



Protective Life Corporation 2018 Company Update

August 2018

Introduction

In addition to the information contained in this presentation, we have supplemental financial information available on our website at www.protective.com. The information found on our website is not a part of this presentation. Also, this presentation includes forward-looking statements which express expectations of future events and/or results. Actual events and results may differ materially from these expectations. For more information about the risks, uncertainties, and other factors that could affect our future results, please refer to Part I, Item 1A, Risk Factors, of the Company's most recent Annual Report on Form 10-K and to Part II, Item 1A, Risk Factors, of the Company's Quarterly Reports on Form 10-Q. Unless context otherwise requires, "we," "us," and "our" refer to the consolidated group of the Protective Life Corporation (the "Company" or "PLC") and its subsidiaries.

Certain information included in this presentation may contain non-GAAP financial measures. For information relating to non-GAAP financial measures (pre-tax and after-tax adjusted operating income) and the associated reconciliation to GAAP financial measures, please refer to Note 22 to our consolidated financial statements included in our most recent Annual Report on Form 10-K. The preparation of Company financial statements requires management to make estimates and assumptions that impact the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods.

This presentation is not intended as, and should not be construed as, earnings guidance. This presentation is dated August 13, 2018. We assume no obligation to, and do not intend to update the information contained herein after such date.



Presenters

Steven G. Walker

Executive Vice President, Chief Financial Officer

Lance P. Black

Senior Vice President, Treasurer and Stable Value Products

Protective at a Glance

Our Business Today

- ▶ We are financially strong
- ▶ Culture and values drive us
- ▶ We are prudent at risk management
- ▶ Our global parent is supportive
- ▶ Our business and workforce are growing
- ▶ We are well positioned to capitalize on opportunities in our industry
- ▶ Long and proven track record under strong management

5 core segments
Life Marketing, Acquisitions,
Annuities, Stable Value Products,
and Asset Protection Products

8.3M
policies and
contracts in force¹

\$862B
life insurance
in force¹

2,773 employees across the U.S.¹

56 acquisitions in company history²

1. As of December 31, 2017

2. As of May 1, 2018

Experienced Leadership



John D. Johns
Executive Chairman

- ▶ PLC tenure: 25 years
- ▶ Industry experience: 25 years
- ▶ Chairman of the Board since 2003
- ▶ CEO from 2002 to 2017



Richard J. Bielen
President & CEO

- ▶ PLC tenure: 27 years
- ▶ Industry experience: 27 years
- ▶ CFO & Vice Chairman from 2007 to 2017
- ▶ CIO from 2002 to 2007



Mike Temple
Vice Chairman

- ▶ PLC tenure: 6 years
- ▶ Industry experience: 33 years
- ▶ Named Vice Chairman, Finance and Risk in 2018
- ▶ Joined as Chief Risk Officer in 2012



Steven G. Walker
EVP & CFO

- ▶ PLC tenure: 16 years
- ▶ Industry experience: 35 years
- ▶ Chief Accounting Officer from 2003 to 2016
- ▶ Certified Public Accountant



Carl S. Thigpen
EVP & CIO

- ▶ PLC tenure: 35 years
- ▶ Industry experience: 35 years
- ▶ CIO since 2007
- ▶ Previously Chief Mortgage Officer



Nancy Kane
SVP & Acquisitions and Corporate Development

- ▶ PLC tenure: 21 years
- ▶ Industry experience: 21 years
- ▶ Leads Acquisition Strategy
- ▶ Joined as Senior Associate Counsel in 1997



Lance P. Black
SVP & Treasurer

- ▶ PLC tenure: 15 years
- ▶ Industry experience: 15 years
- ▶ Treasurer since 2007
- ▶ Head of Stable Value Products since 2013

Strong, Supportive Parent



Dai-ichi Life Holdings



- ▶ Enjoying benefits of Dai-ichi ownership

Dai-ichi Life Holdings, Inc. Consolidated

Total Assets	\$504B
Total Employees	62,943
Premium and Other Income	\$46.0B
Net Income	\$3.4B
Market Capitalization	\$21.3B

Dai-ichi Life Insurance Company

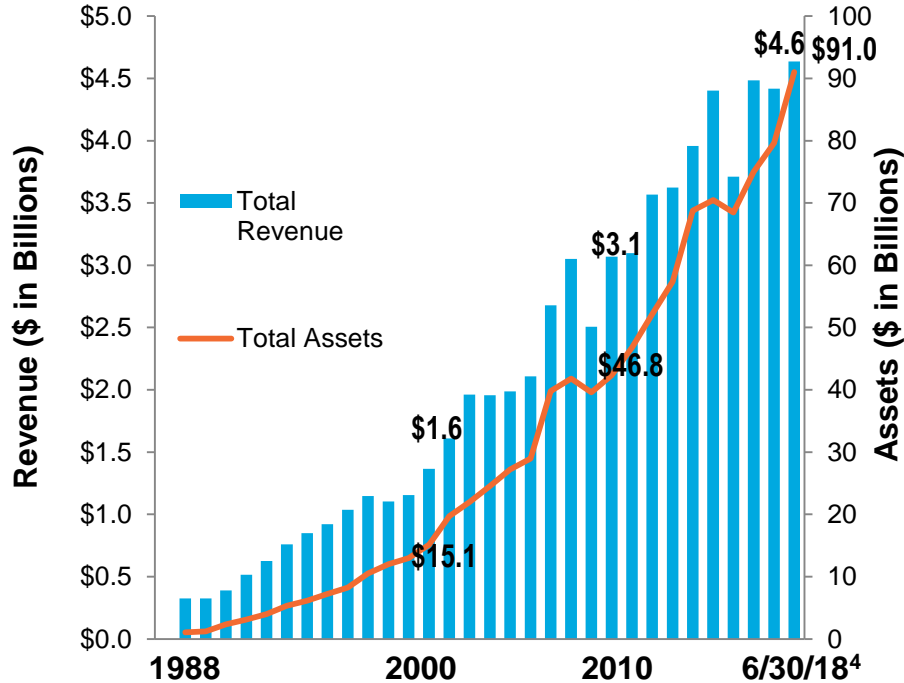
Solvency Margin Ratio	882%
Insurer Financial Strength Ratings ¹	A+/A1/A+

Chart representing twelve months ending 3/31/18; Conversion at 106.28Y/\$

1. S&P / Moody's / Fitch

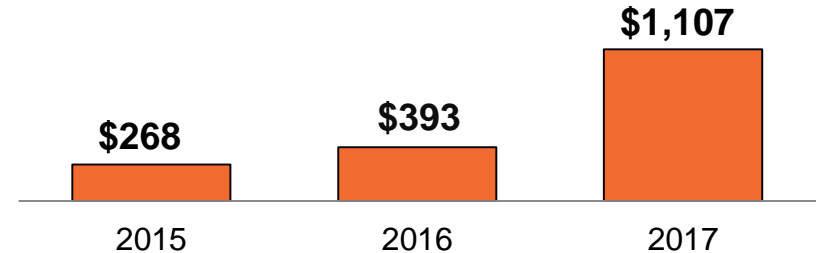
Long and Proven Track Record Achieved Through Disciplined Growth

Our Success Story



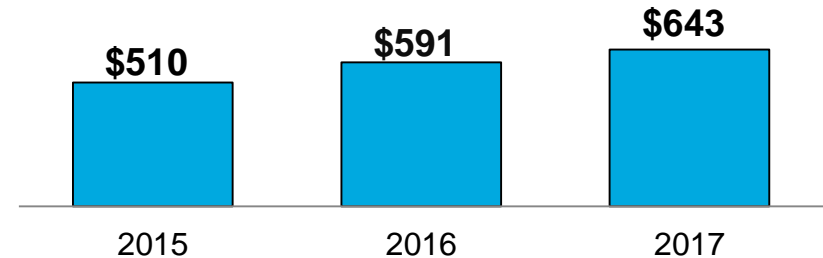
Net Income^{1,2}

\$ in millions



Pre-Tax Adj. Operating Income³

\$ in millions

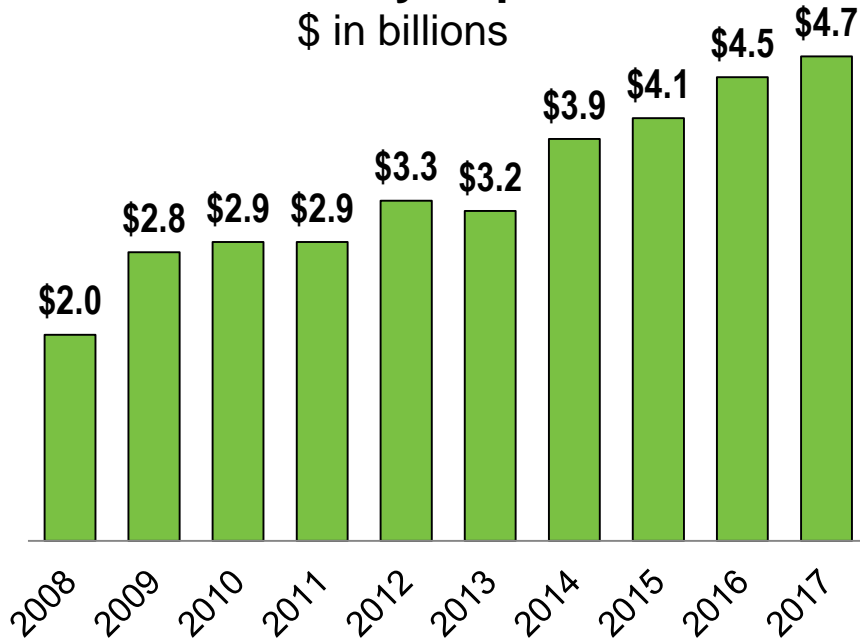


1. Substantial increase in 2017 net income due to tax reform impact
2. 2015 income results are for February 1, 2015 – December 31, 2015 as a result of Dai-ichi transaction
3. Excludes the Corporate & Other segment
4. 6/30/18 Revenue is for trailing 12 months (6/30/17-6/30/18)

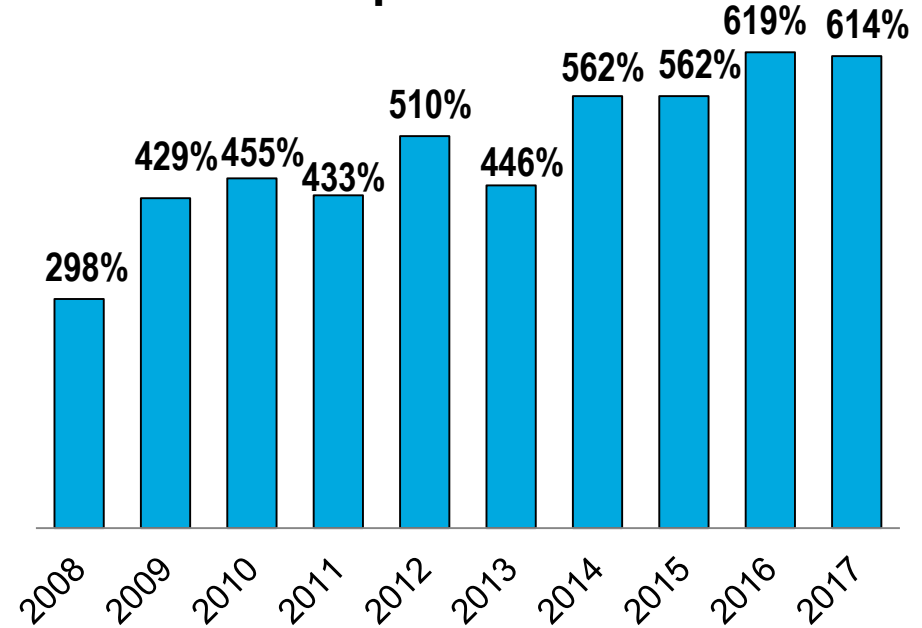
Strong Financial Foundation

Total Adjusted Statutory Capital

\$ in billions



Risk-Based Capital Ratio

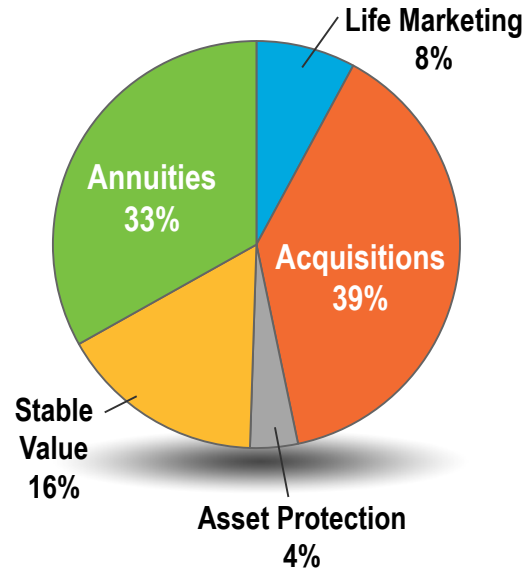


Our Business Mix is an Advantage

- ▶ Sound diversification
- ▶ High quality earnings
- ▶ Leverage virtuous cycle
- ▶ Range of risk management practices
- ▶ Realistic planning assumptions
- ▶ Preference for stable insurance risk

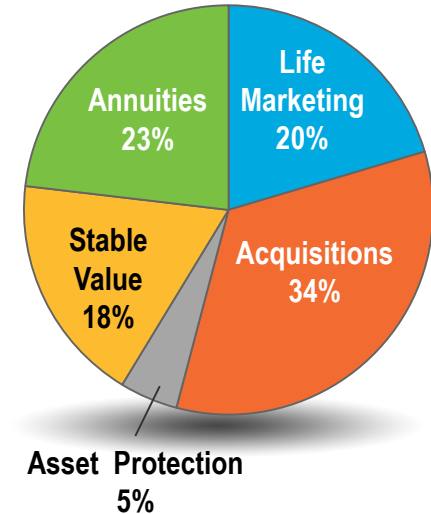
GAAP Basis

Pre-Tax Adjusted
Operating Income¹
\$643 million



Statutory Basis

Pre-Tax Consolidated
Statutory Income²
\$603 million



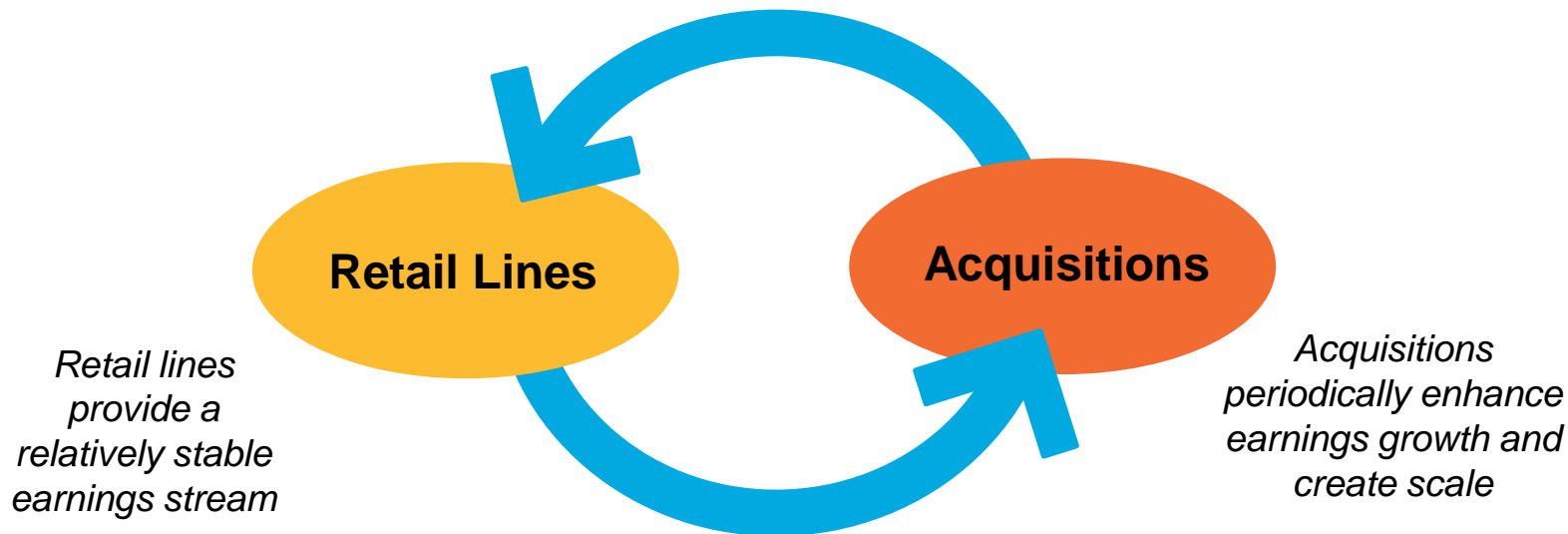
2017 results

1. Excludes the Corporate & Other segment

2. Excludes the Corporate & Other segment and excludes the income recorded under the Genworth reinsurance transaction which is fully offset by reinsurance surplus adjustments recorded in accordance with SSAP 61

We Know What We Do Well

- ▶ Our distinctive business model allows us to allocate capital rationally between retail growth and acquisition opportunities, our “virtuous cycle”



Business Segments, Products and Distribution

	Life Marketing	Annuities	Stable Value Products	Asset Protection	Acquisitions
Products	Universal Life and Traditional	Fixed and Variable Annuities	Wholesale Funding Agreements	Vehicle Service Contracts/ GAP	Acquired Business
Agents	X	X			Primarily life and annuity
Banks	X	X			
Stockbrokers	X	X			
P&C Agents	X	X			
Institutional Investors			X		
Auto Dealers				X	
Affinity Partners	X				
Direct to Consumers	X				

2017 Financial Results

GAAP Basis

- ▶ After-tax adjusted operating income of \$1,153 million, favorable to plan by \$803 million
- ▶ Favorable one time tax benefit of \$767 million due to tax reform
- ▶ After-tax operating income before tax reform \$386 million¹, favorable to plan by \$36 million
 - Favorable net investment income/spread of \$92 million versus plan pre-tax
 - Unfavorable mortality of \$32 million pre-tax
- ▶ Net income of \$1,107 million, favorable to plan by \$794 million

\$ in millions	2016 Actual	2017 Actual	2017 Plan
Life Marketing	\$ 40	\$ 51	\$ 66
Annuities	213	213	184
Acquisitions	261	250	276
Asset Protection	16	24	29
Stable Value	61	105	47
Corp & Other	(88)	(136)	(79)
Pre-Tax Adj. Op. Income	\$ 503	\$ 507	\$ 523
Tax	(169)	646	(173)
After-Tax Adj. Op. Income	\$ 334	\$ 1,153	\$ 350
Realized Gains (Losses)	59	(46)	(37)
Net Income	\$ 393	\$ 1,107	\$ 313

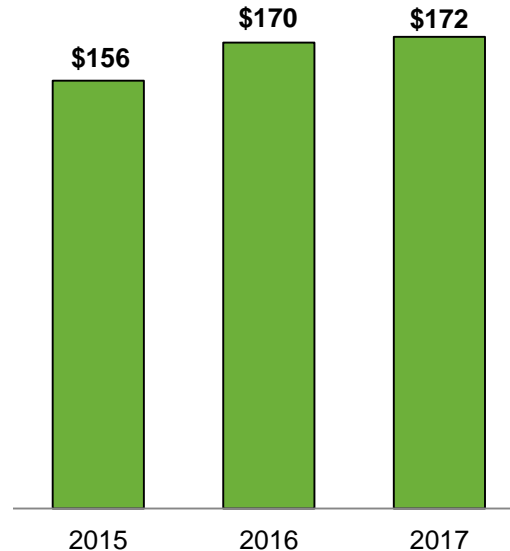
Life Marketing

Segment Overview & Highlights

- ▶ Marketing fixed universal life, indexed universal life, variable universal life, bank-owned life insurance, and level premium term insurance products on a national basis
- ▶ Strong life sales in 2017
- ▶ Focused on emerging analytics and digital platforms
- ▶ Release of new underwriting platform in 2017

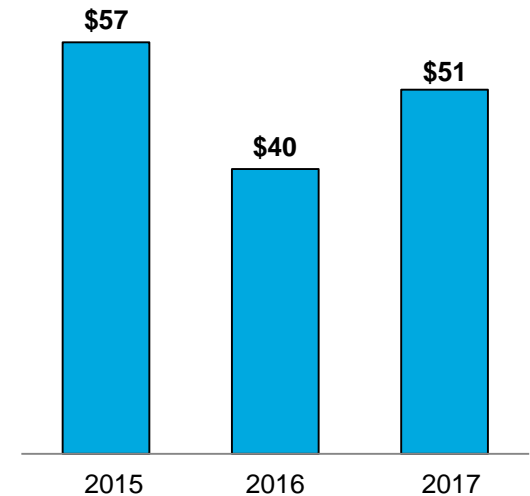
Sales

\$ in millions



Pre-Tax Adjusted Operating Income

\$ in millions



2015 income results are for February 1, 2015 – December 31, 2015

2015 sales results are for January 1, 2015 – December 31, 2015

Annuities

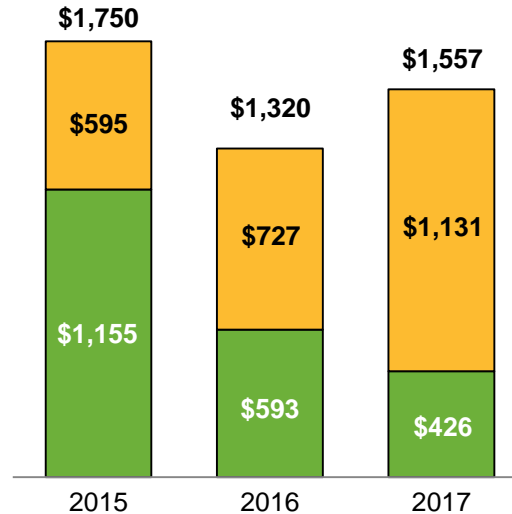
Segment Overview & Highlights

- ▶ Shifting our emphasis to fixed and indexed products
- ▶ Sales results were up year-over-year despite regulatory uncertainty and industry sales down 8% year-over-year
- ▶ Renewed and expanded captive P&C agent relationship

Sales

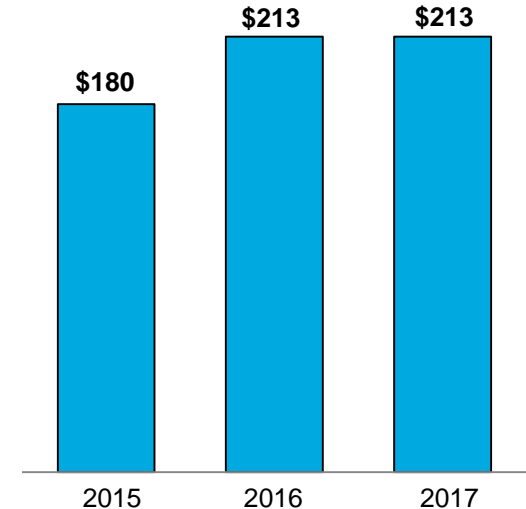
\$ in millions

■ VA ■ Fixed



Pre-Tax Adjusted Operating Income

\$ in millions



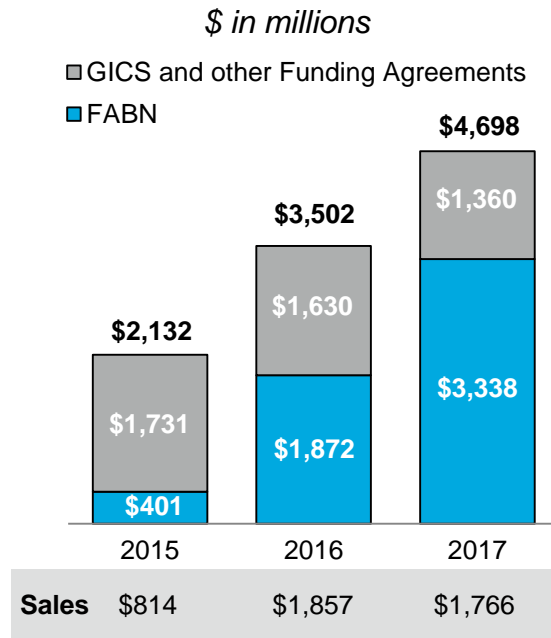
Based on LIMRA Preliminary Industry Report, February 21, 2018
2015 income results are for February 1, 2015 – December 31, 2015
2015 sales results are for January 1, 2015 – December 31, 2015

Stable Value Products

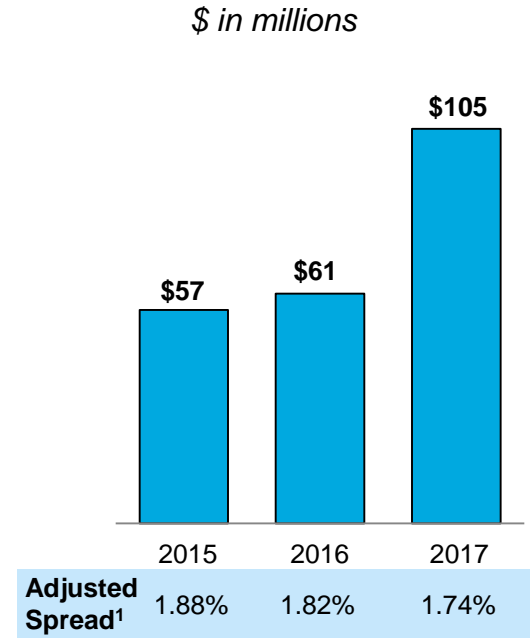
Segment Overview & Highlights

- ▶ Sells fixed and floating rate funding agreements directly to institutional investors
- ▶ Market GICs to 401k and other qualified retirement plans
- ▶ Used opportunistically to complement asset liability management and product cash flows
- ▶ Results benefited from:
 - Strong participating income
 - FABN program growth
 - Favorable adjusted spread

Ending Account Balances and Sales



Pre-Tax Adjusted Operating Income



2015 income results are for February 1, 2015 – December 31, 2015

2015 sales results are for January 1, 2015 – December 31, 2015

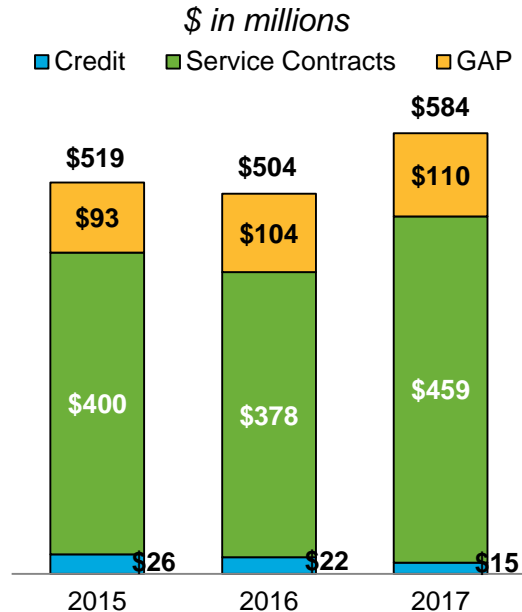
1. Adjusted Spread excludes participating mortgage loan income and other income

Asset Protection

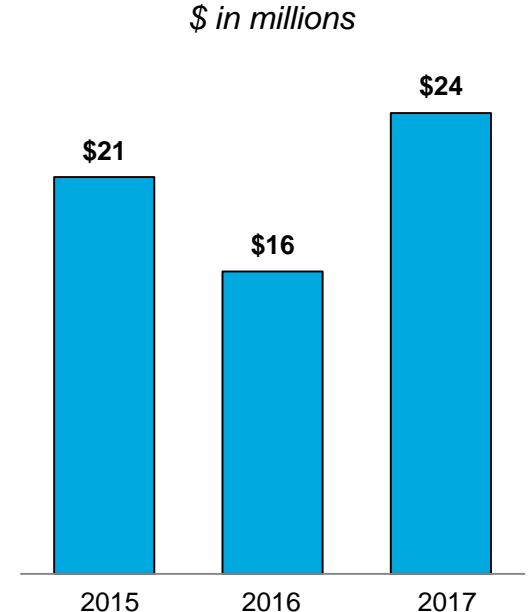
Segment Overview & Highlights

- ▶ One of the top providers of extended service contracts on automobiles, recreational vehicles, watercraft and powersports in the marketplace
- ▶ Successful integration of US Warranty acquisition
- ▶ Favorable service contract loss ratios
- ▶ GAP business remains challenged

Sales



Pre-Tax Adjusted Operating Income



2015 income results are for February 1, 2015 – December 31, 2015

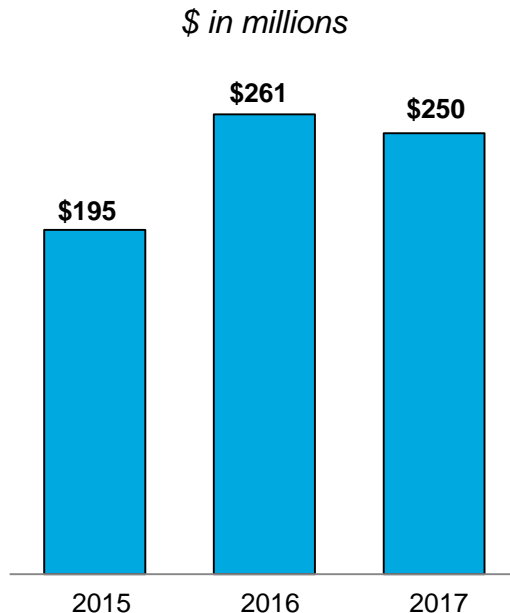
2015 sales results are for January 1, 2015 – December 31, 2015

Acquisitions

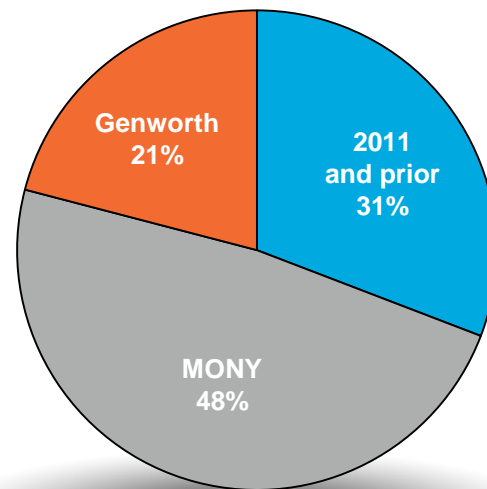
Segment Overview & Highlights

- ▶ Acquiring and servicing policies obtained from other companies
- ▶ Completed 56 acquisition transactions
- ▶ Disciplined, proven methodology
- ▶ Active end to 2017 as the teams focused on signing the Liberty Mutual Transaction
- ▶ M&A pipeline has been consistently active

Pre-Tax Adjusted Operating Income



Contributions to 2017 Pre-tax Adjusted Operating Income



2015 income results are for February 1, 2015 – December 31, 2015

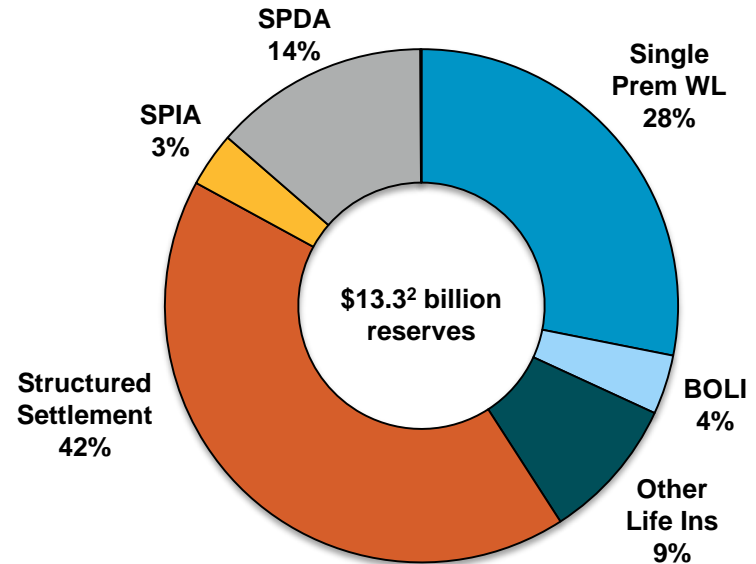
Acquisitions Strategy Remains Consistent

- ▶ Life insurance properties are the primary, but not exclusive focus
 - In force / runoff mortality blocks
 - Selected annuity business (usually part of a broader mortality-focused transaction)
 - New retail channels / markets / product lines / distribution technology
 - Asset Protection / Vehicle Service Contract franchises (scale and/or new capabilities)
- ▶ Rigorous due diligence and pricing discipline
 - Understanding downside risks; generating risk-adjusted returns to meet / exceed hurdle rates
- ▶ Simpler structures without complex financial engineering
- ▶ Size: \$500 million - \$1 billion+, measured by invested capital¹

1. For traditional life/annuity transactions; Asset Protection transactions typically involve materially smaller amounts of invested capital

Liberty Mutual Transaction

- ▶ May 1, 2018: Protective, Liberty Mutual Group Inc. (“Liberty Mutual”), and Lincoln National Corporation (“Lincoln”) closed the transaction previously announced in January 2018
 - Protective acquired approximately 250 employees as part of the transaction
 - Includes access to Liberty Mutual’s distribution for new business sales opportunities (P&C Captive Agent and Bank Channels)
- ▶ Summary metrics for Protective’s reinsurance transaction¹:
 - Life and annuity reserves transferred to PLICO/PLAIC: \$13.3² billion
 - Initial estimated invested capital: \$1.2 billion
- ▶ Largest acquisition in Protective’s history, measured by invested capital



Approximately 525,000 policies in force

1. Amounts subject to adjustment based on post-closing settlement mechanism; Non-NY business was reinsured to Protective Life Insurance Company (“PLICO”); NY business was reinsured to Protective Life and Annuity Insurance Company (“PLAIC”)

Estimated statutory reserves as of December 31, 2017

2. PLC 8K filed May 4, 2018

2Q 2018 YTD Adjusted Operating Income

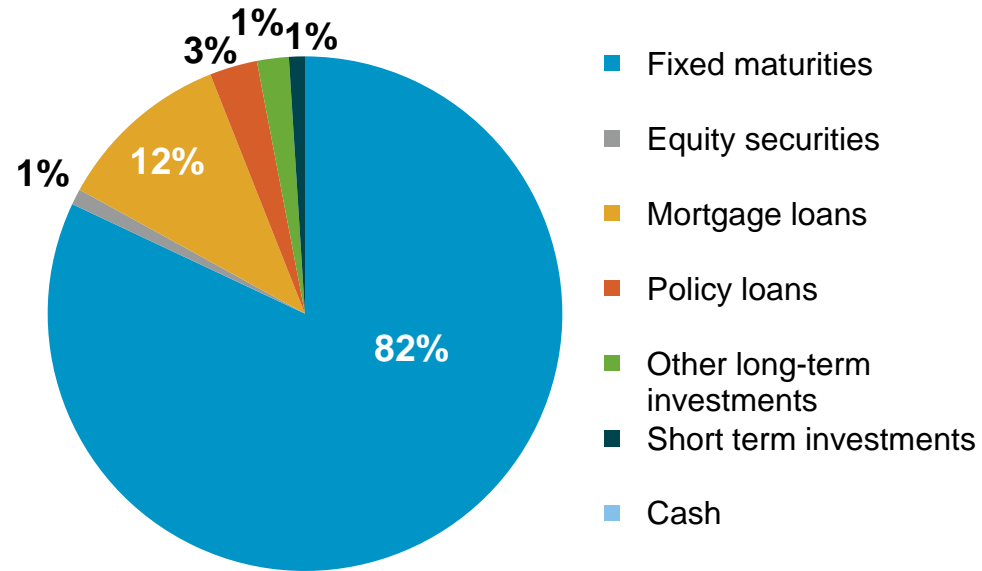
<i>\$ in millions</i>	2Q17 YTD Actual	2Q18 YTD Actual	Comments
Life Marketing	\$ 42	\$ (26)	Increased claims and reinsurance costs
Annuities	100	96	Unfavorable unlocking & higher expenses offset by favorable SPIA mortality
Acquisitions	122	115	Expected run-off of in-force blocks, partly offset by favorable impact of Liberty reinsurance transaction closed May 1, 2018
Asset Protection	12	13	Favorable loss ratios and higher investment income
Stable Value	46	49	Higher average account balance
Corp & Other	(41)	(38)	Increased investment income due to higher invested assets
Pre-Tax Adj Operating Inc	\$ 282	\$ 209	
Tax benefit (expense)	(94)	(39)	Lower pre-tax earnings and lower tax rate
After-Tax Adj Operating Inc	\$ 188	\$ 170	
Non-operating RG(L)	(28)	(15)	Lower impairments on invested assets
Net Income	\$ 160	\$ 156	

Note: Numbers may not foot due to rounding

Our Investment Strategy Remains Unchanged

- ▶ Strong Asset Liability Management
- ▶ High quality investment grade assets
- ▶ Disciplined approach to ratings and diversification
- ▶ Not investing in alternative asset classes
- ▶ Only 4% of securities below investment grade
- ▶ Maintaining commercial mortgage loan portfolio quality
- ▶ 99% of the General Account is managed in-house, at costs more attractive than passive index funds

Portfolio Mix as of June 30, 2018
\$66.2 billion fair value



Strong Risk Culture and Governance

- ▶ Our culture is underpinned by the company's values, as well as sound ethics and compliance
- ▶ Effective enterprise risk management is a priority
- ▶ Incentive compensation programs reflect risk considerations and are well-aligned with our risk appetite
- ▶ We have a robust employee survey process to assess and monitor our culture
- ▶ Strong governance and proper oversight are in place
 - All Board members participate on the Risk, Finance & Investments Committee that oversees our ERM program

By your side, for life

DAI-ICHI LIFE

Thinking people first


Protective[®]
Protect Tomorrow. Embrace Today.™

*Do the right thing
Serve people
Build trust
Simplify everything*


Protective

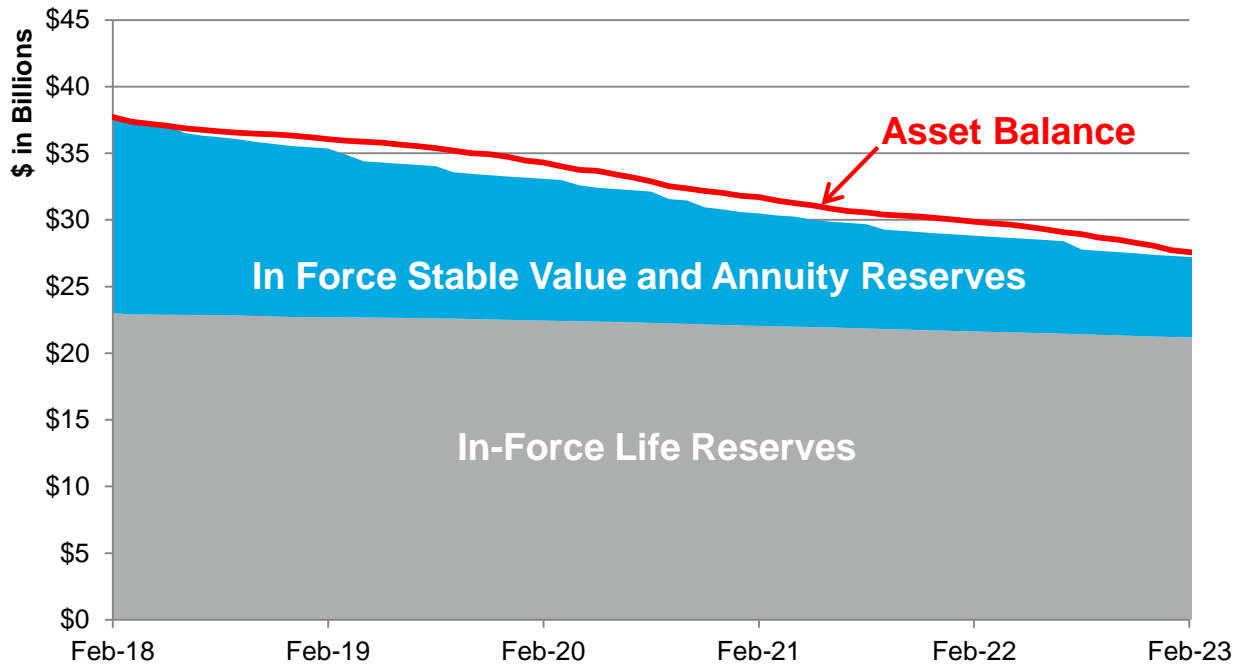
Clean Balance Sheet

(\$ in billions)	GAAP Basis	6/30/2018
Fixed maturities		\$ 54.4
Mortgage loans		7.5
Other investments		4.1
DAC/VOBA		2.9
Reinsurance receivable		5.0
Goodwill		0.8
Other intangibles		0.6
Other assets		1.2
Assets related to separate accounts		14.5
Total Assets		\$ 91.0
Policy liabilities and accruals		43.0
Stable Value/Annuity account balances		18.3
Debt/Sub debt/Non-recourse funding obligations		4.4
Other liabilities		4.8
Liabilities related to separate accounts		14.5
Total Liabilities		\$ 85.0
Shareowner's equity		6.0
Total liabilities and shareowner's equity		\$ 91.0

- ▶ Assets are largely fixed maturities and some mortgages
- ▶ Liabilities are largely:
 - Life reserves with limited CSV and policyholder optionality
 - Annuity balances with early surrender penalties
 - SV with prescribed term
- ▶ Equity provides financial strength

Strong Asset Liability Management

The in force block cash flows are well-matched



- ▶ Focused on cash flow matching
- ▶ Overall portfolio matched within duration tolerance of +/- 1 year
- ▶ Target liability duration is approximately 8.5 years

Robust Capital and Liquidity Position

(\$ in millions)

Capitalization²

Credit Facility	\$385
Capital Lease Obligation	\$2
Senior Notes	
6.40% Senior Notes (2007), due 2018	--
7.375% Senior Notes (2009), due 2019	426
8.45% Senior Notes (2009), due 2039	296
Subordinated Debt	
5.35% Subordinated Debentures (2017), due 2052, callable 2022	495
3.55% Subordinated Funding Obligations(2018), due 2038	55
3.55% Subordinated Funding Obligations(2018), due 2038	55
Total Debt	\$1,714
Non-recourse funding obligations ¹	\$2,675
Total Protective Shareowners' Equity	6,044
Total Capitalization	\$10,433
Debt to Capital	16.4%
Interest Coverage ³	10.5x
Statutory Surplus ³	\$4,282

Liquidity²

Sources	Consolidated cash and short-term investments	\$900
	Undrawn Credit Facility ⁴	615
	Statutory dividend capacity ⁵	853
	Access to FHLB Credit Facility	
Uses	Interest Expense ³	61
	Holding company obligations	\$61

Financial Strength Ratings

MOODY'S

A1

S&P Global

AA-

FitchRatings

A+

A+ BEST

A+

1. The non-recourse funding obligations are direct financial obligations of indirect subsidiaries of PLC and are not guaranteed by PLC or PLICO. The non-recourse funding obligations consist of the payment of principal and interest on surplus notes issued by an indirect wholly owned insurance subsidiary of, PLC which surplus notes were issued to fund such subsidiaries' statutory reserves required by NAIC Regulation XXX and Actuarial Guideline 38, as revised.

2. Information as of June 30, 2018 unless otherwise stated.

3. As of December 31, 2017

4. Total credit facility size of \$1.0bn

5. Includes the \$140mm dividends paid to Dai-ichi Life Holdings, Inc.

Summary

- ▶ Our focus is on
 - Healthy retail sales momentum in our chosen market and product segments
 - Ability to leverage our distinctive M&A franchise
 - New capabilities to support growth and improve the customer experience
 - Leadership team and workforce are talented and engaged
- ▶ We have a track record of delivering **earnings growth** and have a **positive outlook** for 2018
- ▶ We have a **strong balance sheet**
 - High quality asset portfolio, low risk product portfolio, with disciplined asset-liability management
- ▶ Protective's **financial strength is robust**
 - High capital adequacy with strategic deployment, low debt/capital ratio with strong coverage metrics, and excellent liquidity
 - A strong and supportive parent

Forward-Looking Statements

This Presentation contains forward-looking statements. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties, risks and contingencies, many of which are beyond the Company's control and many of which are subject to change. Such statements include statements regarding the belief or current expectations of the management of the Company concerning its future financial condition and results of operations, including its expected operating and non-operating relationships, ability to meet debt service obligations and financing plans, product sales, distribution channels, retention of business, investment yields and spreads, investment portfolio, ability to manage asset-liability cash flows and strategic and financial targets. Any such forward-looking statements or targets are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements and targets as a result of various factors. Any forward-looking statements reflect the Company's views and assumptions as of the date of this Presentation and the Company disclaims any obligation to update forward-looking information. For additional information concerning risks, uncertainties and other factors that could affect the Company's future results, please refer to Part I, Item 1A, Risk Factors, of the Company's most recent Annual Report on Form 10-K and to Part II, Item 1A, Risk Factors, of the Company's Quarterly Reports on Form 10-Q.

This Presentation has been prepared, in part, from information supplied third-party sources, as indicated herein. Such third-party information has not been independently verified and the Company makes no representation or warranty, expressed or implied, as to the accuracy or completeness of such information. The summary descriptions and other information included in this Presentation are intended only for informational purposes and convenient reference. The information contained in this Presentation is not intended to provide, and should not be relied upon for, accounting, legal or tax advice or investment recommendations.

Additional information regarding the Company is available at www.protective.com.