



Protective Life Corporation

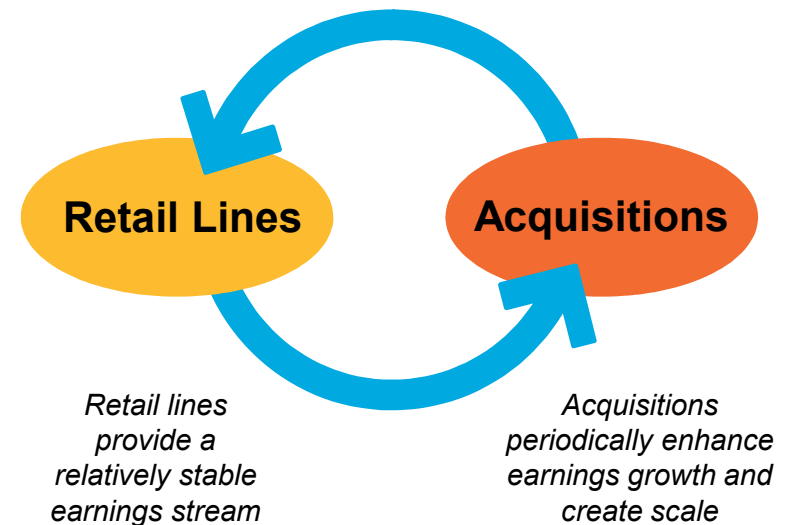
Richard J. Bielen

President and Chief Executive Officer

Our Financial Mission Remains Constant

- ▶ Grow value over the long-term
- ▶ Utilize robust, distinctive modeling capabilities to guide our business
- ▶ Rationally price products and compete
- ▶ Manage our investment portfolio with discipline, capitalizing on our strengths
- ▶ Use our size and agility to our advantage
- ▶ Leverage our M&A expertise
- ▶ Be a great place to work for our talent
 - Organizational Health Index score for Protective was in top 10% of 750 employers surveyed by McKinsey
- ▶ Fulfill our promise to our customers

Our distinctive business model allows us to allocate capital rationally between retail growth and acquisition opportunities



Our Strategy

Retail Lines

Existing Distribution	Affinity Partners	Direct to Consumer
Agents, banks & stockbrokers	Non-traditional distributors	Internet
<ul style="list-style-type: none"> • Use technology to streamline and simplify operations • Focused relationships 	<ul style="list-style-type: none"> • Exclusive partnerships/ shared value • Reconfigured value chain: win-win-win • Advanced technology <ul style="list-style-type: none"> - Data analytics - Digital capabilities 	<ul style="list-style-type: none"> • Digital/ mobile-enabled platform • Direct and digital marketing

Acquisitions

- ▶ We favor traditional life business
 - Transactions from \$500 million to \$1+ billion
- ▶ Businesses where we have expertise
- ▶ Prefer transactions with limited financial complexity

FinTech and Affinity Groups are Key to Retail Strategy

Leverage New Partnerships

New Distribution



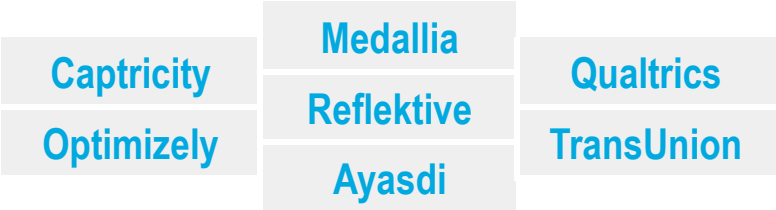
Costco

BB&T Crump GEICO

SoFi

- ✓ Have strong brand/affinity with customers
- ✓ Want innovative, highly customized products and/ or delivery platforms
- ✓ See high value in a superior customer experience
- ✓ Are willing to work with us on an exclusive “shared value” basis

Emerging Technology



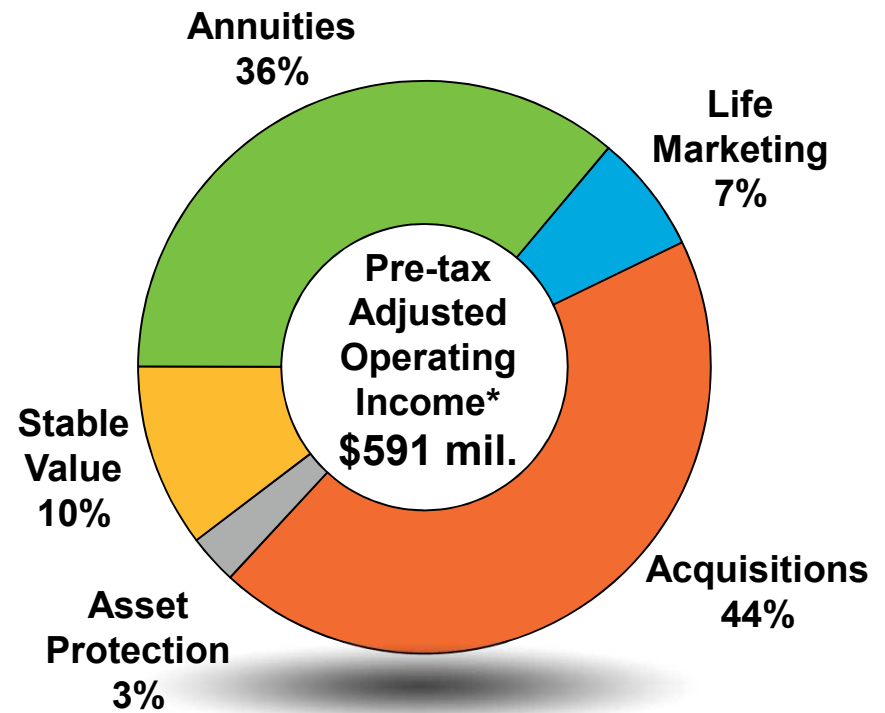
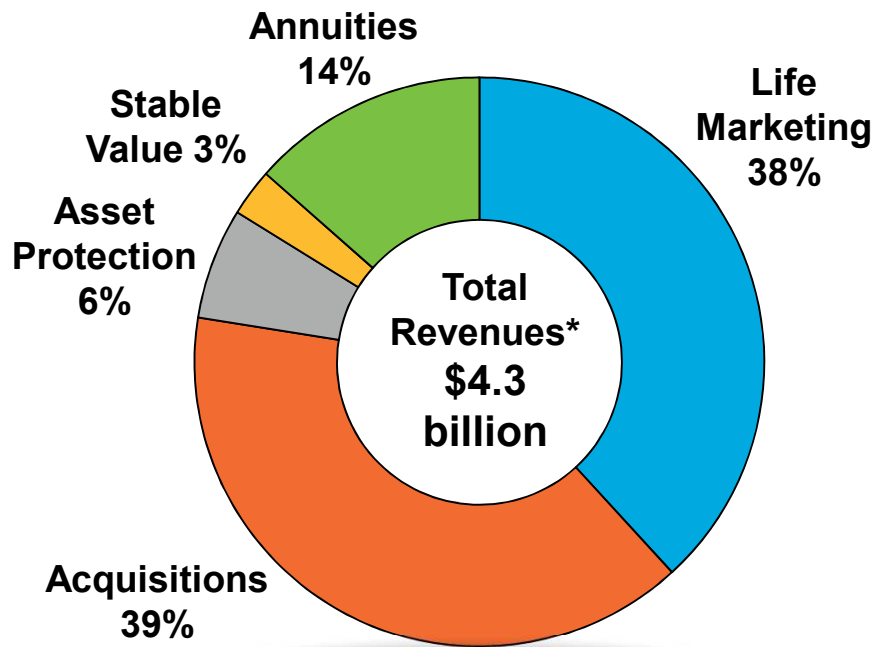
Captricity Medallia Qualtrics

Optimizely Reflektive TransUnion

Ayasdi

- ✓ Risk selection without medical examination
- ✓ Remote, omni-channel customer engagement and support
- ✓ Digital marketing
- ✓ Agile product and process design
- ✓ Advanced analytics
- ✓ Digital data aggregation
- ✓ Payments

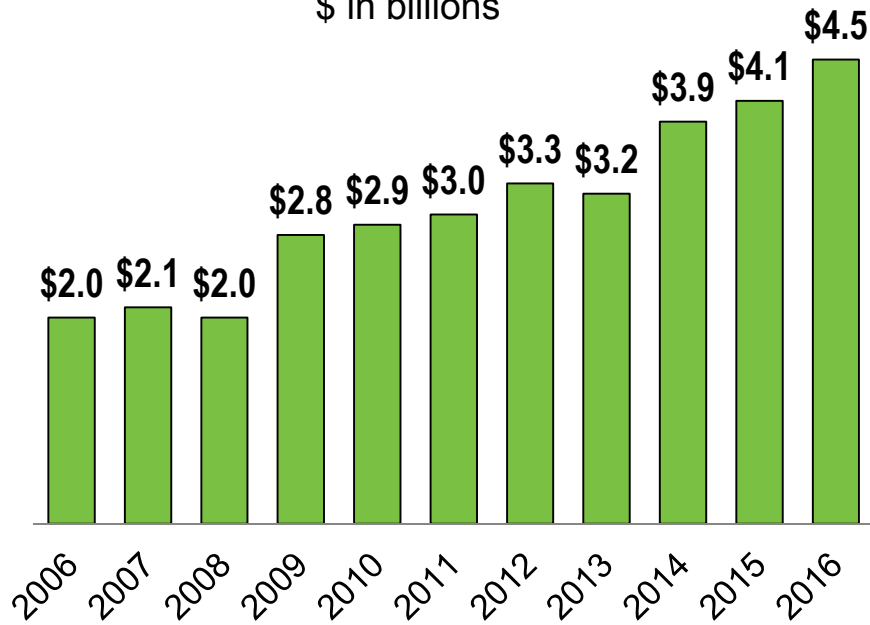
Business Mix



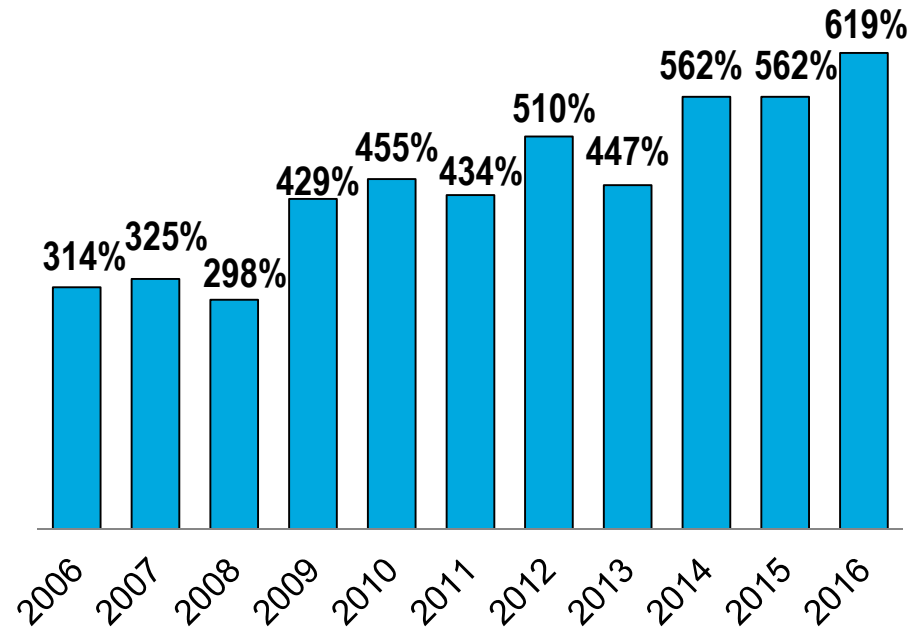
Our Financial Foundation

Total Adjusted Statutory Capital

\$ in billions

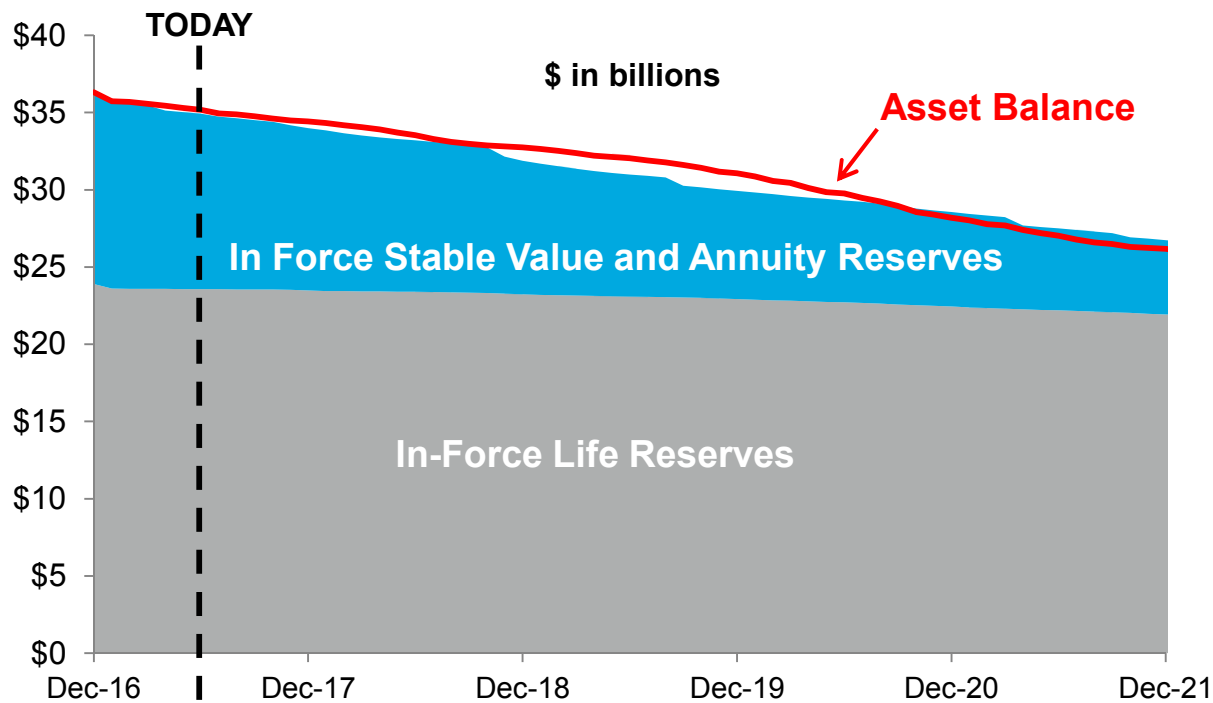


Risk-Based Capital Ratio



Asset Liability Management

The cash flows of the in force block are well-matched.

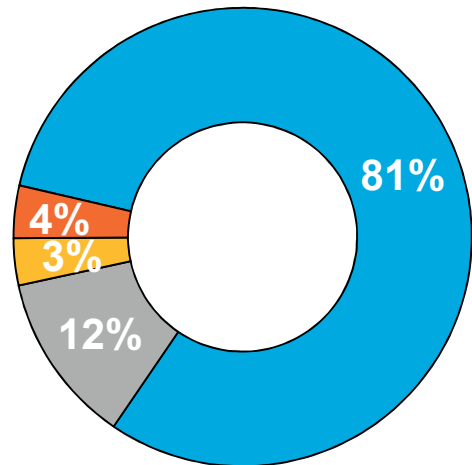


- ▶ Focused on cash flow matching
- ▶ Overall portfolio matched within duration tolerance of +/- 1 year
- ▶ Target liability duration is approximately 8.5 years
- ▶ Asset duration is 8.15 years

Note: Reflects portfolio over-investment in lines of business. The asset balance line is projected forward and does not reflect the impact of any mitigating actions to match the portfolio.
As of December 31, 2016

Investment Portfolio Overview

**\$50.7 Billion
Invested Assets**








■ Fixed Maturities ■ Mortgage Loans
■ Policy Loans ■ Other

\$41 Billion of Fixed Maturities

Asset Type	%
Corporate Securities	71%
RMBS	5%
CMBS	5%
ABS	3%
Governments / Agencies	4%
States, Munis, & Other	12%

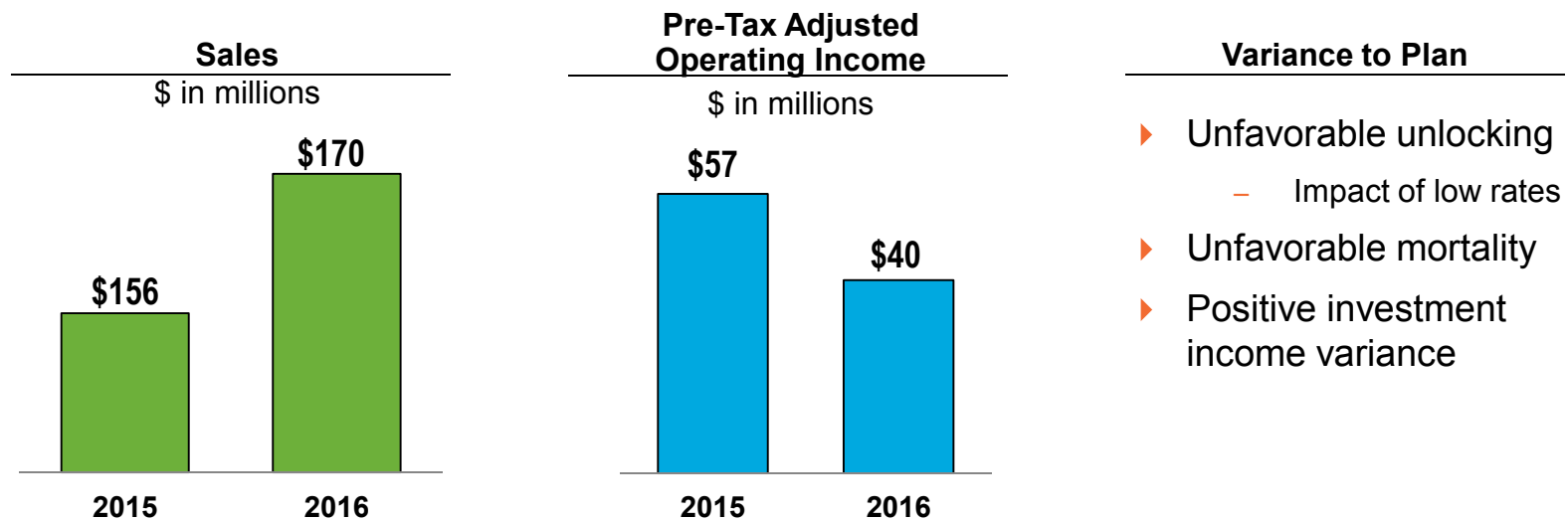
- ▶ Portfolio is high quality
 - 53% of assets are rated AAA, AA, or A
 - Only 5% below investment grade

Our Investment Strategy

-  Disciplined Asset Liability Management
-  High quality investment grade assets
-  Disciplined approach to ratings and diversification
-  Only 5% of securities below investment grade
-  Maintaining commercial mortgage loan portfolio quality

Life Marketing

- ▶ In 2016, added affinity channel distribution partnerships with SoFi, BB&T/Crump, and GEICO
- ▶ Life sales grew 20% in 2015 and 9% in 2016 while industry grew at approx. 3%* year over year



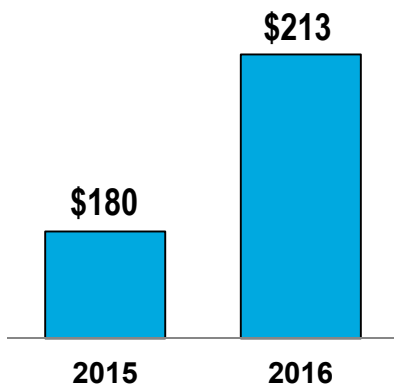
*Based on LIMRA Preliminary Industry Report, February 21, 2017
As of December 31, 2016
2015 income results are for February 1, 2015 – December 31, 2015
2015 sales results are for January 1, 2015 – December 31, 2015

Annuities

- ▶ Majority of variable annuity policies written after 2009
- ▶ Shifting our emphasis to fixed and indexed products
- ▶ Sales results were below plan in 2016
 - Overall industry sales down 6% and variable annuity sales down 21% year over year*

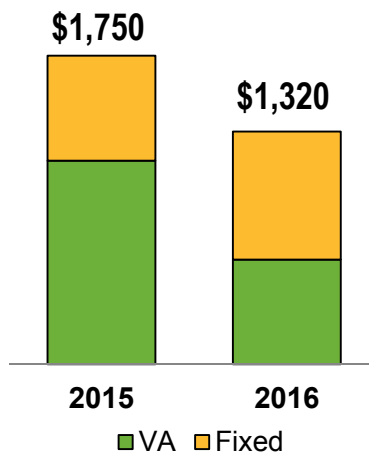
Pre-Tax Adjusted Operating Income

\$ in millions

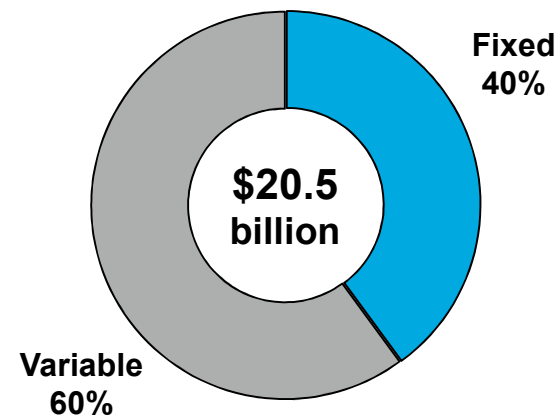


Sales

\$ in millions



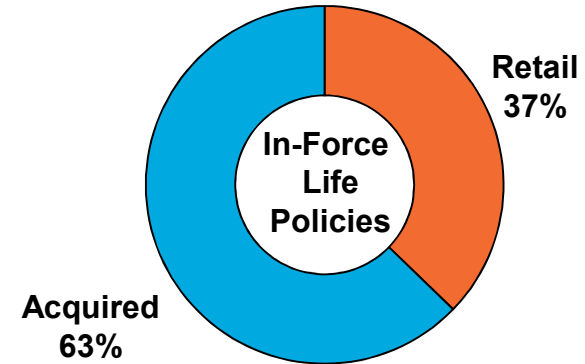
Average Account Value



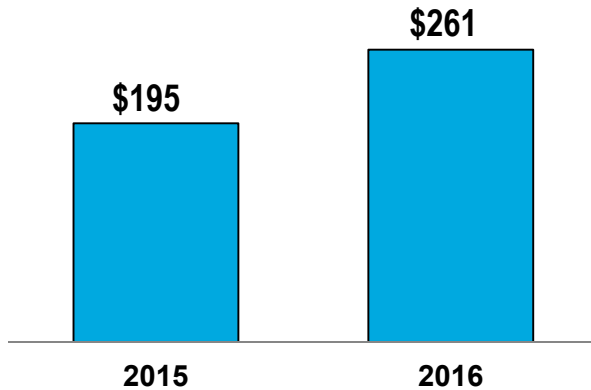
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Acquisitions

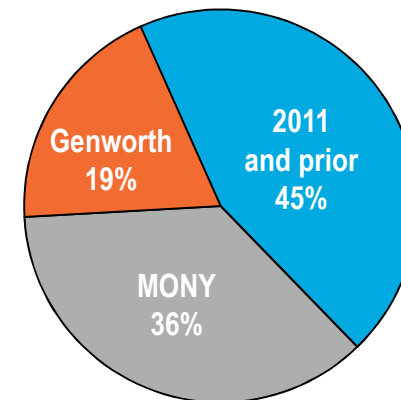
- ▶ Acquisitions is a core business for Protective
- ▶ History of successful transactions
 - Total capital invested is approximately \$4.5 billion
 - Includes 48 life/annuity transactions
 - 2 completed transactions since Dai-ichi acquired Protective
 - 25% of workforce joined through acquisitions
- ▶ Strong reputation among potential counterparties



Pre-Tax Adjusted Operating Income
\$ in millions



Contributions to 2016 Pre-tax Adjusted Operating Income



12 As of December 31, 2016
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Acquisitions Track Record

Life and Annuity Transaction History

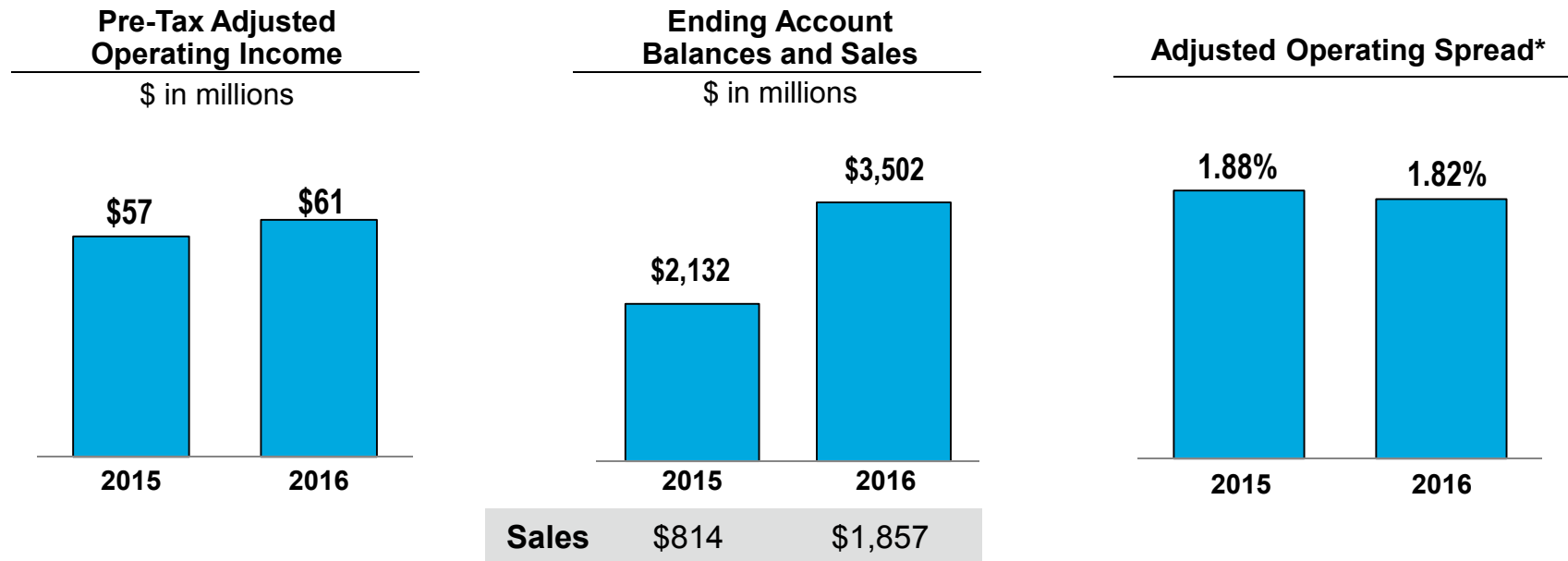
	Number of Transactions	Capital Invested \$ in millions
Prior to 2002	42	\$808
2002	1	\$60
2006	1	\$580
2010	1	\$240
2011	1	\$324
2013	1	\$1,088
2016	1	\$589
Total	48	\$3,689

Protective has completed 2 acquisitions since becoming part of Dai-ichi

- In 2016 certain blocks of life insurance from Genworth Life and Annuity Insurance Company
- In 2016 the USWC Holding Company for our Asset Protection division

Stable Value Products

- ▶ Used opportunistically to complement asset-liability management and product cash flows

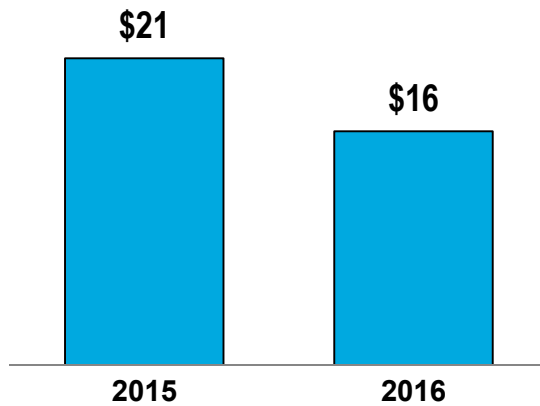


*Excludes participating mortgage loan income and other income.
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Asset Protection

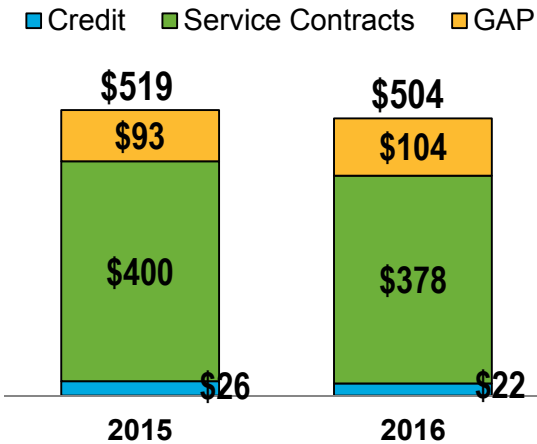
- ▶ Sells extended service contracts and credit life and disability insurance on automobiles, recreational vehicles (“RV”), watercraft and powersports, as well as a guaranteed asset protection (“GAP”) product

Pre-Tax Adjusted Operating Income
\$ in millions



Sales

\$ in millions

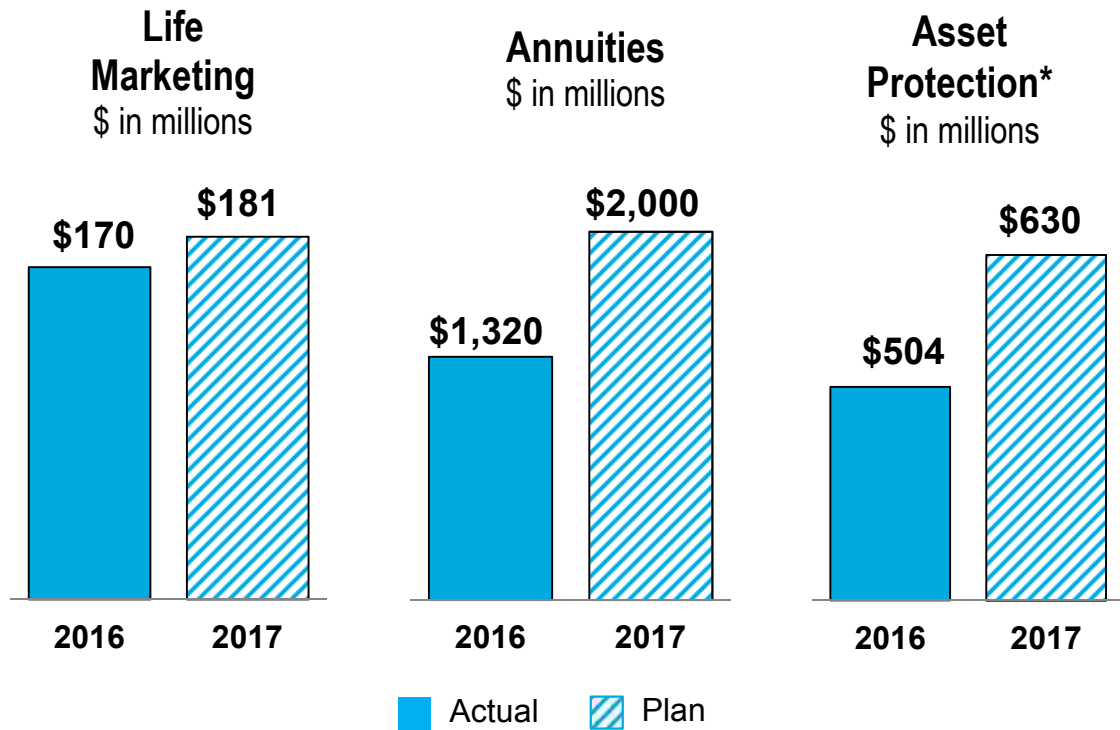


15 As of December 31, 2016
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2017 Financial Plan

Sales



Stable Value

- ▶ Target balance is \$3.5 billion
- ▶ Assumes spread of 137 bp
- ▶ Assumes opportunistic sales only at acceptable terms

2017 Financial Plan by Segment

\$ in millions	2016 Actual	2017 Plan
Life Marketing	\$ 40	\$ 66
Annuities	213	184
Acquisitions	261	276
Asset Protection	16	29
Stable Value	61	47
Corporate & Other	(88)	(79)
Pre-Tax Adj. Operating Income	\$ 503	\$ 523
Tax	169	173
After-Tax Adj. Operating Income	\$ 334	\$ 350
Net Income	\$393M	\$313M
RBC Ratio	619%	692%
Debt to Capital*	22%	21%
Dividend to Dai-ichi	\$89M	\$141M
Capital > 400% RBC	\$1.6B	\$2.3B

- ▶ Organic capital deployment ~ \$300M - \$400M per year
- ▶ Pace of future earnings growth will be influenced by the potential for future acquisitions
- ▶ Continued high and growing RBC

Summary

- ▶ Our current financial position is very good, and our solvency and liquidity position is robust
- ▶ We have a talented management team with a track record of delivering results according to our plans
- ▶ Our 2017 financial plan is realistic
- ▶ The industry challenges could create acquisition opportunities
- ▶ We benefit by having a strong parent that is committed to our future growth, capital management, and continued financial success
- ▶ Providing protection to customers remains the center of our mission