FGL Holdings Earnings Review

Fourth Quarter 2017

February 28, 2018

Legal Disclosures

- All data in this presentation are as of 12/31/2017 and include unaudited 4Q17 estimated results, unless stated otherwise
- As a result of the recent merger with CF Corp., the acquisition method of accounting (purchase accounting or PGAAP) was applied in 4Q17, including the initial recognition of most of the company's assets and liabilities at fair value and other merger related effects.
- Caution regarding forward-looking statements:
  - This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results, events and developments to differ materially from those set forth in, or implied by, such statements. These statements are based on the beliefs and assumptions of F&G's management and the management of its subsidiaries.
  - Generally, forward-looking statements include actions, events, results, strategies and expectations and are often identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans," "seeks," "estimates," "projects," "may," "will," "could," "might," or "continues," "outlook" or similar expressions. Factors that could cause actual results, events and developments to differ from those set forth in, or implied by, the statements set forth herein are discussed from time to time in F&G's filings with the SEC, as well as those of its predecessor companies—FGL and CFCO. You can find these filings on the SEC's website, www.sec.gov.
  - All forward-looking statements we describe herein are qualified by these cautionary statements and we can provide no assurance that the actual results, events or developments referenced herein will occur or be realized. F&G does not undertake any obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results.
  - All estimates and forecasts for the effects of purchase accounting are preliminary and subject to change.
- Permission neither sought nor obtained with reference to third party sources

A Compelling Investment Opportunity

F&G

1 Well Defined Value Creation Levers

- Accelerated earnings momentum through enhanced asset management performance through relationship with Blackstone and a tax-efficient international platform
- An enhanced ability to pursue ongoing strategic acquisitions by leveraging the experience and professional network of CF Founders and Blackstone

2 Established Life & Annuity Franchise

- Primary insurance company with well-established Fixed Indexed Annuity (FIA), Multi-Year Guaranty Annuity (MYGA) and Indexed Universal Life (IUL) platforms
- Offers a comprehensive suite of underlying product offerings through its longstanding and stable distribution relationships

3 Attractive Sector and Company Growth

- Favorable demographic trends and growing retirement population drives broader demand for FIA, MYGA and IUL products
- F&G has grown average assets under management (AAUM) by 11%[1] CAGR over last 3 years

4 Prudent Capital Position with Significant Investable assets

- Modest leverage with strong insurance regulatory capital of ~500% RBC
- Significant underlying cash and investable assets of $25B

5 Strong Sponsorship with Significant Capital Investment

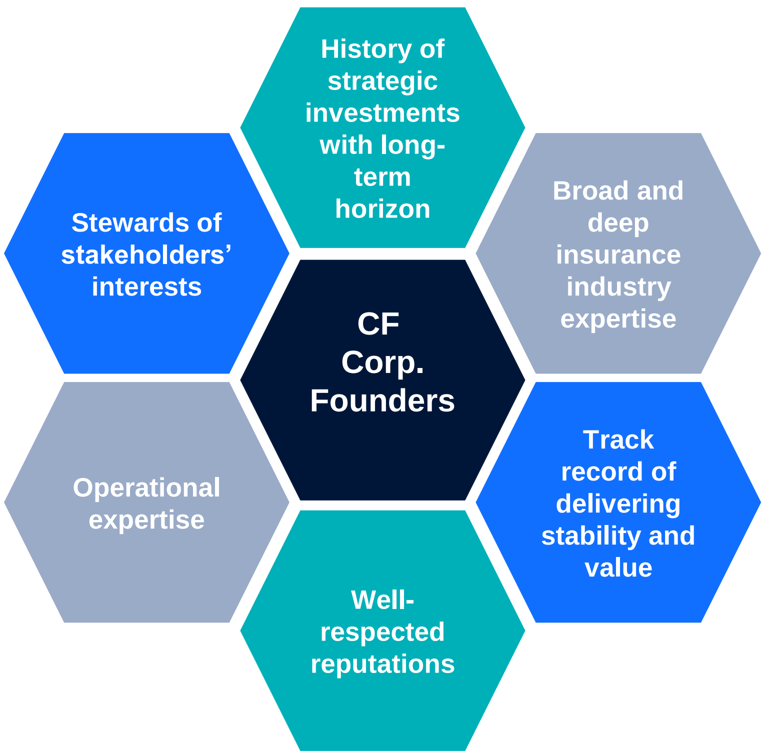
- Founders Chinh Chu and Bill Foley bring significant investment and operational expertise to F&G
- Total investment of $900M+ from Chinh Chu, Bill Foley, FNF and Blackstone demonstrates clear and long-term commitment to the franchise

[1] Excludes additional growth due to purchase accounting and merger effects

World Class Sponsorship

CF Corporation (CFCO) was a publicly-listed company founded by Chinh Chu and William Foley which raised an aggregate of $1.2 B of proceeds to acquire a high quality operating company, resulting in FGL Holdings (NYSE: FG)

- Primary objective: build a high quality, enduring business with permanent capital
- One of the largest U.S.-listed special purpose acquisition companies (SPAC)
- Significant investment by co-founders aligns with shareholders' interests
- Capital raised from a broad base of blue-chip long-term investors



Chinh E. Chu

Founder and Co-Chairman (25+ Years Experience)

- Previously a Senior Managing Director at Blackstone and member of Blackstone's Executive Committee
  - Longest tenured partner aside from Stephen Schwarzman
- Served on Boards of Kronos, NCR, SunGard, London Financial Futures Exchange, BankUnited, Stearns Mortgage, Celanese, Nalco, Catalent, Nycomed, Stiefel, Allied Barton, and Graham Packaging

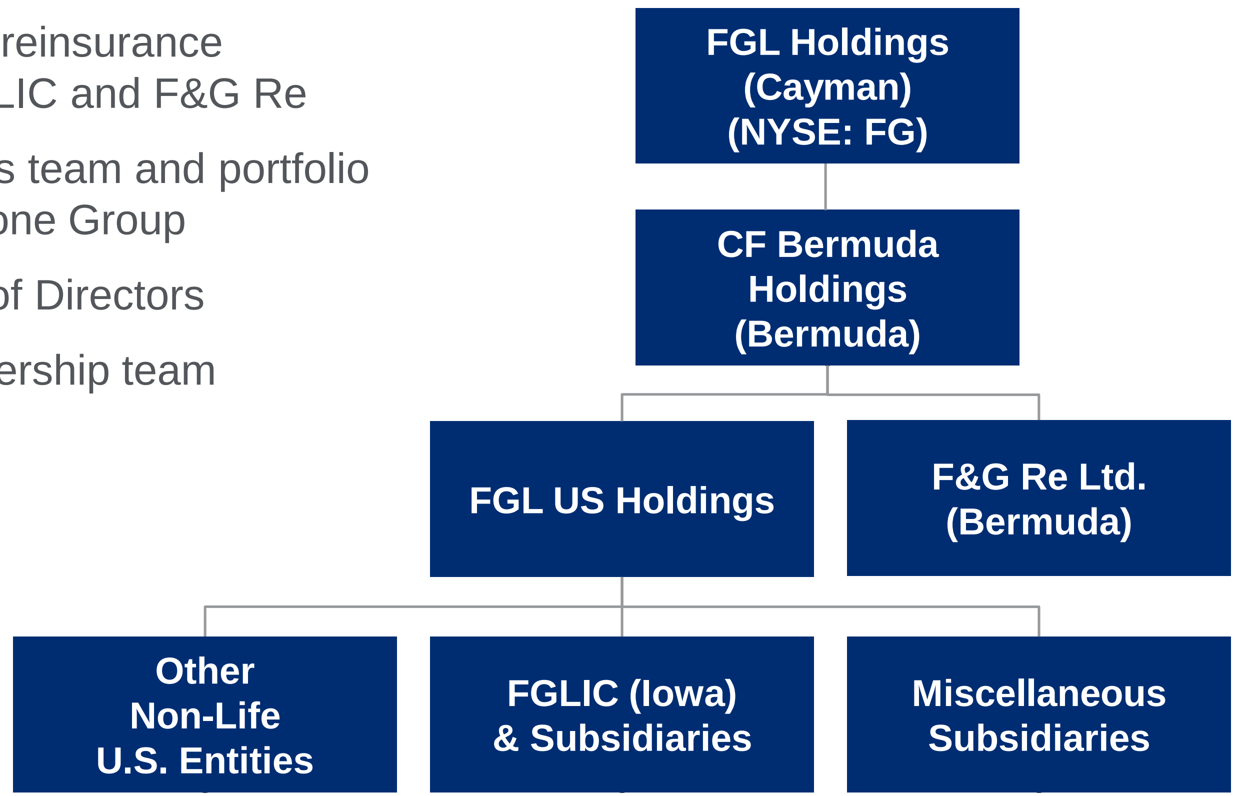
William P. Foley II

Founder and Co-Chairman (30+ Years Experience)

- $54B of public market value creation
- 3 separate multi-billion dollar public market platforms, with over 100 acquisitions across all platforms
- Chairman of the Board of Fidelity National Financial (FNF)
- Vice-Chairman of the Board of Fidelity National Information Services

Operating Structure

- Successfully closed transaction on 11/30/2017 for $1.9B
- New international entity structure in place
- Capitalized F&G Re with $750M
- Executed ~60% ModCo reinsurance transaction between FGLIC and F&G Re
- Transitioned Investments team and portfolio management to Blackstone Group
- Established new Board of Directors
- Retained executive leadership team



Financial Performance

Basis of Presentation

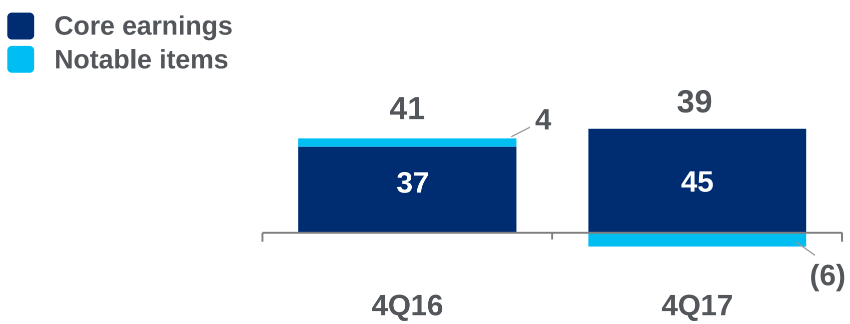
- Company has applied the purchase accounting process as required by U.S. GAAP (PGAAP) to reflect the transaction effects and restate the opening balance sheet as of 12/1/17 at fair market value

- **Notable changes include:**
  - Invested assets were marked-to-market to record a ~$1.2B pre-tax, pre-DAC net realized gain on its investment portfolio; this is a non-cash item that will amortize as a reduction to net investment income over the remaining life of the assets
  - Reserves were increased for $970M in accordance with current best estimates
  - $1.1B deferred acquisition cost (DAC) intangible asset was written off and a new intangible asset of $831M was established to record the value of business acquired (VOBA)
  - $358M increase to deferred taxes of which $131M was written off at 12/31/17 due to enacted Tax Reform
  - ~$470M goodwill
- Fair value adjustments to balance sheet will be amortized over time & impact future reported GAAP earnings
- For comparison purposes we are showing key information on a full quarter basis, as well as the split as of the transaction date of 11/30/17

GAAP Earnings Trend

AOI[1] - Quarter ended 12/31

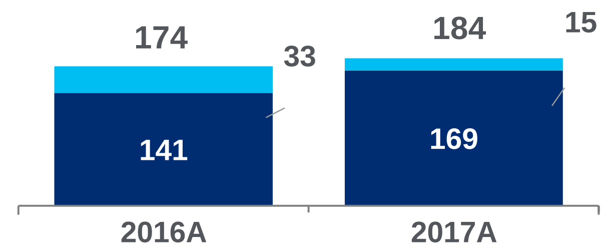
($M) **VPY: (5%)**



	4Q16	4Q17
GAAP Net Income	108	(74)
AOI EPS[2]	$0.19	$0.18
AOI ROE[3]	10.3%	9.7%

AOI[1] - Year ended 12/31

($M) **VPY: 6%**



	2016A	2017A
GAAP Net Income	157	41
AOI EPS[2]	$0.81	$0.85
AOI ROE[3]	10.9%	12.0%

- GAAP net loss of ($74M) in 4Q17 attributable to $131M write-off attributed to tax reform
  - The underlying effective GAAP ETR for 2016 was 35% and for 2017 was 33%
- Core underlying earnings continue to expand from new business, expanding net investment spreads and disciplined expense management
- Notable items in 4Q17 were dilutive by $(0.03) per share and in 4Q16 were accretive $0.02 per share. Notable items were accretive by $0.07 per share for the full year 2017 and $0.15 per share in 2016[2]

The results above for 4Q17 and 2017 reflect results for the full three months ended December 31, 2017 and twelve months ended December 31, 2017, respectively; see reconciliation table on Appendix page 25

[1] AOI for both prior and current periods reflect the current definition thereby excluding M&A costs for all reported periods

[2] AOI EPS available to common shareholders is based on post-merger 214M shares outstanding in all periods for comparability

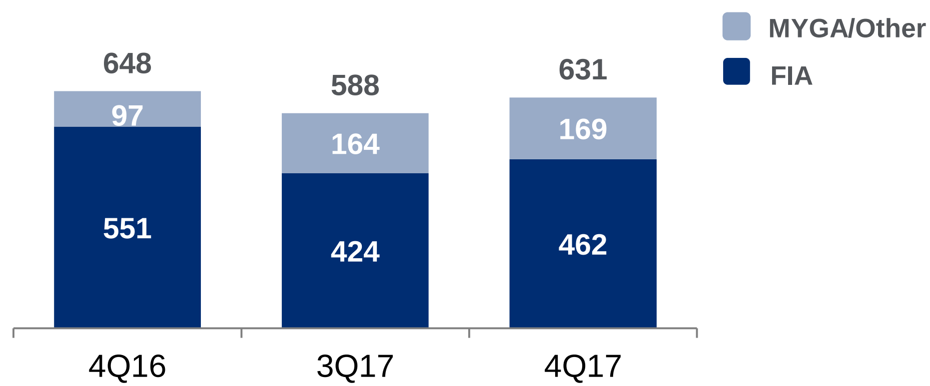
[3] ROEs in 2016 are as reported previously under the company's prior capital structure; ROEs in 2017 are estimated based on the AOI noted above divided by the ending 12/31/17 common shareholder equity excluding AOCI

Annuity Sales

Quarter ended 12/31

($M)

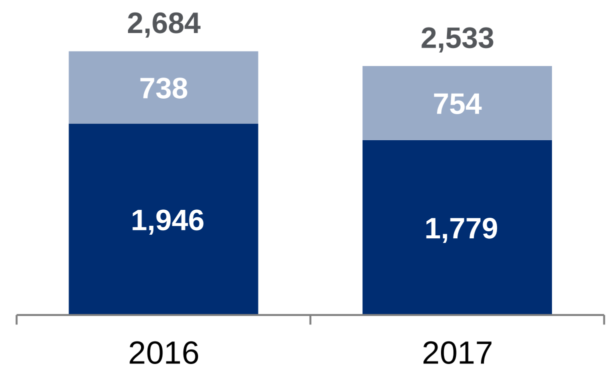
VPY: (3%)



IUL[1]	17	6	7

Year ended 12/31

VPY: (6%)



IUL[1]	60	36

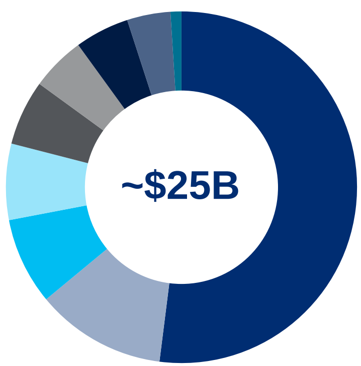
Calendar 2017 sales $2.8B, 10% below 2016

- FIA annual sales $1.8B, ↓ 9% vs. PY; overall independent channel ↓ 10%
  - Managed volume for profitability and capital targets, further impacted by distractions of industry-wide DOL fiduciary rule and strong equity market growth
  - 4Q17 FIA sales of $462M, ↓ 16% vs. PY as expected from intentional pricing actions
- MYGA & FHLB annual sales $746M, ↑ 1% to PY
- New business IRR on all sales >14% in 2017

[1] IUL at annualized target premium

Investment Portfolio

Investment Portfolio by Asset Class



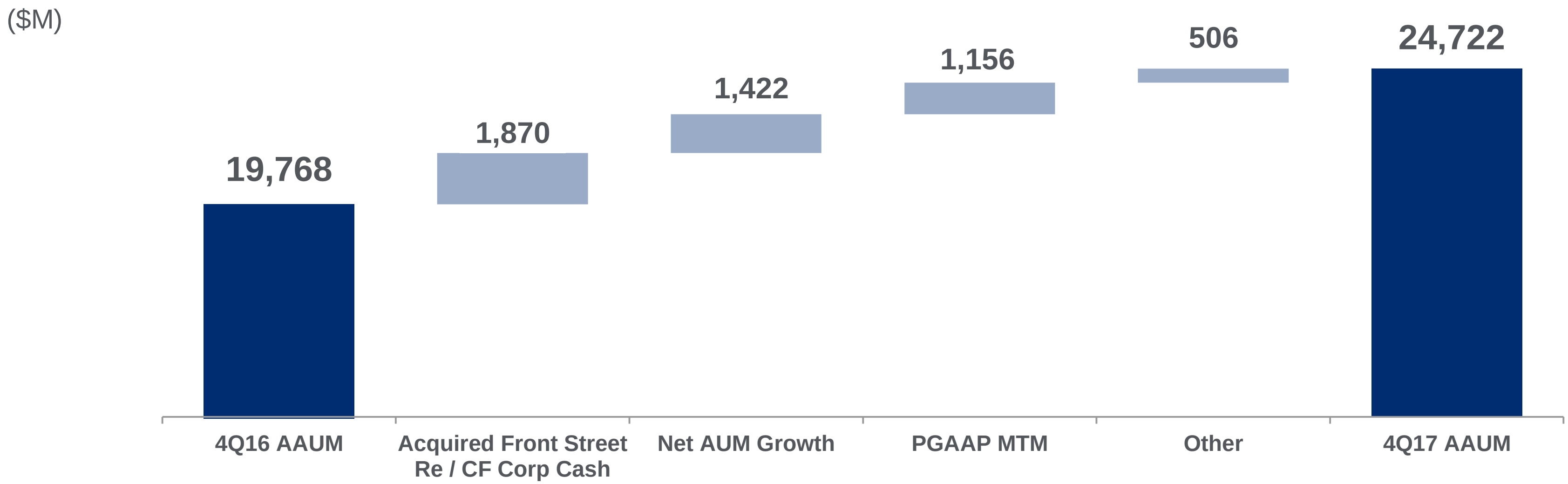
High quality (avg. NAIC 1.6) fixed income portfolio

($M)	9/30/17	11/30/17	12/31/17
URG/(L)[2]	1,131	1,156	112

- **Core investment portfolio performing well**
  - Portfolio marked to fair value at 11/30/17 for $1.2B gain … to be amortized over life of portfolio assets
  - AAUM increased by $4.9B, ↑ 25% due to purchase accounting and merger effects
- **Asset purchased during the quarter**
  - $1.1 billion at an average new money yield of 4.73%; 5.12% for full year 2017
  - Primarily in investment grade corporate bonds and structured securities
- **1Q18 Key Action**
  - Completed $2.7 billion block trade in February, resulting in $40 million annualized net investment income lift

Note: GAAP investment portfolio totals ~$25B investments, including cash and cash equivalents
[1] Other consists of commercial mortgage loans, derivatives, preferred stocks, policy loans and common stock
[2] Portfolio net unrealized gain (loss) excludes derivatives

PGAAP and Merger Portfolio Impacts



NII	**240**	+7	+18	(7)	+8	**266**
Yield (%)	**4.85%**	0.15%	-	(0.63%)	(0.06%)	**4.31%**

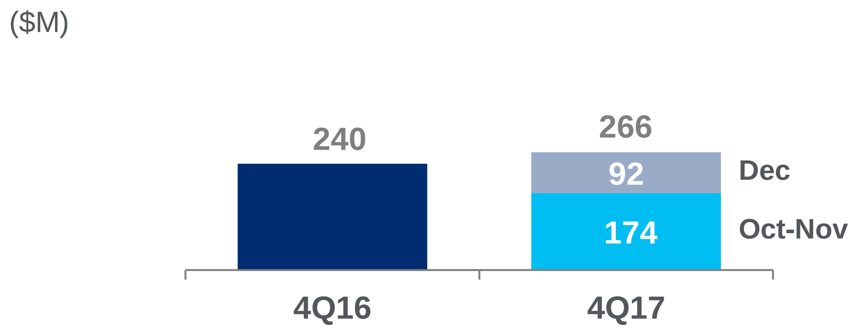
- Core NII up 11% from AAUM growth and increased spreads
- PGAAP premium amortization of ($7) offset NII lift from acquired assets
- Underlying portfolio yield improved, but overall reported yield lower by 54 bps with 25% increase in AAUM from PGAAP / FSR…resets baseline yield going forward before portfolio reposition actions

Note: AAUM at 4Q16 indicates average assets under management based on rolling 13 month average. AAUM at 4Q17 was reset beginning with the PGAAP opening balance sheet at 12/1/17 and reflects a 2 point average

Investment Income & Yield

Quarter ended 12/31

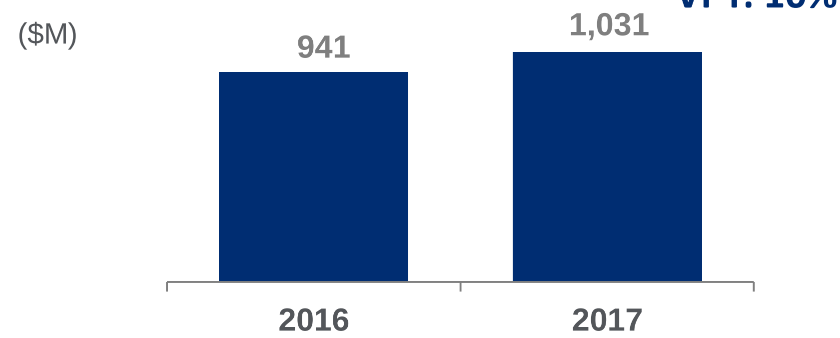
VPY: 11%



Yield %	4.85%	5.01% (pre merger[1])
		4.31% (post merger)
AAUM	19,768	24,722 (post merger)

Year ended 12/31

VPY: 10%



Yield %	4.92%	4.90% (pre-merger)
		4.17% (post merger)
AAUM	19,112	24,722 (post merger)

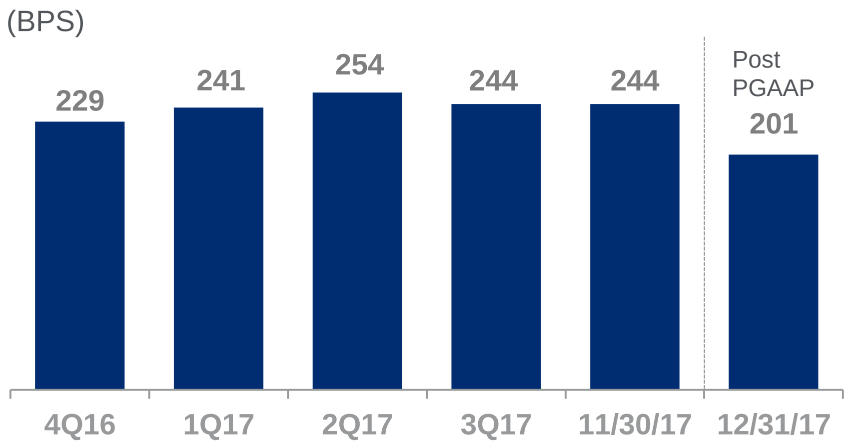
- Core investment portfolio performing well with NII increasing ~10% to prior year; AAUM and yield reset for purchase accounting mark-to-market (non-cash adjustment)
- Asset purchases in 4Q17 were $1.1B at average new money yield of 4.73% (5.12% for full year), primarily investment grade corporate bonds and structured securities
- Looking ahead … Short rates likely to rise while longer rates have already risen and provide incremental value; continued economic expansion and robust earnings validate maintaining exposure to corporate credit

[1] Pre merger excludes merger and purchase accounting effects

GAAP Net Investment Spread

- Net investment spread stable for all products, with recent periods at ~245 bps before reset to 201 bps to reflect purchase accounting effect on portfolio yield and AAUM
- Steady trend for FIA spread from 300 bps; reset to 267 bps due to post merger purchase accounting
- Inforce spread expected to improve as portfolio repositioning is completed

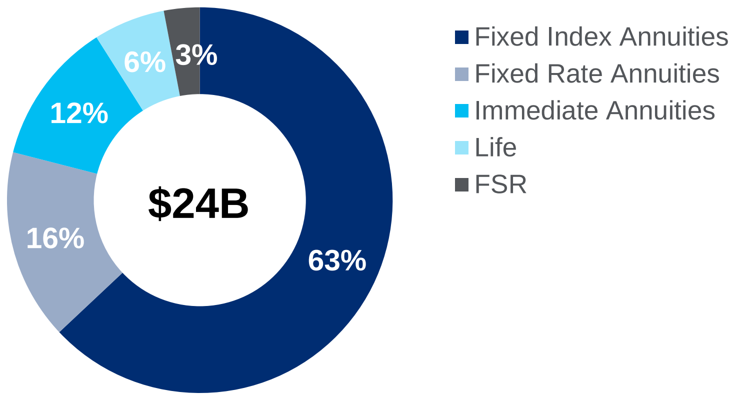
Quarterly spread trend – All products



Quarterly spread trend – FIA products

A Profitable and Stable In-force Book

U.S. GAAP Net Reserves [1,2]



Liability Profile

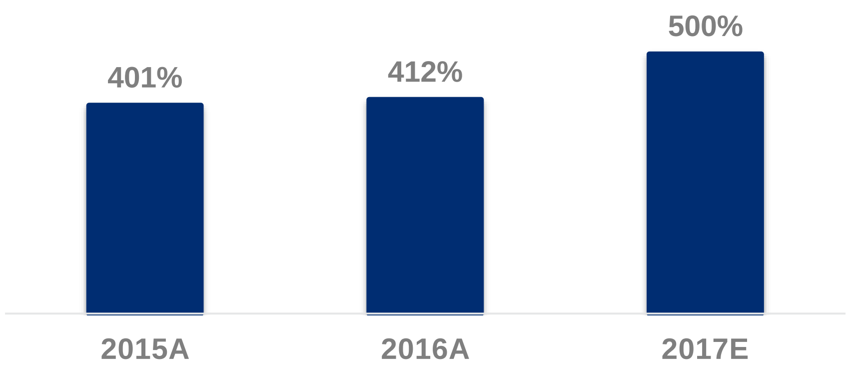
- Primarily FIAs and FAs; with growing indexed life book
- Asset and liability cash flows are well matched
- Surrender charges and market value adjustments protect against disintermediation in rising interest rate environment
- During accumulation, customer's money credited with interest linked to an index strategy…e.g., S&P 500
- New business and in-force actively managed to maintain pricing IRR targets
- Distance between current and guaranteed crediting cost allows flexibility to maintain spreads as needed

Annuity Metrics [1]	Fixed Indexed Annuities	Fixed Rate Annuities
Weighted-average life[3]	7 years	4 years
% Surrender charge protected	85%	78%
Average remaining surrender charge (% of account value)	8%	5%
% Subject to MVA	18%	75%
Average cost of option cost/interest credited	2.19%	2.68%
Distance to guaranteed minimum crediting rates	60bps	85bps

[1]Calendar year ended 12/31/17 and where applicable, crediting costs and distance consider the spot costs of index and fixed credits
[2]GAAP net reserves comprised $27B contractholder funds and future policy benefits, net of $3B reinsurance recoverable
[3]Reflects effective duration of liabilities

Capital & Ratings Update

FGLIC (Iowa) Risk-Based Capital (RBC)



Current Ratings

Current Ratings	S&P	A.M. Best	Fitch	Moody's
Issuer Credit Rating[1]	**BB+ / Positive**	**bb+ / Under Review**	**BB+ / Stable**	**Ba3[3] / Stable**
Financial Strength Rating[2]	**BBB+ / Stable**	**B++ / Under Review**	**BBB / Stable**	**Baa2 / Stable**

- Consistently improving capital levels for FGLIC to ~500% RBC (company action level)
- Strong statutory earnings >$250M in 2017
- Deployable capital[4] ~$500 million available for general purposes
- Following merger, most rating agencies have removed "Credit Watch" outlook
  - S&P Global provided two notch upgrade on financial strength rating for FGLIC to BBB+, with Stable rating outlook, and two notch upgrade on issuer credit rating for FGL Holdings to BB+, with Positive rating outlook
  - Fitch upgraded FGLH's issuer credit rating one notch to 'BB+' and the senior note rating one notch to 'BB'
  - A.M. Best outlook remains "Under Review with developing implications" at this time

[1]Reflects issuer credit rating for holding companies and senior notes.
[2]Reflects financial strength rating for insurance operating subsidiaries.
[3]Reflects issuer credit rating for FGL Holdings. Issuer credit rating of Ba2 for CF Bermuda Holdings Limited and Fidelity & Guaranty Life Holdings, Inc.
[4] Defined as: (a) capital > 425% RBC, (b) available debt capacity and (c) holding company cash and invested assets

2018 Objectives & Outlook

Key 2018 Assumptions

- **Independent channel FIA sales to grow 5 – 10%; F&G targeting upper end of range**
  - Sales momentum expected to build after first quarter
- **Meaningful progress on portfolio re-positioning during 2018 … targeting >50% complete by year-end**
  - In February, completed $2.7B block trade for $40M NII lift (pre-tax, pre-VOBA) … yield increase was 150 bps on block trade and 20 bps for overall portfolio
  - Increase assets up to ~30% of overall portfolio … finish by mid 2019
  - ~5% allocation to alternative assets by end of 2019
  - Every 25 bps interest rate increase is ~$5M AOI on floating rate portfolio
- **Planning for ~20% tax rate in 2018; evaluating actions to achieve ~15% over time**
  - Working with industry / Treasury to achieve further clarity on BEAT approach
  - Parallel efforts to develop additional opportunities to leverage international platform
  - Maintain flexibility for new international platform
- **Key capital metrics**
  - RBC ratios maintained at minimum of 450% overall; post Tax Reform
  - Managing to new A.M. Best BCAR[1] model to achieve upgrade as soon as possible
  - No common dividend; preferred dividend assumed paid-in-kind

[1]A.M. Best's Capital Adequacy Ratio Model

Appendix

Consolidated Balance Sheets

FGL Holdings Condensed Consolidated Balance Sheets (Unaudited)

(In millions)	December 31, 2017	September 30, 2017	September 30, 2016
	Successor	Predecessor	Predecessor
ASSETS			
Investments:			
Fixed maturity securities, available-for-sale, at fair value (amortized cost: December 31, 2017 - $21,475; September 30, 2017 - $20,063; September 30, 2016 - $18,521)	$ 21,590	$ 21,154	$ 19,411
Equity securities, available-for-sale, at fair value (amortized cost: December 31, 2017 - $764; September 30, 2017 - $733; September 30, 2016 - $640)	761	773	683
Derivative investments	492	413	276
Short term investments	25	—	—
Commercial mortgage loans	548	547	595
Other invested assets	188	185	60
Total investments	23,604	23,072	21,025
Related party loans	—	71	71
Cash and cash equivalents	1,215	885	864
Accrued investment income	211	231	214
Funds withheld for reinsurance receivables at fair value	756	—	—
Reinsurance recoverable	2,506	3,375	3,464
Intangibles, net	844	1,129	1,026
Deferred tax assets, net	163	—	—
Goodwill	470	—	—
Other assets	160	202	371
Total assets	$ 29,929	$ 28,965	$ 27,035
LIABILITIES AND SHAREHOLDERS' EQUITY			
Contractholder funds	$ 21,844	$ 20,792	$ 19,251
Future policy benefits, including $728 at fair value at December 31, 2017	4,751	3,412	3,467
Funds withheld for reinsurance liabilities	2	1,083	1,172
Liability for policy and contract claims	78	67	55
Debt	307	300	300
Revolving credit facility	105	105	100
Deferred tax liability, net	—	62	10
Other liabilities	867	897	746
Total liabilities	27,954	26,718	25,101

Consolidated Balance Sheets

FGL Holdings Condensed Consolidated Balance Sheets (Unaudited)

(In millions)	December 31, 2017	September 30, 2017	September 30, 2016
	Successor	Predecessor	Predecessor
Shareholders' equity:			
Preferred stock ($.0001 par value, 100,000,000 shares authorized, 375,000 shares issued and outstanding at December 31, 2017; $.01 par value, 50,000,000 shares authorized, no shares issued at September 30, 2017 and September 30, 2016, respectively)	—	—	—
Common stock ($.0001 par value, 800,000,000 shares authorized, 214,370,000 issued and outstanding at December 31, 2017; $.01 par value, 500,000,000 shares authorized, 58,933,415 and 58,956,127 issued and outstanding at September 30, 2017 and September 30, 2016, respectively)	—	1	1
Additional paid-in capital	2,060	716	714
Retained earnings (Accumulated deficit)	(160)	1,000	792
Accumulated other comprehensive income	75	543	439
Treasury stock, at cost (no shares at December 31, 2017; 568,847 shares at September 30, 2017; 537,613 shares at September 30, 2016)	—	(13)	(12)
Total shareholders' equity	1,975	2,247	1,934
Total liabilities and shareholders' equity	$ 29,929	$ 28,965	$ 27,035
Equity attributable to preferred shareholders (1)	$ 377	$ —	$ —

Condensed Consolidated Statements of Operations

FGL Holdings Condensed Consolidated Statement of Operations (Unaudited)

(In millions)	Period from December 1 to December 31, 2017 (Unaudited)	Period from October 1 to November 30, 2017 (Unaudited)	Period from October 1 to December 31, 2016 (Unaudited)	Year ended September 30, 2017	Year ended September 30, 2016	Year ended September 30, 2015
	Successor	Predecessor	Predecessor	Predecessor	Predecessor	Predecessor
Revenues:						
Premiums	$ 3	$ 7	$ 11	$ 42	$ 70	$ 58
Net investment income	92	174	240	1,005	923	851
Net investment gains (losses)	42	146	51	316	19	(37)
Insurance and investment product fees and other	28	35	38	167	127	89
Total revenues	165	362	340	1,530	1,139	961
Benefits and expenses:						
Benefits and other changes in policy reserves	141	227	20	843	791	578
Acquisition and operating expenses, net of deferrals	16	51	28	137	119	113
Amortization of intangibles	1	36	123	193	54	64
Total benefits and expenses	158	314	171	1,173	964	755
Operating income (loss)	7	48	169	357	175	206
Interest expense	(2)	(4)	(6)	(24)	(22)	(24)
Income (loss) before income taxes	5	44	163	333	153	182
Income tax expense	(107)	(16)	(55)	(110)	(56)	(64)
Net (loss) income	$ (102)	$ 28	$ 108	$ 223	$ 97	$ 118
Less Preferred stock dividend	2	—	—	—	—	—
Net income (loss) available to common shareholders	$ (104)	$ 28	$ 108	$ 223	$ 97	$ 118
Net income (loss) per common share						
Basic	$ (0.49)	$ 0.48	$ 1.85	$ 3.83	$ 1.67	$ 2.03
Diluted	$ (0.49)	$ 0.47	$ 1.85	$ 3.83	$ 1.66	$ 2.02
Weighted average common shares used in computing net income (loss) per common share:						
Basic	214,370,000	58,341,112	58,280,532	58,319,517	58,275,013	58,117,884
Diluted	214,370,000	58,494,043	58,366,009	58,415,187	58,578,163	58,360,841
Cash dividend per common share	$ —	$ 0.07	$ 0.07	$ 0.26	$ 0.26	$ 0.26

Non-GAAP Measures and Definitions

While management believes that non-GAAP measurements are useful supplemental information, such adjusted results are not intended to replace GAAP financial results and should be read in conjunction with those GAAP results.

<u>**Non-GAAP Measures:**</u>

- **Adjusted operating income** (AOI) is a non-GAAP economic measure we use to evaluate financial performance each period. AOI is calculated by adjusting net income (loss) to eliminate (i) the impact of net investment gains including other than temporary impairment ("OTTI") losses recognized in operations, but excluding gains and losses on derivatives hedging our indexed annuity policies, (ii) the effect of changes in the interest rates used to discount the FIA embedded derivative liability, (iii) the effect of change in fair value of affiliated reinsurance embedded derivative, (iv) the effect of integration, merger related & other non-operating items, (v) impact of extinguishment of debt, and (vi) net impact from Tax Cuts and Jobs Act. Adjustments to AOI are net of the corresponding impact on amortization of intangibles, as appropriate. The income tax impact related to these adjustments is measured using an effective tax rate of 35%, as appropriate. While these adjustments are an integral part of the overall performance of FG, market conditions and/or the non-recurring or non-operating nature of these items can overshadow the underlying performance of the core business. Accordingly, Management considers using a measure which excludes their impact is effective in analyzing the trends of our operations. Our non-GAAP measures may not be comparable to similarly titled measures of other organizations because other organizations may not calculate such non-GAAP measures in the same manner as we do.

- **AOI available to common shareholders** is a non-GAAP economic measure we use to evaluate financial performance attributable to our common shareholders each period. AOI available to common shareholders is calculated by adjusting net income (loss) available to common shareholders to eliminate (i) the impact of net investment gains including other than temporary impairment ("OTTI") losses recognized in operations, but excluding gains and losses on derivatives hedging our indexed annuity policies, (ii) the effect of changes in the interest rates used to discount the FIA embedded derivative liability, (iii) the tax effect of change in fair value of affiliated reinsurance embedded derivative, (iv) the effect of integration, merger related & other non-operating items, (v) impact of extinguishment of debt, and (vi) net impact from Tax Cuts and Jobs act. All adjustments to AOI available to common shareholders are net of the corresponding impact on amortization of intangibles. The income tax impact related to these adjustments is measured using an effective tax rate of 35%, as appropriate. While these adjustments are an integral part of the overall performance of FG, market conditions impacting these items can overshadow the underlying performance of the business. Accordingly, Management considers using a measure which excludes their impact is effective in analyzing the trends of our operations. Our non-GAAP measures may not be comparable to similarly titled measures of other organizations because other organizations may not calculate such non-GAAP measures in the same manner as we do.

- **Average assets under management** (AAUM) ") is the sum of (i) total invested assets at amortized cost, excluding derivatives; (ii) related party loans and investments; (iii) accrued investment income; (iv) funds withheld at fair value; (v) the net payable/receivable for the purchase/sale of investments and (iv) cash and cash equivalents, excluding derivative collateral, at the beginning of the period and the end of each month in the period, divided by the total number of months in the period plus one. Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing the rate of return on assets available for reinvestment.

- **Yield on AAUM** is calculated by dividing annualized net investment income by AAUM. Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing the level of return earned on AAUM.

- **Net investment spread** is the excess of net investment income earned over the sum of interest credited to policyholders and the cost of hedging our risk on FIA policies. Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing the performance of the Company's invested assets against the level of investment return, inclusive of hedging costs, provided to policyholders.

- **Sales** are not derived from any specific GAAP income statement accounts or line items and should not be viewed as a substitute for any financial measure determined in accordance with GAAP. For GAAP purposes annuity and IUL sales are recorded as deposit liabilities (i.e. contract holder funds). Management believes that presentation of sales as measured for management purposes enhances the understanding of our business and helps depict longer term trends that may not be apparent in the results of operations due to the timing of sales and revenue recognition.

Non-GAAP Measure Reconciliations

Reconciliation From Net (Loss) Income to Adjusted Operating Income (AOI) (Unaudited)

(In millions)	Period from December 1 to December 31, 2017	Period from October 1 to November 30, 2017	Period from October 1 to December 31, 2016 (Unaudited)
Reconciliation from Net (Loss) Income to AOI[1]:	**FG (Successor)**	**FGL (Predecessor)**	**FGL**
Net (loss) income	$ (102)	$ 28	$ 108
Effect of investment losses (gains), net of offsets	—	(6)	(1)
Effect of change in FIA embedded derivative discount rate, net of offsets	6	(10)	(92)
Effect of change in fair value of reinsurance related embedded derivative, net of offsets	—	(1)	(10)
Effect of integration, merger related & other non-operating items	(8)	29	—
Net impact of Tax Cuts and Jobs Act	131	—	—
Effects of tax impact of affiliated reinsurance embedded derivative	(20)		—
Tax impact of adjusting items	(4)	(4)	36
Adjusted operating income	$ 3	$ 36	$ 41

Reconciliation of Book Value Per Common Share Excluding AOCI (Unaudited)

(In millions, except per share data)	December 31, 2017	September 30, 2017	September 30, 2016
Reconciliation to total shareholder's equity:	Successor	Predecessor	Predecessor
Total shareholder's equity	$ 1,975	$ 2,247	$ 1,934
Less: AOCI	75	543	439
Less: Preferred equity	377	—	—
Total shareholder's equity excluding AOCI	$ 1,523	$ 1,704	$ 1,495
Total common shares outstanding	214.4	58.9	59.0
Weighted average common shares outstanding - basic	214.4	58.3	58.3
Weighted average common shares outstanding - diluted	214.4	58.4	58.6
Book value per common share	$ 7.45	$ 38.13	$ 32.80
Book value per common share, excluding AOCI[1]	$ 7.10	$ 28.92	$ 25.36

Non-GAAP Measure Reconciliations

Reconciliation of Assets Under Management (AAUM) (Unaudited)

(In billions)		AAUM
AAUM as of September 30, 2017	$	20.8
Purchase accounting mark-to-market valuation of investment portfolio		1.2
Inclusion of acquired Front Street Re and FGL Holdings		1.9
Sales volumes		0.3
Other items		0.5
AAUM as of December 31, 2017	$	24.7

Calendar Year 2016 (Updated AOI Definition)

Reconciliation from Net (Loss) Income to Adjusted Operating Income ("AOI ")

	Twelve Months Ended	Three Months Ended			
	December 31, 2016	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016
(Dollars in millions, except per share data)					
Reconciliation from Net Income (Loss) to AOI					
Net (loss) income	$ 157	$ 108	$ 30	$ 9	$ 9
Effect of investment (gains) losses, net of offsets (a)	4	(1)	5	5	(5)
Effect of change in FIA embedded derivative discount rate, net of offsets (a)	(28)	(92)	(7)	28	43
Effect of change in fair value of reinsurance related embedded derivative, net of offsets (a)	47	(10)	17	26	14
Effect of integration, merger related & other non-operating items	2			1	1
Net impact of Tax Cuts and Jobs Act	—				
Effects of tax impact of affiliated reinsurance embedded derivative	—				
Tax impact of adjusting items	(8)	36	(5)	(21)	(18)
Adjusted operating income	$ 174	$ 41	$ 40	$ 49	$ 44
Per diluted common share:					
Net (loss) income	$ 0.73	$ 0.50	$ 0.14	$ 0.04	$ 0.04
Effect of investment (gains) losses, net of offsets (a)	0.02	(0.00)	0.02	0.02	(0.02)
Effect of change in FIA embedded derivative discount rate, net of offsets (a)	(0.13)	(0.43)	(0.03)	0.13	0.20
Effect of change in fair value of reinsurance related embedded derivative, net of offsets (a)	0.22	(0.05)	0.08	0.12	0.06
Effect of integration, merger related & other non-operating items	0.01	-	-	0.00	0.00
Net impact of Tax Cuts and Jobs Act	-	-	-	-	-
Effects of tax impact of affiliated reinsurance embedded derivative	-	-	-	-	-
Tax impact of adjusting items	(0.04)	0.17	(0.02)	(0.10)	(0.08)
Adjusted operating income	$ 0.81	$ 0.19	$ 0.19	$ 0.23	$ 0.20
Diluted common shares outstanding (b)	214.4	214.4	214.4	214.4	214.4
Common shareholders' equity excluding AOCI	$ 1,599	$ 1,599			
Adjusted operating return on common shareholders equity, excluding AOCI	10.9%	10.3%			

(a) Amounts are net of offsets related to value of business acquired ("VOBA") and deferred acquisition cost ("DAC") amortization.
(b) Diluted common shares for all periods have been adjusted to reflect the impact of the merger

Calendar Year 2017 (Updated AOI Definition)

Reconciliation from Net (Loss) Income to Adjusted Operating Income ("AOI ")

	Twelve Months Ended	Three Months Ended			
	December 31, 2017	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017
(Dollars in millions, except per share data)					
Reconciliation from Net Income (Loss) to AOI					
Net (loss) income	$ 41	$ (74)	$ 61	$ 32	$ 22
Effect of investment (gains) losses, net of offsets (a)	8	(6)	(5)	4	15
Effect of change in FIA embedded derivative discount rate, net of offsets (a)	(7)	(4)	3	(4)	(2)
Effect of change in fair value of reinsurance related embedded derivative, net of offsets (a)	20	(1)	5	8	8
Effect of integration, merger related & other non-operating items	30	21	2	5	2
Net impact of Tax Cuts and Jobs Act	131	131	—	—	—
Effects of tax impact of affiliated reinsurance embedded derivative	(20)	(20)	—	—	—
Tax impact of adjusting items	(19)	(8)	(1)	(3)	(7)
Adjusted operating income	$ 184	$ 39	$ 65	$ 42	$ 38
Per diluted common share:					
Net (loss) income	$ 0.18	$ (0.36)	$ 0.28	$ 0.15	$ 0.10
Effect of investment (gains) losses, net of offsets (a)	0.04	(0.03)	(0.02)	0.02	0.07
Effect of change in FIA embedded derivative discount rate, net of offsets (a)	(0.03)	(0.02)	0.01	(0.02)	(0.01)
Effect of change in fair value of reinsurance related embedded derivative, net of offsets (a)	0.09	—	0.02	0.04	0.04
Effect of integration, merger related & other non-operating items	0.14	0.10	0.01	0.02	0.01
Net impact of Tax Cuts and Jobs Act	0.61	0.61	—	—	—
Effects of tax impact of affiliated reinsurance embedded derivative	(0.09)	(0.09)	—	—	—
Tax impact of adjusting items	(0.09)	(0.04)	—	(0.01)	(0.03)
Adjusted operating income	$ 0.85	$ 0.17	$ 0.30	$ 0.20	$ 0.18
Diluted common shares outstanding (b)	214.4	214.4	214.4	214.4	214.4
Common shareholders' equity excluding AOCI	1,523	$ 1,523			
Adjusted operating return on common shareholders equity, excluding AOCI	12.1%	10.2%			

(a) Amounts are net of offsets related to value of business acquired ("VOBA") and deferred acquisition cost ("DAC") amortization.
(b) Diluted common shares for all periods have been adjusted to reflect the impact of the merger