

New York Life Insurance Company
Reconciliation of GAAP Performance Measures to Non-GAAP Performance Measures:

The following reconciles consolidated GAAP net income to operating earnings:

(Dollars in millions)

	<u>2005</u>	<u>2004 *</u>
Consolidated GAAP net income	\$855	\$1,294
Adjustments to GAAP basis (net of tax and deferred acquisition costs offsets "DAC") for:		
Removal of fair value adjustment for a certain derivative not qualifying for hedge accounting	512	39
Removal of other net investment gains	(332)	(459)
Total net investment (gains) losses	<u>180</u>	<u>(420)</u>
Consolidated GAAP net income excluding net investment gains and losses	1,035	874
All other adjustments to consolidated GAAP net income (net of tax and DAC) for:		
Reinstatement of policyholder dividends related to capital gains/losses and prior years' equity base tax releases	152	98
Inclusion of amortization of certain statutory IMR	79	78
Removal of equity in earnings of ESI	(60)	(40)
Removal of charges associated with Mexican subsidiary purchased net operating losses	11	14
Removal of other gains on limited partnerships included in net investment income	<u>(283)</u>	<u>(50)</u>
Operating earnings	<u>\$934</u>	<u>\$974</u>

The following reconciles consolidated GAAP revenue to operating revenue:

(Dollars in millions)

	<u>2005</u>	<u>2004 *</u>
Consolidated GAAP revenue	\$17,505	\$17,330
Adjustments to GAAP basis for:		
Reinstatement of deposits included in policyholders' account balances for life and annuity products	1,067	1,034
Inclusion of unconsolidated international subsidiaries' premiums and fees	296	195
Inclusion of net margins on guaranteed products	319	292
Inclusion of certain statutory premiums	46	60
Removal of certain GAAP premiums and non-operating revenue	(390)	(540)
Removal of net investment income and net investment gains	<u>(7,771)</u>	<u>(8,107)</u>
Operating revenue	<u>\$11,072</u>	<u>\$10,264</u>

* Operating Earnings and Operating Revenue for 2004 were revised due to changes in the Company's definition, effective January 1, 2005.

