



Life Insurance M&A

2021 Fall SEAC
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Polling Question

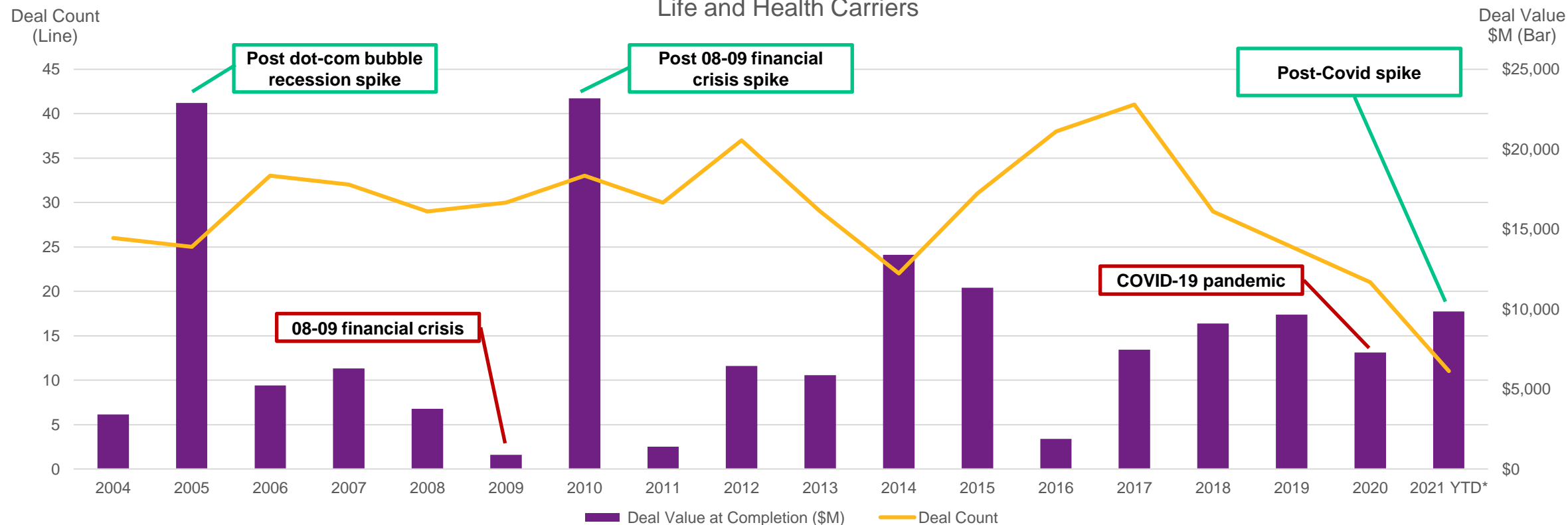
How involved are you in M&A processes at your company?

- A. All the time, I don't sleep!
- B. I participate in a couple of processes a year
- C. Rarely
- D. Never

Current State of Life Insurance M&A

Should we expect a spike post-pandemic?

North American Insurance M&A Activity
Life and Health Carriers



Source: S&P Capital IQ

Includes deals with North American targets, sellers, or buyers.
Deals are categorized by target sector and announcement date.
Deal value is not announced for every transaction.
Closed deals only.

* 2021 YTD through 9/30/21

COVID-19 Impacts on M&A Activity

Perceived Challenges

- Uncertainty about financial markets
- Virtual deal making
- Delays in regulatory approval

Actual Outcomes

- Steady recovery to pre-pandemic levels
- Microsoft Teams, Zoom, WebEx and other video conferencing services are the new normal
- Deals received timely approvals

Some Noteworthy Life Insurance M&A Deals During the Pandemic

Buyer	Seller	Target	Deal Announcement	Deal Completion	Deal Value (\$ Millions)
Carlyle Group Inc.	Prudential Financial, Inc.	Prudential Annuities Life Assurance Corporation	21 Q3	22 Q2	1,500**
Brookfield Asset Management Inc.	American National Group, Inc.	American National Group, Inc.	21 Q3	22 Q2	5,110**
Great-West Lifeco Inc.	Prudential Financial, Inc.	Full Service Retirement business	21 Q3	22 Q1	3,550**
Reinsurance Group of America, Incorporated	Hodge Life Assurance Company Limited	Madison National Life Insurance Company, Inc.	21 Q1	22 Q1	185**
Massachusetts Mutual Life Insurance Company	American Financial Group, Inc.	Great American Life Insurance Company	21 Q1	21 Q2 - 21 Q2*	3,500**
The Blackstone Group Inc.	The Allstate Corp.	Allstate Life Insurance Company	21 Q1	21 Q3 - 21 Q4*	3,050**
Sixth Street Partners	Investor group	Talcott Resolution Life Insurance Company	21 Q1	21 Q2 - 21 Q2*	2,000**
Bestow Inc.	Wells Fargo & Company	Centurion Life Insurance Company	20 Q4		NA
VA Capital Company LLC	Equitable Holdings, Inc.	Corporate Solutions Life Reinsurance Company	20 Q4	21 Q2 - 21 Q2*	300**
Investor group	American Equity Investment Life Holding Company	American Equity Investment Life Holding Company	20 Q4	20 Q4	3,310**
Ares Management Corporation	Fidelity National Financial, Inc.	F&G Reinsurance Limited	20 Q3	20 Q4	NA
Monument Re Ltd.	Charles Taylor plc	LCL International Life Assurance Company Limited/Charles Taylor Hld	20 Q3	21 Q1	NA
Great West Life Insurance Company	Massachusetts Mutual Life Insurance Company	Retirement Services Business	20 Q3	21 Q1	2,350
Taishin Financial Holding Co., Ltd.	Prudential Financial, Inc.	Prudential Life Insurance Company of Taiwan Inc.	20 Q3	20 Q3 - 21 Q4*	289**
KKR & Co. Inc.	Global Atlantic Financial Group Limited	Global Atlantic Financial Group Limited	20 Q3	21 Q1	4,700
KB Financial Group Inc.	Prudential Financial, Inc.	Prudential Life Insurance Company of Korea, Limited	20 Q2	20 Q3	1,946
Securian Financial Group, Inc.	Western & Southern Financial Group, Inc. (MHC)	Gerber Life Canadian business	20 Q1	20 Q4	NA
Fidelity National Financial, Inc.	FGL Holdings	FGL Holdings	20 Q1	20 Q2	2,128
Resolution Life Group Holdings LP	Voya Financial, Inc.	Individual Life Business and Other Closed Blocks	19 Q4	21 Q1	1,127
New York Life Insurance Company	Cigna Corporation	Cigna's group life and disability insurance business	19 Q4	20 Q4	6,300
Heritage Life Insurance Company	AXA Equitable Holdings, Inc.	U.S. Financial Life Insurance Company / MONY Life Insurance Company of the Ameri	19 Q4	20 Q2	NA
Monument Re Ltd.	Società Cattolica di Assicurazione - SC	Cattolica Life DAC	19 Q4	20 Q2	NA
Resolution Life Group Holdings LP	AMP Ltd.	Australian and New Zealand wealth protection and mature businesses	18 Q4	20 Q2	2,071

Source: S&P Capital IQ and The Wall Street Journal

* Expected Date

** Announcement Deal Value

Drivers of M&A Activity

■ Economic Environment

- Low interest rates
- Tight asset spreads
- Need to allocate additional assets to support legacy blocks

■ Why Divest?

- Release capital to invest into profitable lines
- Focus on key markets, divest non-strategic markets
- Legacy administrative systems
- Improve reported earnings

■ Reasons to Acquire

- Seek to take advantage of asset expertise with predictable stream of liability payments
- Deploy excess capital
- Utilize efficient regulatory environments

Drivers of M&A Activity

■ **Headwinds**

- Divesting poor performing blocks
- Concentration of Counterparty Risk
- Unknowns surrounding third party reinsurance

■ **Tailwinds**

- Economic Environment
- Competition
- Complex Liability Deals
- Bermuda Opportunities