

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (Date of earliest event reported): August 8, 2022



Primerica, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware 001-34680 27-1204330
(State or other jurisdiction of incorporation) (Commission File Number) (IRS Employer Identification No.)

1 Primerica Parkway
Duluth, Georgia 30099
(Address of Principal Executive Offices, and Zip Code)

(770) 381-1000
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	PRI	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On August 8, 2022, Primerica, Inc. (the "Company") announced its results of operations for the quarter ended June 30, 2022. A copy of the press release is attached hereto as Exhibit 99.1.

The information provided pursuant to this Item 2.02, including Exhibit 99.1 in Item 9.01, is "furnished" and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of such section, and shall not be incorporated by reference in any filing made by the Company under the Exchange Act or the Securities Act of 1933, as amended (the "Securities Act"), except to the extent expressly set forth by specific reference in any such filings.

Use of Non-GAAP Financial Measures

In addition to reporting financial results in accordance with U.S. generally accepted accounting principles ("GAAP"), the Company presents certain non-GAAP financial measures. Specifically, the Company presents adjusted direct premiums, other ceded premiums, adjusted operating revenues, adjusted operating income before income taxes, adjusted net operating income, adjusted stockholders' equity and diluted adjusted operating earnings per share. Adjusted direct premiums and other ceded premiums are net of amounts ceded under coinsurance transactions that were executed concurrent with our initial public offering (the "IPO coinsurance transactions") for all periods presented. We exclude amounts ceded under the IPO coinsurance transactions in measuring adjusted direct premiums and other ceded premiums to present meaningful comparisons of the actual premiums economically maintained by the Company. Amounts ceded under the IPO coinsurance transactions will continue to decline over time as policies terminate within this block of business. Adjusted operating revenues, adjusted operating income before income taxes, adjusted net operating income and diluted adjusted operating earnings per share exclude the impact of investment gains (losses) and fair value mark-to-market ("MTM") investment adjustments, including credit impairments, for all periods presented. We exclude investment gains (losses), including credit impairments, and MTM investment adjustments in measuring these non-GAAP financial measures to eliminate period-over-period fluctuations that may obscure comparisons of operating results due to items such as the timing of recognizing gains (losses) and market pricing variations prior

to an invested asset's maturity or sale that are not directly associated with the Company's insurance operations. Adjusted operating income before taxes, adjusted net operating income, and diluted adjusted operating earnings per share also exclude transaction-related expenses/recoveries associated with the purchase of 80% of e-TeleQuote Insurance, Inc. and subsidiaries (collectively, "e-TeleQuote") and adjustments to share-based compensation expense for shares exchanged in the business combination. We exclude e-TeleQuote transaction-related expenses/recoveries as these are non-recurring items that will cause incomparability between period-over-period results. We exclude adjustments to share-based compensation expense for shares exchanged in the business combination to eliminate period-over-period fluctuations that may obscure comparisons of operating results primarily due to the volatility of changes in the fair value of shares prior to the dates that can ultimately be redeemed. Adjusted operating income before income taxes and adjusted net operating income exclude income attributable to the noncontrolling interest to present only the income that is attributable to stockholders of the Company. Adjusted stockholders' equity excludes the impact of net unrealized investment gains (losses) recorded in accumulated other comprehensive income (loss) for all periods presented. We exclude unrealized investment gains (losses) in measuring adjusted stockholders' equity as unrealized gains (losses) from the Company's available-for-sale securities are largely caused by market movements in interest rates and credit spreads that do not necessarily correlate with the cash flows we will ultimately realize when an available-for-sale security matures or is sold.

Our definitions of these non-GAAP financial measures may differ from the definitions of similar measures used by other companies. Management uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. Furthermore,

management believes that these non-GAAP financial measures may provide users with additional meaningful comparisons between current results and results of prior periods as they are expected to be reflective of our core ongoing business. These measures have limitations, and investors should not consider them in isolation or as a substitute for analysis of the Company's results as reported under GAAP.

Reconciliations of GAAP to non-GAAP financial measures are included as attachments to the press release which has been posted in the "Investor Relations" section of our website at <https://investors.primera.com>.

Item 7.01 Regulation FD Disclosure.

On August 8, 2022, the Company posted to the "Investor Relations" section of its website certain supplemental financial information relating to the quarter ended June 30, 2022. A copy of the supplemental financial information is attached hereto as Exhibit 99.2.

The information provided pursuant to this Item 7.01, including Exhibit 99.2 in Item 9.01, is "furnished" and shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of such section, and shall not be incorporated by reference in any filing made by the Company under the Exchange Act or the Securities Act, except to the extent expressly set forth by specific reference in any such filings.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1	Press Release dated August 8, 2022 – Primerica Reports Second Quarter 2022 Results
99.2	Primerica, Inc. Supplemental Financial Information – Second Quarter 2022
104	Cover Page from this Current Report on Form 8-K, formatted in Inline XBRL

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 8, 2022

PRIMERICA, INC.

/s/ Alison S. Rand

Alison S. Rand

Executive Vice President and Chief Financial Officer



PRIMERICA REPORTS SECOND QUARTER 2022 RESULTS

New life licenses increased 14%, driving sales force to 132,149 representatives

Term Life net premiums increased 7%; adjusted direct premiums increased 8%

Excess COVID-related death claims largely normalized, \$2 million incurred during the quarter

Investment and Savings Products sales of \$2.7 billion, net client inflows of \$0.9 billion

Net earnings per diluted share (EPS) of \$2.79 declined 13%; return on stockholders' equity (ROE) of 23.3%

Diluted adjusted operating EPS of \$2.86 declined 12%; adjusted net operating income return on adjusted stockholders' equity (ROAE) of 22.5%

Declared dividend of \$0.55 per share, payable on September 14, 2022, and repurchased \$128 million of common stock during the quarter

Duluth, GA, Aug. 8, 2022 – Primerica, Inc. (NYSE: PRI) today announced financial results for the quarter ended June 30, 2022. Total revenues of \$668.7 million increased 2% compared to the second quarter of 2021. Net income attributable to Primerica of \$107.9 million decreased 16%, while net earnings per diluted share of \$2.79 decreased 13% compared to the same period in the prior year. ROE was 23.3% for the quarter.

Adjusted operating revenues were \$671.8 million, a 3% increase compared to the second quarter of 2021. Adjusted net operating income of \$110.7 million decreased 14%, while adjusted operating net earnings per diluted share of \$2.86 decreased 12% compared to the same period in the prior year. ROAE was 22.5% for the quarter.

Second quarter results highlight the value of our business model with operating segments that have complementary earnings drivers. As fears that drove sales and persistency during the pandemic subside and excess mortality normalizes, the key drivers of value in the Term Life segment continued to stabilize, resulting in a strong margin of 21% in the segment for the quarter. The Company's extensive use of reinsurance to control volatility and the substantial size of this business result in predictable earnings and support the Company's capital deployment strategy.

Earnings in the Investment and Savings segment were adversely impacted by the second quarter's market correction with both sales and client asset values declining as volatility heightened investors' apprehension. The acceleration of Canadian segregated fund DAC amortization caused by market performance in Canada added additional pressure to segment earnings, lowering pre-tax income by \$3.7 million, year-over-year. Nonetheless, we have not seen a rise in redemption rates as clients stay invested despite market volatility. The Company's commitment to helping middle-income families prepare for a more financially secure future remains strong and the benefit of this long-term approach is evident with approximately 70% of Primerica's assets invested in retirement accounts.

The Senior Health segment, which has seasonally low sales levels in the second quarter, continued to face headwinds as the industry adjusts to higher churn rates and the need to lower contract acquisition costs. On a consolidated basis, margins were temporarily pressured by the Company's biennial convention, which added an additional leadership event to 2022. Segment results will be discussed in greater detail below.

"We are encouraged by the momentum in our sales force. We are starting to see real benefits of improvements in our licensing process and expect that the excitement generated during the convention will continue to fuel momentum," said Glenn Williams, Chief Executive Officer. "I believe we are well positioned for the second half of the year."

Second Quarter Distribution & Segment Results

Distribution Results

	Q2 2022	Q2 2021	% Change
Life-Licensed Sales Force (1)	132,149	132,041	*
Recruits	70,215	89,285	(21)%
New Life-Licensed Representatives	11,529	10,112	14%
Life Insurance Policies Issued	76,946	90,071	(15)%
Life Productivity (2)	0.20	0.23	*
ISP Product Sales (\$ billions)	\$ 2.69	\$ 3.04	(12)%
Average Client Asset Values (\$ billions)	\$ 87.99	\$ 89.38	(2)%
Senior Health Submitted Policies (3)	19,652	-	*
Senior Health Approved Policies (4)	17,925	-	*
Closed U.S. Mortgage Volume (\$ million brokered)	\$ 152.7	\$ 298.6	(49)%

(1) End of period. The 2021 period includes an estimated 2,400 individuals who we expected would not pursue the steps necessary to convert a COVID-related temporary license to a permanent license or renew a license with a COVID-related extended renewal date.

(2) Life productivity equals policies issued divided by the average number of life insurance licensed representatives per month.

(3) Represents the number of completed applications that, with respect to each such application, the applicant has authorized us to submit to the health insurance carrier.

(4) Represents an estimate of submitted policies approved by health insurance carriers during the indicated period. Not all approved policies will go in force.

* Not calculated

Segment Results

	Q2 2022	Q2 2021	% Change
	(\$ in thousands)		
Adjusted Operating Revenues:			
Term Life Insurance	\$ 410,707	\$ 383,536	7 %
Investment and Savings Products	222,416	238,012	(7)%
Senior Health (1)	11,814	-	*
Corporate and Other Distributed Products(1)	26,891	32,607	(18)%
Total adjusted operating revenues(1)	<u>\$ 671,828</u>	<u>\$ 654,155</u>	3 %
Adjusted Operating Income (Loss) before income taxes:			
Term Life Insurance	\$ 119,879	\$ 116,778	3 %
Investment and Savings Products	58,975	71,154	(17)%
Senior Health (1)	(12,955)	-	*
Corporate and Other Distributed Products(1)	(21,888)	(16,888)	30 %
Total adjusted operating income before income taxes (1)	<u>\$ 144,011</u>	<u>\$ 171,044</u>	(16)%

(1) See the Non-GAAP Financial Measures section and the Adjusted Operating Results reconciliation tables at the end of this release for additional information.

* Not calculated

Life Insurance Licensed Sales Force

Recruiting and licensing numbers in the prior year period were distorted by temporary measures put in place during the height of the COVID pandemic, which make year-over-year comparisons difficult. Now that the operating environment has normalized, we can see solid momentum. Improvements in the licensing process have also helped the Company regain its licensing momentum. A total of 11,529 individuals obtained a new life license during the second quarter. The Company also continued to experience a high degree of interest from people exploring Primerica's business opportunity as it recruited over 70,000 individuals during the second quarter.

On June 30, 2022, the Company had a total of 132,149 independent life-licensed representatives as the size of the sales force grew for the third consecutive quarter.

Term Life Insurance

As anticipated, the number of term life issued policies declined year-over-year as pandemic fears continued to fade and sales volume normalized. During the second quarter of 2022, the Company issued nearly 77,000 new term life insurance policies, which compares favorably to pre-pandemic levels. Productivity at 0.20 policies per life-licensed representative per month is in line with the Company's historical range. The Company anticipates continued growth in the future from successful recruiting and licensing.

Second quarter revenues of \$410.7 million increased 7% year-over-year, driven by 8% growth in adjusted direct premiums. The benefits and claims ratio was 58.5%, reflecting a large reduction in claims activity in the period. COVID claims continued to decline and were \$2 million net of reinsurance for the quarter. Additionally, non-COVID death

claims were about \$5 million favorable versus historical trends. This is largely considered regular claims volatility and is unlikely to continue at this level. The DAC amortization ratio was 14.6% for the quarter. In comparison to pre-pandemic second quarter levels, higher lapse rates and amortization on policies issued during the pandemic were offset by lower lapse rates and amortization on the remainder of the in-force block.

As anticipated, insurance expenses increased \$11.1 million, or 23% year-over-year, with more than half of the increase due to adding the previously postponed biennial convention to our normal cycle of sales force leadership events. Excluding this, the growth in segment operating expenses was generally in line with revenue growth.

Investment and Savings Products

Total product sales during the quarter were \$2.7 billion, or 12% lower compared to the second quarter of 2021 as a significant equity market correction was experienced and inflation concerns eroded consumer confidence. Nonetheless, net client inflows remained strong at \$0.9 billion, reflecting clients' long-term approach to investing for retirement. Client asset values on June 30, 2022 were \$82.3 billion, down 10% year-over-year.

Revenues of \$222.4 million during the quarter declined 7%, while pre-tax income of \$59.0 million decreased 17% compared to the prior year period. Sales-based revenues and sales-based commission expense declined 15% and 14%, respectively year-over-year, largely in line with the change in revenue-generating sales. Asset-based revenues were flat year-over-year while average client asset values declined 2%. Asset-based net revenues declined 10% due to a \$3.7 million year-over-year increase in Canadian segregated fund DAC amortization reflecting the volatility in market performance.

Operating expenses increased \$3.0 million, or 8% year-over-year, a third of which was driven by higher costs associated with sales force leadership events and the biennial convention.

Senior Health

Second quarter results reflected the seasonally less productive quarter when fewer enrollees are eligible to obtain Medicare coverage and our continued efforts to control sales levels while headwinds to key business drivers are addressed. Approximately 18,000 policies were approved during quarter. The lifetime value of commissions ("LTV") per approved policy were \$820, which reflects the most recent lapse activity during the 2022 renewal period. Contract acquisition costs ("CAC") per approved policy were \$1,081, reflecting seasonally low sales volume and resulting in a 0.8x LTV/CAC ratio.

The pre-tax operating loss of \$13.0 million during the quarter includes a \$5.4 million negative tail adjustment that reflects the Company's current LTV estimates applied to

policies sold during the most recent Annual Enrollment period and Open Enrollment period. e-TeleQuote generated sufficient cash to fund its operations during the second quarter and therefore required no funding from the Company.

Effective July 1, 2022, the Company executed its call option to acquire the remaining 20% of Primerica Health, which owns e-TeleQuote. The contractually defined formulaic price calculation resulted in a purchase price of zero. As such, no further consideration was required to obtain the outstanding 20% stake in Primerica Health.

Corporate and Other Distributed Products

During the second quarter, the segment recorded an adjusted operating loss before taxes of \$21.9 million, increasing \$5.0 million year-over-year. The increase was due in part to a \$2.0 million lower contribution from third-party products sales, including mortgages which slowed due to rising interest rates, \$2.9 million higher insurance and other operating expenses and \$1.7 million lower net investment income due to a higher allocation to the Term Life segment to support the growing block of business. Note that on a consolidated basis, net investment income was up modestly year-over-year.

Taxes

The effective tax rate was 23.1% in the second quarter of 2022 compared to 24.4% in the second quarter of 2021. The lower rate was primarily driven by the state income tax benefit generated by e-TeleQuote, which was not part of our second quarter results in 2021.

Capital

During the second quarter, the Company repurchased \$128 million of common stock, for a total of \$227 million year-to-date. The Company expects to complete its announced repurchases of \$306 million for 2022 in the third quarter. The Board of Directors has approved a dividend of \$0.55 per share, payable on September 14, 2022, to stockholders of record on August 22, 2022.

Primerica has a strong balance sheet, including invested assets and cash at the holding company of \$232 million at quarter-end. Primerica Life Insurance Company's statutory risk-based capital (RBC) ratio was estimated to be about 460% as of June 30, 2022.

Non-GAAP Financial Measures

In addition to reporting financial results in accordance with U.S. generally accepted accounting principles ("GAAP"), the Company presents certain non-GAAP financial measures. Specifically, the Company presents adjusted direct premiums, other ceded premiums, adjusted operating revenues, adjusted operating income before income taxes, adjusted net operating income, adjusted stockholders' equity and diluted adjusted operating earnings per share. Adjusted direct premiums and other ceded premiums are net of amounts ceded under coinsurance transactions that were executed concurrent with our initial public offering (the "IPO coinsurance transactions") for all periods presented. We exclude amounts ceded under the IPO coinsurance transactions in

measuring adjusted direct premiums and other ceded premiums to present meaningful comparisons of the actual premiums economically maintained by the Company. Amounts ceded under the IPO coinsurance transactions will continue to decline over time as policies terminate within this block of business. Adjusted operating revenues, adjusted operating income before income taxes, adjusted net operating income and diluted adjusted operating earnings per share exclude the impact of investment gains (losses) and fair value mark-to-market ("MTM") investment adjustments, including credit impairments, for all periods presented. We exclude investment gains (losses), including credit impairments, and MTM investment adjustments in measuring these non-GAAP financial measures to eliminate period-over-period fluctuations that may obscure comparisons of operating results due to items such as the timing of recognizing gains (losses) and market pricing variations prior to an invested asset's maturity or sale that are not directly associated with the Company's insurance operations. Adjusted operating income before taxes, adjusted net operating income, and diluted adjusted operating earnings per share also exclude transaction-related expenses/recoveries associated with the purchase of 80% of e-TeleQuote Insurance, Inc. and subsidiaries (collectively, "e-TeleQuote") and adjustments to share-based compensation expense for shares exchanged in the business combination. We exclude e-TeleQuote transaction-related expenses/recoveries as these are non-recurring items that will cause incomparability between period-over-period results. We exclude adjustments to share-based compensation expense for shares exchanged in the business combination to eliminate period-over-period fluctuations that may obscure comparisons of operating results primarily due to the volatility of changes in the fair value of shares prior to the dates that can ultimately be redeemed. Adjusted operating income before income taxes and adjusted net operating income exclude income attributable to the noncontrolling interest to present only the income that is attributable to stockholders of the Company. Adjusted stockholders' equity excludes the impact of net unrealized investment gains (losses) recorded in accumulated other comprehensive income (loss) for all periods presented. We exclude unrealized investment gains (losses) in measuring adjusted stockholders' equity as unrealized gains (losses) from the Company's available-for-sale securities are largely caused by market movements in interest rates and credit spreads that do not necessarily correlate with the cash flows we will ultimately realize when an available-for-sale security matures or is sold.

Our definitions of these non-GAAP financial measures may differ from the definitions of similar measures used by other companies. Management uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. Furthermore, management believes that these non-GAAP financial measures may provide users with additional meaningful comparisons between current results and results of prior periods as they are expected to be reflective of the core ongoing business. These measures have limitations and investors should not consider them in isolation or as a substitute for analysis of the Company's results as reported under GAAP. Reconciliations of GAAP to non-GAAP financial measures are attached to this release.

Earnings Webcast Information

Primerica will hold a webcast on Tuesday, August 9, 2022, at 9:00 a.m. Eastern, to discuss the quarter's results. To access the webcast, go to <https://investors.primerica.com> at least 15 minutes prior to the event to register, download and install any necessary software. A replay of the call will be available for approximately 30 days. This release and a detailed financial supplement will be posted on Primerica's website.

Forward-Looking Statements

Except for historical information contained in this press release, the statements in this release are forward-looking and made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements contain known and unknown risks and uncertainties that may cause our actual results in future periods to differ materially from anticipated or projected results. Those risks and uncertainties include, among others, our failure to continue to attract and license new recruits, retain sales representatives or license or maintain the licensing of sales representatives; new laws or regulations that could apply to our distribution model, which could require us to modify our distribution structure; changes to the independent contractor status of sales representatives; our or sales representatives' violation of or non-compliance with laws and regulations; any failure to protect the confidentiality of client information; differences between our actual experience and our expectations regarding mortality or persistency as reflected in the pricing for our insurance policies; changes in federal, state and provincial legislation or regulation that affects our insurance, investment product and mortgage businesses; our failure to meet regulatory capital ratios or other minimum capital and surplus requirements; a significant downgrade by a ratings organization; the failure of our reinsurers or reserve financing counterparties to perform their obligations; the failure of our investment products to remain competitive with other investment options or the loss of our relationship with one or more of the companies whose investment products we provide; litigation and regulatory investigations and actions concerning us or sales representatives; heightened standards of conduct or more stringent licensing requirements for sales representatives; inadequate policies and procedures regarding suitability review of client transactions; revocation of our subsidiary's status as a non-bank custodian; economic down cycles that impact our business, financial condition and results of operations; major public health pandemics, epidemics or outbreaks or other catastrophic events; the failure of our information technology systems, breach of our information security, failure of our business continuity plan or the loss of the Internet; the effects of credit deterioration and interest rate fluctuations on our invested asset portfolio and other assets; incorrectly valuing our investments; changes in accounting standards may impact how we record and report our financial condition and results of operations; the inability of our subsidiaries to pay dividends or make distributions; litigation and regulatory investigations and actions; a significant change in the competitive environment in which we operate; the loss of key personnel or sales force leaders; any acquisition or investment in businesses that do not perform as we expect or are difficult to integrate; due to our very limited history with e-TeleQuote, we cannot be certain that

its business will be successful or that we will successfully address any risks not known to us that may become material; a failure by e-TeleQuote to comply with the requirements of the United States government's Centers for Medicare and Medicaid Services and those of its carrier partners; legislative or regulatory changes to Medicare Advantage or changes to the implementing guidance by the Centers for Medicare and Medicaid Services; e-TeleQuote's inability to acquire or generate leads on commercially viable terms, convert leads to sales or if customer policy retention is lower than assumed; e-TeleQuote's inability to enroll individuals during the Medicare annual election period; the loss of a key carrier, or the modification of commission rates or underwriting practices with a key carrier partner could adversely affect e-TeleQuote's business; cyber-attack(s), security breaches or if e-TeleQuote is otherwise unable to safeguard the security and privacy of confidential data, including personal health information; and fluctuations in the market price of our common stock or Canadian currency exchange rates. These and other risks and uncertainties affecting us are more fully described in our filings with the Securities and Exchange Commission, which are available in the "Investor Relations" section of our website at <https://investors.primerica.com>. Primerica assumes no duty to update its forward-looking statements as of any future date.

About Primerica, Inc.

Primerica, Inc., headquartered in Duluth, GA, is a leading provider of financial services to middle-income households in North America. Independent licensed representatives educate Primerica clients about how to better prepare for a more secure financial future by assessing their needs and providing appropriate solutions through term life insurance, which we underwrite, and mutual funds, annuities and other financial products, which we distribute primarily on behalf of third parties. We insured over 5.7 million lives and had over 2.7 million client investment accounts on December 31, 2021. Primerica, through its insurance company subsidiaries, was the #2 issuer of Term Life insurance coverage in the United States and Canada in 2021. Primerica stock is included in the S&P MidCap 400 and the Russell 1000 stock indices and is traded on The New York Stock Exchange under the symbol "PRI".

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PRIMERICA, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets

	(Unaudited)	
	June 30, 2022	December 31, 2021
	(In thousands)	
Assets		
Investments:		
Fixed-maturity securities available-for-sale, at fair value	\$ 2,554,465	\$ 2,702,567
Fixed-maturity security held-to-maturity, at amortized cost	1,415,940	1,379,100
Short-term investments available-for-sale, at fair value	3,311	85,243
Equity securities, at fair value	35,877	42,551
Trading securities, at fair value	8,976	24,355
Policy loans and other invested assets	46,226	30,612
Total investments	4,064,795	4,264,428
Cash and cash equivalents	400,119	392,501
Accrued investment income	19,326	18,702
Reinsurance recoverables	4,069,039	4,268,419
Deferred policy acquisition costs, net	3,028,511	2,943,782
Renewal commissions receivable	193,661	231,751
Agent balances, due premiums and other receivables	250,940	257,675
Goodwill	187,707	179,154
Intangible assets	190,775	195,825
Income taxes	92,352	81,799
Operating lease right-of-use assets	44,438	47,942
Other assets	428,355	441,253
Separate account assets	2,358,987	2,799,992
Total assets	<u>\$ 15,329,005</u>	<u>\$ 16,123,223</u>
Liabilities and Stockholders' Equity		
Liabilities:		
Future policy benefits	\$ 7,276,278	\$ 7,138,649
Unearned and advance premiums	16,932	16,437
Policy claims and other benefits payable	481,229	585,382
Other policyholders' funds	501,628	501,823
Notes payable - short term	-	15,000
Notes payable - long term	592,504	592,102
Surplus note	1,415,457	1,378,585
Income taxes	164,972	241,311
Operating lease liabilities	50,249	53,920
Other liabilities	596,409	615,710
Payable under securities lending	96,603	94,529
Separate account liabilities	2,358,987	2,799,992
Total liabilities	<u>13,551,248</u>	<u>14,033,440</u>
Temporary Stockholders' Equity		
Redeemable noncontrolling interests in consolidated entities	2,233	7,271
Permanent Stockholders' equity		
Equity attributable to Primerica, Inc.:		
Common stock	378	394
Paid-in capital	-	5,224
Retained earnings	1,948,244	2,004,506
Accumulated other comprehensive income (loss), net of income tax	(173,098)	72,388
Total permanent stockholders' equity	<u>1,775,524</u>	<u>2,082,512</u>
Total liabilities and temporary and permanent stockholders' equity	<u>\$ 15,329,005</u>	<u>\$ 16,123,223</u>

PRIMERICA, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Income
(Unaudited)

	Three months ended June 30,	
	2022	2021
<i>(In thousands, except per-share amounts)</i>		
Revenues:		
Direct premiums	\$ 808,894	\$ 780,299
Ceded premiums	(419,048)	(413,850)
Net premiums	389,846	366,449
Commissions and fees	240,688	250,688
Net investment income	21,284	20,535
Investment gains (losses)	(1,892)	701
Other, net	18,756	16,313
Total revenues	<u>668,682</u>	<u>654,686</u>
Benefits and expenses:		
Benefits and claims	153,257	168,347
Amortization of deferred policy acquisition costs	85,379	54,286
Sales commissions	119,763	131,303
Insurance expenses	59,461	48,579
Insurance commissions	7,594	8,838
Contract acquisition costs	19,384	-
Interest expense	6,814	7,141
Other operating expenses	79,730	66,726
Total benefits and expenses	<u>531,382</u>	<u>485,220</u>
Income before income taxes	137,300	169,466
Income taxes	31,737	41,304
Net income	<u>\$ 105,563</u>	<u>\$ 128,162</u>
Net income attributable to noncontrolling interests	(2,384)	-
Net income attributable to Primerica, Inc.	<u>\$ 107,947</u>	<u>\$ 128,162</u>
Earnings per share attributable to common stockholders:		
Basic earnings per share	<u>\$ 2.80</u>	<u>\$ 3.23</u>
Diluted earnings per share	<u>\$ 2.79</u>	<u>\$ 3.22</u>
Weighted-average shares used in computing earnings per share:		
Basic	<u>38,386</u>	<u>39,531</u>
Diluted	<u>38,501</u>	<u>39,653</u>

PRIMERICA, INC. AND SUBSIDIARIES
Consolidated Adjusted Operating Results Reconciliation
(Unaudited – in thousands, except per share amounts)

	Three months ended June 30,		% Change
	2022	2021	
Total revenues	\$ 668,682	\$ 654,686	2 %
Less: Investment gains (losses)	(1,892)	701	
Less: 10% deposit asset MTM included in NII	(1,254)	(170)	
Adjusted operating revenues	<u>\$ 671,828</u>	<u>\$ 654,155</u>	3 %
Income before income taxes	\$ 137,300	\$ 169,466	(19)%
Less: Investment gains (losses)	(1,892)	701	
Less: 10% deposit asset MTM included in NII	(1,254)	(170)	
Less: e-TeleQuote transaction-related expenses	2,892	(2,109)	
Less: Equity comp for awards exchanged during acquisition	(3,328)	-	
Less: Noncontrolling interest	(3,129)	-	
Adjusted operating income before income taxes	<u>\$ 144,011</u>	<u>\$ 171,044</u>	(16)%
Net income	\$ 105,563	\$ 128,162	(18)%
Less: Investment gains (losses)	(1,892)	701	
Less: 10% deposit asset MTM included in NII	(1,254)	(170)	
Less: e-TeleQuote transaction-related expenses	2,892	(2,109)	
Less: Equity comp for awards exchanged during acquisition	(3,328)	-	
Less: Noncontrolling interest	(3,129)	-	
Less: Tax impact of preceding items	1,573	385	
Adjusted net operating income	<u>\$ 110,701</u>	<u>\$ 129,355</u>	(14)%
Diluted earnings per share (1)	\$ 2.79	\$ 3.22	(13)%
Less: Net after-tax impact of operating adjustments	(0.07)	(0.03)	
Diluted adjusted operating earnings per share(1)	<u>\$ 2.86</u>	<u>\$ 3.25</u>	(12)%

(1) Percentage change in earnings per share is calculated prior to rounding per share amounts.

TERM LIFE INSURANCE SEGMENT
Adjusted Premiums Reconciliation
(Unaudited – in thousands)

	Three months ended June 30,		% Change
	2022	2021	
Direct premiums	\$ 803,453	\$ 774,500	4 %
Less: Premiums ceded to IPO coinsurers	231,805	246,874	
Adjusted direct premiums	<u>571,648</u>	<u>527,626</u>	8 %
Ceded premiums	(417,406)	(412,028)	
Less: Premiums ceded to IPO coinsurers	(231,805)	(246,874)	
Other ceded premiums	(185,601)	(165,154)	
Net premiums	<u>\$ 386,047</u>	<u>\$ 362,472</u>	7 %

SENIOR HEALTH SEGMENT
Adjusted Operating Results Reconciliation
(Unaudited – in thousands)

	Three months ended June 30,		% Change
	2022	2021	
Loss before income taxes	\$ (16,150)	\$ -	
Less: e-TeleQuote transaction-related costs	(66)	-	
Less: Noncontrolling interest	(3,129)	-	
Adjusted operating loss before taxes	<u>\$ (12,955)</u>	<u>\$ -</u>	

CORPORATE AND OTHER DISTRIBUTED PRODUCTS SEGMENT
Adjusted Operating Results Reconciliation
(Unaudited – in thousands)

	Three months ended June 30,		% Change
	2022	2021	
Total revenues	\$ 23,745	\$ 33,138	(28)%
Less: Investment gains (losses)	(1,892)	701	
Less: 10% deposit asset MTM included in NII	(1,254)	(170)	
Adjusted operating revenues	<u>\$ 26,891</u>	<u>\$ 32,607</u>	(18)%
Loss before income taxes	\$ (25,404)	\$ (18,466)	38%
Less: Investment gains (losses)	(1,892)	701	
Less: 10% deposit asset MTM included in NII	(1,254)	(170)	
Less: e-TeleQuote transaction-related expenses	2,958	(2,109)	
Less: Equity comp for awards exchanged during acquisition	(3,328)	-	
Adjusted operating loss before income taxes	<u>\$ (21,888)</u>	<u>\$ (16,888)</u>	30%

PRIMERICA, INC. AND SUBSIDIARIES
Adjusted Stockholders' Equity Reconciliation
(Unaudited – in thousands)

	June 30, 2022	December 31, 2021	% Change
Stockholders' equity (1)	\$ 1,775,524	\$ 2,082,512	(15)%
Less: Unrealized net investment gains (losses) recorded in stockholders' equity, net of income tax	(175,746)	63,777	
Adjusted stockholders' equity (1)	<u>\$ 1,951,270</u>	<u>\$ 2,018,735</u>	(3)%

(1) Reflects the Company's permanent stockholders' equity and does not include temporary stockholders' equity.



Supplemental Financial Information Second Quarter 2022

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This document may contain forward-looking statements and information. Additional information and factors that could cause actual results to differ materially from any forward-looking statements or information in this document is available in our Form 10-K for the year ended December 31, 2021.

Second Quarter 2022

This document is a financial supplement to our second quarter 2022 earnings release. It is designed to enable comprehensive analysis of our ongoing business using the same core metrics that our management utilizes in assessing our business and making strategic and operational decisions. Throughout this document we provide financial information that is derived from our U.S. GAAP financial statements and adjusted for three different purposes, as follows:

- Operating adjustments exclude the impact of investment gains/losses, including credit impairments, mark-to-market (MTM) investment adjustments, loss on the extinguishment of debt, transaction-related expenses/recoveries associated with the purchase of 80% of e-TeleQuote Insurance, Inc. and subsidiaries (collectively, "e-TeleQuote"), adjustments to share-based compensation expense for shares exchanged in the business combination, and non-cash goodwill impairment charges. We exclude investment gains/losses, including credit impairments, and MTM investment adjustments in measuring adjusted operating revenues to eliminate period-over-period fluctuations that may obscure comparisons of operating results due to items such as the timing of recognizing gains and losses and other factors prior to an invested asset's maturity or sale that are not directly associated with the Company's insurance operations. We exclude the loss on the extinguishment of debt, e-TeleQuote transaction-related expenses/recoveries, and non-cash goodwill impairment charges in our non-GAAP financial measures as such expenses are non-recurring items that will cause incomparability between period-over-period results. We exclude adjustments to share-based compensation expense for shares exchanged in the business combination to eliminate period-over-period fluctuations that may obscure comparisons of operating results primarily due to the volatility of changes in the fair value of shares prior to the dates they can ultimately be redeemed. Adjusted operating income before income taxes and adjusted net operating income exclude income attributable to the noncontrolling interest to present only the income that is attributable to stockholders of the Company.
- Adjusted stockholders' equity refers to the removal of the impact of net unrealized gains and losses on invested assets. We exclude unrealized investment gains and losses in measuring adjusted stockholders' equity as unrealized gains and losses from the Company's invested assets are largely caused by market movements in interest rates and credit spreads that do not necessarily correlate with the cash flows we will ultimately realize when an invested asset matures or is sold.
- IPO coinsurance transactions adjustments relate to transactions in the first quarter of 2010, where we coinsured between 80% and 90% of our business that was in-force at year-end 2009 to entities then affiliated with Citigroup Inc. that were executed concurrent with our initial public offering (IPO). We exclude amounts ceded under the IPO coinsurance transactions in measuring adjusted direct premiums and other ceded premiums to present meaningful comparisons of the actual premiums economically maintained by the Company. Amounts ceded under the IPO coinsurance transactions will continue to decline over time as policies terminate within this block of business.

Management utilizes these non-GAAP financial measures in managing the business and believes they present relevant and meaningful analytical metrics for evaluating the ongoing business. Reconciliations of non-GAAP to GAAP financial measures are included in this financial supplement.

Certain items throughout this supplement may not add due to rounding and as such, may not agree to other public reporting of the respective item. Certain items throughout this supplement are noted as 'na' to indicate not applicable. Certain variances are noted as 'nm' to indicate not meaningful. Certain reclassifications have been made to prior-period amounts to conform to current-period reporting classifications. These reclassifications had no impact on net income or total stockholders' equity.

Condensed Balance Sheets and Reconciliation of Balance Sheet Non-GAAP to GAAP Financial Measures

PRIMERICA, INC.
Financial Supplement

	Dec 31, 2020	Mar 31, 2021	Jun 30, 2021	Sep 30, 2021	Dec 31, 2021	Mar 31, 2022	Jun 30, 2022
<i>(Dollars in thousands)</i>							
Condensed Balance Sheets							
Assets:							
Investments and cash excluding securities held to maturity	\$ 3,096,703	\$ 3,133,860	\$ 3,431,825	\$ 3,056,395	\$ 3,277,830	\$ 3,191,154	\$ 3,048,974
Securities held to maturity	1,346,350	1,362,210	1,368,740	1,376,090	1,379,100	1,390,310	1,415,940
Total investments and cash	4,443,053	4,496,070	4,800,565	4,432,485	4,656,930	4,581,464	4,464,914
Due from reinsurers	4,273,904	4,345,483	4,239,510	4,278,322	4,268,419	4,240,481	4,069,039
Deferred policy acquisition costs	2,629,644	2,712,169	2,808,347	2,877,921	2,943,782	2,994,367	3,028,511
Goodwill	—	—	—	224,180	179,154	179,154	187,707
Other assets	899,165	921,236	925,621	1,330,620	1,274,946	1,242,457	1,219,847
Separate account assets	2,659,520	2,638,901	2,745,827	2,672,606	2,799,992	2,696,891	2,358,987
Total assets	\$ 14,905,286	\$ 15,113,858	\$ 15,519,871	\$ 15,816,135	\$ 16,123,222	\$ 15,934,813	\$ 15,329,005
Liabilities:							
Future policy benefits	\$ 6,790,557	\$ 6,885,115	\$ 6,984,272	\$ 7,057,599	\$ 7,138,649	\$ 7,216,597	\$ 7,276,278
Other policy liabilities	984,612	1,020,349	977,373	1,054,925	1,103,642	1,108,047	999,789
Income taxes	223,496	235,233	204,197	260,264	241,311	217,326	164,971
Other liabilities	618,874	633,719	641,025	668,643	669,631	683,865	646,660
Debt obligations	374,415	374,511	499,606	514,702	607,102	598,303	592,504
Surplus note	1,345,772	1,361,648	1,368,194	1,375,559	1,378,585	1,389,811	1,415,457
Payable under securities lending	72,154	87,190	80,613	105,264	94,529	93,171	96,603
Separate account liabilities	2,659,520	2,638,901	2,745,827	2,672,606	2,799,992	2,696,891	2,358,987
Total liabilities	13,069,401	13,236,666	13,501,107	13,709,563	14,033,442	14,004,011	13,551,249
Redeemable noncontrolling interest	\$ —	\$ —	\$ —	\$ 7,631	\$ 7,271	\$ 4,616	\$ 2,233
Stockholders' equity:							
Common stock (\$0.01 par value) (1)	393	394	394	395	394	388	378
Paid-in capital	(0)	8,138	12,880	17,454	5,224	(0)	(0)
Retained earnings	1,705,786	1,785,037	1,894,539	1,988,324	2,004,506	1,980,467	1,948,244
Treasury stock	—	—	—	—	—	—	—
Accumulated other comprehensive income (loss), net:							
Net unrealized gains (losses)	128,128	77,053	96,990	84,701	63,775	(66,439)	(175,746)
Cumulative translation adjustment	1,578	6,570	13,960	8,068	8,611	11,769	2,648
Total stockholders' equity (2)	1,835,885	1,877,192	2,018,764	2,098,941	2,082,510	1,926,185	1,775,524
Total liabilities and stockholders' equity	\$ 14,905,286	\$ 15,113,858	\$ 15,519,871	\$ 15,816,135	\$ 16,123,222	\$ 15,934,813	\$ 15,329,005
Reconciliation of Total Stockholders' Equity to Adjusted Stockholders' Equity							
Total stockholders' equity	\$ 1,835,885	\$ 1,877,192	\$ 2,018,764	\$ 2,098,941	\$ 2,082,510	\$ 1,926,185	\$ 1,775,524
Less: Net unrealized gains (losses)	128,128	77,053	96,990	84,701	63,775	(66,439)	(175,746)
Adjusted stockholders' equity	\$ 1,707,757	\$ 1,800,139	\$ 1,921,774	\$ 2,014,241	\$ 2,018,735	\$ 1,992,624	\$ 1,951,270
Adjusted Stockholders' Equity Rollforward							
Balance, beginning of period	\$ 1,614,688	\$ 1,707,757	\$ 1,800,139	\$ 1,921,774	\$ 2,014,241	\$ 1,992,624	\$ 1,951,270
Net Income attributable to Primerica, Inc.	100,084	97,872	128,162	112,456	34,868	81,418	107,947
Shareholder dividends	(15,851)	(18,620)	(18,660)	(18,671)	(18,686)	(21,645)	(21,178)
Retirement of shares and warrants	(13,426)	(5,966)	(521)	(88)	(18,829)	(103,862)	(127,963)
Net foreign currency translation adjustment	16,398	4,992	7,390	(5,892)	543	3,158	(9,121)
Other, net	5,864	14,105	5,264	4,662	6,597	14,820	8,961
Balance, end of period	\$ 1,707,757	\$ 1,800,139	\$ 1,921,774	\$ 2,014,241	\$ 2,018,735	\$ 1,992,624	\$ 1,951,270
Deferred Policy Acquisition Costs Rollforward							
Balance, beginning of period	\$ 2,532,409	\$ 2,629,644	\$ 2,712,169	\$ 2,808,347	\$ 2,877,921	\$ 2,943,782	\$ 2,994,367
General expenses deferred	9,510	10,558	10,055	9,248	9,062	9,519	9,321
Commission costs deferred	128,084	134,188	136,085	129,287	124,515	123,739	119,794
Amortization of deferred policy acquisition costs	(53,342)	(66,105)	(54,286)	(62,214)	(68,575)	(86,063)	(85,379)
Foreign currency impact and other, net	12,984	3,884	4,324	(6,748)	858	3,390	(9,593)
Balance, end of period	\$ 2,629,644	\$ 2,712,169	\$ 2,808,347	\$ 2,877,921	\$ 2,943,782	\$ 2,994,367	\$ 3,028,511

(1) Outstanding common shares exclude restricted stock units.

(2) Reflects the company's permanent stockholders' equity and does not include temporary stockholders' equity

Financial Results and Other Statistical Data

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	YOY Q2		YTD 2021	YTD 2022	YOY YTD	
							\$/# Change	% Change			\$/# Change	% Change
<i>(Dollars in thousands, except per-share data)</i>												
Earnings per Share												
Basic earnings per share:												
Weighted-average common shares and fully vested equity awards	39,455,948	39,530,691	39,560,786	39,568,470	39,221,003	38,385,520	(1,145,171)	-2.9%	39,493,526	38,800,954	(692,572)	-1.8%
Net income attributable to Primerica, Inc.	\$ 97,872	\$ 128,162	\$ 112,456	\$ 34,868	\$ 81,418	\$ 107,947	\$ (20,214)	-15.8%	\$ 226,033	\$ 189,365	\$ (36,668)	-16.2%
Less income attributable to unvested participating securities	(417)	(525)	(458)	(141)	(337)	(477)	48	9.1%	(945)	(811)	134	14.2%
Net income used in computing basic EPS	\$ 97,455	\$ 127,636	\$ 111,997	\$ 34,728	\$ 81,081	\$ 107,470	\$ (20,167)	-15.8%	\$ 225,089	\$ 188,554	\$ (36,534)	-16.2%
Basic earnings per share	\$ 2.47	\$ 3.23	\$ 2.83	\$ 0.88	\$ 2.07	\$ 2.80	\$ (0.43)	-13.3%	\$ 5.70	\$ 4.86	\$ (0.84)	-14.7%
Adjusted net operating income	\$ 97,129	\$ 129,355	\$ 118,708	\$ 117,007	\$ 83,333	\$ 110,701	\$ (18,654)	-14.4%	\$ 226,485	\$ 194,034	\$ (32,451)	-14.3%
Less operating income attributable to unvested participating securities	(414)	(530)	(484)	(472)	(345)	(490)	41	7.7%	(947)	(831)	116	12.2%
Adjusted net operating income used in computing basic operating EPS	\$ 96,715	\$ 128,825	\$ 118,224	\$ 116,535	\$ 82,988	\$ 110,212	\$ (18,614)	-14.4%	\$ 225,538	\$ 193,203	\$ (32,335)	-14.3%
Basic adjusted operating income per share	\$ 2.45	\$ 3.26	\$ 2.99	\$ 2.95	\$ 2.12	\$ 2.87	\$ (0.39)	-11.9%	\$ 5.71	\$ 4.98	\$ (0.73)	-12.8%
Diluted earnings per share:												
Weighted-average common shares and fully vested equity awards	39,455,948	39,530,691	39,560,786	39,568,470	39,221,003	38,385,520	(1,145,171)	-2.9%	39,493,526	38,800,954	(692,572)	-1.8%
Dilutive impact of contingently issuable shares	124,505	121,595	117,923	122,929	110,941	115,058	(6,537)	-5.4%	123,050	113,000	(10,050)	-8.2%
Shares used to calculate diluted EPS	39,580,453	39,652,286	39,678,709	39,691,399	39,331,944	38,500,578	(1,151,708)	-2.9%	39,616,576	38,913,954	(702,622)	-1.8%
Net income attributable to Primerica, Inc.	\$ 97,872	\$ 128,162	\$ 112,456	\$ 34,868	\$ 81,418	\$ 107,947	\$ (20,214)	-15.8%	\$ 226,033	\$ 189,365	\$ (36,668)	-16.2%
Less income attributable to unvested participating securities	(416)	(524)	(457)	(140)	(337)	(476)	48	9.1%	(942)	(809)	133	14.1%
Net income used in computing diluted EPS	\$ 97,456	\$ 127,638	\$ 111,998	\$ 34,728	\$ 81,081	\$ 107,471	\$ (20,167)	-15.8%	\$ 225,091	\$ 188,556	\$ (36,535)	-16.2%
Diluted earnings per share	\$ 2.46	\$ 3.22	\$ 2.82	\$ 0.87	\$ 2.06	\$ 2.79	\$ (0.43)	-13.3%	\$ 5.68	\$ 4.85	\$ (0.84)	-14.7%
Adjusted net operating income	\$ 97,129	\$ 129,355	\$ 118,708	\$ 117,007	\$ 83,333	\$ 110,701	\$ (18,654)	-14.4%	\$ 226,485	\$ 194,034	\$ (32,451)	-14.3%
Less operating income attributable to unvested participating securities	(413)	(529)	(483)	(471)	(344)	(488)	40	7.6%	(944)	(829)	115	12.2%
Adjusted net operating income used in computing diluted operating EPS	\$ 96,717	\$ 128,827	\$ 118,225	\$ 116,536	\$ 82,988	\$ 110,213	\$ (18,614)	-14.4%	\$ 225,541	\$ 193,205	\$ (32,336)	-14.3%
Diluted adjusted operating income per share	\$ 2.44	\$ 3.25	\$ 2.98	\$ 2.94	\$ 2.11	\$ 2.86	\$ (0.39)	-11.9%	\$ 5.69	\$ 4.96	\$ (0.73)	-12.8%
Annualized Return on Equity												
Average stockholders' equity (1)	\$ 1,856,539	\$ 1,947,978	\$ 2,058,852	\$ 2,090,726	\$ 2,004,348	\$ 1,850,855	\$ (97,123)	-5.0%	\$ 1,902,258	\$ 1,927,601	\$ 25,343	1.3%
Average adjusted stockholders' equity (1)	\$ 1,753,948	\$ 1,860,956	\$ 1,968,007	\$ 2,016,488	\$ 2,005,679	\$ 1,971,947	\$ 110,991	6.0%	\$ 1,807,452	\$ 1,988,813	\$ 181,361	10.0%
Net income attributable to Primerica, Inc. return on stockholders' equity	21.1%	26.3%	21.8%	6.7%	16.2%	23.3%	-3.0%	nm	11.9%	19.6%	7.8%	nm
Net income attributable to Primerica, Inc. return on adjusted stockholders' equity	22.3%	27.5%	22.9%	6.9%	16.2%	21.9%	-5.7%	nm	11.9%	19.6%	7.8%	nm
Adjusted net operating income return on adjusted stockholders' equity	22.2%	27.8%	24.1%	23.2%	16.6%	22.5%	-5.3%	nm	12.5%	19.5%	7.0%	nm
Capital Structure												
Debt-to-capital (2)	16.6%	19.8%	19.7%	22.6%	23.7%	25.0%	5.2%	nm	19.8%	25.0%	5.2%	nm
Debt-to-capital, excluding AOCI (2)	17.3%	20.8%	20.4%	23.2%	23.2%	23.3%	2.6%	nm	20.8%	23.3%	2.6%	nm
Cash and invested assets to stockholders' equity	2.4 x	2.4 x	2.1 x	2.2 x	2.4 x	2.5 x	0.1 x	nm	2.4 x	2.5 x	0.1 x	nm
Cash and invested assets to adjusted stockholders' equity	2.5 x	2.5 x	2.2 x	2.3 x	2.3 x	2.3 x	(0.2 x)	nm	2.5 x	2.3 x	(0.2 x)	nm
Share count, end of period (3)	39,414,085	39,443,561	39,470,748	39,367,754	38,751,885	37,768,052	(1,675,509)	-4.2%	39,443,561	37,768,052	(1,675,509)	-4.2%
Adjusted stockholders' equity per share	\$ 45.67	\$ 48.72	\$ 51.03	\$ 51.28	\$ 51.42	\$ 51.66	\$ 2.94	6.0%	\$ 48.72	\$ 51.66	\$ 2.94	6.0%
Financial Strength Ratings - Primerica Life Insurance Co												
Moody's	A1	A1	A1	A1	A1	A1	nm	nm	nm	nm	nm	nm
S&P	AA-	AA-	AA-	AA-	AA-	AA-	nm	nm	nm	nm	nm	nm
A.M. Best	A+	A+	A+	A+	A+	A+	nm	nm	nm	nm	nm	nm
Holding Company Senior Debt Ratings												
Moody's	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	nm	nm	nm	nm	nm	nm
S&P	A-	A-	A-	A-	A-	A-	nm	nm	nm	nm	nm	nm
A.M. Best	a-	a-	a-	a-	a-	a-	nm	nm	nm	nm	nm	nm

(1) Reflects the company's permanent stockholders' equity and does not include temporary stockholders' equity
(2) Debt-to-capital is that of the parent company only. Capital in the debt-to-capital ratio includes stockholders' equity and the note payable.
(3) Share count reflects outstanding common shares, but excludes restricted stock units (RSUs).

Statements of Income

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	YOY Q2		YTD 2021	YTD 2022	YOY YTD		
							\$	%			\$	%	
													Change
<i>(Dollars in thousands)</i>													
Statement of Income													
Revenues:													
Direct premiums	\$ 762,227	\$ 780,299	\$ 785,277	\$ 794,344	\$ 798,666	\$ 808,894	\$ 28,594	3.7 %	\$ 1,542,526	\$ 1,607,560	\$ 65,033	4.2 %	
Ceded premiums	(395,973)	(413,850)	(401,295)	(405,147)	(399,885)	(419,048)	(5,198)	-1.3 %	(809,822)	(818,933)	(9,111)	-1.1 %	
Net premiums	366,254	366,450	383,983	389,197	398,781	389,846	23,396	6.4 %	732,704	788,626	55,922	7.6 %	
Net investment income	20,052	20,535	20,000	20,001	18,905	21,284	749	3.6 %	40,588	40,189	(399)	-1.0 %	
Commissions and fees:													
Sales-based (1)	98,112	104,716	95,229	103,451	103,242	88,701	(16,015)	-15.3 %	202,828	191,942	(10,886)	-5.4 %	
Asset-based (2)	101,241	108,490	113,558	118,015	113,112	108,101	(389)	-0.4 %	209,731	221,213	11,482	5.5 %	
Account-based (3)	21,120	21,848	21,456	22,514	21,541	22,592	744	3.4 %	42,968	44,134	1,165	2.7 %	
Other commissions and fees	13,571	15,635	39,553	44,304	13,905	21,294	5,660	36.2 %	29,205	35,200	5,994	20.5 %	
Investment (losses) gains	1,766	701	1,410	1,995	751	(1,892)	(2,593)	nm	2,466	(1,141)	(3,608)	-146.3 %	
Other, net	15,595	16,313	18,051	24,616	20,988	18,755	2,442	15.0 %	31,908	39,744	7,836	24.6 %	
Total revenues	637,711	654,687	693,240	724,094	691,225	668,681	13,994	2.1 %	1,292,399	1,359,906	67,508	5.2 %	
Benefits and expenses:													
Benefits and claims	183,789	168,347	183,425	187,192	187,069	153,257	(15,090)	-9.0 %	352,136	340,326	(11,811)	-3.4 %	
Amortization of DAC	66,105	54,286	62,214	68,575	86,063	85,379	31,093	57.3 %	120,390	171,442	51,051	42.4 %	
Insurance commissions	8,740	8,838	8,412	8,542	7,721	7,594	(1,243)	-14.1 %	17,578	15,315	(2,262)	-12.9 %	
Insurance expenses	48,766	48,579	51,901	53,359	59,509	59,461	10,882	22.4 %	97,345	118,970	21,625	22.2 %	
Sales commissions:													
Sales-based (1)	68,594	73,629	67,745	77,390	74,606	63,403	(10,226)	-13.9 %	142,224	138,009	(4,215)	-3.0 %	
Asset-based (2)	46,866	50,488	53,233	55,614	53,366	50,876	387	0.8 %	97,355	104,242	6,888	7.1 %	
Other sales commissions	6,434	7,185	8,290	6,839	5,952	5,484	(1,701)	-23.7 %	13,619	11,436	(2,183)	-16.0 %	
Interest expense	7,145	7,141	7,529	8,804	6,853	6,814	(326)	-4.6 %	14,285	13,667	(618)	-4.3 %	
Contract acquisition costs (4)	—	—	23,524	29,264	20,649	19,384	19,384	—	—	40,034	40,034	—	—
Other operating expenses	72,964	66,730	79,866	77,292	86,434	79,728	12,999	19.5 %	139,693	166,162	26,469	18.9 %	
Goodwill impairment	—	—	—	76,000	—	—	—	—	—	—	—	—	—
Loss on extinguishment of debt	—	—	—	8,927	—	—	—	—	—	—	—	—	—
Total benefits and expenses	509,403	485,222	546,138	657,797	588,222	531,381	46,159	9.5 %	994,625	1,119,603	124,978	12.6 %	
Income before income taxes	128,308	169,465	147,102	66,296	103,003	137,300	(32,165)	-19.0 %	297,773	240,304	(57,470)	-19.3 %	
Income taxes	30,437	41,304	35,663	31,788	24,239	31,737	(9,566)	-23.2 %	71,740	55,977	(15,764)	-22.0 %	
Net income	97,872	128,162	111,439	34,508	78,764	105,563	(22,598)	-17.6 %	226,033	184,327	(41,706)	-18.5 %	
Net income attributable to noncontrolling interests	—	—	(1,017)	(360)	(2,654)	(2,384)	(2,384)	—	—	(5,038)	(5,038)	—	—
Net Income attributable to Primerica, Inc.	\$ 97,872	\$ 128,162	\$ 112,456	\$ 34,868	\$ 81,418	\$ 107,947	\$ (20,214)	-15.8 %	\$ 226,033	\$ 189,365	\$ (36,668)	-16.2 %	
Income Before Income Taxes by Segment													
Term Life	\$ 88,236	\$ 116,778	\$ 107,589	\$ 102,019	\$ 91,577	\$ 119,878	\$ 3,100	2.7 %	\$ 205,014	\$ 211,455	\$ 6,441	3.1 %	
Investment & Savings Products	63,363	71,154	69,369	70,699	64,560	58,975	(12,179)	-17.1 %	134,517	123,535	(10,982)	-8.2 %	
Senior Health	—	—	(8,489)	(76,561)	(23,085)	(16,150)	(16,150)	—	—	(39,235)	(39,235)	—	—
Corporate & Other Distributed Products	(23,290)	(18,467)	(21,367)	(29,861)	(30,048)	(25,403)	(6,936)	-37.6 %	(41,757)	(55,451)	(13,694)	-32.8 %	
Income before income taxes	\$ 128,308	\$ 169,465	\$ 147,102	\$ 66,296	\$ 103,003	\$ 137,300	\$ (32,165)	-19.0 %	\$ 297,773	\$ 240,304	\$ (57,470)	-19.3 %	

- (1) Sales-based - revenues or commission expenses relating to the sales of mutual funds and variable annuities.
- (2) Asset-based - revenues or commission expenses relating to the value of assets in client accounts for which we earn ongoing service, distribution, and other fees.
- (3) Account-based - revenues relating to the fee generating client accounts we administer.
- (4) Contract acquisition costs (CAC) - Includes direct marketing costs incurred to acquire Senior Health product leads through internal and external sources, including commissions paid to Primerica representatives, as well as ETQ agent compensation, training and licensing costs

Reconciliation of Statement of Income GAAP to Non-GAAP Financial Measures

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	YOY Q2		YTD 2021	YTD 2022	YOY YTD	
							\$	%			\$	%
<i>(Dollars in thousands)</i>												
Reconciliation from Term Life Direct Premiums to Term Life Adjusted Direct Premiums												
Term Life direct premiums	\$ 756,514	\$ 774,500	\$ 779,490	\$ 789,325	\$ 793,254	\$ 803,453	\$ 28,953	3.7 %	\$ 1,531,014	\$ 1,596,707	\$ 65,693	4.3 %
Less: Premiums ceded to IPO Coinsurers	249,944	246,874	241,439	239,828	234,614	231,805	(15,069)	-6.1 %	496,818	466,419	(30,399)	-6.1 %
Term Life adjusted direct premiums	\$ 506,570	\$ 527,626	\$ 538,051	\$ 549,496	\$ 558,640	\$ 571,648	\$ 44,022	8.3 %	\$ 1,034,196	\$ 1,130,288	\$ 96,092	9.3 %
Reconciliation from Term Life Ceded Premiums to Term Life Other Ceded Premiums												
Term Life ceded premiums	\$ (394,550)	\$ (412,028)	\$ (399,835)	\$ (403,184)	\$ (398,446)	\$ (417,406)	\$ (5,377)	-1.3 %	\$ (806,578)	\$ (815,852)	\$ (9,274)	-1.1 %
Less: Premiums ceded to IPO Coinsurers	(249,944)	(246,874)	(241,439)	(239,828)	(234,614)	(231,805)	15,069	6.1 %	(496,818)	(466,419)	30,399	6.1 %
Term Life other ceded premiums	\$ (144,606)	\$ (165,154)	\$ (158,397)	\$ (163,356)	\$ (163,832)	\$ (185,601)	\$ (20,447)	-12.4 %	\$ (309,760)	\$ (349,433)	\$ (39,673)	-12.8 %
Reconciliation from Net Investment Income to Adjusted Net Investment Income												
Net Investment Income	\$ 20,052	\$ 20,535	\$ 20,000	\$ 20,001	\$ 18,905	\$ 21,284	\$ 749	3.6 %	\$ 40,588	\$ 40,189	\$ (399)	-1.0 %
Less: MTM investment adjustments	(793)	(170)	(640)	(899)	(2,099)	(1,254)	nm	nm	(963)	(3,353)	nm	nm
Adjusted net investment income	\$ 20,845	\$ 20,705	\$ 20,640	\$ 20,900	\$ 21,004	\$ 22,538	\$ 1,833	8.9 %	\$ 41,550	\$ 43,542	\$ 1,991	4.8 %
Reconciliation from Other Operating Expenses to Adjusted other operating expenses												
Other operating expenses	\$ 72,964	\$ 66,730	\$ 79,866	\$ 77,292	\$ 86,434	\$ 79,728	\$ 12,999	19.5 %	\$ 139,693	\$ 166,162	\$ 26,469	18.9 %
Less: eTeleQuote transaction-related costs	—	2,109	10,027	812	900	(2,892)	nm	nm	2,109	(1,992)	nm	nm
Less: Equity comp for awards exchanged during acquisition	—	—	(1,004)	(739)	256	3,328	nm	nm	—	3,584	nm	nm
Adjusted other operating expenses	\$ 72,964	\$ 64,620	\$ 70,843	\$ 77,219	\$ 85,278	\$ 79,292	\$ 14,672	22.7 %	\$ 137,584	\$ 164,570	\$ 26,986	19.6 %
Reconciliation from Total Revenues to Adjusted Operating Revenues												
Total revenues	\$ 637,711	\$ 654,687	\$ 693,240	\$ 724,094	\$ 691,225	\$ 668,681	\$ 13,994	2.1 %	\$ 1,292,399	\$ 1,359,906	\$ 67,508	5.2 %
Less: Investment gains/(losses)	1,766	701	1,410	1,995	751	(1,892)	nm	nm	2,466	(1,141)	nm	nm
Less: MTM investment adjustments	(793)	(170)	(640)	(899)	(2,099)	(1,254)	nm	nm	(963)	(3,353)	nm	nm
Adjusted operating revenues	\$ 636,738	\$ 654,156	\$ 692,470	\$ 722,998	\$ 692,573	\$ 671,827	\$ 17,671	2.7 %	\$ 1,290,895	\$ 1,364,401	\$ 73,506	5.7 %
Reconciliation from Income Before Income Taxes to Adjusted Operating Income Before Income Taxes												
Income before income taxes	\$ 128,308	\$ 169,465	\$ 147,102	\$ 66,296	\$ 103,003	\$ 137,300	\$ (32,165)	-19.0 %	\$ 297,773	\$ 240,304	\$ (57,470)	-19.3 %
Less: Investment gains/(losses)	1,766	701	1,410	1,995	751	(1,892)	nm	nm	2,466	(1,141)	nm	nm
Less: MTM investment adjustments	(793)	(170)	(640)	(899)	(2,099)	(1,254)	nm	nm	(963)	(3,353)	nm	nm
Less: eTeleQuote transaction-related costs	—	(2,109)	(10,027)	(812)	(900)	2,892	nm	nm	(2,109)	1,992	nm	nm
Less: Equity comp for awards exchanged during acquisition	—	—	1,004	739	(256)	(3,328)	nm	nm	—	(3,584)	nm	nm
Less: Noncontrolling interest before income taxes	—	—	(1,465)	(540)	(3,668)	(3,129)	nm	nm	—	(6,797)	nm	nm
Less: Goodwill impairment	—	—	—	(76,000)	—	—	nm	nm	—	—	nm	nm
Less: Loss on extinguishment of debt	—	—	—	(8,927)	—	—	nm	nm	—	—	nm	nm
Adjusted operating income before income taxes	\$ 127,335	\$ 171,044	\$ 156,819	\$ 150,740	\$ 109,175	\$ 144,011	\$ (27,033)	-15.8 %	\$ 298,379	\$ 253,186	\$ (45,192)	-15.1 %
Reconciliation from Net Income to Adjusted Net Operating Income												
Net income	\$ 97,872	\$ 128,162	\$ 111,439	\$ 34,508	\$ 78,764	\$ 105,563	\$ (22,598)	-17.6 %	\$ 226,033	\$ 184,327	\$ (41,706)	-18.5 %
Less: Investment gains/(losses)	1,766	701	1,410	1,995	751	(1,892)	nm	nm	2,466	(1,141)	nm	nm
Less: MTM investment adjustments	(793)	(170)	(640)	(899)	(2,099)	(1,254)	nm	nm	(963)	(3,353)	nm	nm
Less: e-TeleQuote transaction-related costs	—	(2,109)	(10,027)	(812)	(900)	2,892	nm	nm	(2,109)	1,992	nm	nm
Less: Equity comp for awards exchanged during acquisition	—	—	1,004	739	(256)	(3,328)	nm	nm	—	(3,584)	nm	nm
Less: Noncontrolling interest before income taxes	—	—	(1,465)	(540)	(3,668)	(3,129)	nm	nm	—	(6,797)	nm	nm
Less: Goodwill impairment	—	—	—	(76,000)	—	—	nm	nm	—	—	nm	nm
Less: Loss on extinguishment of debt	—	—	—	(8,927)	—	—	nm	nm	—	—	nm	nm
Less: Tax impact of reconciling items	(231)	385	2,449	1,945	1,603	1,573	nm	nm	154	3,176	nm	nm
Adjusted net operating income	\$ 97,129	\$ 129,355	\$ 118,708	\$ 117,007	\$ 83,333	\$ 110,701	\$ (18,654)	-14.4 %	\$ 226,485	\$ 194,034	\$ (32,451)	-14.3 %

Reconciliation of Statement of Income GAAP to Non-GAAP Financial Measures

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	YOY Q2		YTD 2021	YTD 2022	YOY YTD	
							\$	%			\$	%
<i>(Dollars in thousands)</i>												
Reconciliation from Senior Health Income Before Income Taxes to Senior Health Adjusted Operating Income Before Income Taxes												
Income before income taxes	na	na	\$(8,489)	\$(76,561)	\$(23,085)	\$(16,150)	na	na	\$ —	\$(39,235)	na	na
Less: e-TeleQuote transaction-related costs	na	na	(417)	(389)	(399)	(66)	na	na	—	(465)	na	na
Less: Noncontrolling interest	na	na	(1,465)	(540)	(3,668)	(3,129)	na	na	—	(6,797)	na	na
Less: Goodwill impairment	na	na	—	(76,000)	—	—	na	na	—	—	na	na
Adjusted operating income before income taxes	na	na	\$(6,608)	\$369	\$(19,018)	\$(12,955)	na	na	\$ —	\$(31,973)	na	na
Reconciliation from C&O Income Before Income Taxes to C&O Adjusted Operating Income Before Income Taxes												
Income before income taxes	\$(23,290)	\$(18,467)	\$(21,367)	\$(29,861)	\$(30,048)	\$(25,403)	\$(6,936)	-37.6%	\$(41,757)	\$(55,451)	\$(13,694)	-32.8%
Less: Investment gains/(losses)	1,766	701	1,410	1,995	751	(1,892)	nm	nm	2,466	(1,141)	nm	nm
Less: MTM investment adjustments	(793)	(170)	(640)	(899)	(2,099)	(1,254)	nm	nm	(963)	(3,353)	nm	nm
Less: e-TeleQuote transaction-related costs	—	(2,109)	(9,610)	(423)	(501)	2,958	nm	nm	(2,109)	2,458	nm	nm
Less: Equity comp for awards exchanged during acquisition	—	—	1,004	739	(256)	(3,328)	nm	nm	—	(3,584)	nm	nm
Less: Loss on extinguishment of debt	—	—	—	(8,927)	—	—	nm	nm	—	—	nm	nm
Adjusted operating income before income taxes	\$(24,263)	\$(16,888)	\$(13,531)	\$(22,346)	\$(27,943)	\$(21,887)	\$(4,999)	-29.6%	\$(41,152)	\$(49,831)	\$(8,679)	-21.1%

Term Life Insurance - Financial Results and Analysis

							YOY Q2				YOY YTD	
	Q1	Q2	Q3	Q4	Q1	Q2	\$	%	YTD	YTD	\$	%
	2021	2021	2021	2021	2022	2022	Change	Change	2021	2022	Change	Change
<i>(Dollars in thousands)</i>												
Term Life Insurance Income Before Income Taxes												
Revenues:												
Direct Premiums	\$ 756,514	\$ 774,500	\$ 779,490	\$ 789,325	\$ 793,254	\$ 803,453	\$ 28,953	3.7 %	\$ 1,531,014	\$ 1,596,707	\$ 65,693	4.3 %
Premiums ceded to IPO coinsurers (1)	(249,944)	(246,874)	(241,439)	(239,828)	(234,614)	(231,805)	15,069	6.1 %	(496,818)	(466,419)	30,399	6.1 %
Adjusted direct premiums (2)	506,570	527,626	538,051	549,496	558,640	571,648	44,022	8.3 %	1,034,196	1,130,288	96,092	9.3 %
Other ceded premiums (3)	(144,606)	(165,154)	(158,397)	(163,356)	(163,832)	(185,601)	(20,447)	-12.4 %	(309,760)	(349,433)	(39,673)	-12.8 %
Net premiums	361,964	362,472	379,654	386,140	394,808	386,047	23,576	6.5 %	724,436	780,855	56,419	7.8 %
Allocated net investment income	8,253	8,751	9,320	10,162	11,445	12,286	3,535	40.4 %	17,004	23,731	6,727	39.6 %
Other, net	11,810	12,315	12,476	12,369	12,175	12,374	59	0.5 %	24,125	24,549	424	1.8 %
Revenues	382,028	383,537	401,450	408,672	418,428	410,707	27,170	7.1 %	765,565	829,136	63,570	8.3 %
Benefits and expenses:												
Benefits and claims	178,963	162,488	179,696	182,749	182,903	148,977	(13,511)	-8.3 %	341,452	331,881	(9,571)	-2.8 %
Amortization of DAC	62,584	52,235	59,287	67,344	81,883	79,668	27,433	52.5 %	114,820	161,551	46,731	40.7 %
Insurance commissions	4,869	4,785	4,345	4,458	3,793	3,854	(930)	-19.4 %	9,654	7,648	(2,006)	-20.8 %
Insurance expenses	47,375	47,252	50,534	52,102	58,272	58,329	11,077	23.4 %	94,627	116,601	21,975	23.2 %
Benefits and expenses	293,792	266,760	293,862	306,652	326,851	290,829	24,070	9.0 %	560,552	617,681	57,129	10.2 %
Income before income taxes	\$ 88,236	\$ 116,778	\$ 107,589	\$ 102,019	\$ 91,577	\$ 119,878	\$ 3,100	2.7 %	\$ 205,014	\$ 211,455	\$ 6,441	3.1 %
Total Term Life Insurance - Financial Analysis												
Post-IPO direct premiums (4)	\$ 401,106	\$ 420,865	\$ 431,022	\$ 440,490	\$ 448,657	\$ 460,061	\$ 39,196	9.3 %	\$ 821,971	\$ 908,718	\$ 86,747	10.6 %
Pre-IPO direct premiums (5)	355,408	353,635	348,468	348,834	344,597	343,392	(10,243)	-2.9 %	709,043	687,989	(21,054)	-3.0 %
Total direct premiums	\$ 756,514	\$ 774,500	\$ 779,490	\$ 789,325	\$ 793,254	\$ 803,453	\$ 28,953	3.7 %	\$ 1,531,014	\$ 1,596,707	\$ 65,693	4.3 %
Premiums ceded to IPO coinsurers	\$ 249,944	\$ 246,874	\$ 241,439	\$ 239,828	\$ 234,614	\$ 231,805	\$ (15,069)	-6.1 %	\$ 496,818	\$ 466,419	\$ (30,399)	-6.1 %
% of Pre-IPO direct premiums	70.3 %	69.8 %	69.3 %	68.8 %	68.1 %	67.5 %	nm	nm	70.1 %	67.8 %	nm	nm
Benefits and claims, net (6)	\$ 323,569	\$ 327,642	\$ 338,093	\$ 346,105	\$ 346,735	\$ 334,578	\$ 6,936	2.1 %	\$ 651,211	\$ 681,314	\$ 30,102	4.6 %
% of adjusted direct premiums	63.9 %	62.1 %	62.8 %	63.0 %	62.1 %	58.5 %	nm	nm	63.0 %	60.3 %	nm	nm
DAC amortization & insurance commissions	\$ 67,454	\$ 57,020	\$ 63,632	\$ 71,802	\$ 85,676	\$ 83,523	\$ 26,503	46.5 %	\$ 124,474	\$ 169,199	\$ 44,725	35.9 %
% of adjusted direct premiums	13.3 %	10.8 %	11.8 %	13.1 %	15.3 %	14.6 %	nm	nm	12.0 %	15.0 %	nm	nm
Insurance expenses, net (7)	\$ 35,565	\$ 34,937	\$ 38,057	\$ 39,732	\$ 46,097	\$ 45,955	\$ 11,019	31.5 %	\$ 70,502	\$ 92,053	\$ 21,551	30.6 %
% of adjusted direct premiums	7.0 %	6.6 %	7.1 %	7.2 %	8.3 %	8.0 %	nm	nm	6.8 %	8.1 %	nm	nm
Total Term Life income before income taxes	\$ 88,236	\$ 116,778	\$ 107,589	\$ 102,019	\$ 91,577	\$ 119,878	\$ 3,100	2.7 %	\$ 205,014	\$ 211,455	\$ 6,441	3.1 %
Term Life operating margin (8)	17.4 %	22.1 %	20.0 %	18.6 %	16.4 %	21.0 %	nm	nm	19.8 %	18.7 %	nm	nm

- (1) Premiums ceded to IPO coinsurers - premiums ceded to IPO coinsurers under the IPO coinsurance transactions excluding any reimbursements from the IPO coinsurers on previously existing reinsurance agreements.
- (2) Adjusted direct premiums - direct premiums net of premiums ceded to IPO coinsurers.
- (3) Other ceded premiums - premiums ceded to non-IPO coinsurers net of any applicable reimbursements from the IPO coinsurers.
- (4) Post-IPO direct premiums - direct premiums not subject to the 2010 IPO coinsurance transactions.
- (5) Pre-IPO direct premiums - direct premiums subject to the 2010 IPO coinsurance transactions.
- (6) Benefits and claims, net - benefits & claims net of other ceded premiums which are largely YRT.
- (7) Insurance expenses, net - insurance expenses net of other, net revenues.
- (8) Term Life operating margin - Term Life operating income before income taxes as a percentage of adjusted direct premiums.

Term Life Insurance - Key Statistics

							YOY Q2				YOY YTD	
	Q1	Q2	Q3	Q4	Q1	Q2	\$/#	%	YTD	YTD	\$/#	%
	2021	2021	2021	2021	2022	2022						
<i>(Dollars in thousands, except as noted)</i>												
Key Statistics												
Life-insurance licensed sales force, beginning of period	134,907	132,030	132,041	130,023	129,515	130,206	(1,824)	-1.4 %	134,907	129,515	(5,392)	-4.0 %
New life-licensed representatives	10,833	10,112	9,381	9,296	9,983	11,529	1,417	14.0 %	20,945	21,512	567	2.7 %
Non-renewal and terminated representatives	(13,710)	(10,101)	(11,399)	(9,804)	(9,292)	(9,586)	515	5.1 %	(23,811)	(18,878)	4,933	20.7 %
Life-insurance licensed sales force, end of period	132,030	132,041	130,023	129,515	130,206	132,149	108	0.1 %	132,041	132,149	108	0.1 %
Estimated annualized issued term life premium (\$mills) (1):												
Premium from new policies	\$ 74.5	\$ 82.6	\$ 70.7	\$ 69.4	\$ 65.5	\$ 72.3	\$ (10.3)	-12.4 %	\$ 157.1	\$ 137.8	\$ (19.3)	-12.3 %
Additions and increases in premium	18.0	20.3	19.5	19.1	18.4	20.6	0.3	1.3 %	38.4	39.0	0.6	1.6 %
Total estimated annualized issued term life premium	\$ 92.5	\$ 103.0	\$ 90.2	\$ 88.5	\$ 83.8	\$ 92.9	\$ (10.0)	-9.7 %	\$ 195.5	\$ 176.8	\$ (18.7)	-9.6 %
Issued term life policies	82,667	90,071	75,914	75,203	71,324	76,946	(13,125)	-14.6 %	172,738	148,270	(24,468)	-14.2 %
Estimated average annualized issued term life premium per policy (1)(2)	\$ 901	\$ 917	\$ 931	\$ 923	\$ 918	\$ 940	\$ 23	2.5 %	\$ 910	\$ 929	\$ 20	2.2 %
Term life face amount in-force, beginning of period (\$mills)	\$ 858,818	\$ 869,643	\$ 886,519	\$ 894,018	\$ 903,404	\$ 909,632	\$ 39,989	4.6 %	\$ 858,818	\$ 903,404	\$ 44,586	5.2 %
Issued term life face amount (3)	26,643	29,981	26,219	25,678	24,773	27,651	(2,330)	-7.8 %	56,624	52,423	(4,200)	-7.4 %
Terminated term life face amount	(17,240)	(14,706)	(16,241)	(16,610)	(19,787)	(19,298)	(4,591)	-31.2 %	(31,946)	(39,085)	(7,138)	-22.3 %
Foreign currency impact, net	1,422	1,602	(2,480)	319	1,242	(3,547)	(5,149)	nm	3,023	(2,305)	(5,328)	nm
Term life face amount in-force, end of period	\$ 869,643	\$ 886,519	\$ 894,018	\$ 903,404	\$ 909,632	\$ 914,438	\$ 27,918	3.1 %	\$ 886,519	\$ 914,438	\$ 27,918	3.1 %

- (1) Estimated annualized issued term life premium - estimated as average premium per \$1,000 of face amounts issued on new policies and additions (before free look returns) multiplied by actual face amount issued on new policies, rider additions and face amount increases.
- (2) In whole dollars.
- (3) Issued term life face amount - includes face amount on issued term life policies, additional riders added to existing policies, and face increases under increasing benefit riders.

Investment and Savings Products - Financial Results and Financial Analysis

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	YOY Q2		YTD 2021	YTD 2022	YOY YTD	
							Change	%			Change	%
<i>(Dollars in thousands, except as noted)</i>												
Investment & Savings Products Income Before Income Taxes												
Revenues:												
Commissions and fees:												
Sales-based	\$ 98,112	\$ 104,716	\$ 95,229	\$ 103,451	\$ 103,242	\$ 88,701	\$ (16,015)	-15.3 %	\$ 202,828	\$ 191,942	\$ (10,886)	-5.4 %
Asset-based	101,241	108,490	113,558	118,015	113,112	108,101	(389)	-0.4 %	209,731	221,213	11,482	5.5 %
Account-based	21,120	21,848	21,456	22,514	21,541	22,592	744	3.4 %	42,968	44,134	1,165	2.7 %
Other, net	2,949	2,958	3,094	3,096	3,144	3,022	64	2.2 %	5,907	6,166	259	4.4 %
Revenues	223,422	238,012	233,337	247,076	241,039	222,416	(15,596)	-6.6 %	461,434	463,455	2,020	0.4 %
Benefits and expenses:												
Amortization of DAC	3,275	1,786	2,580	1,027	3,925	5,463	3,677	nm	5,061	9,388	4,327	85.5 %
Insurance commissions	3,572	3,747	3,747	3,839	3,646	3,450	(297)	-7.9 %	7,319	7,096	(223)	-3.0 %
Sales commissions:												
Sales-based	68,594	73,629	67,745	77,390	74,606	63,403	(10,226)	-13.9 %	142,224	138,009	(4,215)	-3.0 %
Asset-based	46,866	50,488	53,233	55,614	53,366	50,876	387	0.8 %	97,355	104,242	6,888	7.1 %
Other operating expenses	37,752	37,207	36,664	38,507	40,936	40,249	3,042	8.2 %	74,960	81,185	6,225	8.3 %
Benefits and expenses	160,060	166,858	163,968	176,377	176,479	163,440	(3,417)	-2.0 %	326,917	339,919	13,002	4.0 %
Income before income taxes	\$ 63,363	\$ 71,154	\$ 69,369	\$ 70,699	\$ 64,560	\$ 58,975	\$ (12,179)	-17.1 %	\$ 134,517	\$ 123,535	\$ (10,982)	-8.2 %
Financial Analysis												
Fees paid based on client asset values (1)	\$ 6,964	\$ 7,535	\$ 7,891	\$ 8,482	\$ 8,037	\$ 7,917	\$ 383	5.1 %	\$ 14,498	\$ 15,954	\$ 1,456	10.0 %
Fees paid based on fee-generating positions (2)	10,451	10,021	9,128	9,852	10,948	9,974	(47)	-0.5 %	20,472	20,922	450	2.2 %
Other operating expenses	20,337	19,652	19,645	20,172	21,951	22,358	2,706	13.8 %	39,989	44,309	4,320	10.8 %
Total other operating expenses	\$ 37,752	\$ 37,207	\$ 36,664	\$ 38,507	\$ 40,936	\$ 40,249	\$ 3,042	8.2 %	\$ 74,960	\$ 81,185	\$ 6,225	8.3 %
Sales-based net revenue as % of revenue-generating sales (3)												
U.S.	1.29 %	1.28 %	1.25 %	1.11 %	1.20 %	1.27 %	nm	nm	1.28 %	1.23 %	nm	nm
Canada	1.05 %	0.96 %	0.92 %	0.65 %	1.00 %	0.78 %	nm	nm	1.01 %	0.92 %	nm	nm
Total	1.25 %	1.23 %	1.20 %	1.05 %	1.16 %	1.21 %	nm	nm	1.24 %	1.18 %	nm	nm
Asset-based net revenue as % of average asset values (4)												
U.S.	0.039 %	0.039 %	0.039 %	0.040 %	0.039 %	0.040 %	nm	nm	0.078 %	0.078 %	nm	nm
Canada	0.103 %	0.112 %	0.106 %	0.115 %	0.091 %	0.078 %	nm	nm	0.215 %	0.169 %	nm	nm
Total	0.049 %	0.050 %	0.050 %	0.052 %	0.047 %	0.046 %	nm	nm	0.099 %	0.093 %	nm	nm
Account-based net revenue per average fee generating position (5)(6)	\$ 3.77	\$ 4.08	\$ 4.17	\$ 4.22	\$ 3.48	\$ 4.08	nm	nm	\$ 7.85	\$ 7.57	nm	nm

- (1) Fees paid based on client asset values - administration fees on Canadian Segregated Funds and advisory fees on Managed Accounts that vary directly with client asset values.
- (2) Fees paid based on fee-generating positions - recordkeeping fees that vary with the number of fee-generating positions.
- (3) Sales-based net revenue - commission and fee revenue less commissions paid to the sales force based on product sales activity.
- (4) Asset-based net revenue - commission and fee revenue less administration and advisory fees paid to third-party providers and commissions paid to the sales force earned based on product account values including amortization of deferred acquisition costs for segregated funds.
- (5) Account-based net revenue - fee revenue less recordkeeping fees paid to third-party providers based on fee-generating positions and certain direct general expenses.
- (6) In whole dollars.

Investment and Savings Products - Key Statistics

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	YOY Q2		YTD 2021	YTD 2022	YOY YTD	
							Change	%			Change	%
<i>(Dollars in thousands, except as noted)</i>												
Key Statistics												
Product sales (\$mills)												
U.S. Retail Mutual Funds	\$ 1,261.9	\$ 1,336.1	\$ 1,247.8	\$ 1,300.3	\$ 1,298.6	\$ 1,151.4	\$ (184.7)	-13.8 %	\$ 2,598.0	\$ 2,450.0	\$ (147.9)	-5.7 %
Canada Retail Mutual Funds	424.0	357.0	314.8	343.0	437.6	250.6	(106.4)	-29.8 %	781.0	688.3	(92.8)	-11.9 %
Indexed Annuities	55.5	62.8	51.9	60.1	57.5	70.2	7.4	11.8 %	118.2	127.6	9.4	8.0 %
Variable Annuities and other	627.1	767.6	668.7	782.2	668.4	617.3	(150.3)	-19.6 %	1,394.7	1,285.7	(109.0)	-7.8 %
Total sales-based revenue generating product sales	2,368.4	2,523.4	2,283.1	2,485.7	2,462.1	2,089.5	(434.0)	-17.2 %	4,891.9	4,551.6	(340.3)	-7.0 %
Managed Accounts	330.1	381.8	387.5	406.3	453.7	451.3	69.5	18.2 %	711.8	905.0	193.2	27.1 %
Segregated Funds and other	154.9	135.0	119.8	127.0	149.5	148.8	13.8	10.2 %	290.0	298.3	8.4	2.9 %
Total product sales	\$ 2,853.5	\$ 3,040.2	\$ 2,790.4	\$ 3,019.0	\$ 3,065.4	\$ 2,689.6	\$ (350.7)	-11.5 %	\$ 5,893.7	\$ 5,755.0	\$ (138.7)	-2.4 %
Canada Retail Mutual Funds												
Canada Retail Mutual Funds	\$ 424.0	\$ 357.0	\$ 314.8	\$ 343.0	\$ 437.6	\$ 250.6	\$ (106.4)	-29.8 %	\$ 781.0	\$ 688.3	\$ (92.8)	-11.9 %
Segregated Funds and other	154.9	135.0	119.8	127.0	149.5	148.8	13.8	10.2 %	290.0	298.3	8.4	2.9 %
Total Canada product sales	579.0	492.0	434.6	470.0	587.1	399.4	(92.6)	-18.8 %	1,071.0	986.6	(84.4)	-7.9 %
Total U.S. product sales	2,274.5	2,548.2	2,355.8	2,549.0	2,478.2	2,290.1	(258.1)	-10.1 %	4,822.7	4,768.4	(54.3)	-1.1 %
Total product sales	\$ 2,853.5	\$ 3,040.2	\$ 2,790.4	\$ 3,019.0	\$ 3,065.4	\$ 2,689.6	\$ (350.7)	-11.5 %	\$ 5,893.7	\$ 5,755.0	\$ (138.7)	-2.4 %
Client asset values, beginning of period (\$mills)												
Client asset values, beginning of period	\$ 81,533	\$ 85,888	\$ 91,735	\$ 91,765	\$ 97,312	\$ 93,708	\$ 7,820	9.1 %	\$ 81,533	\$ 97,312	\$ 15,779	19.4 %
Inflows	2,853	3,040	2,790	3,019	3,065	2,690	(351)	-11.5 %	5,894	5,755	(139)	-2.4 %
Outflows (1)	(1,759)	(1,826)	(1,756)	(1,819)	(1,900)	(1,797)	29	1.6 %	(3,585)	(3,697)	(111)	-3.1 %
Net flows	1,095	1,214	1,034	1,200	1,166	893	(321)	-26.5 %	2,308	2,058	(250)	nm
Foreign currency impact, net	172	200	(323)	42	171	(474)	(674)	nm	372	(303)	(676)	nm
Change in market value, net and other (2)	3,088	4,433	(681)	4,306	(4,941)	(11,836)	(16,269)	nm	7,521	(16,777)	(24,298)	nm
Client asset values, end of period	\$ 85,888	\$ 91,735	\$ 91,765	\$ 97,312	\$ 93,708	\$ 82,291	\$ (9,444)	-10.3 %	\$ 91,735	\$ 82,291	\$ (9,444)	-10.3 %
Annualized net flows as % of beginning of period asset values	5.4 %	5.7 %	4.5 %	5.2 %	4.8 %	3.8 %	1.7 %	nm	5.7 %	4.2 %	-1.4 %	nm
Average client asset values (\$mills)												
U.S. Retail Mutual Funds	\$ 41,161	\$ 44,398	\$ 46,113	\$ 47,139	\$ 46,429	\$ 42,870	\$ (1,529)	-3.4 %	\$ 42,779	\$ 44,650	\$ 1,870	4.4 %
Canada Retail Mutual Funds	10,268	11,256	11,667	11,984	12,119	11,539	283	2.5 %	10,762	11,829	1,067	9.9 %
Managed Accounts	5,295	5,915	6,362	6,772	7,077	6,960	1,044	17.7 %	5,605	7,018	1,413	25.2 %
Indexed Annuities	2,495	2,541	2,585	2,620	2,650	2,677	136	5.4 %	2,518	2,664	146	5.8 %
Variable Annuities and other	21,291	22,554	23,193	23,567	23,218	21,431	(1,123)	-5.0 %	21,922	22,324	402	1.8 %
Segregated Funds	2,622	2,713	2,732	2,727	2,710	2,517	(196)	-7.2 %	2,667	2,614	(54)	-2.0 %
Total	\$ 83,131	\$ 89,378	\$ 92,652	\$ 94,809	\$ 94,203	\$ 87,994	\$ (1,384)	-1.5 %	\$ 86,255	\$ 91,098	\$ 4,844	5.6 %
Canada Retail Mutual Funds												
Canada Retail Mutual Funds	\$ 10,268	\$ 11,256	\$ 11,667	\$ 11,984	\$ 12,119	\$ 11,539	\$ 283	2.5 %	\$ 10,762	\$ 11,829	\$ 1,067	9.9 %
Segregated Funds	2,622	2,713	2,732	2,727	2,710	2,517	(196)	-7.2 %	2,667	2,614	(54)	-2.0 %
Total Canada average client assets	12,890	13,969	14,399	14,711	14,829	14,056	87	0.6 %	13,430	14,443	1,013	7.5 %
Total U.S. average client assets	70,241	75,409	78,252	80,098	79,374	73,938	(1,471)	-2.0 %	72,825	76,656	3,831	5.3 %
Total average client assets	\$ 83,131	\$ 89,378	\$ 92,652	\$ 94,809	\$ 94,203	\$ 87,994	\$ (1,384)	-1.5 %	\$ 86,255	\$ 91,098	\$ 4,844	5.6 %
Average number of fee-generating positions (thous) (3)												
Recordkeeping and custodial	2,115	2,159	2,192	2,218	2,243	2,277	118	5.5 %	2,137	2,260	123	5.8 %
Recordkeeping only	714	741	762	780	797	812	72	9.7 %	727	805	77	10.6 %
Total	2,830	2,899	2,954	2,998	3,040	3,089	190	6.6 %	2,864	3,065	200	7.0 %

(1) **Asset value outflows** - include (a) redemptions of assets, (b) sales charges on the inflow sales figures, and (c) the net flow of money market funds sold and redeemed on the company's recordkeeping platform. The redemptions of assets must be estimated for approximately 4% of account values as these figures are not readily available. Actual redemptions as a percentage of account values for similar known account values are used to estimate the unknown redemption values.

(2) **Change in market value, net** - market value fluctuations net of fees and expenses.

(3) **Fee generating positions** - mutual fund positions for which we receive recordkeeping fees. An individual client account may include multiple mutual fund positions. We may also receive fees earned for custodial services that we provide to clients with retirement plan accounts that hold positions in these mutual funds.

Senior Health - Financial Results, Financial Analysis Key Statistics

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	YOY Q2		YTD 2021	YTD 2022	YOY YTD	
							\$ Change	% Change			\$ Change	% Change
<i>(Dollars in thousands)</i>												
Senior Health Income Before Income Taxes												
Revenues:												
Commissions and fees (1)			\$ 21,558	\$ 29,345	\$ 1,278	\$ 9,343	na	na		\$ 10,621		
Other, net (2)			1,378	8,159	4,553	2,471	na	na		7,024		
Revenues			22,937	37,504	5,831	11,814	na	na		17,645		
Benefits and expenses:												
Contract acquisition costs (3)			23,524	29,264	20,649	19,384	na	na		40,034		
Adjusted other operating expenses			7,485	8,411	7,868	8,514	na	na		16,381		
Adjusted operating benefits and expenses			31,009	37,675	28,517	27,898	na	na		56,415		
Adjusted operating income before income taxes including NCI			\$ (8,072)	\$ (171)	\$ (22,686)	\$ (16,084)	na	na		\$ (38,770)		
Non-controlling interest before income taxes			(1,465)	(540)	(3,668)	(3,129)	na	na		(6,797)		
Adjusted operating income before income taxes attributable to Primerica, Inc.			\$ (6,608)	\$ 369	\$ (19,018)	\$ (12,955)	na	na		\$ (31,973)		
Senior Health EBITDA												
Adjusted operating income before income taxes including NCI			\$ (8,072)	\$ (171)	\$ (22,686)	\$ (16,084)	na	na		\$ (38,770)		
Less: Amortization of intangibles			(2,900)	(2,900)	(2,600)	(2,800)	na	na		(5,400)		
Less: Depreciation			(244)	(249)	(245)	(226)	na	na		(471)		
Adjusted EBITDA (Including non-controlling interest) (4)			\$ (4,928)	\$ 2,978	\$ (19,841)	\$ (13,058)	na	na		\$ (32,899)		
Financial Analysis and Key Statistics												
Senior Health submitted policies (5)			20,867	39,142	26,231	19,652	na	na		45,883		
Senior Health approved policies (6)			18,276	32,047	23,594	17,925	na	na		41,519		
Primerica representatives Senior Health certified			17,588	26,441	42,147	60,412	na	na		60,412		
Senior Health submitted policies sourced by Primerica representatives			319	4,175	988	831	na	na		1,819		
LTV per approved policy (7)			\$ 1,180	\$ 1,069	\$ 862	\$ 820	na	na		\$ 844		
CAC per approved policy (7)			\$ 1,287	\$ 913	\$ 875	\$ 1,081	na	na		\$ 964		
LTV / CAC multiple			0.9 x	1.2 x	1.0 x	0.8 x	na	na		0.9 x		

- (1) Commission revenue recognized based on the estimated Lifetime value (LTV) to be collected over the estimated life of an approved policy for the relevant period based on multiple factors, including but not limited to contracted commission rates, carrier mix, expected policy turnover, historical chargeback activity and applied constraints. Adjustments to revenue outside of LTV for approved policies from prior periods are recognized when our cash collections are different from the estimated constrained LTV's which we refer to as tail revenue.
- (2) Primarily reflects marketing development revenues, which are non-commission revenues received from carriers to support marketing efforts and lead acquisition
- (3) Contract acquisition costs (CAC) - Includes direct marketing costs incurred to acquire leads through internal and external sources, including commissions paid to Primerica representatives, as well as ETQ agent compensation, training and licensing costs.
- (4) Adjusted EBITDA - Earnings before interest, taxes, depreciation, amortization and certain adjustments for non-cash or non-recurring expenses including purchase accounting adjustments
- (5) Senior Health submitted policies - represents the number of completed applications that, with respect to each such application, the applicant has authorized us to submit to the health insurance carrier. The applicant may need to take additional actions, including providing subsequent information before the application is reviewed by the health insurance carrier.
- (6) Senior Health approved policies - represent an estimate of submitted policies approved by health insurance carriers during the indicated period. Not all approved policies will go in force
- (7) In whole dollars.

Corporate Other Distributed Products - Financial Results

PRIMERICA, INC.
Financial Supplement

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	YOY Q2		YTD 2021	YTD 2022	YOY YTD	
							\$	%			\$	%
<i>(Dollars in thousands)</i>												
Corporate & Other Distributed Products Income Before Income Taxes												
Revenues:												
Direct premiums	\$5,713	\$5,800	\$5,788	\$5,020	\$5,412	\$5,441	\$(359)	-6.2%	\$11,513	\$10,853	\$(660)	-5.7%
Ceded premiums	(1,423)	(1,822)	(1,459)	(1,963)	(1,439)	(1,642)	179	9.8%	(3,245)	(3,082)	163	5.0%
Net premiums	4,290	3,978	4,328	3,057	3,973	3,799	(180)	-4.5%	8,268	7,771	(497)	-6.0%
Allocated net investment income	12,592	11,954	11,321	10,738	9,559	10,252	(1,703)	-14.2%	24,546	19,810	(4,736)	-19.3%
Commissions and fees:												
Prepaid Legal Services	4,783	5,182	6,712	4,085	4,287	4,664	(517)	-10.0%	9,964	8,951	(1,013)	-10.2%
Auto and Homeowners Insurance	1,787	2,101	2,436	1,971	1,591	2,056	(46)	-2.2%	3,888	3,647	(241)	-6.2%
Mortgage loans	4,960	6,061	6,719	6,598	4,818	3,128	(2,933)	-48.4%	11,021	7,946	(3,075)	-27.9%
Other sales commissions	2,041	2,291	2,129	2,307	1,932	2,103	(188)	-8.2%	4,332	4,034	(298)	-6.9%
Other, net	836	1,040	1,101	992	1,117	889	(152)	-14.6%	1,876	2,006	130	6.9%
Adjusted operating revenues	31,288	32,607	34,746	29,746	27,276	26,890	(5,717)	-17.5%	63,895	54,166	(9,730)	-15.2%
Benefits and expenses:												
Benefits and claims	4,826	5,859	3,728	4,443	4,166	4,280	(1,579)	-27.0%	10,685	8,445	(2,240)	-21.0%
Amortization of DAC	246	264	347	203	255	247	(17)	-6.3%	510	503	(7)	-1.3%
Insurance commissions	299	306	320	246	282	290	(16)	-5.2%	605	572	(33)	-5.5%
Insurance expenses	1,391	1,327	1,367	1,257	1,237	1,132	(196)	-14.8%	2,719	2,368	(350)	-12.9%
Sales commissions	6,434	7,185	8,290	6,839	5,952	5,484	(1,701)	-23.7%	13,619	11,436	(2,183)	-16.0%
Interest expense	7,145	7,141	7,529	8,804	6,853	6,814	(326)	-4.6%	14,285	13,667	(618)	-4.3%
Adjusted other operating expenses	35,211	27,413	26,695	30,301	36,475	30,530	3,116	11.4%	62,624	67,004	4,380	7.0%
Adjusted benefits and expenses	55,551	49,495	48,277	52,093	55,219	48,777	(718)	-1.5%	105,047	103,996	(1,051)	-1.0%
Adjusted operating income before income taxes	\$(24,263)	\$(16,888)	\$(13,531)	\$(22,346)	\$(27,943)	\$(21,887)	\$(4,999)	-29.6%	\$(41,152)	\$(49,831)	\$(8,679)	-21.1%

Investment Portfolio - Summary of Holdings
PRIMERICA, INC.
 Financial Supplement

As of or for the period ended June 30, 2022							
	Market Value	Amortized Cost	Unrealized G/(L)	% of Total		Avg Book Yield	Avg Rating
				Market Value	Amortized Cost		
<i>(Dollars in thousands)</i>							
Investment Portfolio by Asset Class							
Cash, Cash Equivalents, and Short Term	\$ 403,430	\$ 403,430	\$ -	13.4 %	12.5 %		
Fixed Income:							
Treasury	38,922	39,548	(626)	1.3 %	1.2 %	1.16 %	AAA
Government	238,489	258,477	(19,989)	7.9 %	8.0 %	2.90 %	AA-
Tax-Exempt Municipal	34,214	38,113	(3,899)	1.1 %	1.2 %	2.70 %	AA
Corporate	1,293,101	1,404,389	(111,288)	43.1 %	43.5 %	3.43 %	BBB+
Mortgage Backed	452,272	497,501	(45,229)	15.1 %	15.4 %	2.87 %	AAA
Asset Backed	138,292	148,128	(9,836)	4.6 %	4.6 %	3.04 %	AA-
Cmbs	135,504	145,360	(9,855)	4.5 %	4.5 %	3.09 %	AA-
Private	227,599	249,832	(22,233)	7.6 %	7.7 %	3.97 %	BBB
Redeemable Preferred	5,049	5,448	(399)	0.2 %	0.2 %	5.46 %	BBB
Total Fixed Income	2,563,441	2,786,796	(223,355)	85.4 %	86.4 %	3.25 %	A
Equities and Other:							
Perpetual Preferred	9,151	9,151	-	0.3 %	0.3 %		
Common Stock	20,864	20,864	(0)	0.7 %	0.6 %		
Mutual Fund	5,862	5,862	0	0.2 %	0.2 %		
Derivatives	-	-	-	0.0 %	0.0 %		
Total Equities	35,877	35,877	(0)	1.2 %	1.1 %		
Total Invested Assets	\$ 3,002,748	\$ 3,226,103	\$ (223,355)	100.0 %	100.0 %		
Public Corporate Portfolio by Sector							
Insurance	\$ 160,695	\$ 175,897	\$ (15,202)	12.4 %	12.5 %		
Consumer Non Cyclical	146,112	157,783	(11,671)	11.3 %	11.2 %		
Energy	134,323	145,802	(11,479)	10.4 %	10.4 %		
Reits	128,846	142,537	(13,691)	10.0 %	10.1 %		
Banking	103,935	108,742	(4,807)	8.0 %	7.7 %		
Consumer Cyclical	100,335	109,781	(9,445)	7.8 %	7.8 %		
Technology	100,099	106,153	(6,055)	7.7 %	7.6 %		
Capital Goods	72,452	77,942	(5,490)	5.6 %	5.5 %		
Electric	60,017	64,888	(4,870)	4.6 %	4.6 %		
Transportation	57,435	62,230	(4,795)	4.4 %	4.4 %		
Basic Industry	56,832	62,821	(5,990)	4.4 %	4.5 %		
Finance Companies	50,656	56,996	(6,339)	3.9 %	4.1 %		
Brokerage	50,366	55,392	(5,026)	3.9 %	3.9 %		
Communications	44,963	48,081	(3,118)	3.5 %	3.4 %		
Financial Other	8,671	9,581	(910)	0.7 %	0.7 %		
Industrial Other	6,204	6,948	(744)	0.5 %	0.5 %		
Utility Other	4,717	5,387	(670)	0.4 %	0.4 %		
Natural Gas	4,621	5,106	(485)	0.4 %	0.4 %		
Owned No Guarantee	1,823	2,325	(502)	0.1 %	0.2 %		
Total Corporate portfolio	\$ 1,293,101	\$ 1,404,389	\$ (111,288)	100.0 %	100.0 %		
Fixed-Maturity Securities - Effective Maturity							
Effective maturity							
< 1 Yr.	\$ 247,625	\$ 248,565	\$ (940)	9.7 %	8.9 %	3.10 %	
1-2 Yrs.	227,321	229,891	(2,569)	8.9 %	8.2 %	3.68 %	
2-5 Yrs.	800,842	839,185	(38,343)	31.2 %	30.1 %	3.41 %	
5-10 Yrs.	978,240	1,107,505	(129,266)	38.2 %	39.7 %	3.04 %	
> 10 Yrs.	309,412	361,650	(52,238)	12.1 %	13.0 %	3.37 %	
Total Fixed Income	\$ 2,563,441	\$ 2,786,796	\$ (223,355)	100.0 %	100.0 %	3.25 %	
Duration							
Fixed Income portfolio duration	4.8 years						

Note: Investment Portfolio pages in this Financial Supplement exclude the Held to Maturity asset on our balance sheet.

Investment Portfolio - Quality Ratings As of June 30, 2022

(Dollars in thousands)

Investment Portfolio Quality Ratings (1)

	Amortized Cost	% of Total
Total Fixed Income portfolio:		
<u>Rating</u>		
AAA	\$ 613,700	22.0 %
AA	311,942	11.2 %
A	641,658	23.0 %
BBB	1,104,078	39.6 %
Below Investment Grade	79,398	2.8 %
NA	36,020	1.3 %
Total Fixed Income	<u>\$ 2,786,796</u>	<u>100.0 %</u>

	Amortized Cost	% of Total
Public Corporate asset class:		
<u>Rating</u>		
AAA	\$ 12,506	0.9 %
AA	67,319	4.8 %
A	377,692	26.9 %
BBB	880,909	62.7 %
Below Investment Grade	65,788	4.7 %
NA	176	0.0 %
Total Corporate	<u>\$ 1,404,389</u>	<u>100.0 %</u>

	Amortized Cost	% of Total
Private Placement asset class:		
<u>Rating</u>		
AAA	\$ -	—
AA	5,357	2.1 %
A	42,934	17.2 %
BBB	193,582	77.5 %
Below Investment Grade	7,958	3.2 %
NA	-	—
Total Private	<u>\$ 249,832</u>	<u>100.0 %</u>

	Amortized Cost	% of Total
CMBS asset class:		
<u>Rating</u>		
AAA	\$ 66,149	45.5 %
AA	8,964	6.2 %
A	70,247	48.3 %
BBB	-	—
Below Investment Grade	-	—
NA	-	—
Total CMBS	<u>\$ 145,360</u>	<u>100.0 %</u>

	Amortized Cost	% of Total
Mortgage-Backed asset class:		
<u>Rating</u>		
AAA	\$ 448,854	90.2 %
AA	48,406	9.7 %
A	141	0.0 %
BBB	-	—
Below Investment Grade	77	0.0 %
NA	23	0.0 %
Total Mortgage-Backed	<u>\$ 497,501</u>	<u>100.0 %</u>

	Amortized Cost	% of Total
Asset-Backed asset class:		
<u>Rating</u>		
AAA	\$ 23,992	16.2 %
AA	6,653	4.5 %
A	70,859	47.8 %
BBB	8,659	5.8 %
Below Investment Grade	2,144	1.4 %
NA	35,821	24.2 %
Total Asset-Backed	<u>\$ 148,128</u>	<u>100.0 %</u>

	Amortized Cost	% of Total
Treasury & Government asset classes:		
<u>Rating</u>		
AAA	\$ 61,051	20.5 %
AA	146,731	49.2 %
A	74,728	25.1 %
BBB	12,085	4.1 %
Below Investment Grade	3,430	1.2 %
NA	0	0.0 %
Total Treasury & Government	<u>\$ 298,025</u>	<u>100.0 %</u>

NAIC Designations

1	\$ 1,309,709	53.6 %
2	1,043,259	42.7 %
3	80,752	3.3 %
4	8,016	0.3 %
5	691	0.0 %
6	0	0.0 %
U.S. Insurer Fixed Income (2)	<u>2,442,426</u>	<u>100.0 %</u>
Other (3)	380,248	
Cash and cash equivalents	403,430	
Total Invested Assets	<u>\$ 3,226,103</u>	

(1) Ratings method for split ratings: If by 2 NRSROs, use lower of the two; if by 3 or more NRSROs, use second lowest.

(2) NAIC ratings for our U.S. insurance companies' fixed income portfolios.

(3) Other consists of assets held by our non-life companies, Canadian insurance company, and unrated equities.

Note: Investment Portfolio pages in this Financial Supplement exclude the Held to Maturity asset on our balance sheet.

Investment Portfolio - Supplemental Data and Trends

(Dollars in thousands)	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	YOY Q2	
							\$ Change	% Change
Net Investment Income by Source								
Fixed-maturity securities (available-for-sale)	\$ 20,020	\$ 20,155	\$ 19,860	\$ 20,328	\$ 20,889	\$ 22,414	\$ 2,259	11.2%
Fixed-maturity securities (held-to-maturity)	15,146	15,495	15,741	15,825	15,515	15,815	320	2.1%
Equity Securities	391	411	413	416	387	371	(40)	-9.7%
Deposit asset underlying 10% reinsurance treaty	1,368	1,238	987	785	589	485	(753)	-60.8%
Deposit asset - Mark to Market	(793)	(170)	(640)	(899)	(2,099)	(1,254)	(1,084)	n/m
Policy loans and other invested assets	231	98	289	401	102	58	(40)	-40.8%
Cash & cash equivalents	119	156	96	85	125	498	342	219.2%
Total investment income	36,483	37,383	36,746	36,940	35,508	38,387	1,004	2.7%
Investment expenses	1,284	1,353	1,004	1,114	1,088	1,288	(65)	-4.8%
Interest Expense on Surplus Note	15,146	15,495	15,741	15,825	15,515	15,815	320	2.1%
Net investment income	\$ 20,052	\$ 20,535	\$ 20,001	\$ 20,001	\$ 18,905	\$ 21,284	\$ 749	3.6%
Fixed income book yield, end of period	3.30 %	3.31 %	3.23 %	3.12 %	3.18 %	3.25 %		
New money yield	1.72 %	2.68 %	2.21 %	1.60 %	3.37 %	4.21 %		

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	YOY Q2	
							% Pt Change	
Fixed Income Portfolio Quality Ratings								
Rating								
AAA	16.6 %	16.5 %	18.0 %	18.7 %	21.0 %	22.0 %	5.5 %	
AA	12.2 %	11.6 %	11.0 %	11.8 %	11.2 %	11.2 %	-0.4 %	
A	23.0 %	22.1 %	23.6 %	24.4 %	23.7 %	23.0 %	0.9 %	
BBB	44.0 %	45.5 %	42.9 %	40.8 %	39.8 %	39.6 %	-5.9 %	
Below Investment Grade	4.1 %	4.2 %	4.1 %	3.5 %	3.1 %	2.8 %	-1.3 %	
NA	0.1 %	0.1 %	0.3 %	0.8 %	1.2 %	1.3 %	1.1 %	
Total Fixed Income	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	—	
Average rating by amortized cost	A-	A-	A	A	A	A		

	As of June 30, 2022			As of June 30, 2022			As of June 30, 2022		
	Market Value	Amortized Cost	Credit Rating	Market Value	Amortized Cost		Market Value	Amortized Cost	
Top 25 Exposures									
1 Canada	\$ 16,089	\$ 17,131	AAA	Foreign Exposure (1)			Government Investments (1)		
2 Province of Quebec Canada	14,503	15,140	A+	Canada	\$ 89,343	\$ 96,116	AAA	\$ 2,033	\$ 2,128
3 Province of Ontario Canada	14,447	15,110	AA-	Australia	26,255	27,245	AA	8,665	8,665
4 Province of Alberta Canada	12,349	13,497	BBB+	Cayman Islands	18,257	19,141	A	13,028	14,234
5 TC Energy Corp	11,270	12,533	BBB+	United Kingdom	15,696	15,985	BBB	9,733	10,644
6 Enbridge Inc	10,781	11,572	BBB+	Japan	10,083	10,158	Below Investment Grade	2,886	3,430
7 Manulife Financial Corp	9,985	10,725	A	Bermuda	8,840	8,903	NA	—	—
8 Capital One Financial Corp	9,769	9,792	BBB	France	7,989	8,195	Total	\$ 36,345	\$ 39,101
9 Province of British Columbia Canada	9,678	10,126	AA+	Ireland	7,355	7,576			
10 Ontario Teachers' Pension Plan	9,200	10,203	AA+	Mexico	6,446	7,573			
11 ConocoPhillips	8,870	9,836	A-	Netherlands	5,595	5,459	Non-Government Investments (1)		
12 Fairfax Financial Holdings Ltd	8,613	9,841	BBB-	Brazil	3,795	4,071	AAA	\$ 2,906	\$ 2,999
13 Kemper Corp	8,522	9,095	BBB	Israel	3,612	3,555	AA	3,441	3,564
14 Brookfield Asset Management Inc	8,453	8,688	A-	Supranational	3,532	3,622	A	50,122	52,316
15 Western & Southern Mutual Holdings Co	8,449	9,550	AA-	Switzerland	3,463	3,787	BBB	134,365	142,855
16 City of Toronto Canada	8,243	8,518	AA	Luxembourg	3,447	3,500	Below Investment Grade	10,289	10,213
17 Province of Newfoundland and Labrador	7,791	8,630	A	Emerging Markets (2)	12,614	14,387	NA	5,410	5,578
18 Morgan Stanley	7,774	7,936	BBB+	All Other	16,556	17,352	Total	\$ 206,533	\$ 217,525
19 Bunge Ltd	7,347	8,138	BBB	Total	\$ 242,878	\$ 256,625			
20 Province of New Brunswick Canada	7,335	7,652	A+						
21 General Mills Inc	7,315	7,367	BBB						
22 Sammons Enterprises Inc	7,299	8,387	BBB+						
23 Apple Inc	7,292	7,724	AA+						
24 Realty Income Corp	7,261	7,874	A-						
25 Williams Cos Inc	7,253	8,090	BBB						
Total	\$ 235,890	\$ 253,156							
% of total fixed income portfolio	7.9 %	7.8 %							

(1) US\$ denominated investments in issuers outside of the United States based on country of risk.
(2) Emerging markets is as defined by MSCI, Inc. which include Chile, India, Peru, Poland and South Africa.
Note: Investment Portfolio pages in this Financial Supplement exclude the Held to Maturity asset on our balance sheet.

Five-Year Historical Key Statistics

(Dollars in millions)	2017	2018	2019	2020	2021	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Recruits	303,867	290,886	282,207	400,345	349,374	94,633	89,285	91,884	73,572	84,707	70,215
Life-insurance licensed sales force, beginning of period	116,827	126,121	130,736	130,522	134,907	134,907	132,030	132,041	130,023	129,515	130,206
New life-licensed representatives	48,535	48,041	44,739	48,106	39,622	10,833	10,112	9,381	9,296	9,983	11,529
Non-renewal and terminated representatives	(39,241)	(43,426)	(44,953)	(43,721)	(45,014)	(13,710)	(10,101)	(11,399)	(9,804)	(9,292)	(9,586)
Life-insurance licensed sales force, end of period	126,121	130,736	130,522	134,907	129,515	132,030	132,041	130,023	129,515	130,206	132,149
Issued term life policies	312,799	301,589	287,809	352,868	323,855	82,667	90,071	75,914	75,203	71,324	76,946
Issued term life face amount	\$ 95,635	\$ 95,209	\$ 93,994	\$ 109,436	\$ 108,521	\$ 26,643	\$ 29,981	\$ 26,219	\$ 25,678	\$ 24,773	\$ 27,651
Term life face amount in force, beginning of period	\$ 728,385	\$ 763,831	\$ 781,041	\$ 808,262	\$ 858,818	\$ 858,818	\$ 869,643	\$ 886,519	\$ 894,018	\$ 903,404	\$ 909,632
Issued term life face amount	95,635	95,209	93,994	109,436	108,521	26,643	29,981	26,219	25,678	24,773	27,651
Terminated term life face amount	(65,958)	(70,291)	(71,519)	(60,848)	(64,798)	(17,240)	(14,706)	(16,241)	(16,610)	(19,787)	(19,298)
Foreign currency impact, net	5,769	(7,708)	4,746	1,968	862	1,422	1,602	(2,480)	319	1,242	(3,547)
Term life face amount in force, end of period	\$ 763,831	\$ 781,041	\$ 808,262	\$ 858,818	\$ 903,404	\$ 869,643	\$ 886,519	\$ 894,018	\$ 903,404	\$ 909,632	\$ 914,438
Estimated annualized issued term life premium											
Premium from new policies	\$ 255.4	\$ 250.8	\$ 244.8	\$ 303.6	\$ 297.2	\$ 74.5	\$ 82.6	\$ 70.7	\$ 69.4	\$ 65.5	\$ 72.3
Additions and increases in premium	49.5	55.2	60.2	68.9	77.0	18.0	20.3	19.5	19.1	18.4	20.6
Total estimated annualized issued term life premium	\$ 304.9	\$ 306.0	\$ 305.0	\$ 372.5	\$ 374.2	\$ 92.5	\$ 103.0	\$ 90.2	\$ 88.5	\$ 83.8	\$ 92.9
Investment & Savings product sales	\$ 6,192.2	\$ 7,040.1	\$ 7,533.2	\$ 7,842.5	\$ 11,703.1	\$ 2,853.5	\$ 3,040.2	\$ 2,790.4	\$ 3,019.0	\$ 3,065.4	\$ 2,689.6
Investment & Savings average client asset values	\$ 56,791	\$ 61,842	\$ 65,029	\$ 69,709	\$ 89,993	\$ 83,131	\$ 89,378	\$ 92,652	\$ 94,809	\$ 94,203	\$ 87,994
Closed U.S. Mortgage Volume (brokered)	\$ —	\$ —	\$ 31.1	\$ 442.5	\$ 1,229.2	\$ 262.3	\$ 298.6	\$ 337.6	\$ 330.8	\$ 235.9	\$ 152.7