\$ 75,074,490</u>

Western & Southern Financial Group, Inc.
Consolidated Statements of Income

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	<i>(unaudited) (In Thousands)</i>		<i>(unaudited) (In Thousands)</i>	
Revenue:				
Insurance premiums and other consideration	\$ 849,615	\$ 814,569	\$ 2,408,047	\$ 2,329,354
Universal life and investment-type product charges	46,700	47,556	136,399	132,084
Net investment income	911,967	765,619	2,624,293	2,201,426
Net investment gains (losses)	372,978	(158,043)	547,399	(125,306)
Commissions, fees and other income	118,401	119,004	350,771	331,958
Total revenue	2,299,661	1,588,705	6,066,909	4,869,516
Benefits and expenses:				
Policy benefits	911,481	809,095	2,567,230	2,373,979
Interest credited to policyholder account balances	333,108	259,220	942,615	733,602
Dividends to policyholders	43,297	36,070	121,613	110,823
Amortization of policyholder related intangibles	79,404	113,759	237,812	257,565
Other operating expenses	360,832	314,622	1,054,586	985,899
Total benefits and expenses	1,728,122	1,532,766	4,923,856	4,461,868
Income (loss) before income tax expense (benefit)	571,539	55,939	1,143,053	407,648
Income tax expense (benefit)	98,382	(1,477)	190,642	50,772
Net income (loss)	473,157	57,416	952,411	356,876
Less net income (loss) attributable to noncontrolling interests	54,592	(208)	85,172	18,106
Net income attributable to Western & Southern Financial Group, Inc.	\$ 418,565	\$ 57,624	\$ 867,239	\$ 338,770

Western & Southern Financial Group, Inc.

Consolidated Statement of Changes in Equity

For The Nine Months Ended September 30, 2024

(unaudited)

	Western & Southern Financial Group, Inc.				
	Accumulated Other				
	Paid-in Capital	Comprehensive Income/(Loss)	Retained Earnings	Noncontrolling Interests	Total Equity
	<i>(In Thousands)</i>				
Equity, December 31, 2023	\$ 5,000	\$ (1,458,367)	\$11,376,554	\$ 1,015,392	\$10,938,579
Change in noncontrolling interests' ownership	—	—	—	46,389	46,389
Dividend paid to parent	—	—	(1,500)	—	(1,500)
Comprehensive income/(loss):					
Net income/(loss)	—	—	867,239	85,172	952,411
Change in net unrealized gains/(losses)	—	871,374	—	—	871,374
Change in unrecognized postretirement benefit obligation, net of related income taxes	—	73,321	—	—	73,321
Comprehensive income/(loss)					1,897,106
Equity, September 30, 2024	<u>\$ 5,000</u>	<u>\$ (513,672)</u>	<u>\$12,242,293</u>	<u>\$ 1,146,953</u>	<u>\$12,880,574</u>

Western & Southern Financial Group, Inc.

Consolidated Statements of Cash Flows

	Three Months Ended September 30, 2024		September 30, 2023		Nine Months Ended September 30, 2024		September 30, 2023	
	<i>(unaudited) (In Thousands)</i>				<i>(unaudited) (In Thousands)</i>			
Operating activities								
Net income	\$	473,157	\$	57,416	\$	952,411	\$	356,876
Adjustments to reconcile net income to net cash provided by (used in) operating activities:								
Capitalization of acquisition costs		(80,209)		(96,020)		(259,923)		(277,122)
Amortization and depreciation		80,610		115,425		241,712		262,479
Net investment (gains) losses		(372,978)		158,043		(547,399)		125,306
Deferred federal income tax expense (benefit)		102,626		(44,194)		189,904		(52,689)
Purchases of debt trading securities, net of proceeds from sales		(69,541)		(22,166)		(152,090)		(98,440)
(Increase) decrease in other operating assets		(201,319)		(50,871)		(405,896)		(176,401)
Increase (decrease) in other operating liabilities and other policyholder balances		209,136		424,125		999,997		914,458
Net cash provided by operating activities		141,482		541,758		1,018,716		1,054,467
Investing activities								
Purchases:								
Debt securities, available-for-sale		(2,344,648)		(2,359,760)		(7,251,807)		(6,621,123)
Equity securities		(139,616)		(155,478)		(438,386)		(327,886)
Mortgage loans		(397,462)		(250,234)		(1,142,147)		(838,634)
Real estate and other invested assets		(470,415)		(203,192)		(929,633)		(540,487)
Proceeds from sales, call or maturities:								
Debt securities, available-for-sale								
Sales		1,103,657		348,503		2,420,594		1,940,541
Maturities, calls and pay downs		1,174,372		486,357		3,174,201		1,691,414
Equity securities		156,086		91,847		613,319		264,478
Mortgage loans		136,385		132,618		409,322		284,167
Real estate and other invested assets		416,195		176,288		679,022		480,969
(Increase) decrease in short-term investments		(109,615)		(27,344)		2,879		507,712
(Increase) decrease in cash collateral on derivatives contracts		19,437		—		43,119		—
Net cash used in investing activities		(455,624)		(1,760,395)		(2,419,517)		(3,158,849)
Financing activities								
Deposits and interest credited to universal life and investment-type product account balances		7,294,602		8,190,273		23,464,573		21,591,606
Withdrawals from universal life and investment-type product account balances		(6,975,818)		(6,895,467)		(21,856,436)		(19,159,935)
Other financing activities		(11,047)		(2,191)		(169,405)		(179,688)
Net cash provided by financing activities		307,737		1,292,615		1,438,732		2,251,983
Net increase (decrease) in cash and cash equivalents		(6,405)		73,978		37,931		147,601
Cash and cash equivalents (including restricted cash) at beginning of year		310,724		303,429		266,388		229,806
Cash and cash equivalents (including restricted cash) at end of year	\$	304,319	\$	377,407	\$	304,319	\$	377,407