

Income Statement

The income statement is a financial document that summarizes the company's revenues, expenses, and profits or losses over a specific period of time.

Revenues: (\$ in millions)	\$1,985	+	Expenses: (\$ in millions)	(\$1,606)	=	Core Earnings: (\$ in millions)	\$379	+/-	Other Adjustments: (\$ in millions)	(\$65)	=	Net Income: (\$ in millions)	\$314
Income generated through the sale of life insurance, annuities, institutional business and advisory services. We then invest that money so it can grow over time and support our ability to keep our promises to our customers.			Costs that businesses incur in running their operations. We promise our customers we will pay benefits (claims, interest, etc.) when the time comes. These are the costs associated with keeping those promises.			Measures revenues and expenses associated with the company's primary business activities. Provides a clear picture into aspects of profitability the company can control.			Other financial adjustments not related to the core operations of our business.			Measures the amount of profit that remains after all expenses have been deducted from the company's income.	
Premiums:	\$204		Benefits to Policyholders:	(\$1,068)					Net Investment Loss:	(\$13)			
Term and whole life policyholders give us cash in return for the promise of future benefits.			Cost of claims, other benefits and dividends paid to policyholders as well as money credited to annuity and universal life policies. This is how we keep our promises to policyholders!						Certain assets we hold generate investment gains and losses when their market value fluctuates as well as when sold.				
Net Investment Income:	\$972		Policyholder Reserves:	\$7					Non-Core Earnings:	\$28			
Investment income we earn by investing our assets, especially those for annuity and universal life policyholders.			For term and whole life policies, this is the change in money we set aside to ensure we can Make Good on our future promises.						We offer indexed products which are affected by changes in the stock market and interest rates. The indexing features of these contracts are accounted for under special accounting rules. These changes in fair market value are outside of our control, and can impact our income statement differently from quarter to quarter. We do not include these changes in Core Earnings, but they are included in Net Income.				
Policy and Contract Charges:	\$746		Policy-Related Expenses:	(\$282)					Taxes:	(\$80)			
We charge our policyholders a fee for the cost of insurance and to cover policy maintenance and administration.			Costs associated in selling and setting up our policies including commissions, interest on any debt, and sales costs.						Paying our share to Uncle Sam.				
Commissions and Other Income:	\$63		Operating Expenses:	(\$263)									
Money we earned by providing financial planning, investment advisory services, portfolio management services, and other miscellaneous income.			These are the costs incurred to run our business like salaries, IT costs, marketing, premium taxes, and other various expenses.										
													

Balance Sheet

The balance sheet provides the financial position of the Company at a point in time. It is utilized by regulators and investors to assess the Company's financial strength.

Assets: (\$ in millions)	6/30/25	12/31/24	=	Liabilities: (\$ in millions)	6/30/25	12/31/24	+	Stockholders' Equity: (\$ in millions)	6/30/25	12/31/24
	\$57,956	\$55,226			\$54,841	\$52,427			\$3,115	\$2,799
Something containing economic value and/or future benefit.				Something a company owes.				The assets remaining once all liabilities have been settled; represents a measure of a business's worth.		
Cash and Investments:	45,446	42,438		Policyholder Liabilities:	45,162	42,720		Retained Earnings:	5,408	4,514
Cash received from policyholders is invested in various investments including bonds, stocks, mortgage loans, and derivatives. Income earned on investments is a significant source of income for insurance companies.				Current and future amounts due to policyholders, including amounts due to for claims received, dividends and reserves established to pay future claims and policyholder accounts.				Also known as accumulated earnings, this is the company's cumulative profits.		
Receivables:	449	489		Payables:	7,514	7,507		Accumulated Other Comprehensive Loss:	(2,293)	(1,715)
Amounts due to the company for unpaid investment income, current policyholder premiums, reinsurance, and other miscellaneous items.				Amounts due for outstanding debt, unpaid taxes, retirement benefits, and miscellaneous other items.				Represents unrealized gains or losses on certain investments due to market fluctuations that do not become realized until sold.		
Deferred Tax Asset:	495	530		Deferred Tax Liability:	-	-				
Represents a reduction in future taxable income.				Taxes owed by the company but not yet due to be paid.						
Deferred Acquisition Costs:	4,822	5,034		Derivatives:	1,291	1,342				
The costs to acquire new business; for accounting purposes, we are able to spread the costs over the life of the policy.				A type of financial contract that the company enters into to reduce the market risk from changes in interest rates.						
Corporate Owned Life Insurance:	631	621		Separate Account Liabilities:	874	858				
Life insurance policies purchased on employees for the benefit of NLG.				Funds held separately for policyholders of variable products.						
Separate Account Assets:	874	858								
Funds held separately for policyholders of variable products.										
Reinsurance Receivables:	4,577	4,843								
Current and future amounts due to the company related to our reinsurance arrangements.										
Other Assets:	662	413								
Various other assets including property, equipment, prepaid expenses, and agent debt.										
										

Consolidated financial position of the National Life Group, which includes the consolidated financial position of NLV Financial Corporation and Subsidiaries, including National Life Insurance Company, Life Insurance Company of the Southwest, Equity Services, Inc., and NLG Capital, Inc. Equity Services, Inc., member FINRA/SIPC, a broker/dealer and registered investment adviser. National Life Group's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP).

National Life Group® is a trade name of National Life Insurance Company (NLIC), Montpelier, VT, Life Insurance Company of the Southwest (LSW), Addison, TX, and their affiliates.

For Employee Use Only – Not For Distribution Beyond the Home Office