Products issued by:
National Life Insurance Company  Life Insurance Company of the Southwest

National Life Group® is a trade name of National Life Insurance Company, founded in Montpelier, VT in 1848, Life Insurance Company of the Southwest, Addison, TX, chartered in 1955, and their affiliates. Each company of National Life Group is solely responsible for its own financial condition and contractual obligations. Life Insurance Company of the Southwest is not an authorized insurer in New York and does not conduct insurance business in New York. This presentation may not be recorded, copied, transmitted or otherwise disseminated without the express written permission of National Life Group.
National Life Group - Who We Are

Mission driven since 1848 with a Middle America focus

Our Vision
To bring peace of mind to everyone we touch

Our Mission
Keeping our promises

Our Values
Do Good. Be Good. Make Good.

Our Financial Goals
Top line growth, bottom line performance and capital strength
Focused on Main Street

Middle America remains our core market

- Serving families with household income of $75,000-$150,000
- Leader in the K-12 individual 403(b) marketplace
- Building a strong presence in multicultural markets
- Complete set of solutions for small business owners
We’re an Industry Leader

Our mission, strategy, and execution continue to receive industry recognition

#1 Provider of Indexed Annuities in Employer Plans and Longest Standing Issuer*

#2 in Indexed Universal Life Sales**
up from #3 in 2013

#12 in Life Sales**
up from #25 in 2013

One of the fastest growing life insurance companies over the last five years, with
Life Sales growth of 106% compared to industry growth of 11% ***

Based on consolidated financial results of all National Life Group companies.
**LIMRA US Retail Individual Life Insurance Sales Participant Report, 4Q2018
***LIMRA Sales Rankings, 4Q2018; Among all reporting life insurance companies from 2013 – 2018
Our Distribution Model is Unique

Long term distribution relationships are key to our success

Whatever the Language…
Simple Sells

Focused on our customers’ needs

Recruiting younger and more diversified distribution

Long term loyalty of our independent channel provides career-like benefits

Policies and contracts are only available in English.
We’ve Grown Sales, Earnings and Capital

Balancing top line growth, bottom line performance and capital strength

A decade of historic growth 2008 – 2018

Approximately doubled life and annuity sales to $556M

More than doubled statutory capital to $2.35B in 2018

Doubled Core Earnings to $225M

Over 85% growth in total customers served
We’re Growing the Right Way

Continuing to reach new records

<table>
<thead>
<tr>
<th>Record</th>
<th>Value</th>
<th>Change</th>
<th>Over 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory Capital</td>
<td>$2.35B</td>
<td>Up 6%</td>
<td>$2.35B</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$31B</td>
<td>Up 4%</td>
<td>$31B</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$28B</td>
<td></td>
<td>$28B</td>
</tr>
<tr>
<td>Total Recurring Premium</td>
<td>$1.48B</td>
<td>Up 15%</td>
<td>$1.48B</td>
</tr>
<tr>
<td>Total Customers Served</td>
<td>856,597</td>
<td>Up 9%</td>
<td>856,597</td>
</tr>
</tbody>
</table>

(excluding bond unrealized gains/losses)
2018 Core Earnings reflect strong and stable results in a year of record sales growth. Costs of growth included:

- Interest expense on $350M 5.25% surplus note issuance in 2018
- Additional commission and premium taxes on 30% growth in life sales

*Core Earnings is a non-GAAP, pre-tax measure we use to evaluate our financial performance. It excludes capital gains/losses and accounting volatility related to our indexed life and annuity products. We believe Core earnings is a useful measure to analyze our results and trends because it excludes such short-term volatility and is more consistent with the economics and long-term performance of our indexed products.
Investment Portfolio

Reduced risk in balance sheet, with greater allocation to highly rated securities

Asset Allocation

$26.4* billion

- Cash and Equivalents
- Corporate Bonds
- Mortgage Backed Securities
- Municipal Bonds
- Private Placements
- Governments
- Commercial Mortgage Loans
- Limited Partnerships
- Other**

Large, diversified portfolio

Primarily corporate bonds, mortgage-backed securities and commercial mortgage loans

Over 95% of rated fixed income securities are NAIC 1 or 2

*Based on a GAAP consolidated basis as of 12/31/2018 based on consolidated financial results of NLV Financial Corporation and Subsidiaries, which include National Life Insurance Company (NLIC) and Life Insurance Company of the Southwest (LSW). NLIC’s cash and invested assets on a statutory basis as of 12/31/18: $8.2B

** Other includes Housing Credits, Policy Loans, Derivatives, Unaffiliated Corporate Stock, and Real Estate.
Maintaining Capital Strength

Building statutory capital through a period of 11% CAGR in sales

Statutory Total Adjusted Capital*

<table>
<thead>
<tr>
<th>Millions</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>$800</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1,200</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1,400</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1,600</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1,800</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$2,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$2,200</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$2,400</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TAC exceeds $2.35 billion, up 34% since 2014

Capital levels remain strong while growing sales at 11% CAGR

Capital initiatives support our growing book of business

- Reinsurance transactions
- Manage investments with a focus on capital efficiency

*Total Adjusted Capital (TAC) includes statutory capital and surplus, plus statutory valuation reserves (AVR) and ½ dividends apportioned for payment. Based on financial results of National Life Insurance Company (NLIC) on a statutory basis.
Financial Strength Ratings

Strong and stable Financial Strength Ratings

- **A.M. Best**: A (Excellent)
  Third highest out of 16 ranking

- **Standard & Poor’s**: A+ (Strong)
  Fifth highest of 21 rankings

- **Moody’s**: A2 (Good)
  Sixth highest of 21 rankings

- Financial Strength ratings for National Life Insurance Company and Life Insurance Company of the Southwest
- Ratings are current as of December 31, 2018 and are subject to change
National Life Group Foundation
Doubled its funding to $2 million in 2018

Life Changer of the Year is a national program that recognizes outstanding educators

Our Employees Spread the Good
We provide 40 hours annually to each employee for volunteer work
We matched employees’ charitable contributions of $250,000 in our 2018 Share the Good campaign

Doing Good defines everything we do
National Life Group in Summary

Balancing top line growth, bottom line performance and capital strength

Proven track record
- 170 years of operating history, and paying dividends for 163 years

An industry leading life insurer
- #1 provider of indexed annuities in employer-sponsored plans
- #2 provider of indexed universal life (“IUL”)
- 12th largest US life insurer by total life sales

Strong balance sheet
- Maintaining strong statutory capital despite record top-line growth
- Strong, stable financial strength ratings

Robust growth
- Significant growth in sales, earnings and statutory capital over the past 10 years
Financial Update

Notes:

1 Core Earnings is a group only non-GAAP measure. Financial figures based on consolidated financial results of NLV Financial Corporation and Subsidiaries, which include National Life Insurance Company (NLIC) and Life Insurance Company of the Southwest (LSW). Results for NLIC separately as of 12/31/18: Life sales $55M and Annuity Sales $3M.

2 Total Adjusted Capital for National Life Insurance Company as of 12/31/18.

3 Based on consolidated results of NLV Financial Corporation and Subsidiaries, which include National Life Group (NLG) companies as of 12/31/18, and stated on a GAAP accounting basis excluding bond unrealized gains and losses. Statutory basis financial figures for National Life Insurance Company only: Assets $9.5B, Liabilities $7.4B, Reserves $3.3B and Surplus $2.1B.

4 Life and Annuity Total Recurring Premium of $1.48B is for NLIC and LSW combined. Life and Annuity statutory basis Total Recurring Premium for NLIC only is $0.4B.

5 Core Return on Equity is a group only non-GAAP measure.