

CNO FINANCIAL GROUP, INC.

FORM 8-K

(Current report filing)

Filed 05/13/13 for the Period Ending 05/13/13

| | |
|-------------|---|
| Address | 11825 N PENNSYLVANIA ST CARMEL, IN 46032 |
| Telephone | 3178176100 |
| CIK | 0001224608 |
| Symbol | CNO |
| SIC Code | 6321 - Accident and Health Insurance |
| Industry | Insurance (Life) |
| Sector | Financial |
| Fiscal Year | 12/31 |

**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): **May 13, 2013**

CNO Financial Group, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other
Jurisdiction of Incorporation)

001-31792

(Commission File Number)

**11825 North Pennsylvania Street
Carmel, Indiana 46032**

(Address of Principal Executive Offices) (Zip Code)

(317) 817-6100

(Registrant's telephone number, including area code)

75-3108137

(I.R.S. Employer
Identification No.)

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))

Item 7.01. Regulation FD Disclosure.

On May 13, 2013, CNO Financial Group, Inc. (the "Company") issued information to be used in connection with various investor meetings. A copy of this information is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information contained in this Current Report on Form 8-K (including Exhibit 99.1) is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. The information contained in this Current Report on Form 8-K shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

Item 9.01(d). Financial Statements and Exhibits.

The following material is furnished as an exhibit to this Current Report on Form 8-K:

99.1 CNO Overview - May 13, 2013.

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.

CNO Financial Group, Inc.

Date: May 13, 2013

By: /s/ John R. Kline
John R. Kline
Senior Vice President and
Chief Accounting Officer



CNO Overview

May 13, 2013





CNO FINANCIAL GROUP

Forward-Looking Statements

Certain statements made in this presentation should be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These include statements about future results of operations and capital plans. We caution investors that these forward-looking statements are not guarantees of future performance, and actual results may differ materially. Investors should consider the important risks and uncertainties that may cause actual results to differ, including those included in our Quarterly Reports on Form 10-Q, our Annual Report on Form 10-K and other filings we make with the Securities and Exchange Commission. We assume no obligation to update this presentation, which speaks as of the date on the cover page of this presentation.

Non-GAAP Measures

This presentation contains financial measures that differ from the comparable measures under Generally Accepted Accounting Principles (GAAP). Reconciliations between those non-GAAP measures and the comparable GAAP measures are included in the Appendix.

While management believes these measures are useful to enhance understanding and comparability of our financial results, these non-GAAP measures should not be considered substitutes for the most directly comparable GAAP measures.

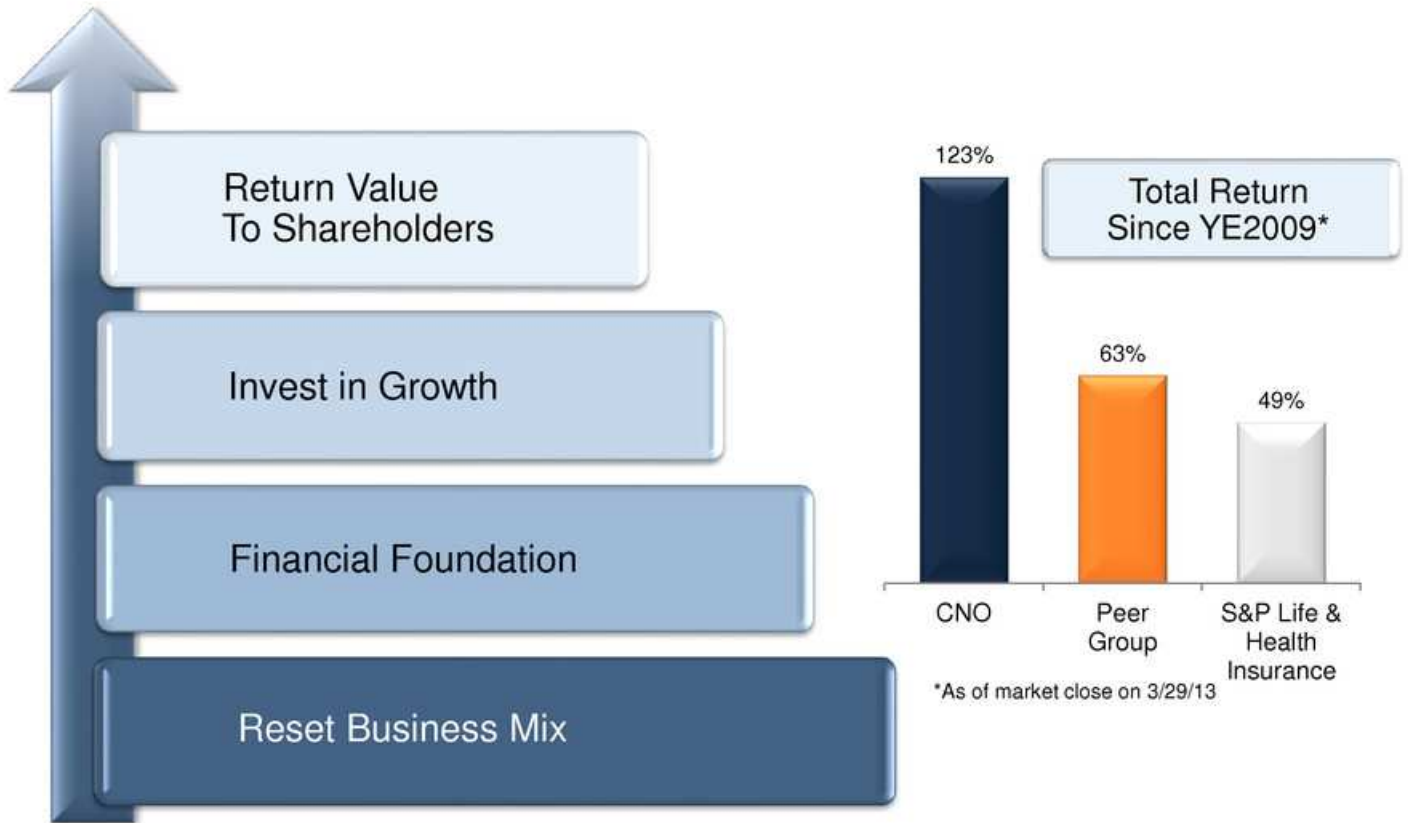
Additional information concerning non-GAAP measures is included in our periodic filings with the Securities and Exchange Commission that are available in the “Investors – SEC Filings” section of CNO’s website, www.CNOinc.com.

CNO Fundamentals

- Track record of strong execution
- Well positioned in the growing and underserved retirement and middle-income market
- Building core value drivers
- Well capitalized and generating significant excess capital



Track Record of Execution



Peers - AFL, AIZ, AMP, GNW, HIG, LNC, MET, PFG, PL, PNK, PRI, PRU, SFG, SYA, TMK, UNM

What Differentiates CNO?

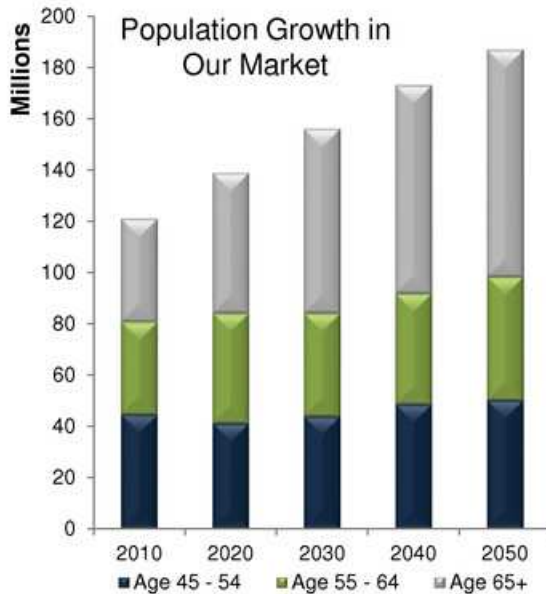
- Focus on serving the needs of our retirement and middle-income target market, a market that is fast growing and underserved
- Exclusive distribution
 - Consistent with market focus
 - We have “pricing” influence
 - Track record of stable customer base
- Alignment



CNO's Target Market

The Opportunity

Fast Growing, Underserved and Unprepared



Source: Census Data

"Over the past five years, the missed opportunity in the middle market for life insurers has grown significantly... In addition, the rising cost of healthcare, may be an emerging, largely unrecognized need for life insurance planning" – Conning Research 2012

"Middle market consumers comprise approximately 57% of the U.S. population, and many of them are underinsured" – LIMRA 2011

"Middle-market consumers are underinsured... penetration has declined by 14 percentage points since 2004... Simply returning penetration to 2004 levels could raise annual premiums by \$20 billion" – McKinsey&Company 2012

"Almost two in three (63%) middle-income Americans age 55 to 75 are unsure if they have saved enough to live comfortably in retirement" - Center for a Secure Retirement 2011

"54% of middle-income Americans do not receive professional retirement guidance of any kind and half (51%) have not been contacted by any type of professional in the last 12 months" – Center for a Secure Retirement 2011

"72% of middle-market consumers want to speak with professionals about at least one financial product or service" – LIMRA 2011

Investment in the Business

(\$ millions)

CNO

- Investing in marketing, productivity and growth of the agent force
- Expanding presence by adding new locations and geographies
- Developing and launching new products to meet the needs of our target market
- Driving operational efficiencies and enhancing the customer experience
- Overall sales growth impacted by low rate environment and pricing discipline

New Annualized Premium



Segment Earnings Trend

(\$ millions)

Segment EBIT Excluding Significant Items*



Notable Items

- Reflects expected seasonality
- Net investment income and annuity margins remain strong
- Favorable Med supp and supplemental health benefit ratios
- Strong corporate investment results
- Free cash flow and capital deployment driving increase in EPS

Headwinds

- Low new money investment rates
- Natural run-off blocks of business
- Normalizing LTC benefit ratios
- Investment in business model driving growth and efficiencies

Capital Strategy

(\$ millions)

Forward Capital Plan

- **Maintain capital cushion to absorb stress-test conditions**
 - Leverage of 20%
 - Risk-based capital ratio of 350%
 - Holdco liquidity & investments of \$150mm

- **Maintain positive ratings profile with goal of achieving investment grade**
 - With recent S&P upgrade, now at BB-/Ba3

- **Balanced use of free cash flow**

Key Capital & Liquidity Metrics

1Q2013 deployable capital of ~\$100mm



| Debt to Cap xAOCI*** | 2010 | 2011 | 2012 | 1Q13 |
|----------------------|-------|-------|-------|-------|
| | 21.9% | 18.3% | 20.7% | 19.5% |

* LTM 1Q13

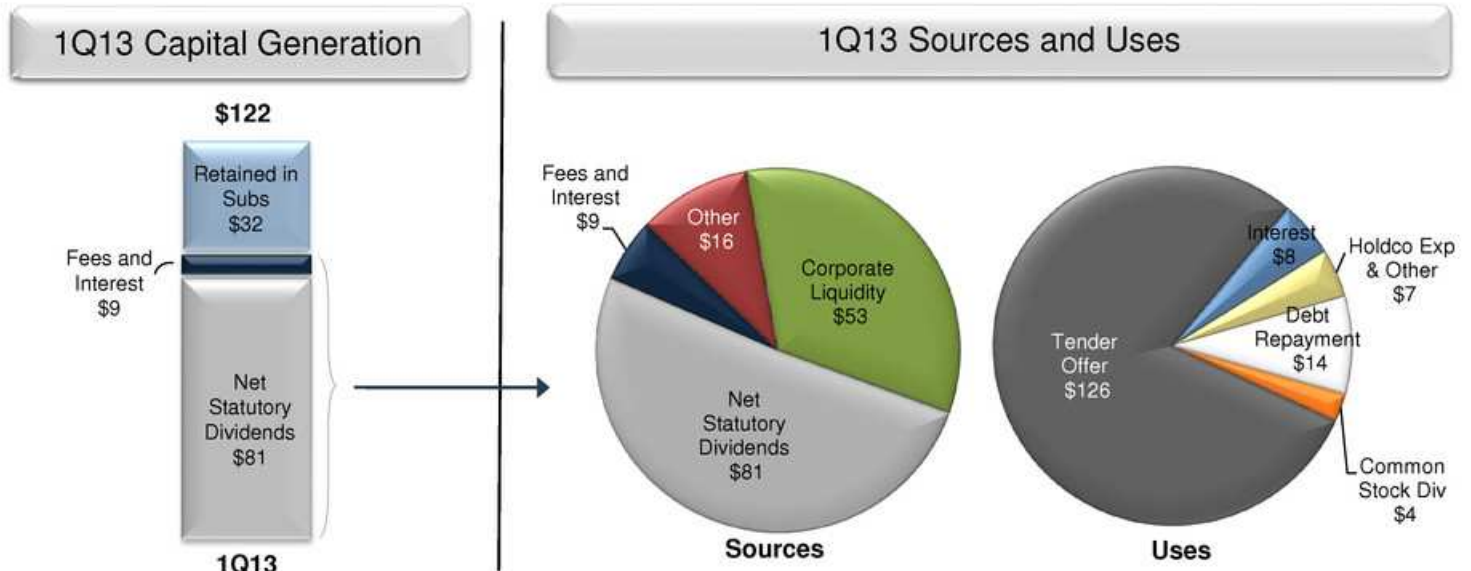
** Capital to Holding Company includes net dividends as well as fees and interest on surplus debentures

*** A non-GAAP measure. See the Appendix for a reconciliation to the corresponding GAAP measure

Capital Generation and Deployment

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(\$ in millions)



Highlights

- Generated almost \$500mm of capital in 2012
- Deployed \$159mm in capital during 1Q13; 80% of which related to the tender offer
- Funded deployment with free cash flow and \$53mm of YE corporate liquidity
- \$244mm of liquidity remains at corporate; ~\$100mm of which is deployable

No change to previous guidance on statutory dividends of \$250mm - \$300mm for 2013

Returning Capital to our Shareholders

CNO

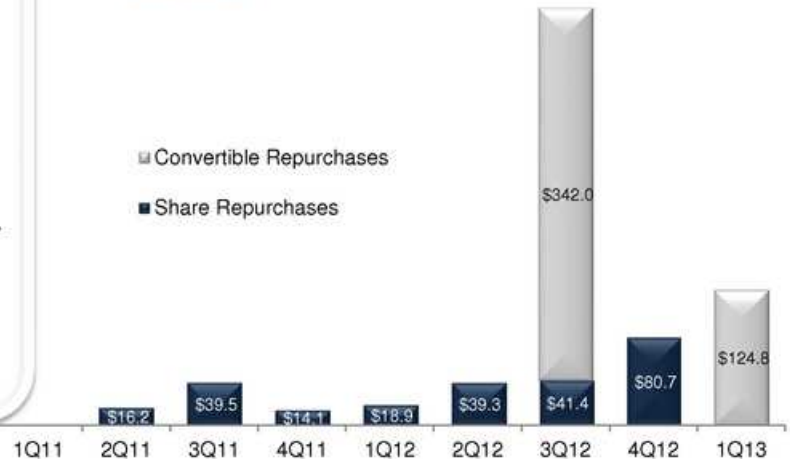
Highlights

- Since initiating the share buyback program, repurchased equivalent of 80 million shares, leading to a 26%* reduction in weighted average diluted shares outstanding
- Cumulative investment of \$717mm in stock and convertible repurchases for an effective average price of \$8.95 per share
- Paid \$18.3mm in dividends since initiating dividend program

Total Securities Repurchases by Quarter

(\$ in millions)

■ Convertible Repurchases
■ Share Repurchases



| Common Stock Dividends | 1Q11 | 2Q11 | 3Q11 | 4Q11 | 1Q12 | 2Q12 | 3Q12 | 4Q12 | 1Q13 |
|------------------------|------|------|------|------|------|-------|-------|-------|-------|
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$4.7 | \$4.7 | \$4.5 | \$4.4 |

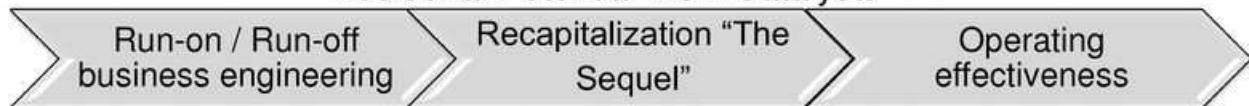
Weighted Average Diluted Shares Outstanding 307.5mm → 243.5mm

No change to previous guidance on remaining securities repurchases of \$125mm - \$175mm for 2013

CNO: 2013 Initiatives Support 2015 Milestones



Additional Potential ROE Catalysts



Building shareholder value with strong business fundamentals, solid earnings and powerful cash flow generation

Q&A



CNO FINANCIAL GROUP



BANKERS
LIFE AND CASUALTY COMPANY
For the life of your retirement





Appendix

Loss Recognition & Cash Flow Testing

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2012 GAAP Loss Recognition Testing

- Aggregate testing margins remain strong
- Testing margin increased in 2012
 - ↑ - ASU 2010-26
 - ↑ - Net growth from new business (+6%)
 - ↓ - Lower interest rates projected (-8%)
 - ↓ - Legal settlements (-2%)
- All intangibles are recoverable

2012 Statutory Cash Flow Testing

- Insurance Company margins consistent with prior years
- All insurance entities pass Asset Adequacy / Cash Flow Testing under all standard scenarios
- Interest rate scenarios re-affirm strong asset liability management
- Year-end testing resulted in less than \$5 million of additional asset adequacy reserves

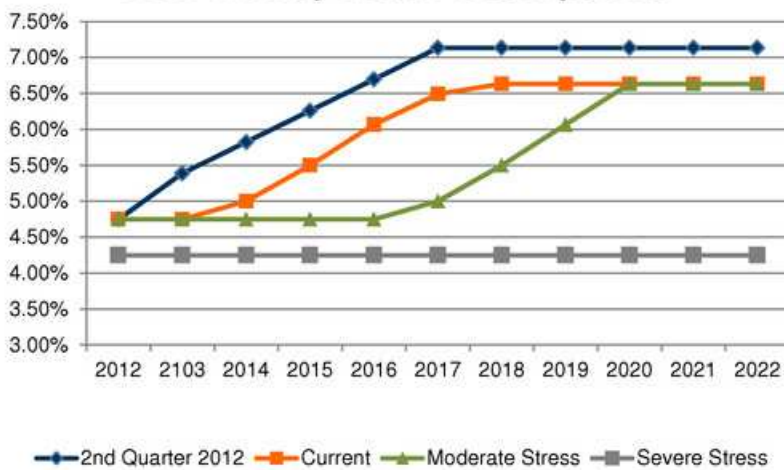
| Line of Business | Aggregate Margin | Principal Risks to Margin |
|---|-------------------------|--|
| Traditional life and universal life (Bankers) | +++ | Unusually high mortality |
| Medicare supplement and supplemental health | +++ | Unusually high morbidity |
| Long-term care | Positive but vulnerable | Low interest rates; High morbidity; Low policy termination |
| Interest sensitive life (OCB) | Positive but vulnerable | Low interest rates; Litigation |
| Interest sensitive annuities | ++ | Decrease in spread; Investment volatility |
| Annuities in payout | + | Low mortality; Low interest rates |

“Low-For-Long” Rates – Reserve Sensitivity

2012 Expanded New Money Rate (NMR) Stress Test

- Moderate Stress: 4.75% NMR held flat for 5 years then recovering
- Severe Stress: 50 basis point drop in NMR to 4.25% held flat indefinitely
- 3Q assumption change: OCB interest sensitive life reserve charge - \$28mm (after-tax)
- Stress tests impact OCB interest-sensitive life and Bankers LTC reserves
- Severe stress - manageable impact to GAAP leverage and 15 to 20 points of RBC impact

New Money Rate Assumptions



| Moderate Stress Test* (After- Tax) | |
|------------------------------------|-----------------------|
| GAAP | \$20 - \$50 million |
| Statutory | \$20 - \$50 million |
| Severe Stress Test* (After- Tax) | |
| GAAP | \$100 - \$125 million |
| Statutory | \$75 - \$100 million |

* Results represent reserve sensitivity to interest rates and do not reflect other potential assumption changes when establishing future loss reserves.

Product Level Risk Management

Diversified product mix focused on protection needs



- Basic products that fit with exclusive distribution and meet the basic insurance needs of the middle market
- Attractive and more predictable return characteristics - price to unleveraged IRR target of 12% after-tax
- Product mix balances interest rate risk with shorter duration pure mortality and morbidity insurance
- Unique long-term care proposition produces a balanced risk profile
- Value of New Business (VNB) measures used to govern risk/return dynamics

Information Related to Certain Non-GAAP Financial Measures

The following provides additional information regarding certain non-GAAP measures used in this presentation. A non-GAAP measure is a numerical measure of a company's performance, financial position, or cash flows that excludes or includes amounts that are normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. While management believes these measures are useful to enhance understanding and comparability of our financial results, these non-GAAP measures should not be considered as substitutes for the most directly comparable GAAP measures. Additional information concerning non-GAAP measures is included in our periodic filings with the Securities and Exchange Commission that are available in the "Investor – SEC Filings" section of our website, www.CNOinc.com.

1Q12 Significant Items

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The table below summarizes the financial impact of significant items on our 1Q2012 net operating income. Management believes that identifying the impact of these items enhances the understanding of our operating results (dollars in millions).

| | Three months ended March 31, 2012 | | |
|--|--------------------------------------|-------------------|-----------------------------|
| | Actual results | Significant items | Excluding significant items |
| Net Operating Income: | | | |
| Bankers Life | \$ 70.5 | \$ (11.0) (1) | \$ 59.5 |
| Washington National | 24.7 | - | 24.7 |
| Colonial Penn | (9.8) | - | (9.8) |
| Other CNO Business | (2.3) | 20.0 (2) | 17.7 |
| EBIT from business segments | 83.1 | 9.0 | 92.1 |
| Corporate Operations, excluding corporate interest expense | (1.8) | 7.0 (3) | 5.2 |
| EBIT | 81.3 | 16.0 | 97.3 |
| Corporate interest expense | (17.5) | - | (17.5) |
| Operating earnings before tax | 63.8 | 16.0 | 79.8 |
| Tax expense on operating income | 23.2 | 5.8 | 29.0 |
| Net operating income * | \$ 40.6 | \$ 10.2 | \$ 50.8 |

(1) Pre-tax earnings in the Bankers Life segment included earnings of \$21.0 million from favorable reserve developments in the Medicare supplement and long-term care blocks; and a \$10.0 million charge related to a settlement with state securities regulators.

(2) Pre-tax earnings in the Other CNO Business segment included a charge of \$20.0 million related to a tentative litigation settlement.

(3) Pre-tax earnings in the Corporate segment included charges of \$7.0 million related to the relocation of Bankers Life's primary office.

2Q12 Significant Items

CNO

The table below summarizes the financial impact of significant items on our 2Q2012 net operating income. Management believes that identifying the impact of these items enhances the understanding of our operating results (dollars in millions).

| | Three months ended June 30, 2012 | | |
|--|-------------------------------------|-------------------|-----------------------------------|
| | Actual results | Significant items | Excluding significant items |
| Net Operating Income: | | | |
| Bankers Life | \$ 76.1 | \$ (3.6) (1) | \$ 72.5 |
| Washington National | 33.9 | - | 33.9 |
| Colonial Penn | 0.6 | - | 0.6 |
| Other CNO Business | 1.9 | - | 1.9 |
| EBIT from business segments | 112.5 | (3.6) | 108.9 |
| Corporate Operations, excluding corporate interest expense | (9.1) | - | (9.1) |
| EBIT | 103.4 | (3.6) | 99.8 |
| Corporate interest expense | (16.6) | - | (16.6) |
| Operating earnings before tax | 86.8 | (3.6) | 83.2 |
| Tax expense on operating income | 32.6 | (1.3) | 31.3 |
| Net operating income * | \$ 54.2 | \$ (2.3) | \$ 51.9 |

(1) Pre-tax earnings in the Bankers Life segment included earnings of \$3.6 million from the PDP business assumed from Coventry due to premium adjustments.

3Q12 Significant Items

CNO

The table below summarizes the financial impact of significant items on our 3Q2012 net operating income. Management believes that identifying the impact of these items enhances the understanding of our operating results (dollars in millions).

| | Three months ended September 30, 2012 | | |
|--|--|-------------------|-----------------------------------|
| | Actual results | Significant items | Excluding significant items |
| Net Operating Income: | | | |
| Bankers Life | \$ 80.6 | \$ - | \$ 80.6 |
| Washington National | 33.9 | - | 33.9 |
| Colonial Penn | (2.6) | - | (2.6) |
| Other CNO Business | (53.6) | 64.0 (1) | 10.4 |
| EBIT from business segments | 58.3 | 64.0 | 122.3 |
| Corporate Operations, excluding corporate interest expense | (6.7) | 10.0 (2) | 3.3 |
| EBIT | 51.6 | 74.0 | 125.6 |
| Corporate interest expense | (16.3) | - | (16.3) |
| Operating earnings before tax | 35.3 | 74.0 | 109.3 |
| Tax expense on operating income | 9.7 | 29.7 | 39.4 |
| Net operating income * | \$ 25.6 | \$ 44.3 | \$ 69.9 |

(1) Pre-tax earnings in the Other CNO Business segment included a charge of \$43.0 million reflecting the impact of decreased projected future investment yield assumptions related to interest-sensitive insurance products and \$21.0 million related to a tentative litigation settlement.

(2) Pre-tax earnings in the Corporate segment included charges of \$10.0 million related to the impact of lower interest rates on the values of liabilities for agent deferred compensation and former executive retirement annuities.

4Q12 Significant Items

CNO

The table below summarizes the financial impact of significant items on our 4Q2012 net operating income. Management believes that identifying the impact of these items enhances the understanding of our operating results (dollars in millions).

| | Three months ended December 31, 2012 | | |
|--|---|-------------------|-----------------------------|
| | Actual results | Significant items | Excluding significant items |
| Net Operating Income: | | | |
| Bankers Life | \$ 73.7 | \$ 4.0 (1) | \$ 77.7 |
| Washington National | 34.6 | - | 34.6 |
| Colonial Penn | 3.2 | - | 3.2 |
| Other CNO Business | 5.2 | 11.3 (2) | 16.5 |
| EBIT from business segments | 116.7 | 15.3 | 132.0 |
| Corporate Operations, excluding corporate interest expense | (2.7) | - | (2.7) |
| EBIT | 114.0 | 15.3 | 129.3 |
| Corporate interest expense | (15.8) | - | (15.8) |
| Operating earnings before tax | 98.2 | 15.3 | 113.5 |
| Tax expense on operating income | 38.2 | 2.7 | 40.9 |
| Net operating income * | \$ 60.0 | \$ 12.6 | \$ 72.6 |

(1) Pre-tax earnings in the Bankers Life segment included charges of \$8.0 million related to litigation expense; and earnings of \$4.0 million related to the release of long-term care reserves due to policyholder actions following recent rate increases.

(2) Pre-tax earnings in the Other CNO Business segment included charges of \$6.0 million from out-of-period adjustments and a \$5.3 million charge for litigation expense in the Company's subsidiary, Conseco Life Insurance Company.

1Q13 Significant Items

CNO

The table below summarizes the financial impact of the significant item on our 1Q2013 net operating income. Management believes that identifying the impact of this item enhances the understanding of our operating results (dollars in millions).

| | Three months ended March 31, 2013 | | |
|--|--------------------------------------|-------------------|-----------------------------|
| | Actual results | Significant items | Excluding significant items |
| Net Operating Income: | | | |
| Bankers Life | \$ 62.1 | \$ 9.2 (1) | \$ 71.3 |
| Washington National | 29.4 | - | 29.4 |
| Colonial Penn | (5.4) | - | (5.4) |
| Other CNO Business | 3.6 | - | 3.6 |
| EBIT from business segments | 89.7 | 9.2 | 98.9 |
| Corporate Operations, excluding corporate interest expense | 3.0 | - | 3.0 |
| EBIT | 92.7 | 9.2 | 101.9 |
| Corporate interest expense | (15.1) | - | (15.1) |
| Operating earnings before tax | 77.6 | 9.2 | 86.8 |
| Tax expense on operating income | 27.9 | 3.2 | 31.1 |
| Net operating income * | \$ 49.7 | \$ 6.0 | \$ 55.7 |

(1) Pre-tax earnings in the Bankers Life segment included charges of \$9.2 million related to an out-of-period adjustment related to the long-term care block.

Quarterly Earnings

(\$ millions)

CNO

| | 1Q12 | 2Q12 | 3Q12 | 4Q12 | 1Q13 |
|--|---------|---------|----------|----------|---------|
| Bankers Life | \$ 70.5 | \$ 76.1 | \$ 80.6 | \$ 73.7 | \$ 62.1 |
| Washington National | 24.7 | 33.9 | 33.9 | 34.6 | 29.4 |
| Colonial Penn | (9.8) | 0.6 | (2.6) | 3.2 | (5.4) |
| Other CNO Business | (2.3) | 1.9 | (53.6) | 5.2 | 3.6 |
| EBIT* from business segments | 83.1 | 112.5 | 58.3 | 116.7 | 89.7 |
| Corporate operations, excluding interest expense | (1.8) | (9.1) | (6.7) | (2.7) | 3.0 |
| Total EBIT | 81.3 | 103.4 | 51.6 | 114.0 | 92.7 |
| Corporate interest expense | (17.5) | (16.6) | (16.3) | (15.8) | (15.1) |
| Income before net realized investment gains, fair value changes in embedded derivative liabilities and taxes | 63.8 | 86.8 | 35.3 | 98.2 | 77.6 |
| Tax expense on period income | 23.2 | 32.6 | 9.7 | 38.2 | 27.9 |
| Net operating income | 40.6 | 54.2 | 25.6 | 60.0 | 49.7 |
| Net realized investment gains | 14.1 | 18.7 | 4.8 | 10.8 | 9.4 |
| Fair value changes in embedded derivative liabilities | 4.5 | (6.9) | (2.0) | 2.6 | 1.3 |
| Equity in earnings of certain non-strategic investments and earnings attributable to non-controlling interests | - | - | - | - | (1.8) |
| Loss on extinguishment of debt, net of income taxes | (0.1) | (0.3) | (176.4) | (0.7) | (57.2) |
| Net income (loss) before valuation allowance for deferred tax assets | 59.1 | 65.7 | (148.0) | 72.7 | 1.4 |
| Decrease in valuation allowance for deferred tax assets | - | - | 143.0 | 28.5 | 10.5 |
| Net income (loss) | \$ 59.1 | \$ 65.7 | \$ (5.0) | \$ 101.2 | \$ 11.9 |

*Management believes that an analysis of earnings before net realized investment gains (losses), fair value changes in embedded derivative liabilities, equity in earnings of certain non-strategic investments and earnings attributable to non-controlling interests, corporate interest expense, loss on extinguishment of debt and taxes ("EBIT," a non-GAAP financial measure) provides a clearer comparison of the operating results of the company quarter-over-quarter because it excludes: (1) corporate interest expense; (2) loss on extinguishment of debt; (3) net realized investment gains (losses); (4) equity in earnings of certain non-strategic investments and earnings attributable to non-controlling interests; and (5) fair value changes due to fluctuations in the interest rates used to discount embedded derivative liabilities related to our fixed index annuities that are unrelated to the company's underlying fundamentals. The table above provides a reconciliation of EBIT to net income.

Information Related to Certain Non-GAAP Financial Measures

Debt to capital ratio, excluding accumulated other comprehensive income (loss)

The debt to capital ratio, excluding accumulated other comprehensive income (loss), differs from the debt to capital ratio because accumulated other comprehensive income (loss) has been excluded from the value of capital used to determine this measure. Management believes this non-GAAP financial measure is useful because it removes the volatility that arises from changes in accumulated other comprehensive income (loss). Such volatility is often caused by changes in the estimated fair value of our investment portfolio resulting from changes in general market interest rates rather than the business decisions made by management. A reconciliation of these ratios is as follows (\$ in millions):

| | <u>4Q10</u> | <u>4Q11</u> | <u>4Q12</u> | <u>1Q13</u> |
|--|-------------------|-------------------|-------------------|-------------------|
| Corporate notes payable | \$ 998.5 | \$ 857.9 | \$ 1,004.2 | \$ 934.2 |
| Total shareholders' equity | <u>3,811.6</u> | <u>4,613.8</u> | <u>5,049.3</u> | <u>5,028.6</u> |
| Total capital | <u>\$ 4,810.1</u> | <u>\$ 5,471.7</u> | <u>\$ 6,053.5</u> | <u>\$ 5,962.8</u> |
| Corporate debt to capital | <u>20.8%</u> | <u>15.7%</u> | <u>16.6%</u> | <u>15.7%</u> |
| <hr/> | | | | |
| Corporate notes payable | \$ 998.5 | \$ 857.9 | \$ 1,004.2 | \$ 934.2 |
| Total shareholders' equity | 3,811.6 | 4,613.8 | 5,049.3 | 5,028.6 |
| Less accumulated other comprehensive income | <u>(252.7)</u> | <u>(781.6)</u> | <u>(1,197.4)</u> | <u>(1,170.7)</u> |
| Total capital | <u>\$ 4,557.4</u> | <u>\$ 4,690.1</u> | <u>\$ 4,856.1</u> | <u>\$ 4,792.1</u> |
| Debt to total capital ratio, excluding AOCI (a non-GAAP financial measure) | <u>21.9%</u> | <u>18.3%</u> | <u>20.7%</u> | <u>19.5%</u> |

