
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 2, 2022

Fidelity National Financial, Inc.

(Exact name of Registrant as Specified in its Charter)

001-32630

(Commission File Number)

Delaware

16-1725106

(State or Other Jurisdiction of
Incorporation or Organization)

(IRS Employer Identification Number)

601 Riverside Avenue

Jacksonville, Florida 32204

(Addresses of Principal Executive Offices)

(904) 854-8100

(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:

| <u>Title of Each Class</u> | <u>Trading Symbol</u> | <u>Name of Each Exchange on Which Registered</u> |
|--------------------------------------|-----------------------|--|
| FNF Common Stock, \$0.0001 par value | FNF | 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 2, 2022, Fidelity National Financial, Inc. (the "Company", "FNF") issued an earnings release announcing its financial results for the Second Quarter of 2022. A copy of the FNF earnings release is attached as Exhibit 99.1 to this Current Report on Form 8-K. In addition, the Company is furnishing the quarterly financial supplement for its F&G operating segment as Exhibit 99.2 to this Current Report on Form 8-K.

The following information, including the Exhibits referenced in this Item 2.02, is being furnished pursuant to this Item 2.02 and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits**(d) Exhibits**

| <u>Exhibit</u> | <u>Description</u> |
|----------------|---|
| 99.1 | Press release announcing FNF Second Quarter 2022 Earnings |
| 99.2 | Financial Supplement of F&G, dated August 2, 2022 |
| 101 | Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document. |

SIGNATURE

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 thereunto duly authorized.

Fidelity National Financial, Inc.

Date: August 2, 2022

By: /s/ Anthony J. Park

Name: Anthony J. Park

Title: Chief Financial Officer



PRESS RELEASE

FNF Reports Second Quarter 2022 Financial Results

Jacksonville, Fla. – (August 2, 2022) - Fidelity National Financial, Inc. (NYSE:FNF) (the Company), a leading provider of title insurance and transaction services to the real estate and mortgage industries and a leading provider of insurance solutions serving retail annuity and life customers and institutional clients through FNF's wholly-owned subsidiary, F&G, today reported financial results for the second quarter ended June 30, 2022.

Net earnings attributable to common shareholders for the second quarter of \$382 million, or \$1.37 per diluted share (per share), compared to \$552 million, or \$1.92 per share, for the second quarter of 2021. Net earnings attributable to common shareholders for the second quarter of 2022 includes \$80 million of net unfavorable mark-to-market effects and \$68 million of other unfavorable items; all of which are excluded from adjusted net earnings attributable to common shareholders.

Adjusted net earnings attributable to common shareholders (adjusted net earnings) for the second quarter of \$530 million, or \$1.90 per share, compared to \$593 million, or \$2.06 per share, for the second quarter of 2021. The decrease from the prior year quarter was primarily a result of Title's decline in refinance volume, representing trough level activity versus the record levels set in the prior year period; partially offset by higher average fee per file, steady volume of commercial orders closed and higher earnings from F&G. F&G's adjusted net earnings for the second quarter of 2022 were \$128 million, including \$36 million of net favorable items primarily as a result of actuarial assumption updates, compared to \$92 million, including \$22 million of net favorable items, for the second quarter of 2021.

Company Highlights

- **Solid Title Revenue:** For the Title segment, total revenue of \$2.6 billion, compared with \$3.0 billion in total revenue in the second quarter of 2021. Total revenue, excluding recognized gains and losses, of \$2.8 billion, compared with \$3.0 billion in the second quarter of 2021
- **Growth strategy drives strong sales for F&G:** Total sales of \$3.1 billion for the second quarter, a 15% increase over second quarter 2021 and a 19% increase over first quarter 2022; reflects successful execution of F&G's diversified growth strategy and a disciplined approach to pricing
- **Partial spin-off of F&G remains on track:** Pursuant to the previously announced transaction to distribute 15% ownership of F&G to FNF shareholders on a pro rata basis, F&G has filed its confidential Form 10 registration statement with the U.S. Securities and Exchange Commission for the partial spin-off. The filing represents a significant milestone in the transaction process, which remains on track to close early in the fourth quarter of 2022, subject to customary approvals. As expected, the Company executed on the conversion of the \$400 million intercompany term loan into F&G equity during the second quarter
- **Ample deployable capital supports shareholder value:** FNF has repurchased 4.3 million shares for \$172 million, at an average price of \$39.76 per share, in the second quarter and paid common dividends at \$0.44 per share for \$122 million. FNF ended the second quarter with \$1.6 billion in cash and short-term liquid investments at the holding company

William P. Foley, II, commented, "As we continue to navigate the market volatility due to rising interest rates and the ongoing economic uncertainty, we are proud of our second quarter results where we delivered total revenue of \$2.6 billion, reflecting a moderation from the record setting mortgage market activity experienced in the year ago second quarter. Our Title business performed well and reflects management's execution and flexible operating model designed to rapidly adapt to changing market conditions. F&G delivered near record sales in the second quarter, as investors sought safe haven investments given the sharp increase in market volatility, which generated growth in assets under management to \$40.3 billion at June 30, 2022. F&G's performance in the current market

environment continues to support our acquisition thesis given their countercyclical business model which benefits from higher interest rates and provides a balance to our business as Title revenues begin to contract given higher mortgage rates.”

Mr. Foley concluded, “Looking forward, we remain optimistic that the F&G partial spin-off is on track for the fourth quarter of this year and, once completed, will highlight the value creation that has occurred at F&G over the last two years. This planned transaction represents the Board’s and management’s commitment to delivering value to our shareholders. Our capital allocation strategy is another lever that we utilize to provide a steady stream of capital to our shareholders through our quarterly dividend while maintaining our share repurchase program as we deploy our strong free cash flow. During the quarter, we accelerated our buyback activity having repurchased \$172 million of stock as compared to \$134 million in the first quarter. Year to date, we have repurchased \$306 million of stock while returning \$245 million through our quarterly dividend.”

Summary Financial Results

(In millions, except per share data)

| | Three Months Ended | | Year to Date | |
|--|--------------------|---------------|--------------|-----------|
| | June 30, 2022 | June 30, 2021 | 2022 | 2021 |
| Total revenue | \$ 2,631 | \$ 3,854 | \$ 5,796 | \$ 6,954 |
| F&G total sales ¹ | \$ 3,073 | \$ 2,667 | \$ 5,662 | \$ 4,321 |
| F&G assets under management ¹ | \$ 40,322 | \$ 31,760 | \$ 40,322 | \$ 31,760 |
| Total assets | \$ 61,230 | \$ 54,520 | \$ 61,230 | \$ 54,520 |
| Adjusted pre-tax title margin | 18.9 % | 22.7 % | 18.0 % | 21.4 % |
| Net earnings attributable to common shareholders | \$ 382 | \$ 552 | \$ 779 | \$ 1,157 |
| Net earnings per share attributable to common shareholders | \$ 1.37 | \$ 1.92 | \$ 2.77 | \$ 4.00 |
| Adjusted net earnings ¹ | \$ 530 | \$ 593 | \$ 918 | \$ 1,048 |
| Adjusted net earnings per share ¹ | \$ 1.90 | \$ 2.06 | \$ 3.27 | \$ 3.63 |
| Total common shares outstanding | 277 | 286 | 277 | 286 |

Segment Financial Results

Title

This segment consists of the operations of the Company’s title insurance underwriters and related businesses, which provide core title insurance and escrow and other title-related services including loan sub-servicing, valuations, default services, and home warranty products.

Second Quarter 2022 Highlights

Mike Nolan, Chief Executive Officer, said, “Our Title business produced a strong performance in the second quarter, despite the housing market experiencing headwinds from higher mortgage rates which has impacted residential refinance and purchase volumes. We are pleased with our adjusted pre-tax title earnings of \$529 million and adjusted pre-tax title margin of 18.9% during the second quarter as we continue to benefit from strength in the commercial market combined with stability in the purchase market, both as compared to the first quarter of 2022, while our refinance volumes appear to be bottoming. Though the economic outlook and near-term market trends are uncertain, we will continue to manage the business the way we have through prior cycles, effectively managing margin by adjusting expenses to align with trends in opened and closed order volumes. We will also be opportunistic and use market dislocation to continue expanding our business through attractive acquisitions and recruiting of established and experienced producers.”

¹ See definition of non-GAAP measures below

- **Total revenue** of \$2.6 billion, compared with \$3.0 billion in total revenue in the second quarter of 2021
- **Total revenue, excluding recognized gains and losses**, of \$2.8 billion, a 7% decrease compared with the second quarter of 2021
 - **Direct title premiums** of \$859 million, a 5% decrease from second quarter of 2021
 - **Agency title premiums** of \$1.2 billion, a 4% decrease from second quarter of 2021
 - **Commercial revenue** of \$436 million, a 26% increase from second quarter of 2021
- **Purchase orders** opened decreased 12% on a daily basis and purchase orders closed decreased 11% on a daily basis from the second quarter of 2021
- **Refinance orders** opened decreased 67% on a daily basis and refinance orders closed decreased 68% on a daily basis from second quarter of 2021
- **Commercial orders** opened decreased 7% and commercial orders closed decreased 6% from second quarter of 2021
- **Total fee per file** of \$3,557 for the second quarter, a 46% increase over second quarter of 2021

Second Quarter 2022 Financial Results

- **Pre-tax title margin** of 10.5% and industry leading **adjusted pre-tax title margin** of 18.9% for the second quarter of 2022, compared to 21.5% and 22.7%, respectively, in the second quarter of 2021
- **Pre-tax earnings from continuing operations in Title** for the second quarter of \$267 million, compared with \$644 million for the second quarter of 2021
- **Adjusted pre-tax earnings in Title** for the second quarter of \$529 million compared with \$688 million for the second quarter of 2021. The decrease from the prior year quarter was primarily a result of the considerable decline in refinance volume representing trough level activity versus the record levels set in the prior year period; partially offset by higher average fee per file and steady volume of commercial orders closed

F&G

This segment consists of operations of FNF's wholly-owned subsidiary F&G, a leading provider of insurance solutions serving retail annuity and life customers and funding agreement and pension risk transfer institutional clients.

Second Quarter 2022

Chris Blunt, President and Chief Executive Officer of F&G, commented, "F&G had a terrific quarter, demonstrated by our top line and bottom line results. We generated total gross sales of \$3.1 billion which, in turn, drove our assets under management to \$40.3 billion. In the retail channels, we generated a record \$2.2 billion of sales, up 34% from the prior year quarter. Our retail sales volumes reflect expanding relationships with new and existing distribution partners, traction from a comprehensive product portfolio that meets a broad range of consumer needs and increased demand given higher interest rates. Momentum continues in our institutional channels as we issued nearly \$0.9 billion in funding agreements, even amidst a challenging rate environment for that space. On the bottom line, we delivered adjusted net earnings of \$128 million, including \$36 million of favorable notable items, which comprised 24% of FNF's consolidated adjusted net earnings."

Regarding the recently announced transaction to distribute 15% ownership of F&G to FNF shareholders, Mr. Blunt said, "We are making progress toward a targeted closing early in the fourth quarter of 2022. Overall, we are well positioned for future growth opportunities and view the transition to being a publicly traded company as a vote of confidence for our business."

- **Total gross sales** of \$3.1 billion for the second quarter, an increase of 15% over the second quarter 2021 and an increase of 19% over first quarter 2022; reflects successful execution of F&G's diversified growth strategy and a disciplined approach to pricing
- **Record Retail sales** of \$2.2 billion for the second quarter, a 34% increase over second quarter of 2021 and 53% increase over first quarter 2022 as sales resumed our planned growth trajectory, following moderated volume in first quarter from an inflection point in pricing actions taken in response to the macro environment

- **Institutional sales** of approximately \$0.9 billion funding agreement issuances, compared to \$1.0 billion funding agreement issuances for the second quarter 2021
- **Average assets under management (AAUM)** of \$39.3 billion for the second quarter, an increase of 29% from \$30.4 billion in the second quarter 2021, driven by net new business asset flows. Ending assets under management were \$40.3 billion as of June 30, 2022
- **Net earnings attributable to common shareholders for F&G** of \$230 million for the second quarter, compared to \$82 million for the second quarter of 2021
- **Adjusted net earnings for F&G** of \$128 million for the second quarter, compared to \$92 million for the second quarter of 2021. Adjusted net earnings excluding notable items were \$92 million in the second quarter, an increase of \$22 million or 31% compared to \$70 million in the prior year quarter, primarily driven by growth in assets under management
 - Net favorable items in second quarter of 2022 were \$36 million, primarily as a result of actuarial assumption updates; we have updated assumptions for our fixed indexed annuity guaranteed minimum withdrawal benefits, based on utilization experience relative to our more conservative assumptions, as well as our net earned rate assumptions which we will continue to monitor in response to significant changes in the macro environment
 - Net favorable items in second quarter of 2021 were \$22 million, primarily as a result of favorable CLO redemptions

Conference Call

We will host a call with investors and analysts to discuss FNF's second quarter 2022 results on Wednesday, August 3, 2022, beginning at 11:00 a.m. Eastern Time. A live webcast of the conference call will be available on the Events and Multimedia page of the FNF Investor Relations website at fnf.com. The conference call replay will be available via webcast through the FNF Investor Relations website at fnf.com. The telephone replay will be available from 2:00 p.m. Eastern Time on August 3, 2022, through August 10, 2022, by dialing 1-844-512-2921 (USA) or 1-412-317-6671 (International). The access code will be 13730096. An expanded quarterly financial supplement providing F&G segment results is available on the FNF Investor Relations website.

About Fidelity National Financial, Inc.

Fidelity National Financial, Inc. (NYSE: FNF) is a leading provider of title insurance and transaction services to the real estate and mortgage industries. FNF is the nation's largest title insurance company through its title insurance underwriters - Fidelity National Title, Chicago Title, Commonwealth Land Title, Alamo Title and National Title of New York - that collectively issue more title insurance policies than any other title company in the United States. More information about FNF can be found at fnf.com.

About F&G

F&G is part of the FNF family of companies. F&G is committed to helping Americans turn their aspirations into reality. F&G is a leading provider of insurance solutions serving retail annuity and life customers and institutional clients and is headquartered in Des Moines, Iowa. For more information, please visit fglife.com.

Use of Non-GAAP Financial Information

Generally Accepted Accounting Principles (GAAP) is the term used to refer to the standard framework of guidelines for financial accounting. GAAP includes the standards, conventions, and rules accountants follow in recording and summarizing transactions and in the preparation of financial statements. In addition to reporting financial results in accordance with GAAP, this earnings release includes non-GAAP financial measures, which the Company believes are useful to help investors better understand its financial performance, competitive position and prospects for the future. These non-GAAP measures include adjusted net earnings per share, adjusted pre-tax title earnings, adjusted pre-tax title earnings as a percentage of adjusted title revenue (adjusted pre-tax title margin), adjusted net earnings attributable to common shareholders (adjusted net earnings), net investment spread, assets under management (AUM), average assets under management (AAUM) and sales.

Management believes these non-GAAP financial measures may be useful in certain instances to provide additional meaningful comparisons between current results and results in prior operating periods. Our non-GAAP measures may not be comparable to similarly titled measures of other organizations because other organizations may not calculate such non-GAAP measures in the same manner as we do.

The presentation of this financial information is not intended to be considered in isolation of or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. By disclosing these non-GAAP financial measures, FNF believes it offers investors a greater understanding of, and an enhanced level of transparency into, the means by which the Company's management operates the Company.

Any non-GAAP measures should be considered in context with the GAAP financial presentation and should not be considered in isolation or as a substitute for GAAP net earnings, net earnings attributable to common shareholders, net earnings per share, or any other measures derived in accordance with GAAP as measures of operating performance or liquidity. Further, FNF's non-GAAP measures may be calculated differently from similarly titled measures of other companies. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures are provided below.

Forward-Looking Statements and Risk Factors

This press release contains forward-looking statements that involve a number of risks and uncertainties. Statements that are not historical facts, including statements regarding our expectations, hopes, intentions or strategies regarding the future are forward-looking statements. Forward-looking statements are based on management's beliefs, as well as assumptions made by, and information currently available to, management. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, actual results may differ materially from those projected. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. The risks and uncertainties which forward-looking statements are subject to include, but are not limited to: the potential impact of the consummation of the F&G transaction on relationships, including with employees, suppliers, customers and competitors; changes in general economic, business, political and COVID-19 conditions, including changes in the financial markets; weakness or adverse changes in the level of real estate activity, which may be caused by, among other things, high or increasing interest rates, a limited supply of mortgage funding or a weak U. S. economy; our potential inability to find suitable acquisition candidates; our dependence on distributions from our title insurance underwriters as a main source of cash flow; significant competition that F&G and our operating subsidiaries face; compliance with extensive government regulation of our operating subsidiaries; and other risks detailed in the "Statement Regarding Forward-Looking Information," "Risk Factors" and other sections of FNF's Form 10-K and other filings with the Securities and Exchange Commission (SEC).

FNF-E

SOURCE: Fidelity National Financial, Inc.; FGL Holdings

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FIDELITY NATIONAL FINANCIAL, INC.
SECOND QUARTER SEGMENT INFORMATION
(In millions, except order information in thousands)
(Unaudited)

Three Months Ended

June 30, 2022

| | Consolidated | Title | F&G | Corporate and Other |
|---|----------------|---------------|---------------|------------------------|
| Direct title premiums | \$ 859 | \$ 859 | \$ — | \$ — |
| Agency title premiums | 1,203 | 1,203 | — | — |
| Escrow, title related and other fees | 782 | 706 | 68 | 8 |
| Total title and escrow | 2,844 | 2,768 | 68 | 8 |
| Interest and investment income | 463 | 35 | 425 | 3 |
| Recognized gains and losses, net | (676) | (249) | (426) | (1) |
| Total revenue | 2,631 | 2,554 | 67 | 10 |
| Personnel costs | 839 | 821 | 34 | (16) |
| Agent commissions | 930 | 930 | — | — |
| Other operating expenses | 457 | 409 | 31 | 17 |
| Benefits & other policy reserve changes | (418) | — | (418) | — |
| Depreciation and amortization | 161 | 34 | 121 | 6 |
| Provision for title claim losses | 93 | 93 | — | — |
| Interest expense | 31 | — | 9 | 22 |
| Total expenses | 2,093 | 2,287 | (223) | 29 |
| Pre-tax earnings (loss) from continuing operations | \$ 538 | \$ 267 | \$ 290 | \$ (19) |
| Income tax expense (benefit) | 164 | 111 | 60 | (7) |
| Earnings (loss) from equity investments | 14 | 14 | — | — |
| Earnings (loss) from discontinued operations, net of tax | — | — | — | — |
| Non-controlling interests | 6 | 6 | — | — |
| Net earnings (loss) attributable to common shareholders | \$ 382 | \$ 164 | \$ 230 | \$ (12) |
| EPS from continuing operations attributable to common shareholders - basic | \$ 1.37 | | | |
| EPS from discontinued operations attributable to common shareholders - basic | — | | | |
| EPS attributable to common shareholders - basic | \$ 1.37 | | | |
| EPS from continuing operations attributable to common shareholders - diluted | \$ 1.37 | | | |
| EPS from discontinued operations attributable to common shareholders - diluted | — | | | |
| EPS attributable to common shareholders - diluted | \$ 1.37 | | | |
| Weighted average shares - basic | 278 | | | |
| Weighted average shares - diluted | 279 | | | |

FIDELITY NATIONAL FINANCIAL, INC.
SECOND QUARTER SEGMENT INFORMATION
(In millions, except order information in thousands)
(Unaudited)

Three Months Ended

June 30, 2022

| | Consolidated | Title | F&G | Corporate and Other |
|--|--------------|--------|----------|------------------------|
| Net earnings (loss) attributable to common shareholders | \$ 382 | \$ 164 | \$ 230 | \$ (12) |
| Earnings from discontinued operations, net of tax | — | — | — | — |
| Net earnings (loss) from continuing operations attributable to common shareholders | \$ 382 | \$ 164 | \$ 230 | \$ (12) |
| Pre-tax earnings (loss) from continuing operations | \$ 538 | \$ 267 | \$ 290 | \$ (19) |
| Non-GAAP Adjustments | | | | |
| Recognized (gains) and losses, net | 271 | 249 | 21 | 1 |
| Indexed product related derivatives | (159) | — | (159) | — |
| Purchase price amortization | 21 | 13 | 5 | 3 |
| Transaction costs | (5) | — | 4 | (9) |
| Adjusted pre-tax earnings (loss) | \$ 666 | \$ 529 | \$ 161 | \$ (24) |
| Total non-GAAP, pre-tax adjustments | \$ 128 | \$ 262 | \$ (129) | \$ (5) |
| Income taxes on non-GAAP adjustments | (35) | (63) | 27 | 1 |
| Deferred tax asset valuation allowance | 55 | 55 | — | — |
| Total non-GAAP adjustments | \$ 148 | \$ 254 | \$ (102) | \$ (4) |
| Adjusted net earnings (loss) from continuing operations attributable to common shareholders | \$ 530 | \$ 418 | \$ 128 | \$ (16) |
| Adjusted EPS from continuing operations attributable to common shareholders - diluted | \$ 1.90 | | | |

FIDELITY NATIONAL FINANCIAL, INC.
SECOND QUARTER SEGMENT INFORMATION
(In millions, except order information in thousands)
(Unaudited)

Three Months Ended

June 30, 2021

| | Consolidated | Title | F&G | Corporate and Other |
|---|----------------|---------------|--------------|------------------------|
| Direct title premiums | \$ 904 | \$ 904 | \$ — | \$ — |
| Agency title premiums | 1,256 | 1,256 | — | — |
| Escrow, title related and other fees | 948 | 839 | 62 | 47 |
| Total title and escrow | 3,108 | 2,999 | 62 | 47 |
| Interest and investment income | 514 | 27 | 487 | — |
| Recognized gains and losses, net | 232 | (30) | 253 | 9 |
| Total revenue | 3,854 | 2,996 | 802 | 56 |
| Personnel costs | 890 | 826 | 32 | 32 |
| Agent commissions | 970 | 970 | — | — |
| Other operating expenses | 476 | 425 | 26 | 25 |
| Benefits & other policy reserve changes | 575 | — | 575 | — |
| Depreciation and amortization | 105 | 34 | 65 | 6 |
| Provision for title claim losses | 97 | 97 | — | — |
| Interest expense | 28 | — | 7 | 21 |
| Total expenses | 3,141 | 2,352 | 705 | 84 |
| Pre-tax earnings (loss) | \$ 713 | \$ 644 | \$ 97 | \$ (28) |
| Income tax expense (benefit) | 176 | 160 | 21 | (5) |
| Earnings from equity investments | 14 | 14 | — | — |
| Earnings (loss) from discontinued operations, net of tax | 6 | — | 6 | — |
| Non-controlling interests | 5 | 5 | — | — |
| Net earnings (loss) attributable to common shareholders | \$ 552 | \$ 493 | \$ 82 | \$ (23) |
| EPS from continuing operations attributable to common shareholders - basic | \$ 1.91 | | | |
| EPS from discontinued operations attributable to common shareholders - basic | \$ 0.02 | | | |
| EPS attributable to common shareholders - basic | \$ 1.93 | | | |
| EPS from continuing operations attributable to common shareholders - diluted | \$ 1.90 | | | |
| EPS from discontinued operations attributable to common shareholders - diluted | \$ 0.02 | | | |
| EPS attributable to common shareholders - diluted | \$ 1.92 | | | |
| Weighted average shares - basic | 286 | | | |
| Weighted average shares - diluted | 288 | | | |

FIDELITY NATIONAL FINANCIAL, INC.
SECOND QUARTER SEGMENT INFORMATION
(In millions, except order information in thousands)
(Unaudited)

Three Months Ended
June 30, 2021

| | Consolidated | Title | F&G | Corporate and Other |
|--|--------------|--------|--------|------------------------|
| Net earnings (loss) attributable to common shareholders | \$ 552 | \$ 493 | \$ 82 | \$ (23) |
| Earnings from discontinued operations, net of tax | \$ 6 | \$ — | \$ 6 | \$ — |
| Net earnings (loss) from continuing operations, attributable to common shareholders | \$ 546 | \$ 493 | \$ 76 | \$ (23) |
| Pre-tax earnings (loss) from continuing operations | 713 | 644 | 97 | (28) |
| Non-GAAP Adjustments | | | | |
| Recognized (gains) and losses, net | (42) | 30 | (63) | (9) |
| Indexed product related derivatives | 75 | — | 75 | — |
| Purchase price amortization | 24 | 14 | 6 | 4 |
| Transaction costs | 4 | — | 2 | 2 |
| Adjusted pre-tax earnings (loss) | \$ 774 | \$ 688 | \$ 117 | \$ (31) |
| Total non-GAAP, pre-tax adjustments | \$ 61 | \$ 44 | \$ 20 | \$ (3) |
| Income taxes on non-GAAP adjustments | (13) | (10) | (4) | 1 |
| Non-controlling interest on non-GAAP adjustments | (1) | — | — | (1) |
| Total non-GAAP adjustments | \$ 47 | \$ 34 | \$ 16 | \$ (3) |
| Adjusted net earnings attributable to common shareholders | \$ 593 | \$ 527 | \$ 92 | \$ (26) |
| Adjusted EPS attributable to common shareholders - diluted | \$ 2.06 | | | |

FIDELITY NATIONAL FINANCIAL, INC.
YTD SEGMENT INFORMATION
(In millions, except order information in thousands)
(Unaudited)

Six Months Ended

June 30, 2022

| | Consolidated | Title | F&G | Corporate and Other |
|---|-----------------|---------------|---------------|------------------------|
| Direct title premiums | \$ 1,626 | \$ 1,626 | \$ — | \$ — |
| Agency title premiums | 2,302 | 2,302 | — | — |
| Escrow, title related and other fees | 2,072 | 1,371 | 662 | 39 |
| Total title and escrow | 6,000 | 5,299 | 662 | 39 |
| Interest and investment income | 941 | 62 | 876 | 3 |
| Recognized gains and losses, net | (1,145) | (424) | (723) | 2 |
| Total revenue | 5,796 | 4,937 | 815 | 44 |
| Personnel costs | 1,662 | 1,597 | 64 | 1 |
| Agent commissions | 1,774 | 1,774 | — | — |
| Other operating expenses | 899 | 806 | 49 | 44 |
| Benefits & other policy reserve changes | (210) | — | (210) | — |
| Depreciation and amortization | 343 | 67 | 264 | 12 |
| Provision for title claim losses | 177 | 177 | — | — |
| Interest expense | 61 | — | 17 | 44 |
| Total expenses | 4,706 | 4,421 | 184 | 101 |
| Pre-tax earnings (loss) from continuing operations | \$ 1,090 | \$ 516 | \$ 631 | \$ (57) |
| Income tax expense (benefit) | 319 | 168 | 165 | (14) |
| Earnings (loss) from equity investments | 16 | 16 | — | — |
| Earnings from discontinued operations, net of tax | — | — | — | — |
| Non-controlling interests | 8 | 9 | — | (1) |
| Net earnings (loss) attributable to common shareholders | \$ 779 | \$ 355 | \$ 466 | \$ (42) |
| EPS from continuing operations attributable to common shareholders - basic | \$ 2.79 | | | |
| EPS from discontinued operations attributable to common shareholders - basic | — | | | |
| EPS attributable to common shareholders - basic | \$ 2.79 | | | |
| EPS from continuing operations attributable to common shareholders - diluted | \$ 2.77 | | | |
| EPS from discontinued operations attributable to common shareholders - diluted | — | | | |
| EPS attributable to common shareholders - diluted | \$ 2.77 | | | |
| Weighted average shares - basic | 279 | | | |
| Weighted average shares - diluted | 281 | | | |

FIDELITY NATIONAL FINANCIAL, INC.
YTD SEGMENT INFORMATION
(In millions, except order information in thousands)
(Unaudited)

| <i>Six Months Ended</i> <i>June 30, 2022</i> | Consolidated | Title | F&G | Corporate and Other |
|--|--------------|--------|----------|------------------------|
| Net earnings (loss) attributable to common shareholders | \$ 779 | \$ 355 | \$ 466 | \$ (42) |
| Earnings from discontinued operations, net of tax | — | — | — | — |
| Net earnings (loss) from continuing operations attributable to common shareholders | \$ 779 | \$ 355 | \$ 466 | \$ (42) |
| Pre-tax earnings (loss) from continuing operations | \$ 1,090 | \$ 516 | \$ 631 | \$ (57) |
| Non-GAAP Adjustments | | | | |
| Recognized (gains) and losses, net | 410 | 424 | (12) | (2) |
| Indexed product related derivatives | (327) | — | (327) | — |
| Purchase price amortization | 44 | 26 | 11 | 7 |
| Transaction costs | (3) | — | 4 | (7) |
| Adjusted pre-tax earnings (loss) | \$ 1,214 | \$ 966 | \$ 307 | \$ (59) |
| Total non-GAAP, pre-tax adjustments | \$ 124 | \$ 450 | \$ (324) | \$ (2) |
| Income taxes on non-GAAP adjustments | (40) | (108) | 68 | — |
| Deferred tax asset valuation allowance | 55 | 55 | — | — |
| Total non-GAAP adjustments | \$ 139 | \$ 397 | \$ (256) | \$ (2) |
| Adjusted net earnings (loss) from continuing operations attributable to common shareholders | \$ 918 | \$ 752 | \$ 210 | \$ (44) |
| Adjusted EPS from continuing operations attributable to common shareholders - diluted | \$ 3.27 | | | |

FIDELITY NATIONAL FINANCIAL, INC.
YTD SEGMENT INFORMATION
(In millions, except order information in thousands)
(Unaudited)

| <i>Six Months Ended</i> <i>June 30, 2021</i> | Consolidated | Title | F&G | Corporate and Other |
|---|-----------------|-----------------|---------------|------------------------|
| Direct title premiums | \$ 1,650 | \$ 1,650 | \$ — | \$ — |
| Agency title premiums | 2,314 | 2,314 | — | — |
| Escrow, title related and other fees | 1,799 | 1,584 | 126 | 89 |
| Total title and escrow | 5,763 | 5,548 | 126 | 89 |
| Interest and investment income | 916 | 56 | 860 | — |
| Recognized gains and losses, net | 275 | (89) | 355 | 9 |
| Total revenue | 6,954 | 5,515 | 1,341 | 98 |
| Personnel costs | 1,702 | 1,580 | 61 | 61 |
| Agent commissions | 1,777 | 1,777 | — | — |
| Other operating expenses | 934 | 830 | 54 | 50 |
| Benefits & other policy reserve changes | 549 | — | 549 | — |
| Depreciation and amortization | 288 | 67 | 209 | 12 |
| Provision for title claim losses | 178 | 178 | — | — |
| Interest expense | 56 | — | 15 | 41 |
| Total expenses | 5,484 | 4,432 | 888 | 164 |
| Pre-tax earnings (loss) from continuing operations | \$ 1,470 | \$ 1,083 | \$ 453 | \$ (66) |
| Income tax expense (benefit) | 342 | 263 | 93 | (14) |
| Earnings from equity investments | 27 | 22 | — | 5 |
| Earnings (loss) from discontinued operations, net of tax | 11 | — | 11 | — |
| Non-controlling interests | 9 | 9 | — | — |
| Net earnings (loss) attributable to common shareholders | \$ 1,157 | \$ 833 | \$ 371 | \$ (47) |
| EPS from continuing operations attributable to common shareholders - basic | \$ 3.99 | | | |
| EPS from discontinued operations attributable to common shareholders - basic | \$ 0.04 | | | |
| EPS attributable to common shareholders - basic | \$ 4.03 | | | |
| EPS from continuing operations attributable to common shareholders - diluted | \$ 3.96 | | | |
| EPS from discontinued operations attributable to common shareholders - diluted | \$ 0.04 | | | |
| EPS attributable to common shareholders - diluted | \$ 4.00 | | | |
| Weighted average shares - basic | 287 | | | |
| Weighted average shares - diluted | 289 | | | |

FIDELITY NATIONAL FINANCIAL, INC.
YTD SEGMENT INFORMATION
(In millions, except order information in thousands)
(Unaudited)

| <i>Six Months Ended</i> <i>June 30, 2021</i> | Consolidated | Title | F&G | Corporate and Other |
|---|---------------------|-----------------|-----------------|------------------------|
| Net earnings (loss) attributable to common shareholders | \$ 1,157 | \$ 833 | \$ 371 | \$ (47) |
| Earnings from discontinued operations, net of tax | 11 | — | 11 | — |
| Net earnings (loss) from continuing operations attributable to common shareholders | \$ 1,146 | \$ 833 | \$ 360 | \$ (47) |
| Pre-tax earnings (loss) from continuing operations | 1,470 | 1,083 | 453 | (66) |
| Non-GAAP Adjustments | | | | |
| Recognized (gains) and losses, net | (65) | 89 | (145) | (9) |
| Indexed product related derivatives | (110) | — | (110) | — |
| Purchase price amortization | 49 | 28 | 13 | 8 |
| Transaction costs | 10 | — | 4 | 6 |
| Adjusted pre-tax earnings (loss) | \$ 1,354 | \$ 1,200 | \$ 215 | \$ (61) |
| Total non-GAAP, pre-tax adjustments | \$ (116) | \$ 117 | \$ (238) | \$ 5 |
| Income taxes on non-GAAP adjustments | 19 | (28) | 48 | (1) |
| Non-controlling interest on non-GAAP adjustments | (1) | — | — | (1) |
| Total non-GAAP adjustments | \$ (98) | \$ 89 | \$ (190) | \$ 3 |
| Adjusted net earnings (loss) attributable to common shareholders | \$ 1,048 | \$ 922 | \$ 170 | \$ (44) |
| Adjusted EPS attributable to common shareholders - diluted | \$ 3.63 | | | |

FIDELITY NATIONAL FINANCIAL, INC.
SUMMARY BALANCE SHEET INFORMATION
(In millions)

| | June 30, 2022 | December 31, 2021 |
|--|------------------|----------------------|
| | (Unaudited) | (Unaudited) |
| Cash and investment portfolio | \$ 45,399 | \$ 47,135 |
| Goodwill | 4,538 | 4,539 |
| Title plant | 400 | 400 |
| Total assets | 61,230 | 60,690 |
| Notes payable | 3,094 | 3,096 |
| Reserve for title claim losses | 1,843 | 1,883 |
| Secured trust deposits | 1,173 | 934 |
| Non-controlling interests | 43 | 43 |
| Total equity and non-controlling interests | 6,746 | 9,457 |
| Total equity attributable to common shareholders | 6,703 | 9,414 |

Non-GAAP Measures and Other Information

Title

The table below reconciles pre-tax title earnings to adjusted pre-tax title earnings.

| (Dollars in millions) | Three Months Ended | | Six Months Ended | |
|------------------------------------|--------------------|---------------|------------------|-----------------|
| | June 30, 2022 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| Pre-tax earnings | \$ 267 | \$ 644 | \$ 516 | \$ 1,083 |
| Non-GAAP adjustments before taxes | | | | |
| Recognized (gains) and losses, net | 249 | 30 | 424 | 89 |
| Purchase price amortization | 13 | 14 | 26 | 28 |
| Total non-GAAP adjustments | 262 | 44 | 450 | 117 |
| Adjusted pre-tax earnings | \$ 529 | \$ 688 | \$ 966 | \$ 1,200 |
| Adjusted pre-tax margin | 18.9 % | 22.7 % | 18.0 % | 21.4 % |

FIDELITY NATIONAL FINANCIAL, INC. QUARTERLY OPERATING STATISTICS (Unaudited)

| | Q2 2022 | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 | Q4 2020 | Q3 2020 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Quarterly Opened Orders ('000's except % data) | | | | | | | | |
| Total opened orders* | 443 | 522 | 536 | 688 | 695 | 770 | 728 | 847 |
| Total opened orders per day* | 6.9 | 8.6 | 8.5 | 10.8 | 10.9 | 12.6 | 11.6 | 13.2 |
| Purchase % of opened orders | 75 % | 62 % | 53 % | 50 % | 53 % | 42 % | 38 % | 40 % |
| Refinance % of opened orders | 25 % | 38 % | 47 % | 50 % | 47 % | 58 % | 62 % | 60 % |
| Total closed orders* | 348 | 380 | 477 | 527 | 568 | 597 | 617 | 571 |
| Total closed orders per day* | 5.4 | 6.2 | 7.6 | 8.2 | 8.9 | 9.8 | 9.8 | 8.9 |
| Purchase % of closed orders | 71 % | 55 % | 51 % | 50 % | 47 % | 34 % | 38 % | 42 % |
| Refinance % of closed orders | 29 % | 45 % | 49 % | 50 % | 53 % | 66 % | 62 % | 58 % |
| Commercial (millions, except orders in '000's) | | | | | | | | |
| Total commercial revenue | \$ 436 | \$ 374 | \$ 546 | \$ 366 | \$ 347 | \$ 257 | \$ 322 | \$ 216 |
| Total commercial opened orders | 64.2 | 66.1 | 64.5 | 66.8 | 69.4 | 62.2 | 57.0 | 58.1 |
| Total commercial closed orders | 39.7 | 37.4 | 46.1 | 40.1 | 42.3 | 34.8 | 39.5 | 30.6 |
| National commercial revenue | \$ 220 | \$ 196 | \$ 313 | \$ 183 | \$ 176 | \$ 127 | \$ 177 | \$ 113 |
| National commercial opened orders | 26.7 | 27.5 | 26.0 | 27.7 | 27.4 | 23.4 | 21.4 | 21.7 |
| National commercial closed orders | 15.3 | 14.6 | 18.1 | 14.8 | 14.9 | 11.2 | 13.4 | 9.8 |
| Total Fee Per File | | | | | | | | |
| Fee per file | \$ 3,557 | \$ 2,891 | \$ 3,023 | \$ 2,581 | \$ 2,444 | \$ 1,944 | \$ 2,116 | \$ 2,063 |
| Residential fee per file | \$ 2,695 | \$ 2,188 | \$ 2,158 | \$ 2,097 | \$ 2,030 | \$ 1,644 | \$ 1,661 | \$ 1,803 |
| Total commercial fee per file | \$ 11,000 | \$ 10,000 | \$ 11,800 | \$ 9,100 | \$ 8,200 | \$ 7,400 | \$ 8,200 | \$ 7,100 |
| National commercial fee per file | \$ 14,400 | \$ 13,400 | \$ 17,300 | \$ 12,400 | \$ 11,800 | \$ 11,300 | \$ 13,200 | \$ 11,500 |
| Total Staffing | | | | | | | | |
| Total field operations employees | 12,700 | 13,400 | 13,600 | 13,700 | 13,500 | 13,200 | 12,800 | 12,300 |
| Actual title claims paid (\$ millions) | \$ 55 | \$ 54 | \$ 62 | \$ 55 | \$ 56 | \$ 46 | \$ 54 | \$ 50 |

Title (continued)**FIDELITY NATIONAL FINANCIAL, INC.
MONTHLY TITLE ORDER STATISTICS**

| Month | Direct Orders Opened * / (% Purchase) | | Direct Orders Closed * / (% Purchase) | |
|----------------------------|--|------------|--|------------|
| April 2022 | 154,000 | 73% | 123,000 | 66% |
| May 2022 | 148,000 | 75% | 114,000 | 72% |
| June 2022 | 141,000 | 76% | 111,000 | 75% |
| Second Quarter 2022 | 443,000 | 75% | 348,000 | 71% |

| Month | Direct Orders Opened * / (% Purchase) | | Direct Orders Closed * / (% Purchase) | |
|----------------------------|--|------------|--|------------|
| April 2021 | 236,000 | 52% | 200,000 | 43% |
| May 2021 | 223,000 | 52% | 176,000 | 48% |
| June 2021 | 236,000 | 54% | 192,000 | 50% |
| Second Quarter 2021 | 695,000 | 53% | 568,000 | 47% |

* Includes an immaterial number of non-purchase and non-refinance orders

F&G

The table below reconciles net earnings attributable to common shareholders to adjusted net earnings attributable to common shareholders.

| | Three Months Ended | | Six Months Ended | |
|--|--------------------|---------------|------------------|---------------|
| | June 30, 2022 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| (Dollars in millions) | | | | |
| Net earnings (loss) attributable to common shareholders | \$ 230 | \$ 82 | \$ 466 | \$ 371 |
| Less: Earnings (loss) from discontinued operations, net of tax | — | 6 | | 11 |
| Net earnings (loss) from continuing operations attributable to common shareholders | \$ 230 | \$ 76 | \$ 466 | \$ 360 |
| Non-GAAP adjustments ^(1,2) : | | | | |
| Recognized (gains) and losses, net | 21 | (63) | (12) | (145) |
| Indexed product related derivatives | (159) | 75 | (327) | (110) |
| Purchase price amortization | 5 | 6 | 11 | 13 |
| Transaction costs | 4 | 2 | 4 | 4 |
| Income taxes on non-GAAP adjustments | 27 | (4) | 68 | 48 |
| Adjusted net earnings attributable to common shareholders⁽¹⁾ | \$ 128 | \$ 92 | \$ 210 | \$ 170 |

Adjusted net earnings include \$36 million and \$20 million of net favorable items in the three and six months ended June 30, 2022, respectively, and \$22 million and \$34 million of net favorable items in the three and six months ended June 30, 2021, respectively.

The table below provides summary financial highlights.

| (Dollars in millions) | Three Months Ended | | Six Months Ended | |
|--|--------------------|---------------|------------------|---------------|
| | June 30, 2022 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| Average assets under management (AAUM) ⁽¹⁾ | \$ 39,306 | \$ 30,423 | \$ 38,351 | \$ 29,722 |
| Net investment spread - All products ⁽¹⁾ | 2.62 % | 2.85 % | 2.70 % | 2.65 % |
| Net earnings (loss) from continuing operations attributable to common shareholders | \$ 230 | \$ 76 | \$ 466 | \$ 360 |
| Adjusted net earnings attributable to common shareholders ⁽¹⁾ | \$ 128 | \$ 92 | \$ 210 | \$ 170 |
| Adjusted return on assets ⁽¹⁾⁽³⁾ | 1.10 % | 1.14 % | 1.10 % | 1.14 % |

The table below provides a summary of sales highlights.

| (In millions) | Three Months Ended | | Six Months Ended | |
|---|--------------------|---------------|------------------|---------------|
| | June 30, 2022 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| Total annuity sales ⁽¹⁾ | \$ 2,201 | \$ 1,647 | \$ 3,636 | \$ 3,161 |
| Indexed universal life sales ⁽¹⁾ | \$ 29 | \$ 20 | \$ 56 | \$ 35 |
| Institutional sales ⁽¹⁾⁽⁴⁾ | \$ 843 | \$ 1,000 | \$ 1,970 | \$ 1,125 |
| Total gross sales ⁽¹⁾ | \$ 3,073 | \$ 2,667 | \$ 5,662 | \$ 4,321 |

Footnotes:

1. Non-GAAP financial measure. See the Non-GAAP Measures section below for additional information.
2. Amounts are net of offsets related to value of business acquired (VOBA), deferred acquisition cost (DAC), deferred sale inducement (DSI) amortization, and unearned revenue (UREV) amortization, as applicable.
3. Adjusted return on assets is calculated on a year to date ("YTD") basis.
4. Institutional sales include funding agreements (FABN/FHLB) and pension risk transfer.

DEFINITIONS

The following represents the definitions of non-GAAP measures used by the Company.

Adjusted Net Earnings Attributable to Common Shareholders (Adjusted Net Earnings)

Adjusted net earnings is a non-GAAP economic measure we use to evaluate financial performance each period. Adjusted net earnings is calculated by adjusting net earnings (loss) from continuing operations attributable to common shareholders to eliminate:

- i. Recognized (gains) and losses, net: the impact of net investment gains/losses, including changes in allowance for expected credit losses and other than temporary impairment ("OTTI") losses, recognized in operations; the impact of market volatility on the alternative asset portfolio that differ from management's expectation of returns over the life of these assets; and the effect of changes in fair value of the reinsurance related embedded derivative;
- ii. Indexed product related derivatives: the impacts related to changes in the fair value, including both realized and unrealized gains and losses, of index product related derivatives and embedded derivatives, net of hedging cost;
- iii. Purchase price amortization: the impacts related to the amortization of certain intangibles (internally developed software, trademarks and value of distribution asset (VODA)) recognized as a result of acquisition activities;
- iv. Transaction costs: the impacts related to acquisition, integration and merger related items;
- v. Certain income tax adjustments: the impacts related to unusual tax items that do not reflect our core operating performance such as the establishment or reversal of significant deferred tax asset valuation allowances in our Title and Corporate and Other segments; and
- vi. Other "non-recurring", "infrequent" or "unusual items": Management excludes certain items determined to be "non-recurring", "infrequent" or "unusual" from adjusted net earnings when incurred if it is determined these expenses are not a reflection of the core business and when the nature of the item is such that it is not reasonably likely to recur within two years and/or there was not a similar item in the preceding two years.

Adjustments to adjusted net earnings are net of the corresponding impact on amortization of intangibles, as appropriate. The income tax impact related to these adjustments is measured using an effective tax rate, as appropriate by tax jurisdiction. While these adjustments are an integral part of the overall performance of F&G, market conditions and/or the non-operating nature of these items can overshadow the underlying performance of the core business. Accordingly, management considers this to be a useful measure internally and to investors and analysts in analyzing the trends of our operations. Adjusted net earnings should not be used as a substitute for net earnings (loss). However, we believe the adjustments made to net earnings (loss) in order to derive adjusted net earnings provide an understanding of our overall results of operations.

Net Investment Spread

Net investment spread is the excess of net investment income, adjusted for market volatility on the alternative asset investment portfolio, earned over the sum of interest credited to policyholders and the cost of hedging our risk on indexed product policies. Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing the performance of the Company's invested assets against the level of investment return provided to policyholders, inclusive of hedging costs.

Assets Under Management (AUM)

AUM is calculated as the sum of:

- i. total invested assets at amortized cost, excluding derivatives, net of reinsurance qualifying for risk transfer in accordance with GAAP;
- ii. related party loans and investments;
- iii. accrued investment income;
- iv. the net payable/receivable for the purchase/sale of investments, and
- v. cash and cash equivalents excluding derivative collateral at the beginning of the period and the end of each month in the period, divided by the total number of months in the period plus one.

Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing the rate of return on assets available for reinvestment.

Average Assets Under Management (AAUM)

AAUM is calculated as AUM at the beginning of the period and the end of each month in the period, divided by the total number of months in the period plus one.

Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing the rate of return on assets available for reinvestment.

Adjusted Return on Assets

Adjusted Return on Assets is calculated by dividing annualized adjusted net earnings by year-to-date AAUM. Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing financial performance and profitability earned on AAUM.

Sales

Annuity, IUL, funding agreement and non-life contingent PRT sales are not derived from any specific GAAP income statement accounts or line items and should not be viewed as a substitute for any financial measure determined in accordance with GAAP. Sales from these products are recorded as deposit liabilities (i.e. contractholder funds) within the Company's consolidated financial statements in accordance with GAAP. Life contingent PRT sales are recorded as premiums in revenues within the consolidated financial statements. Management believes that presentation of sales, as measured for management purposes, enhances the understanding of our business and helps depict longer term trends that may not be apparent in the results of operations due to the timing of sales and revenue recognition.



**Experience
the Power of
Collaborative
Thinking**

**F&G Annuities & Life, Inc. ("F&G") - An Operating Segment of Fidelity National Financial, Inc. (NYSE:FNF)
Financial Supplement
June 30, 2022
(Year Ended December 31)**

The financial statements and financial exhibits included herein are unaudited. F&G is an operating segment of FNF ("the Company") and these financial statements and exhibits should be read in conjunction with the Company's periodic reports on Form 10-K, Form 10-Q and Form 8-K. F&G was acquired by FNF on June 1, 2020.

All dollar amounts are presented in millions.

Non-GAAP Financial Measures

Generally Accepted Accounting Principles (GAAP) is the term used to refer to the standard framework of guidelines for financial accounting. GAAP includes the standards, conventions, and rules accountants follow in recording and summarizing transactions and in the preparation of financial statements. In addition to reporting financial results in accordance with GAAP, this document includes non-GAAP financial measures, which the Company believes are useful to help investors better understand its financial performance, competitive position and prospects for the future. Management believes these non-GAAP financial measures may be useful in certain instances to provide additional meaningful comparisons between current results and results in prior operating periods. Our non-GAAP measures may not be comparable to similarly titled measures of other organizations because other organizations may not calculate such non-GAAP measures in the same manner as we do. The presentation of this financial information is not intended to be considered in isolation of or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. By disclosing these non-GAAP financial measures, the Company believes it offers investors a greater understanding of, and an enhanced level of transparency into, the means by which the Company's management operates the Company. Any non-GAAP measures should be considered in context with the GAAP financial presentation and should not be considered in isolation or as a substitute for GAAP net earnings, net earnings attributable to common shareholders, or any other measures derived in accordance with GAAP as measures of operating performance or liquidity. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures are provided within.

F&G - An Operating Segment of FNF
Financial Supplement - June 30, 2022
(All periods are unaudited)

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F&G - An Operating Segment of FNF
Financial Supplement - June 30, 2022
(All periods are unaudited)

Consolidated Financial Highlights

| | Three months ended | | | | | Six months ended | |
|---|--------------------|----------------|-------------------|--------------------|---------------|------------------|---------------|
| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| Select Income Statement Data: | | | | | | | |
| Net earnings attributable to common shareholders | 230 | 236 | 121 | 373 | 82 | 466 | 371 |
| Adjusted net earnings attributable to common shareholders ("Adjusted net earnings") (a) (c) | 128 | 82 | 90 | 101 | 92 | 210 | 170 |
| Select Metrics: | | | | | | | |
| Average assets under management ("AAUM") (a) | 39,306 | 37,459 | 35,699 | 32,692 | 30,423 | 38,351 | 29,722 |
| Assets under management ("AUM") (a) | 40,322 | 38,601 | 36,494 | 34,665 | 31,760 | 40,322 | 31,760 |
| Net investment spread (a) (d) | 2.62 % | 2.76 % | 2.78 % | 2.75 % | 2.85 % | 2.70 % | 2.65 % |
| Adjusted return on assets (a) (b) (c) | 1.10 % | 0.88 % | 1.13 % | 1.18 % | 1.14 % | 1.10 % | 1.14 % |

(a) Refer to "Non-GAAP Financial Measures Definitions"

(b) Adjusted return on assets is calculated on a year to date ("YTD") basis.

(c) Refer to page 7 "Notable Items" for further explanation of trends.

(d) Prior periods have been restated to reflect immaterial adjustments management identified in Q2 2022.

Sales Results by Product

| | Three months ended | | | | | Six months ended | |
|---|--------------------|-----------------|-------------------|--------------------|-----------------|------------------|-----------------|
| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| Sales (a) | | | | | | | |
| Fixed indexed annuities (FIA) | 1,114 | 962 | 1,055 | 1,073 | 1,135 | 2,076 | 2,182 |
| Fixed rate annuities (MYGA) | 1,087 | 473 | 301 | 458 | 512 | 1,560 | 979 |
| Total annuity | 2,201 | 1,435 | 1,356 | 1,531 | 1,647 | 3,636 | 3,161 |
| Indexed universal life (IUL) | 29 | 27 | 28 | 24 | 20 | 56 | 35 |
| Funding agreements (FABN/FHLB) | 843 | 600 | 35 | 1,150 | 1,000 | 1,443 | 1,125 |
| Pension risk transfer (PRT) | — | 527 | 776 | 371 | — | 527 | — |
| Total Gross Sales | 3,073 | 2,589 | 2,195 | 3,076 | 2,667 | 5,662 | 4,321 |
| Sales attributable to flow reinsurance to third parties | (544) | (236) | (151) | (229) | (255) | (780) | (489) |
| Total Net Sales | \$ 2,529 | \$ 2,353 | \$ 2,044 | \$ 2,847 | \$ 2,412 | \$ 4,882 | \$ 3,832 |

(a) Refer to "Non-GAAP Financial Measures Definitions."

F&G - An Operating Segment of FNF
Financial Supplement - June 30, 2022
(All periods are unaudited)

Condensed Consolidated Balance Sheets

| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 |
|---|------------------|-------------------|----------------------|-----------------------|------------------|
| Assets | | | | | |
| Investments: | | | | | |
| Fixed maturity securities available for sale, at fair value, net of allowance for credit losses of \$5 at June 30, 2022 | \$ 28,398 | \$ 29,478 | \$ 29,962 | \$ 28,550 | \$ 27,616 |
| Preferred securities, at fair value | 839 | 934 | 1,028 | 870 | 882 |
| Equity securities, at fair value | 119 | 139 | 143 | 156 | 176 |
| Derivative investments | 145 | 487 | 816 | 581 | 691 |
| Mortgage loans, net of allowance for credit losses of \$35 at June 30, 2022 | 4,437 | 4,217 | 3,749 | 3,484 | 2,794 |
| Investments in unconsolidated affiliates | 2,668 | 2,696 | 2,350 | 2,022 | 1,667 |
| Other long-term investments | 528 | 510 | 489 | 454 | 448 |
| Short-term investments | 823 | 387 | 373 | 258 | 356 |
| Total investments | <u>\$ 37,957</u> | <u>\$ 38,848</u> | <u>\$ 38,910</u> | <u>\$ 36,375</u> | <u>\$ 34,630</u> |
| Cash and cash equivalents | 992 | 1,168 | 1,533 | 2,320 | 1,016 |
| Trade and notes receivables | 3 | 3 | 3 | 11 | 11 |
| Reinsurance recoverable, net of allowance for credit losses of \$19 at June 30, 2022 (a) | 4,215 | 3,801 | 3,610 | 3,492 | 3,297 |
| Goodwill (a) | 1,756 | 1,756 | 1,756 | 1,756 | 1,756 |
| Prepaid expenses and other assets | 1,000 | 625 | 613 | 662 | 415 |
| Lease assets | 9 | 9 | 8 | 8 | 8 |
| Other intangible assets, net (a) | 3,143 | 2,699 | 2,234 | 2,086 | 2,060 |
| Property and equipment, net | 14 | 14 | 13 | 13 | 13 |
| Income taxes receivable | 64 | 46 | 50 | — | — |
| Deferred tax asset (a) | 473 | 142 | — | — | 51 |
| Total assets | <u>\$ 49,626</u> | <u>\$ 49,111</u> | <u>\$ 48,730</u> | <u>\$ 46,723</u> | <u>\$ 43,257</u> |

(a) These line items included adjustments that were recorded during the remeasurement period subsequent to the June 1, 2020 acquisition. The following adjustments were recorded as of the opening balance sheet at June 1, 2020 during the quarter ending June 30, 2021: Reinsurance recoverable, (\$289), Goodwill, \$5, Other intangible assets, net, \$61, and Deferred tax asset, \$1.

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Condensed Consolidated Balance Sheets (continued)

| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 |
|--|------------------|-------------------|----------------------|-----------------------|------------------|
| Liabilities and Shareholders' Equity | | | | | |
| Contractholder funds | \$ 37,707 | \$ 36,237 | \$ 35,525 | \$ 33,988 | \$ 32,166 |
| Future policy benefits (b) | 5,177 | 5,217 | 4,732 | 3,985 | 3,670 |
| Accounts payable and accrued liabilities (b) | 1,384 | 1,536 | 1,297 | 1,670 | 1,276 |
| Income taxes payable | — | — | — | 3 | 17 |
| Deferred tax liability | — | — | 24 | 9 | — |
| Notes payable | 573 | 975 | 977 | 979 | 589 |
| Funds withheld for reinsurance liabilities | 2,277 | 1,852 | 1,676 | 1,508 | 1,271 |
| Lease liabilities | 14 | 14 | 14 | 14 | 14 |
| Total liabilities | \$ 47,132 | \$ 45,831 | \$ 44,245 | \$ 42,156 | \$ 39,003 |
| Shareholders' equity: | | | | | |
| Additional paid-in-capital | 3,156 | 2,753 | 2,750 | 2,748 | 2,746 |
| Retained earnings | 1,468 | 1,238 | 1,001 | 880 | 507 |
| Accumulated other comprehensive (loss) income ("AOCI") | (2,130) | (711) | 734 | 939 | 1,001 |
| Total shareholders' equity | \$ 2,494 | \$ 3,280 | \$ 4,485 | \$ 4,567 | \$ 4,254 |
| Total liabilities and shareholders' equity | \$ 49,626 | \$ 49,111 | \$ 48,730 | \$ 46,723 | \$ 43,257 |

(b) These line items included adjustments that were recorded during the remeasurement period subsequent to the June 1, 2020 acquisition. The following adjustments were recorded as of the opening balance sheet at June 1, 2020 during the quarter ending June 30, 2021: Future policy benefits, (\$228), and Accounts payable and accrued liabilities, \$6.

Reconciliation of Total Shareholders' Equity to Total Shareholders' Equity Excluding AOCI

| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 |
|--|------------------|-------------------|----------------------|-----------------------|------------------|
| Total shareholders' equity | \$ 2,494 | \$ 3,280 | \$ 4,485 | \$ 4,567 | \$ 4,254 |
| Less: AOCI | (2,130) | (711) | 734 | 939 | 1,001 |
| Total shareholders' equity excluding AOCI (c) | \$ 4,624 | \$ 3,991 | \$ 3,751 | \$ 3,628 | \$ 3,253 |

(c) Refer to "Non-GAAP Financial Measures Definitions"

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Condensed Consolidated Statements of Earnings

| | Three months ended | | | | | Six months ended | |
|--|--------------------|-------------------|----------------------|-----------------------|------------------|------------------|------------------|
| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| Revenues: | | | | | | | |
| Life insurance premiums and other fees (a) | \$ 68 | \$ 594 | \$ 838 | \$ 431 | \$ 62 | \$ 662 | \$ 126 |
| Interest and investment income | 425 | 451 | 511 | 481 | 487 | 876 | 860 |
| Recognized gains and losses, net | (426) | (297) | 345 | 15 | 253 | (723) | 355 |
| Total revenues | 67 | 748 | 1,694 | 927 | 802 | 815 | 1,341 |
| Benefits and expenses: | | | | | | | |
| Benefits and other changes in policy reserves | (418) | 208 | 1,404 | 185 | 575 | (210) | 549 |
| Personnel costs | 34 | 30 | 36 | 32 | 32 | 64 | 61 |
| Other operating expenses | 31 | 18 | 29 | 22 | 26 | 49 | 54 |
| Depreciation and amortization | 121 | 143 | 65 | 210 | 65 | 264 | 209 |
| Interest expense | 9 | 8 | 8 | 6 | 7 | 17 | 15 |
| Total benefits and expenses | (223) | 407 | 1,542 | 455 | 705 | 184 | 888 |
| Pre-tax earnings | 290 | 341 | 152 | 472 | 97 | 631 | 453 |
| Income tax expense | (60) | (105) | (31) | (96) | (21) | (165) | (93) |
| Net earnings from continuing operations | 230 | 236 | 121 | 376 | 76 | 466 | 360 |
| (Loss) earnings from discontinued operations, net of tax | — | — | — | (3) | 6 | — | 11 |
| Net earnings attributable to common shareholders | \$ 230 | \$ 236 | \$ 121 | \$ 373 | \$ 82 | \$ 466 | \$ 371 |

(a) Included within "Escrow, title-related and other fees" in FNF 10-K/ 10-Q.

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Reconciliation from Net Earnings to Adjusted Net Earnings (a)

| | Three months ended | | | | | Six months ended | |
|---|--------------------|----------------|-------------------|--------------------|---------------|------------------|---------------|
| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| Net earnings from continuing operations | \$ 230 | \$ 236 | \$ 121 | \$ 376 | \$ 76 | \$ 466 | \$ 360 |
| Non-GAAP adjustments (a): | | | | | | | |
| Recognized (gains) and losses, net | 21 | (33) | (76) | (98) | (63) | (12) | (145) |
| Indexed product related derivatives | (159) | (168) | 32 | 26 | 75 | (327) | (110) |
| Purchase price amortization | 5 | 6 | 6 | 7 | 6 | 11 | 13 |
| Transaction costs | 4 | — | — | 1 | 2 | 4 | 4 |
| Other non-recurring items (b) | — | — | — | (284) | — | — | — |
| Income taxes on non-GAAP adjustments | 27 | 41 | 7 | 73 | (4) | 68 | 48 |
| Adjusted net earnings (a) | \$ 128 | \$ 82 | \$ 90 | \$ 101 | \$ 92 | \$ 210 | \$ 170 |

Notable Items

Each quarterly reporting period, we identify notable items that help explain the trends in our Adjusted net earnings as we believe these items provide further clarity to the financial performance of the business.

| | Three months ended | | | | | Six months ended | |
|---|--------------------|----------------|-------------------|--------------------|---------------|------------------|---------------|
| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| Adjusted net earnings (a) | \$ 128 | \$ 82 | \$ 90 | \$ 101 | \$ 92 | \$ 210 | \$ 170 |
| Notable items [(unfavorable)/favorable] | | | | | | | |
| Benefits and other changes in policy reserves (c) | 2 | 4 | (7) | 7 | 3 | 6 | 10 |
| Assumption review and unlocking (d) | 30 | — | — | — | 8 | 30 | 8 |
| Other notable items (e) | 4 | (20) | 10 | 20 | 11 | (16) | 16 |

(a) Refer to "Non-GAAP Financial Measures Definitions."

(b) Reflects adjustments to benefits and other changes in policy reserves and depreciation and amortization resulting from the implementation of a new actuarial valuation system.

(c) Reflects the after tax impact to adjusted net earnings for certain actuarial adjustments to benefits and other changes in policy reserves related to timing, volume and magnitude of experience, excluding assumption review and unlocking.

(d) Reflects unlocking from updating our SOP 03-1 reserves, DAC, VOBA, DSI and cost of reinsurance amortization models for actual experience and equity market fluctuations.

(e) Costs incurred during research and exploration of potential merger or acquisition of a business or a group of insurance policies via asset acquisition or (inforce) reinsurance agreement, income from bond prepayment and CLO redemptions, changes in tax valuation and other net activity.

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Adjusted Net Earnings Statement (a)

| | Three months ended | | | | | Six months ended | |
|---|--------------------|----------------|-------------------|--------------------|---------------|------------------|---------------|
| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| Revenues: | | | | | | | |
| Life insurance premiums and other fees (b) (i) | \$ 89 | \$ 593 | \$ 840 | \$ 430 | \$ 62 | \$ 682 | \$ 126 |
| Interest and investment income (c) | 463 | 448 | 431 | 381 | 377 | 911 | 710 |
| Recognized gains and losses, net (d) | — | — | — | — | — | — | — |
| Total revenues | 552 | 1,041 | 1,271 | 811 | 439 | 1,593 | 836 |
| Benefits and expenses: | | | | | | | |
| Benefits and other changes in policy reserves (e) (i) | 229 | 775 | 1,023 | 577 | 214 | 1,004 | 402 |
| Personnel costs | 35 | 30 | 36 | 32 | 32 | 65 | 61 |
| Other operating expenses (f) | 28 | 18 | 29 | 22 | 24 | 46 | 50 |
| Depreciation and amortization (g) | 91 | 64 | 61 | 49 | 46 | 155 | 94 |
| Interest expense | 9 | 8 | 9 | 6 | 7 | 17 | 15 |
| Total benefits and expenses | 392 | 895 | 1,158 | 686 | 323 | 1,287 | 622 |
| Pre-tax earnings | 160 | 146 | 113 | 125 | 116 | 306 | 214 |
| Income tax expense | (32) | (64) | (23) | (24) | (24) | (96) | (44) |
| Adjusted net earnings (a) | \$ 128 | \$ 82 | \$ 90 | \$ 101 | \$ 92 | \$ 210 | \$ 170 |
| Notable items included in Adjusted net earnings (h) | \$ 36 | \$ (16) | \$ 3 | \$ 27 | \$ 22 | \$ 20 | \$ 34 |

(a) Refer to "Non-GAAP Financial Measures Definitions."

(b) Life insurance premiums and other fees are included within "Escrow, title-related and other fees" in FNF 10-K/ 10-Q, and have been adjusted to remove primarily the impact of unearned revenue on the adjustments below.

(c) Interest and investment income has been adjusted to remove the market volatility on the alternative investment portfolio that differ from management's expectation of returns over the life of these assets.

(d) Recognized gains and losses (net) have been adjusted to remove the effect of recognized (gains) losses including changes in allowance for expected credit losses and OTTI; changes in fair values of indexed product related derivatives and embedded derivatives, net of hedging costs; and the change in fair value of the reinsurance related embedded derivative.

(e) Benefits and other changes in policy reserves has been adjusted to remove the effects of the changes in fair values of indexed product embedded derivatives, changes in allowance for expected credit losses on reinsurance recoverables, the fair value impacts of assumed reinsurance, those resulting from the implementation of a new actuarial system at September 30, 2021, and changes in the SOP 03-1 reserve resulting from the adjustments above, as applicable.

(f) Other operating expenses have been adjusted to remove the effects of transaction costs.

(g) Depreciation and amortization has been adjusted to remove the impact on DAC, VOBA, and DSI of the adjustments above, as applicable, purchase price amortization and those resulting from the implementation of a new actuarial valuation system at September 30, 2021.

(h) Refer to page 7 "Notable Items" for further detail of notable items.

(i) Includes premiums from agreements related to our new PRT business beginning in the three months ended September 30, 2021.

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Financial Strength Ratings

| | A.M. Best | S&P | Fitch | Moody's |
|---|------------------|----------------|--------------|----------------|
| Holding Company Ratings | | | | |
| F&G Annuities & Life, Inc. | | | | |
| Issuer Credit / Default Rating | Not Rated | BBB- | BBB | Ba2 |
| Outlook | | Stable | Stable | Positive |
| CF Bermuda Holdings Limited | | | | |
| Issuer Credit / Default Rating | Not Rated | BBB- | BBB | Ba1 |
| Outlook | | Stable | Stable | Positive |
| Fidelity & Guaranty Life Holdings, Inc. | | | | |
| Issuer Credit / Default Rating | bbb- | BBB- | BBB | Not Rated |
| Outlook | Stable | Stable | Stable | |
| Senior Unsecured Notes | bbb- | BBB | BBB | Baa2 |
| Outlook | Stable | | | Stable |
| Operating Subsidiary Ratings | | | | |
| Fidelity & Guaranty Life Insurance Company | | | | |
| Financial Strength Rating | A- | A- | A- | Baa1 |
| Outlook | Stable | Stable | Stable | Positive |
| Fidelity & Guaranty Life Insurance Company of New York | | | | |
| Financial Strength Rating | A- | A- | A- | Not Rated |
| Outlook | Stable | Stable | Stable | |
| F&G Life Re Ltd | | | | |
| Financial Strength Rating | Not Rated | A- | A- | Baa1 |
| Outlook | | Stable | Stable | Positive |
| F&G Cayman Re Ltd | | | | |
| Financial Strength Rating | Not Rated | Not Rated | A- | Not Rated |
| Outlook | | | Stable | |

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| | Total Product Net Investment Spread | | | | | Six months ended | |
|--|--|-----------------------|--------------------------|---------------------------|----------------------|-------------------------|----------------------|
| | Three months ended | | | | | June 30, 2022 | June 30, 2021 |
| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | | |
| Net investment income | \$ 425 | \$ 451 | \$ 511 | \$ 481 | \$ 487 | \$ 876 | \$ 860 |
| AAUM (a) | 39,306 | 37,459 | 35,699 | 32,692 | 30,423 | 38,351 | 29,722 |
| Yield on AAUM (a) | 4.32 % | 4.82 % | 5.73 % | 5.89 % | 6.40 % | 4.57 % | 5.79 % |
| Alternative investment yield adjustment (a) | 0.39 % | (0.04)% | (0.90)% | (1.23)% | (1.43)% | 0.18 % | (1.01)% |
| Adjusted Yield on AAUM (a) | 4.71 % | 4.78 % | 4.83 % | 4.66 % | 4.97 % | 4.75 % | 4.78 % |
| Interest credits (b) | \$ 94 | \$ 85 | \$ 84 | \$ 64 | \$ 73 | \$ 179 | \$ 147 |
| Option & futures costs (b) | 99 | 92 | 88 | 82 | 77 | 191 | 149 |
| Total interest credited and option costs (b) | \$ 193 | \$ 177 | \$ 172 | \$ 146 | \$ 150 | \$ 370 | \$ 296 |
| Average account value (b) | 37,009 | 35,247 | 33,601 | 30,562 | 28,273 | 36,110 | 27,762 |
| Interest credited & option cost (b) | 2.09 % | 2.02 % | 2.05 % | 1.91 % | 2.12 % | 2.05 % | 2.13 % |
| Net investment spread (a) (b) | 2.62 % | 2.76 % | 2.78 % | 2.75 % | 2.85 % | 2.70 % | 2.65 % |

(a) Refer to "Non-GAAP Financial Measures Definitions."

(b) Prior periods have been restated to reflect immaterial adjustments management identified in Q2 2022.

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| | FIA Net Investment Spread | | | | | Six months ended | |
|---|----------------------------------|-----------------------|--------------------------|---------------------------|----------------------|-------------------------|----------------------|
| | Three months ended | | | | | June 30, 2022 | June 30, 2021 |
| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | | |
| Net investment income (b) | \$ 290 | \$ 312 | \$ 366 | \$ 368 | \$ 377 | \$ 602 | \$ 653 |
| AAUM (a) | 24,704 | 23,717 | 22,824 | 22,146 | 20,896 | 24,275 | 20,551 |
| Yield on AAUM (a) (b) | 4.70 % | 5.27 % | 6.42 % | 6.65 % | 7.22 % | 4.96 % | 6.35 % |
| Alternative investment yield adjustment (a) | 0.44 % | (0.16) % | (1.19) % | (1.81) % | (2.20) % | 0.14 % | (1.52) % |
| Adjusted Yield on AAUM (a) (b) | 5.14 % | 5.11 % | 5.23 % | 4.84 % | 5.02 % | 5.10 % | 4.83 % |
| Interest credits | \$ 9 | \$ 9 | \$ 9 | \$ 2 | \$ 13 | \$ 18 | \$ 28 |
| Option & futures costs | 88 | 84 | 80 | 75 | 70 | 172 | 135 |
| Total interest credited and option costs | \$ 97 | \$ 93 | \$ 89 | \$ 77 | \$ 83 | \$ 190 | \$ 163 |
| Average account value | 22,888 | 22,244 | 21,513 | 20,680 | 19,842 | 22,571 | 19,443 |
| Interest credited & option cost | 1.70 % | 1.67 % | 1.65 % | 1.49 % | 1.67 % | 1.68 % | 1.68 % |
| Net investment spread (a) (b) | 3.44 % | 3.44 % | 3.58 % | 3.35 % | 3.35 % | 3.42 % | 3.15 % |

(a) Refer to "Non-GAAP Financial Measures Definitions."

(b) Prior periods have been restated to reflect immaterial adjustments management identified in Q2 2022.

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Assets Under Management Rollforward and Average Assets Under Management

| | Three months ended | | | | | Six months ended | |
|--|--------------------|----------------|-------------------|--------------------|---------------|------------------|---------------|
| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| AUM at beginning of period (a) | \$ 38,601 | \$ 36,494 | \$ 34,665 | \$ 31,760 | \$ 29,700 | \$ 36,494 | \$ 28,553 |
| Net new business asset flows | 2,271 | 2,223 | 2,050 | 2,747 | 2,327 | 4,494 | 3,596 |
| Net reinsurance and other transactions | (550) | (116) | (221) | 158 | (267) | (666) | (389) |
| AUM at end of period (a) | \$ 40,322 | \$ 38,601 | \$ 36,494 | \$ 34,665 | \$ 31,760 | \$ 40,322 | \$ 31,760 |
| AAUM (a) | \$ 39,306 | \$ 37,459 | \$ 35,699 | \$ 32,692 | \$ 30,423 | \$ 38,351 | \$ 29,722 |

Annuity Account Balance Rollforward (b)

| | Three months ended | | | | | Six months ended | |
|---|--------------------|----------------|-------------------|--------------------|---------------|------------------|---------------|
| | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| Account balances at beginning of period: | \$ 27,331 | \$ 26,673 | \$ 25,662 | \$ 24,774 | \$ 23,803 | \$ 26,673 | \$ 22,992 |
| Net deposits | 1,673 | 1,073 | 1,321 | 1,311 | 1,390 | 2,746 | 2,655 |
| Surrenders, withdrawals, deaths, etc. | (596) | (539) | (517) | (625) | (628) | (1,135) | (1,213) |
| Net flows | 1,077 | 534 | 804 | 686 | 762 | 1,611 | 1,442 |
| Premium and interest bonuses | 21 | 22 | 23 | 20 | 21 | 43 | 39 |
| Fixed interest credited and index credits | 91 | 142 | 226 | 217 | 225 | 233 | 373 |
| Guaranteed product rider fees | (42) | (40) | (42) | (35) | (37) | (82) | (72) |
| Account balance at end of period | \$ 28,478 | \$ 27,331 | \$ 26,673 | \$ 25,662 | \$ 24,774 | \$ 28,478 | \$ 24,774 |

(a) Refer to "Non-GAAP Financial Measures Definitions."

(b) The rollforward reflects the vested account balance of our fixed index annuities and fixed rate annuities, net of reinsurance.

Annuity Liability Characteristics

| | Fixed Annuities Account Value | Fixed Index Annuities Account Value |
|---|--|--|
| | June 30, 2022 | |
| <u>SURRENDER CHARGE PERCENTAGES:</u> | | |
| No surrender charge | \$ 338 | \$ 2,631 |
| 0.0% < 2.0% | 20 | 119 |
| 2.0% < 4.0% | 41 | 856 |
| 4.0% < 6.0% | 832 | 2,226 |
| 6.0% < 8.0% | 1,484 | 3,627 |
| 8.0% < 10.0% | 2,543 | 8,248 |
| 10.0% or greater | — | 5,513 |
| | <u>\$ 5,258</u> | <u>\$ 23,220</u> |

| | Fixed Annuities Account Value | Fixed Index Annuities Account Value |
|---|--|--|
| | June 30, 2022 | |
| <u>CREDITED RATE (INCLUDING BONUS INTEREST) VS. ULTIMATE MINIMUM GUARANTEED RATE DIFFERENTIAL:</u> | | |
| No differential | \$ 543 | \$ 1,393 |
| 0.0% - 1.0% | 621 | 1,126 |
| 1.0% - 2.0% | 1,719 | 12 |
| 2.0% - 3.0% | 2,283 | — |
| 3.0% - 4.0% | 92 | — |
| Allocated to index strategies | — | 20,689 |
| | <u>\$ 5,258</u> | <u>\$ 23,220</u> |

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Summary of Invested Assets by Asset Class

| | June 30, 2022 | | | December 31, 2021 | | |
|--|------------------|------------------|--------------|-------------------|------------------|--------------|
| | Amortized Cost | Fair Value | Percent | Amortized Cost | Fair Value | Percent |
| Fixed maturity securities, available for sale: | | | | | | |
| United States Government full faith and credit | \$ 214 | \$ 212 | 1 % | \$ 50 | \$ 50 | — % |
| United States Government sponsored entities | 52 | 50 | — % | 74 | 74 | — % |
| United States municipalities, states and territories | 1,428 | 1,253 | 3 % | 1,386 | 1,441 | 4 % |
| Foreign Governments | 186 | 153 | 1 % | 197 | 205 | 1 % |
| Corporate securities: | | | | | | |
| Finance, insurance and real estate | 5,484 | 4,834 | 13 % | 4,881 | 5,109 | 13 % |
| Manufacturing, construction and mining | 884 | 746 | 2 % | 880 | 932 | 2 % |
| Utilities, energy and related sectors | 2,857 | 2,335 | 6 % | 2,881 | 2,987 | 8 % |
| Wholesale/retail trade | 2,520 | 2,059 | 5 % | 2,503 | 2,627 | 7 % |
| Services, media and other | 3,304 | 2,674 | 7 % | 3,227 | 3,349 | 8 % |
| Hybrid securities | 801 | 743 | 2 % | 812 | 881 | 2 % |
| Non-agency residential mortgage-backed securities | 917 | 845 | 2 % | 648 | 648 | 2 % |
| Commercial mortgage-backed securities | 3,116 | 3,046 | 8 % | 2,669 | 2,964 | 7 % |
| Asset-backed securities | 5,644 | 5,319 | 14 % | 4,514 | 4,550 | 12 % |
| CLO securities | 4,321 | 4,129 | 11 % | 4,002 | 4,145 | 11 % |
| Total fixed maturity securities, available for sale | \$ 31,728 | \$ 28,398 | 75 % | \$ 28,724 | \$ 29,962 | 77 % |
| Equity securities | 1,099 | 958 | 3 % | 1,135 | 1,171 | 3 % |
| Alternative investments: | | | | | | |
| Private equity | 1,351 | 1,351 | 4 % | 1,181 | 1,181 | 3 % |
| Real assets | 388 | 381 | 1 % | 339 | 340 | 1 % |
| Credit | 936 | 936 | 2 % | 829 | 829 | 2 % |
| Commercial mortgage loans | 2,315 | 2,119 | 6 % | 2,168 | 2,265 | 6 % |
| Residential mortgage loans | 2,122 | 1,971 | 5 % | 1,581 | 1,549 | 4 % |
| Other (primarily derivatives and company owned life insurance) | 587 | 673 | 2 % | 971 | 1,305 | 3 % |
| Short term investments | 822 | 823 | 2 % | 373 | 373 | 1 % |
| Total (a) | \$ 41,348 | \$ 37,610 | 100 % | \$ 37,301 | \$ 38,975 | 100 % |

(a) Asset duration of 5.4 years and 6.4 years vs. liability duration of 5.7 years and 7.1 years for the periods ending June 30, 2022 and December 31, 2021, respectively.

Credit Quality of Fixed Maturity Securities

| NAIC Designation | June 30, 2022 | |
|------------------|------------------|--------------|
| | Fair Value | Percent |
| 1 | \$ 16,033 | 56 % |
| 2 | 10,121 | 36 % |
| 3 | 1,571 | 6 % |
| 4 | 532 | 2 % |
| 5 | 80 | — % |
| 6 | 61 | — % |
| | <u>\$ 28,398</u> | <u>100 %</u> |

| Rating Agency Rating | June 30, 2022 | |
|------------------------------|------------------|--------------|
| | Fair Value | Percent |
| AAA | \$ 989 | 3 % |
| AA | 1,990 | 7 % |
| A | 7,092 | 25 % |
| BBB | 8,519 | 30 % |
| Not rated | 7,796 | 28 % |
| Total investment grade | <u>26,386</u> | <u>93 %</u> |
| BB | 1,049 | 4 % |
| B and below | 362 | 1 % |
| Not rated | 601 | 2 % |
| Total below investment grade | <u>2,012</u> | <u>7 %</u> |
| | <u>\$ 28,398</u> | <u>100 %</u> |

Summary of Residential Mortgage Backed Securities by Collateral Type and NAIC Designation

| Total by collateral type | June 30, 2022 | |
|--------------------------|----------------|---------------|
| | Amortized Cost | Fair Value |
| Government Agency | \$ 52 | \$ 50 |
| Prime | 800 | 736 |
| Subprime | 49 | 46 |
| Alt-A | 68 | 62 |
| | <u>\$ 969</u> | <u>\$ 894</u> |

| Total by NAIC designation | June 30, 2022 | |
|---------------------------|----------------|---------------|
| | Amortized Cost | Fair Value |
| 1 | \$ 944 | \$ 871 |
| 2 | 16 | 15 |
| 3 | 4 | 3 |
| 4 | 4 | 4 |
| 5 | 1 | 1 |
| | <u>\$ 969</u> | <u>\$ 894</u> |

Top 5 Reinsurers

| Parent Company/Principal Reinsurers | Reinsurance Recoverable (a) | June 30, 2022 | | | |
|-------------------------------------|-----------------------------|---------------------------|-----------|-----------|-----------|
| | | Financial Strength Rating | | | |
| | | AM Best | S&P | Fitch | Moody's |
| Aspida Life Re Ltd | \$ 1,651 | A- | not rated | not rated | not rated |
| Wilton Re | 1,259 | A+ | not rated | A+ | not rated |
| Somerset Reinsurance Ltd | 626 | A- | BBB+ | not rated | not rated |
| London Life Reinsurance Co. | 101 | A+ | not rated | not rated | not rated |
| Security Life of Denver | 99 | not rated | A- | A- | Baa1 |

(a) Reinsurance recoverables do not include unearned ceded premiums that would be recovered in the event of early termination of certain traditional life policies.

Non-GAAP Financial Measures Definitions

The following represents the definitions of non-GAAP measures used by F&G, as an operating segment of FNF:

Adjusted Net Earnings Attributable to Common Shareholders (Adjusted Net Earnings)

Adjusted net earnings is a non-GAAP economic measure we use to evaluate financial performance each period. Adjusted net earnings is calculated by adjusting net earnings (loss) from continuing operations attributable to common shareholders to eliminate:

- (i) Recognized (gains) and losses, net: the impact of net investment gains/losses, including changes in allowance for expected credit losses and other than temporary impairment ("OTTI") losses, recognized in operations; the impact of market volatility on the alternative asset portfolio that differ from management's expectation of returns over the life of these assets; and the effect of changes in fair value of the reinsurance related embedded derivative;
- (ii) Indexed product related derivatives: the impacts related to changes in the fair value, including both realized and unrealized gains and losses, of index product related derivatives and embedded derivatives, net of hedging cost;
- (iii) Purchase price amortization: the impacts related to the amortization of certain intangibles (internally developed software, trademarks and value of distribution asset ("VODA")) recognized as a result of acquisition activities;
- (iv) Transaction costs: the impacts related to acquisition, integration and merger related items; and
- (v) Other "non-recurring", "infrequent" or "unusual items": Management excludes certain items determined to be "non-recurring", "infrequent" or "unusual" from adjusted net earnings when incurred if it is determined these expenses are not a reflection of the core business and when the nature of the item is such that it is not reasonably likely to recur within two years and/or there was not a similar item in the preceding two years.

Adjustments to adjusted net earnings are net of the corresponding impact on amortization of intangibles, as appropriate. The income tax impact related to these adjustments is measured using an effective tax rate, as appropriate by tax jurisdiction. While these adjustments are an integral part of the overall performance of F&G, market conditions and/or the non-operating nature of these items can overshadow the underlying performance of the core business. Accordingly, management considers this to be a useful measure internally and to investors and analysts in analyzing the trends of our operations. Adjusted net earnings should not be used as a substitute for net earnings (loss). However, we believe the adjustments made to net earnings (loss) in order to derive adjusted net earnings provide an understanding of our overall results of operations.

Total Shareholders' Equity Excluding AOCI

Total Shareholders' Equity Excluding AOCI is based on Total Shareholders' Equity excluding the effect of AOCI. Since AOCI fluctuates from quarter to quarter due to unrealized changes in the fair value of available for sale investments, Management considers this non-GAAP financial measure to provide useful supplemental information internally and to investors and analysts assessing the level of earned equity on Total Shareholders' Equity.

Assets Under Management (AUM)

AUM is calculated as the sum of:

- (i) total invested assets at amortized cost, excluding derivatives, net of reinsurance qualifying for risk transfer in accordance with GAAP;
- (ii) related party loans and investments;
- (iii) accrued investment income;
- (iv) the net payable/receivable for the purchase/sale of investments, and
- (v) cash and cash equivalents excluding derivative collateral at the beginning of the period and the end of each month in the period, divided by the total number of months in the period plus one.

Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing the rate of return on assets available for reinvestment.

Non-GAAP Financial Measures Definitions (continued)

Average Assets Under Management (AAUM)

AAUM is calculated as AUM at the beginning of the period and the end of each month in the period, divided by the total number of months in the period plus one.

Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing the rate of return on assets available for reinvestment.

Yield on AAUM

Yield on AAUM is calculated by dividing annualized net investment income by AAUM. Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing the level of return earned on AAUM.

Alternative Investment Yield Adjustment

Alternative investment yield adjustment is the current period yield impact of market volatility on the alternative investment portfolio that differ from management's expectation of returns over the life of these assets. Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing the level of return earned on AAUM.

Adjusted Yield on AAUM

Adjusted Yield on AAUM is calculated by dividing annualized net investment income by AAUM, plus or minus the alternative investment yield adjustment. Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing the level of return earned on AAUM.

Net Investment Spread

Net investment spread is the excess of net investment income, adjusted for market volatility on the alternative asset investment portfolio, earned over the sum of interest credited to policyholders and the cost of hedging our risk on indexed product policies. Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing the performance of the Company's invested assets against the level of investment return provided to policyholders, inclusive of hedging costs.

Adjusted Return on Assets

Adjusted Return on Assets is calculated by dividing annualized adjusted net earnings by year-to-date AAUM. Management considers this non-GAAP financial measure to be useful internally and to investors and analysts when assessing financial performance and profitability earned on AAUM.

Sales

Annuity, IUL, funding agreement and non-life contingent PRT sales are not derived from any specific GAAP income statement accounts or line items and should not be viewed as a substitute for any financial measure determined in accordance with GAAP. Sales from these products are recorded as deposit liabilities (i.e. contractholder funds) within the Company's consolidated financial statements in accordance with GAAP. Life contingent PRT sales are recorded as premiums in revenues within the consolidated financial statements. Management believes that presentation of sales, as measured for management purposes, enhances the understanding of our business and helps depict longer term trends that may not be apparent in the results of operations due to the timing of sales and revenue recognition.