

New York Life Insurance Company

Reconciliation of GAAP performance measures to non-GAAP performance measures

The following reconciles consolidated GAAP net income to adjusted operating earnings (in millions):

	<u>2004</u>	<u>2003*</u>
Consolidated GAAP net income	\$1,294	\$1,120
Adjustments to Consolidated GAAP Net Income for:		
Removal of impact of investment (gains) losses	(578)	(369)
Reinstatement of policyholder dividends supported by capital gains/losses and prior years' equity base tax releases	170	66
Inclusion of amortization of certain statutory interest maintenance reserve	95	65
Deferred acquisition costs on management adjustments	65	46
Removal of equity in earnings of Express Scripts, Inc.	(40)	(45)
Discontinued operations	-	(4)
Exclusion of Mexican subsidiary reduction in and costs to preserve purchased net operating losses	<u>14</u>	<u>-</u>
Adjusted Operating Earnings	<u>\$1,020</u>	<u>\$879</u>

The following reconciles consolidated GAAP revenue to adjusted operating revenue (in millions):

	<u>2004</u>	<u>2003*</u>
Consolidated GAAP revenue	\$17,330	\$14,972
Reinstatement of deposits included in policyholders' account balances for life and annuity products	1,430	1,483
Inclusion of unconsolidated international subsidiaries' premiums and fees	133	65
Inclusion of net margins on guaranteed products	292	228
Inclusion of certain statutory premiums	60	33
Removal of certain GAAP premiums	(767)	(340)
Removal of net investment income and net investment gains (losses)	(8,107)	(6,789)
Removal of non-operating revenue	<u>26</u>	<u>(7)</u>
Adjusted Operating Revenue	<u>\$10,397</u>	<u>\$9,645</u>

* Adjusted Operating Earnings and Adjusted Operating Revenue for 2003 were revised due to changes in the Company's definition, effective January 1, 2004.