



# New York Life Insurance Company

## 2016 Financial Highlights (in millions)

|  | 2016       | 2015       |
|--|------------|------------|
| <b>Operating Earnings<sup>1</sup></b>                  | \$ 1,954   | \$ 1,875   |
| <b>Surplus and Asset Valuation Reserve<sup>2</sup></b> | \$ 23,336  | \$ 22,688  |
| <b>Policyholder Benefits and Dividends<sup>3</sup></b> | \$ 10,093  | \$ 9,832   |
| <b>Insurance Sales<sup>4</sup></b>                     | \$ 1,262   | \$ 1,240   |
| <b>Annuity Sales<sup>5</sup></b>                       | \$ 12,837  | \$ 12,015  |
| <b>Assets Under Management<sup>6</sup></b>             | \$ 537,783 | \$ 528,197 |
| <b>Individual Life Insurance In Force<sup>7</sup></b>  | \$ 956,615 | \$ 923,434 |

<sup>1</sup> Operating Earnings is the measure used for management purposes to track the company's results from ongoing operations and the underlying profitability of the business. This metric is based on accounting principles generally accepted in the United States of America (GAAP) with certain adjustments we believe are more appropriate as a measurement approach (non-GAAP). Operating earnings equal GAAP net income adjusted for, primarily, the removal of gains and losses from investments and related adjustments and dividends to policy holders that are supported by capital gains or earnings from other businesses.

<sup>2</sup> Statutory surplus and the asset valuation reserve ("AVR") is shown on a consolidated basis of the Company.

<sup>3</sup> Policyholder benefits primarily include death claims paid to beneficiaries and annuity payments. Dividends are payments made to eligible policyholders from divisible surplus. Policyholder benefits and dividends reflect the consolidated results of New York Life Insurance Company and its domestic insurance subsidiaries. Intercompany transactions have been eliminated in consolidation. Dividends are not guaranteed.

<sup>4</sup> Insurance sales represent annualized first-year premium on participating issued whole life insurance, term life insurance, universal life insurance, long-term care insurance and other health insurance products. A sale is generally counted when the initial premium is paid and the policy is issued. Adjustments are made to reflect the relative importance of certain sales, primarily: single premium sales sold through our Agents and Advanced Markets Network (AMN) retail distribution channel, our network of independent agents and brokers, are counted at 10 percent. Sales are generated from both domestic and Mexican operations. 2015 has been adjusted to conform with our 2016 presentation.

<sup>5</sup> Total annuity sales represent premium income on our deferred annuities (both fixed and variable) and on our Guaranteed Income Annuities. Sales are generally recognized when premiums are received. Annuities are primarily issued by NYLIAC.

<sup>6</sup> Assets Under Management represents consolidated domestic and international insurance operations assets (cash and invested assets and separate account assets) and third-party assets principally managed by New York Life Investment Management Holdings, LLC, a wholly-owned subsidiary of New York Life Insurance Company and assets under administration.

<sup>7</sup> Individual life insurance in force is the total face amounts of individual life insurance contracts (term, whole life, and universal life) outstanding for the Company and its domestic insurance subsidiaries at a given time.

**The New York State Department of Financial Services recognizes only statutory accounting practices for determining and reporting the financial condition and results of operations of an insurance company. The separate statutory financial statements (including assets, liabilities, and surplus and AVR) for our insurance companies, as well as a copy of the GAAP basis consolidated financial statement and a detailed reconciliation to our non-GAAP performance measure (i.e. Operating Earnings) are available on our website, [www.newyorklife.com](http://www.newyorklife.com). Copies of these items are also available by contacting the Secretary of New York Life Insurance Company, 51 Madison Avenue, New York, NY 10010.**