



Second Quarter 2023

Financial and operating results for the period
ended June 30, 2023

July 31, 2023

Unless otherwise specified, comparisons in this
presentation are between 2Q22 and 2Q23.



Important Legal Information

Forward-Looking Statements

Certain statements made in this presentation should be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These include statements about future results of operations and capital plans. We caution investors that these forward-looking statements are not guarantees of future performance, and actual results may differ materially. Investors should consider the important risks and uncertainties that may cause actual results to differ, including those included in our press release issued on July 31, 2023, our Quarterly Reports on Form 10-Q, our Annual Report on Form 10-K and other filings we make with the Securities and Exchange Commission. We assume no obligation to update this presentation, which speaks as of today's date.

Non-GAAP Measures

This presentation contains financial measures that differ from the comparable measures under Generally Accepted Accounting Principles (GAAP). Reconciliations between those non-GAAP measures and the comparable GAAP measures are included in the Appendix, or on the page such measure is presented.

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

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

Adoption of New Accounting Standard

Effective January 1, 2023, we adopted ASU 2018-12 related to targeted improvements to the accounting for long-duration insurance contracts. Concurrent with the adoption of the new guidance, we updated the method of determining non-operating earnings for our fixed indexed annuities to better identify the volatile non-economic accounting impacts of that line of business. As a result of the adoption of the new guidance and methodology, certain historical amounts have changed. Our quarterly financial supplement – 4Q22 as recast to reflect the new standard is available in the “Investors – Financials – Quarterly Earnings” section of CNO’s website, CNOinc.com.



Quarter in Review

Continued sales momentum, solid net investment income, strong capital position

Strong Operational Results

- Operating EPS¹ of \$0.54
- Total NAP up 11%, balanced sales benefiting from diversified distribution and growing agent counts
- Strong recruiting and retention driving producing agent count (“PAC”) growth
 - Consumer Division up 8%
 - Worksite Division up 32%
- Higher new money rates driving continued improvement in investment yield allocated to products; VII improved sequentially
- Elevated health claims expected to moderate in 2H23

Disciplined Execution

- Capital & liquidity improved from 1Q23 and remain above target levels
- High-quality investment portfolio producing stable core returns
- Returned \$47 million to shareholders
- Book value per diluted share excluding AOCI¹ was \$32.34

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

Growth Scorecard

Strong Life and Health NAP results, client assets up on improved market conditions

(dollars in millions)

	2022				2023		% Change
	2Q	3Q	4Q	FY	1Q	2Q	Y/Y
<i>New Annualized Premiums¹</i>							
Life	\$51.4	\$45.1	\$40.8	\$193.1	\$57.1	\$55.6	8.2%
Health	37.4	42.2	49.9	164.3	39.5	43.1	15.2%
Total Life and Health	\$88.8	\$87.3	\$90.7	\$357.4	\$96.6	\$98.7	11.1%
<i>Collected Premiums</i>							
Life	\$229.2	\$226.4	\$229.5	\$911.8	\$234.6	\$236.6	3.2%
Health	398.4	399.0	402.1	1,608.4	404.9	389.3	-2.3%
Total Life and Health	\$627.6	\$625.4	\$631.6	\$2,520.2	\$639.5	\$625.9	-0.3%
<i>Annuity Collected Premiums</i>	\$435.0	\$370.0	\$431.0	\$1,604.6	\$370.9	\$401.8	-7.6%
<i>Client Assets in BD and Advisory²</i>	\$2,562.1	\$2,453.3	\$2,636.7	\$2,636.7	\$2,610.1	\$2,928.1	14.3%
<i>Fee Revenue³</i>	\$31.1	\$30.6	\$67.3	\$169.3	\$51.3	\$29.4	-5.5%

1 Measured as 100% of new life and health annualized premiums, except for single premium whole life deposits, which are measured at 10% of annualized premium.

2 Client assets include cash and securities in brokerage, broker/dealer customer account assets custodied directly at fund companies and insurance carriers, and assets under management in advisory accounts.

3 Represents fee revenue from the sales of third-party insurance products; services provided by WBD; fee revenue earned by Optavise (formerly known as DirectPath prior to its name change in April 2022); fees generated by our broker-dealer and registered investment advisor.

Consumer Division Update

Life and Health NAP benefiting from continued strong productivity and growth in agent counts

Strong Operational Results

- Total Life and Health NAP up 9%
- Life NAP up 7%, field Life sales up 20%
 - One-third of field Life sales derived from D2C generated leads
- Health NAP up 12%, Medicare Supplement up 29%, Supp Health up 12%
- Third highest quarter of annuity sales
- Annuity account value up 4%

Disciplined Execution

- PAC up 8%, second consecutive quarter of YoY growth
- Recruiting up 27%, fourth consecutive quarter of YoY growth
- Registered agent¹ count up 3%
- Agent retention and productivity remain strong
- Implemented automated underwriting on Simplified Issue Life products

¹ Registered agents are dually licensed as insurance agents and financial representatives who can buy and sell securities for clients, and/or investment advisors who can provide ongoing investment advice for clients.

Worksite Division Update

Insurance sales back to pre-pandemic levels, fifth consecutive quarter of PAC growth

Strong Operational Results

- Life and Health NAP up 31%
- Strong retention of existing employer customers
- Stable employee persistency and premium collection

Disciplined Execution

- PAC up 32%, first-year agent counts up 94%
- Strong first-year agent productivity up 64%
- Agent referral program driving growth in PAC
- Results benefiting from new broker relationships
- Successful launch of refreshed accident product

Financial Highlights

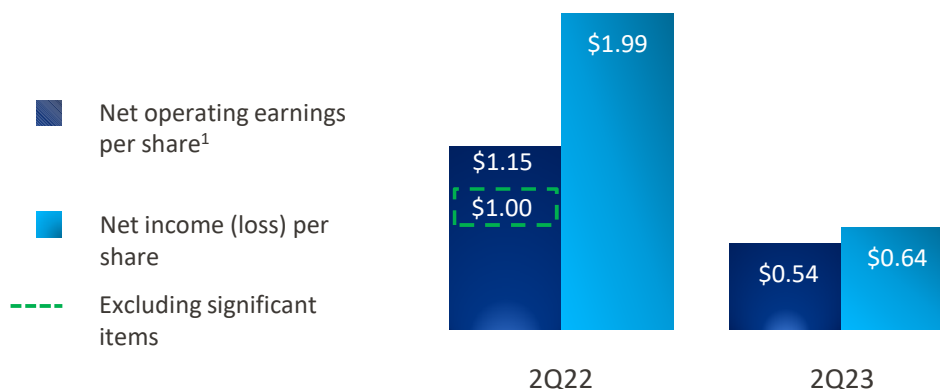
Favorable impacts from NII allocated to products offset by VII and Health claims

Second Quarter 2023

- 2Q23 Operating EPS¹ excl. significant items of \$0.54, vs. \$1.00 in 2Q22
- Favorable impacts (expected to persist)
 - Net investment income allocated to products benefiting from:
 - Higher NMR
 - Growth in the business
 - Expense discipline
- Offsetting impacts (expected to moderate)
 - VII above expectations in 2Q22 and below expectations in 2Q23, driven by alternative investments and call/prepayment activity
 - Elevated Health claims in LTC and Med Supp
 - Favorable LDTI impact on Trad Life margin in 2Q22
- Solid free cash flow generation
- Strong capital position
- \$30 million of share repurchases
- Operating ROE¹, as adjusted, of 8.0%

Earnings Results

(dollars in millions, except where noted)



Net operating income ¹	\$135.1	\$62.3
Net operating income excluding significant items ¹	\$117.7	\$62.3
Net income	\$233.3	\$73.7
Weighted average shares outstanding (in millions)	117.3	115.6

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

Insurance Product Margin

Margins impacted by elevated Health claims in the current period, which are expected to moderate, and favorable life benefits in the prior period

(dollars in millions)

Insurance Product Margin Excluding Significant Items¹

	2Q22	3Q22	4Q22	1Q23	2Q23
Annuity	\$60.1	\$60.1	\$54.0	\$57.3	\$57.1
Fixed indexed annuities	\$48.4	\$48.9	\$44.5	\$46.5	\$47.6
Fixed interest annuities	\$7.9	\$8.2	\$7.8	\$9.1	\$8.7
Other annuities	\$3.8	\$3.0	\$1.7	\$1.7	\$0.8
Health	\$125.4	\$123.3	\$122.1	\$116.5	\$108.2
Supplemental health	\$56.0	\$58.5	\$58.4	\$63.3	\$59.9
Medicare supplement	\$39.8	\$38.7	\$37.9	\$26.1	\$32.3
Long-term care	\$29.6	\$26.1	\$25.8	\$27.1	\$16.0
Life	\$70.2	\$55.7	\$57.7	\$47.4	\$57.9
Interest sensitive life	\$23.4	\$17.6	\$22.6	\$22.8	\$24.1
Traditional life	\$46.8	\$38.1	\$35.1	\$24.6	\$33.8
Total Margin	\$255.7	\$239.1	\$233.8	\$221.2	\$223.2

¹ Excludes \$3.2 million unfavorable annuity unlocking, \$18.3 million favorable health unlocking and \$14.4 million unfavorable life unlocking in 4Q22. See the Appendix for a reconciliation to the corresponding GAAP measure.

2Q 2023 Highlights

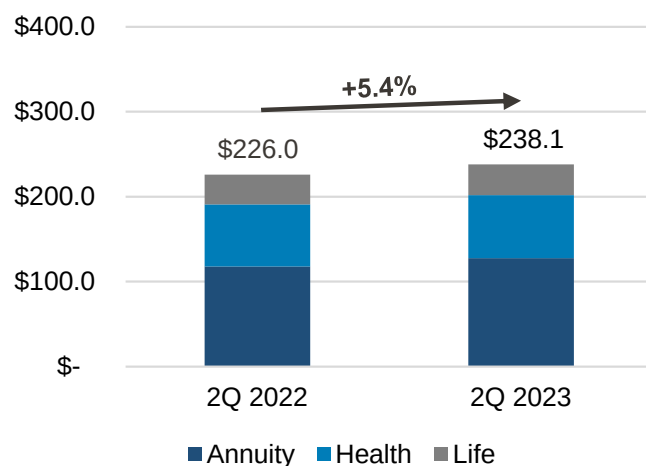
- Annuity margin
 - Favorable mortality in other annuities in 2Q22
- Health margin
 - LTC – unfavorable claims experience
 - Med Supp – runoff of legacy block and unfavorable claims experience
- Life margin
 - Trad Life – \$10 million favorable LDTI impact in the prior period; advertising expense up

Investment Results

Improving NII allocated to products due to strong NMR; lower but improved VII trend

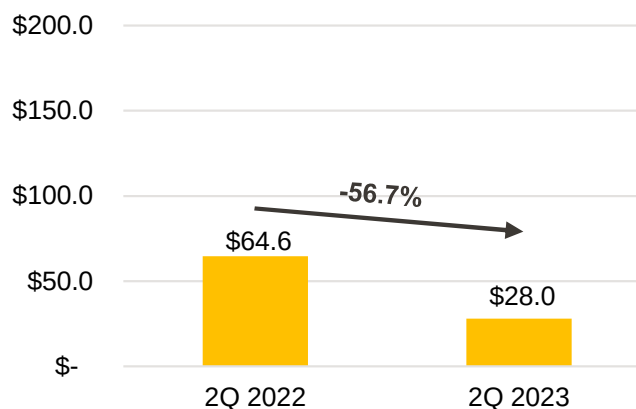
(dollars in millions)

Investment Income Allocated to Product Lines



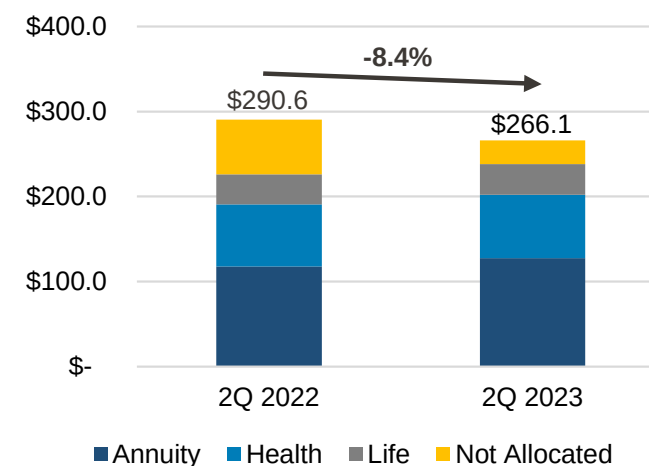
- Average yield on allocated investments of 4.65% vs. 4.54% in 2Q22
- Average net insurance liabilities² up 2.9% YoY

Investment Income Not Allocated to Product Lines



- Investment income not allocated to product lines down \$37 million
 - YoY lower alternative and call/prepayment income
 - Results improved sequentially
 - Continued favorable FHLB and FABN results

Total Net Investment Income¹



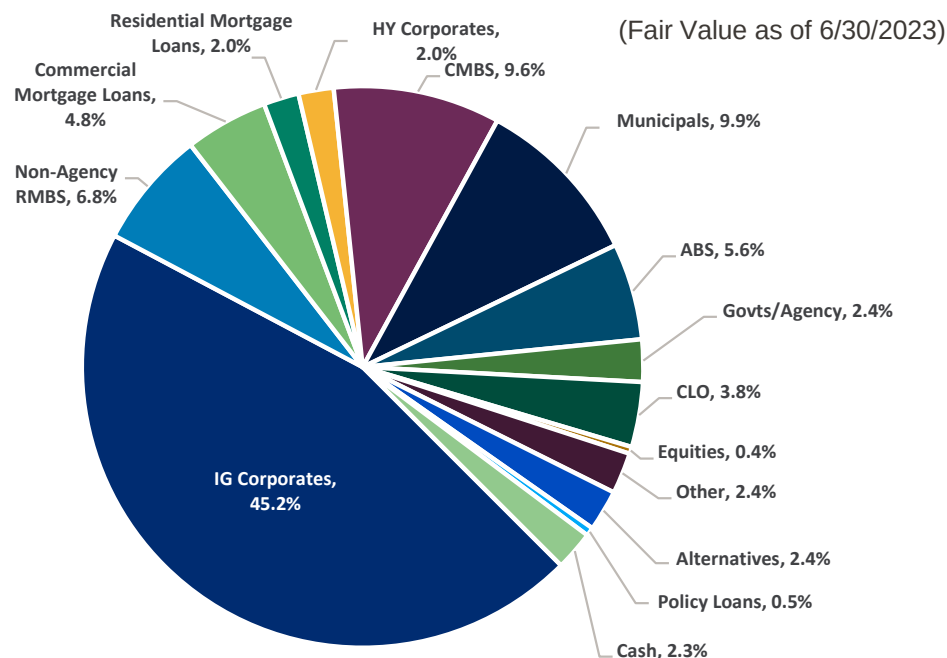
- New money rate of 6.32%, compared to 6.34% in 1Q23
- Average book value of invested assets up 3.6% YoY; 4th consecutive quarter of book yield increase
- Earned yield of 4.41% vs. 4.22% in 1Q23, and 4.35% in 4Q22

¹ Reflects sum of allocated and non-allocated investment income. Refer to pages 15-18 of the financial supplement for more information on the components of net investment income.
² Net insurance liabilities for the purpose of allocating investment income to product lines are equal to: (i) policyholder account balances for annuity products; (ii) total reserves before the fair value adjustments reflected in accumulated other comprehensive income (loss), if applicable, for all other products; less (iii) amounts related to reinsurance business; (iv) deferred acquisition costs; (v) the present value of future profits; and (vi) the value of unexpired options credited to insurance liabilities.

Portfolio Composition

High-quality portfolio performing as expected, continued up-in-quality bias

\$25 Billion of Invested Assets



General Approach

- Positioned for relatively stable performance across credit cycles
- Focus on quality - margin against adverse development
- Calibrated allocation to risk asset categories – specific boundaries on the amount of high-risk assets we will own
- Low impairments through multiple cycles
- Embedded asset liability management
- Opportunistic investments protect/grow book yield and core earnings power

Highlights

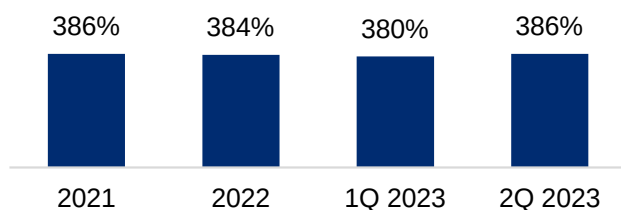
- High degree of liquidity: 60% of portfolio in corporate and government bonds
- Up-in-quality positioning over past 12 months
 - “BBB” allocation reduced by 330 bps in the last 12 months
 - “A” and better allocation increased by 470 bps in the last 12 months
- Strong credit risk profile
 - Capital efficient: 97% rated NAIC 1 or 2
 - Portfolio average rating A
 - Significant credit enhancement in structured products including CMBS
 - Diversified commercial and residential mortgage allocation. No commercial mortgage loan delinquencies
 - Alternative investments emphasizing consistent cash flows as a source of return

Capital and Liquidity Overview

Capital and liquidity remain above target levels

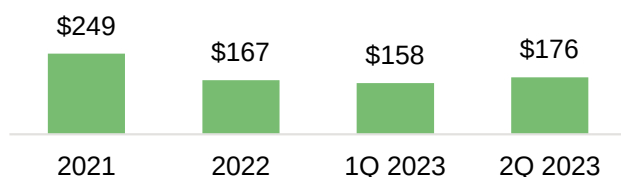
(dollars in millions)

Consolidated Risk Based Capital (RBC) Ratio¹



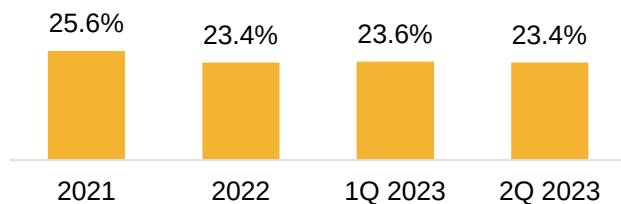
- Target consolidated RBC ratio of approximately 375%
- RBC variability expected in periods of market volatility

Holding Company Liquidity



- Target minimum holding company liquidity of \$150 million
- Liquidity backstopped by \$250 million undrawn revolver
- No outstanding debt maturities until 2025

Debt to Capital²



- Target leverage of 25 - 28%
- Debt covenant ceiling of 35%
- \$311 million in debt capacity to top of target leverage range

1 The ratio of the combined capital of the insurance companies to the minimum amount of capital appropriate to support the overall business operations, as determined based on the methodology developed by the National Association of Insurance Commissioners.

2 Excluding accumulated other comprehensive income (loss) (a non-GAAP measure). See the Appendix for a reconciliation to the corresponding GAAP measure.

2023 Outlook¹



Earnings

- EPS range of \$2.65 - \$2.85
- 19.0 – 19.4% expense ratio
- 23.0 – 24.0% effective tax rate



Free Cash Flow / Excess Capital

- 375% consolidated RBC ratio target
- Target leverage of 25.0% – 28.0%
- \$180mm – \$200mm of excess cash flow to holdco assuming current capital and reinsurance structure
- Bermuda captive discussions ongoing

¹Excluding significant items.

Investment Highlights



Exclusive focus on
underserved middle
market



Favorable
demographic
tailwinds



Diverse and
integrated "last mile"
virtual & in-person model



Sustainable
growth initiatives
in place



Strong balance sheet
and solid free cash flow
generation

Questions and Answers

Excess Capital Allocation Strategy

Disciplined and opportunistic approach to maximize shareholder value



Organic investments to sustain and grow the core businesses

- Agent pilots, technology-driven customer experience enhancements
- Hybrid distribution
- Worksite B2B marketing, lead generation



Return capital to shareholders

- Share repurchases: \$30 million in 2Q23
- Dividends: \$17 million in 2Q23



Opportunistic transactions

- Highly selective M&A
- CNO Ventures; strategic minority investments largely in InsurTech
- LTC reinsurance (2018), Web Benefits Design (2019), DirectPath (2021)

Cash Flow Profile

(dollars in millions)

	For the Quarter		Trailing Twelve Months	
	2Q22	2Q23	2Q22	2Q23
Net Operating Income ¹	\$ 135.1	\$ 62.3	\$ 410.8	\$ 281.7
Holding Company Cash Flows:				
Dividends from Subsidiaries	\$ 31.7	\$ 59.0	\$ 260.7	\$ 148.6
Management Fees	29.0	29.6	120.7	121.6
Surplus Debenture Interest	12.1	16.6	55.4	67.2
Earnings on Corporate Investments	1.5	3.3	6.8	13.7
Other	9.4	12.5	(2.4)	3.7
Holding Company Sources of Cash²	83.7	121.0	441.2	354.8
Holding Company Expenses and Other	(30.3)	(11.6)	(94.9)	(98.0)
Tax Payments	-	(15.3)	(36.4)	(29.9)
Interest Payments	(28.3)	(28.3)	(60.8)	(60.8)
Excess Cash Flow to Holding Company²	25.1	65.8	249.1	166.1
Share Repurchases	(60.0)	(29.7)	(380.0)	(64.2)
Dividend Payments to Stockholders	(16.5)	(17.5)	(64.6)	(66.7)
Net Change in Holding Company Cash and Investments	(51.4)	18.6	(195.5)	35.2
Cash and Investments, Beginning of Period	192.3	157.5	336.4	140.9
Cash and Investments, End of Period	\$ 140.9	\$ 176.1	\$ 140.9	\$ 176.1

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

2 Cash flows exclude acquisitions, dividend payments, stock repurchases, and financing transactions.

Appendix 1: Quarter in Review

Strong Operational Performance

- Broker-Dealer/Registered Investment Advisor Slide 19
- Exclusive Agent Counts Slide 20

Building on Strong Track Record of Execution

- New Money Rate Walk Slide 21
- New Money Summary Slide 22
- Commercial Mortgage Loans Slide 23
- Commercial Mortgage-Backed Securities Slide 24
- Long-Term Care Insurance Slide 25
- Tax Asset Summary Slide 26

Broker-Dealer/Registered Investment Advisor

Account values up 14% YoY; \$2.9 billion in client assets

(dollars in millions)

		2022			2023	
		2Q	3Q	4Q	1Q	2Q
Net New Client Assets in Brokerage and Advisory ¹	Brokerage	\$ (10.5)	\$ (17.9)	\$ (9.2)	\$ 7.9	\$ (4.2)
	Advisory	24.2	32.9	31.8	54.2	41.8
	Total	\$ 13.7	\$ 15.0	\$ 22.6	\$ 62.1	\$ 37.6
Client Assets in Brokerage and Advisory ¹ at end of period	Brokerage	\$ 1,492.2	\$ 1,412.8	\$ 1,495.5	\$ 1,563.5	\$ 1,626.1
	Advisory	1,069.9	1,040.5	1,141.2	1,046.6	1,302.0
	Total	\$ 2,562.1	\$ 2,453.3	\$ 2,636.7	\$ 2,610.1	\$ 2,928.1

1 Client assets include cash and securities in brokerage, broker/dealer customer account assets custodied directly at fund companies and insurance carriers, and assets under management in advisory accounts. Prior periods have been restated to conform with current presentation.

Bankers Life is the marketing brand of various affiliated companies of CNO Financial Group including, Bankers Life and Casualty Company, Bankers Life Securities, Inc., and Bankers Life Advisory Services, Inc. Non-affiliated insurance products are offered through Bankers Life General Agency, Inc. (dba BL General Insurance Agency, Inc., AK, AL, CA, NV, PA). Agents who are financial advisors are registered with Bankers Life Securities, Inc.

Securities and variable annuity products and services are offered by Bankers Life Securities, Inc. Member FINRA/SIPC, (dba BL Securities, Inc., AL, GA, IA, IL, MI, NV, PA). Advisory products and services are offered by Bankers Life Advisory Services, Inc. SEC Registered Investment Adviser (dba BL Advisory Services, Inc., AL, GA, IA, MT, NV, PA). Home Office: 111 East Wacker Drive, Suite 1900, Chicago, IL 60601

Exclusive Agent Counts

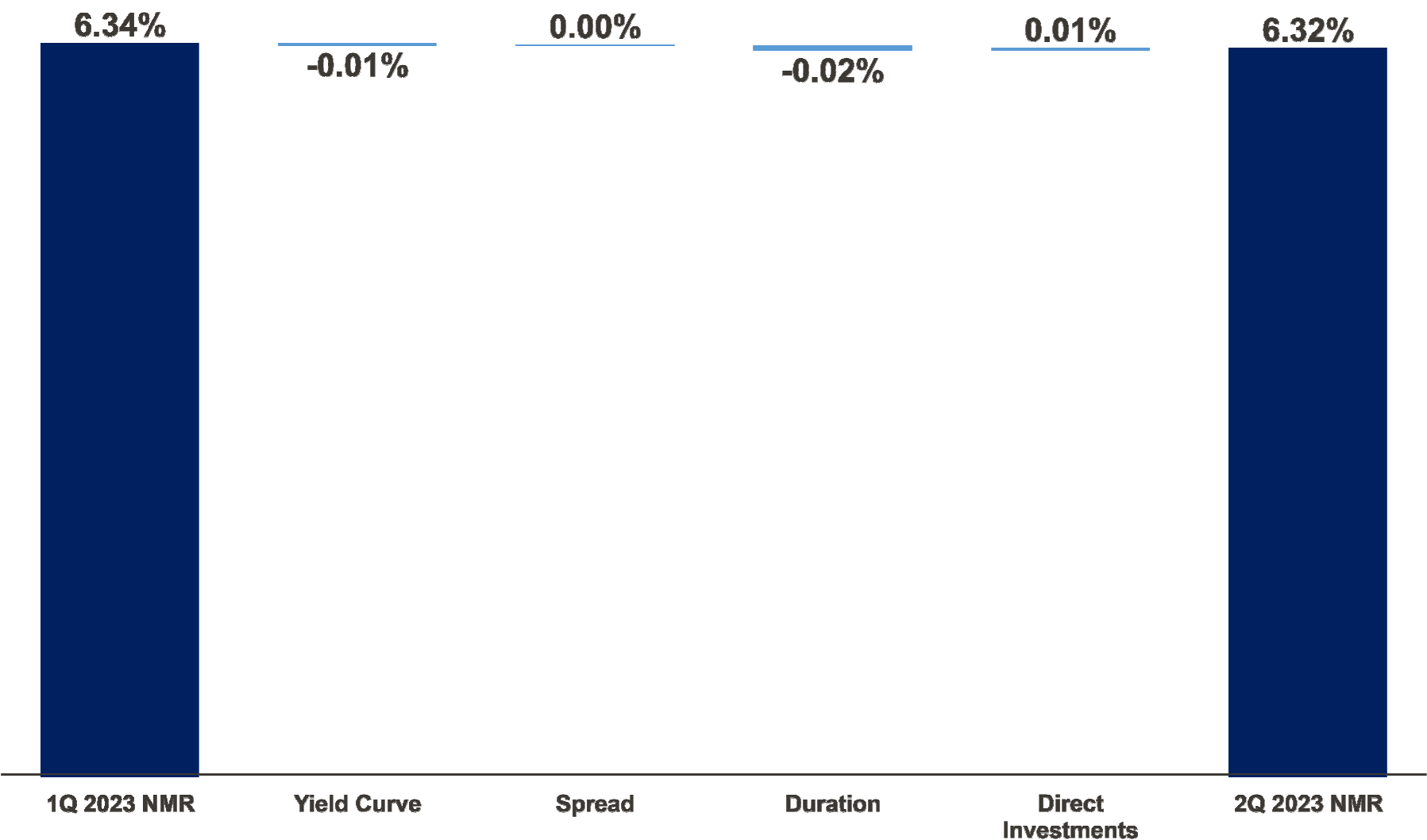
PAC growth across both divisions a result of successful recruiting strategies and a softening labor market

	2022			2023		% Change	% Change
	2Q	3Q	4Q	1Q	2Q	vs. 1Q23	vs. 2Q22
<u>Consumer</u>							
Producing Field Agents ^{1,3}	3,968	3,913	3,882	3,985	4,279	7.4%	7.8%
Registered Agents ^{2,3}	676	688	695	695	695	0.0%	2.8%
<u>Worksite</u>							
Producing Field Agents ^{1,3}	234	258	275	288	310	7.6%	32.5%

- 1 Producing agents represent the monthly average of exclusive agents that have submitted at least one policy in the month.
- 2 Registered agents are dually licensed as insurance agents and financial representatives who can buy and sell securities for clients, and/or investment advisors who can provide ongoing investment advice for clients.
- 3 Agent and representative counts represent the average of the last 3 months.

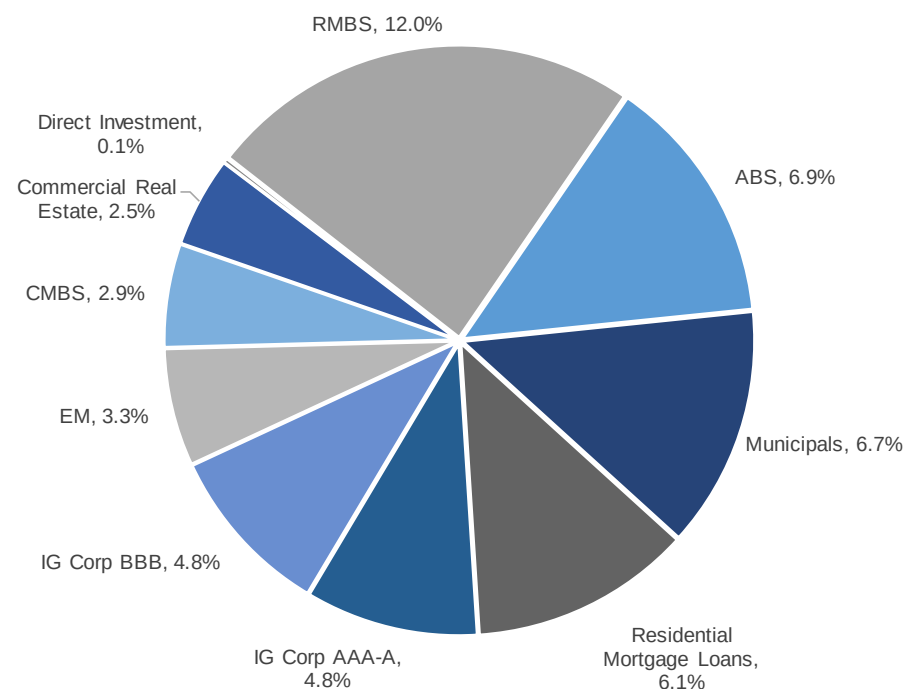
New Money Rate Walk

Flat NMR reflects peaking interest rates



New Money Summary

Strategically harvesting rising market yields, in the context of up-in-quality strategy



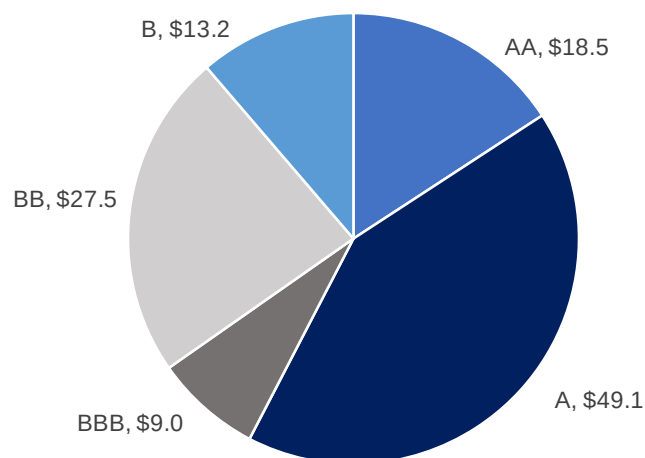
2Q General Account New Money Purchases

	\$	%	GAAP YTM	Duration
RMBS	141.7	24.0	5.63%	5.34
ABS	81.5	13.8	7.11%	3.75
Municipals	78.9	13.4	5.51%	12.02
Residential Mortgage Loans	72.3	12.2	7.00%	7.00
IG Corp AAA-A	56.5	9.6	6.14%	6.05
IG Corp BBB	56.2	9.5	6.09%	8.05
EM	38.4	6.5	5.57%	9.07
CMBS	33.8	5.7	6.05%	3.63
Commercial Real Estate	29.5	5.0	9.93%	1.82
Direct Investment	1.5	0.3	6.80%	7.54
Total	590.2	100%	6.32%	6.52

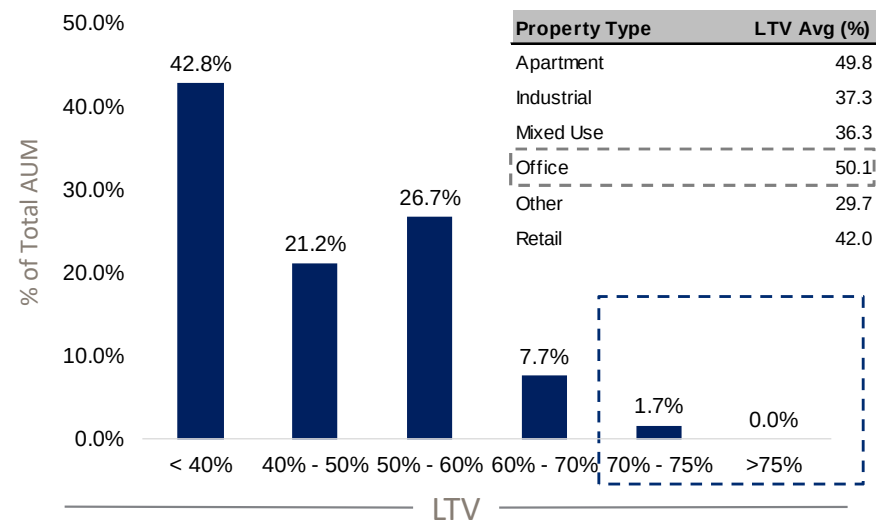
Commercial Mortgage Loans

(dollars in millions)

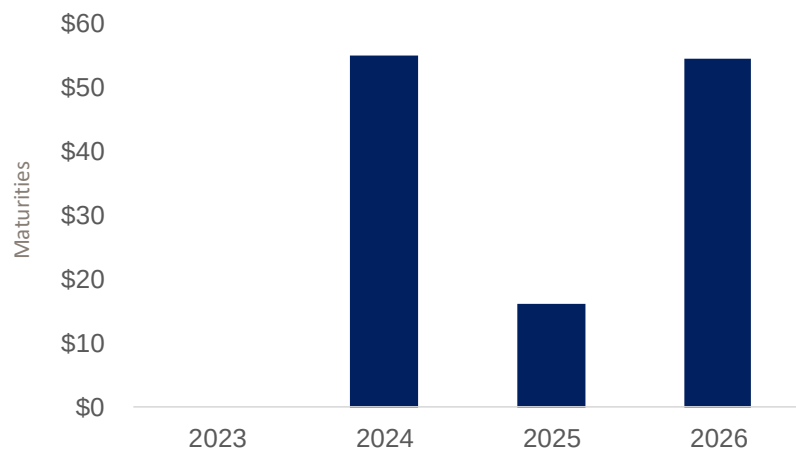
Our CRE loan portfolio emphasizes lower risk sectors



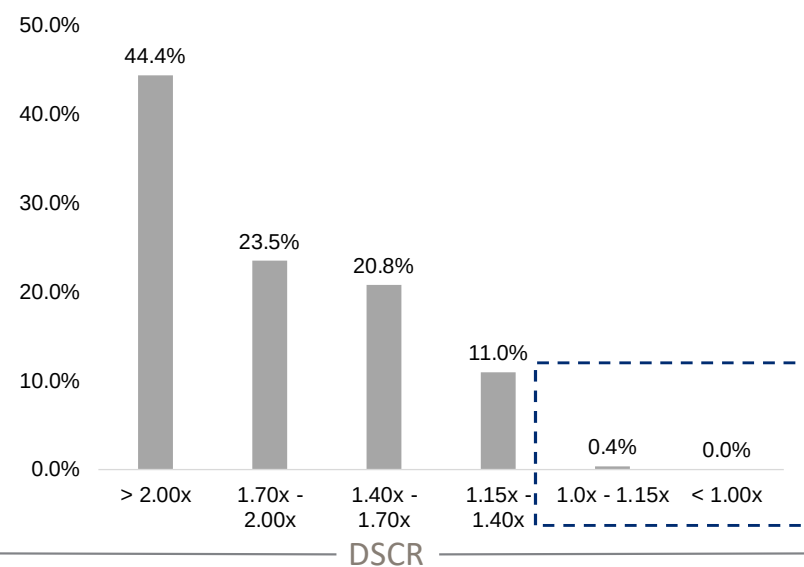
Our CRE loan portfolio is conservatively margined with cushion for adverse development



Our CRE loan portfolio is not significantly exposed to 2023 and 2024 maturity default risk



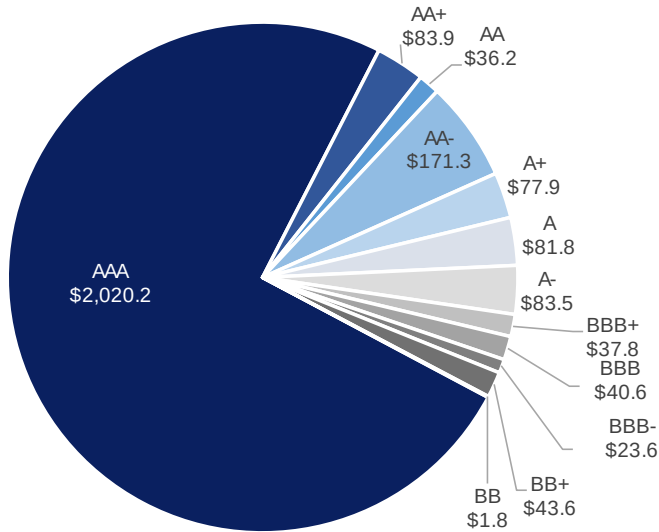
Borrowers are substantially all stabilized properties



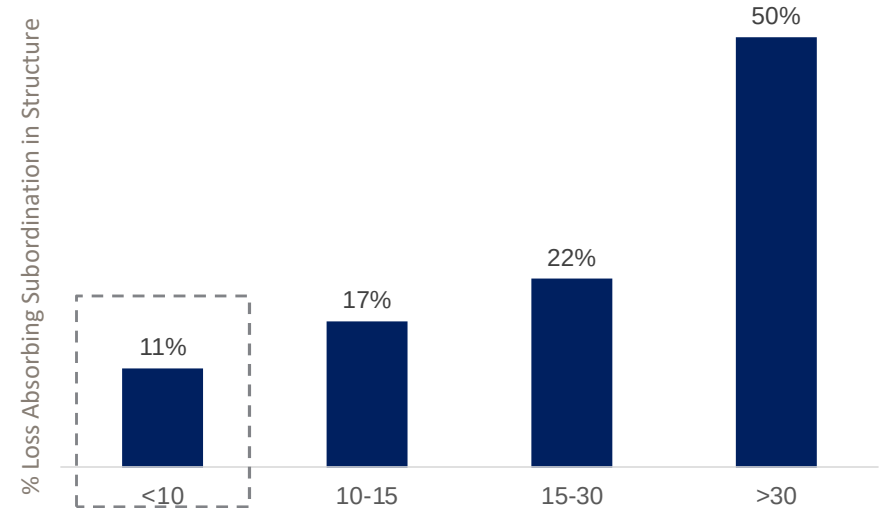
Commercial Mortgage-Backed Securities

(dollars in millions)

Our CMBS allocation is highly rated - 91% AAA/AA/A categories

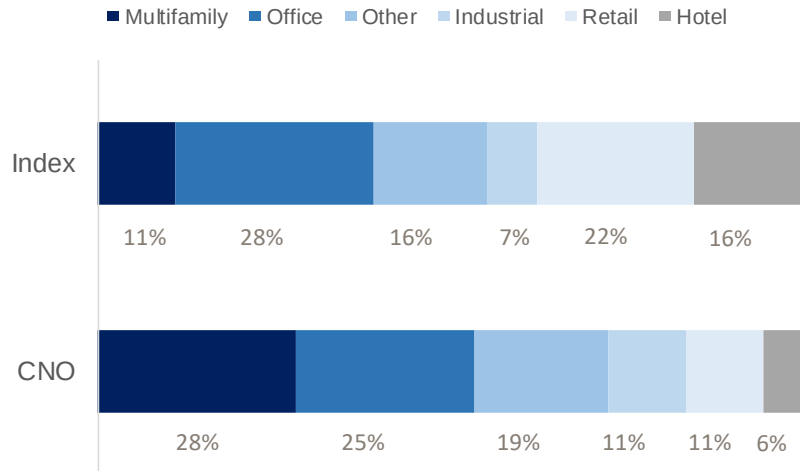


Our CMBS investments have significant structural cushion for collateral losses

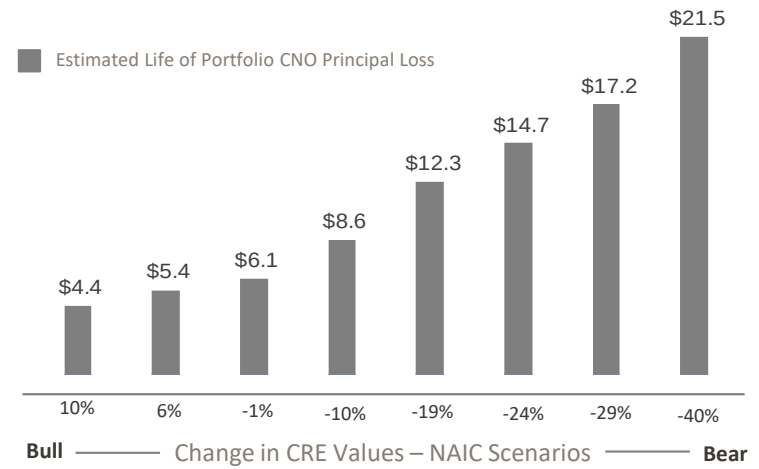


Market consistent estimates of collateral losses range from lows of 4% to highs of 8%. 2023 Fed stress test CRE loss rate of 9%.

Our CMBS allocation is tilted toward lower risk property types



Our holdings have limited loss content in severe scenarios



89% of our CMBS investments are considered 'no-loss' in 2022 NAIC scenario testing

Source: NAIC Loss Scenario

Long-Term Care Insurance

Highly differentiated inforce block; prudently managed

New sales (~\$25 million annually) focused on short duration products

- 98% of new sales for policies with 2 years or less in benefits
- Average benefit period of 11 months
- New business 25% reinsured since 2008

Reserve assumptions informed by historical experience

- No morbidity improvement
- No mortality improvement
- Minimal future rate increases

Favorable economic profile

- Total LTC is just 13.1% of overall CNO insurance liabilities
- Downside risk significantly reduced after 2018 reinsurance transaction
- Average maximum benefit at issuance is \$161 per day for inforce block

Block Highlights

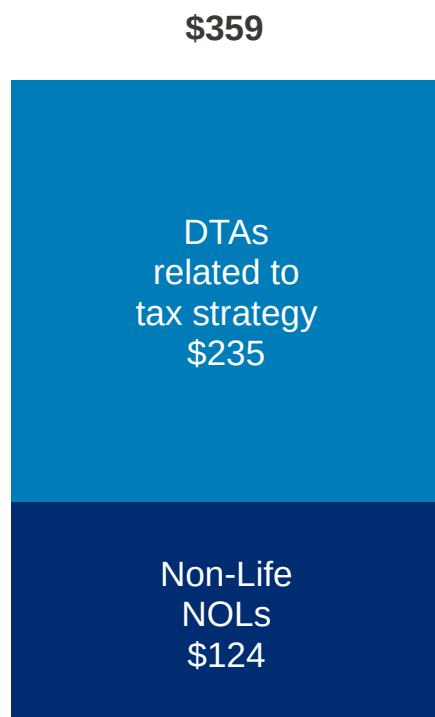
- Less than 25% of policies have inflation benefits
- 2.4% of policies have lifetime benefits and the average non-lifetime benefit period is ~1.5 years
- Average attained age is 74.7 years

Tax Asset Summary as of June 30, 2023

\$359 million/\$3.11 per diluted share value of NOLs and DTAs related to tax strategy

Value of NOLs and deferred tax assets (DTAs) related to tax strategy

(dollars in millions)



Details

- Total estimated economic value of tax assets related to our NOLs and tax strategy of approximately \$216 million @ 10% discount rate (\$1.88 on a per share basis).
- Life NOLs have been fully utilized. Non-life NOLs are expected to offset 100% of non-life taxable income and 35% of life taxable income through 2023.

Appendix 2: Financial Exhibits

Non-GAAP Financial Measures

Slides 28 - 43

4Q22 Significant Items

The table below summarizes the financial impact of significant items on our 4Q22 net operating income. Management believes that identifying the impact of these items enhances the understanding of our operating results.

(dollars in millions, except per-share amounts)

	Three months ended December 31, 2022		
	Actual results	Significant items	Excluding significant items
Insurance product margin			
Annuity	\$ 50.8	\$ 3.2 (1)	\$ 54.0
Health	140.4	(18.3) (1)	122.1
Life	43.3	14.4 (1)	57.7
Total insurance product margin	234.5	(0.7)	233.8
Allocated expenses	(149.1)	-	(149.1)
Income from insurance products	85.4	(0.7)	84.7
Fee income	9.2	-	9.2
Investment income not allocated to product lines	25.2	-	25.2
Expenses not allocated to product lines	(12.8)	-	(12.8)
Operating earnings before taxes	107.0	(0.7)	106.3
Income tax expense on operating income	(24.1)	0.2	(23.9)
Net operating income (2)	<u>\$ 82.9</u>	<u>\$ (0.5)</u>	<u>82.4</u>
Net operating income per diluted share (2)	<u>\$ 0.71</u>	<u>\$ -</u>	<u>\$ 0.71</u>

(1) Adjustments arising from our comprehensive annual actuarial review of assumptions.

(2) A non-GAAP measure. See pages 32 and 34 for a reconciliation to the corresponding GAAP measure.

2Q22 Significant Items

The table below summarizes the financial impact of significant items on our 2Q22 net operating income. Management believes that identifying the impact of these items enhances the understanding of our operating results.

(dollars in millions, except per-share amounts)

	Three months ended June 30, 2022		
	Actual results	Significant items	Excluding significant items
Insurance product margin			
Annuity	\$ 60.1	\$ -	\$ 60.1
Health	125.4	-	125.4
Life	70.2	-	70.2
Total insurance product margin	255.7	-	255.7
Allocated expenses	(152.2)	-	(152.2)
Income from insurance products	103.5	-	103.5
Fee income	3.2	-	3.2
Investment income not allocated to product lines	64.6	-	64.6
Expenses not allocated to product lines	2.9	(22.5) (1)	(19.6)
Operating earnings before taxes	174.2	(22.5)	151.7
Income tax (expense) benefit on operating income	(39.1)	5.1	(34.0)
Net operating income (2)	<u>\$ 135.1</u>	<u>\$ (17.4)</u>	<u>117.7</u>
Net operating income per diluted share (2)	<u>\$ 1.15</u>	<u>\$ (0.15)</u>	<u>\$ 1.00</u>

(1) Comprised of an experience refund of \$22.5 million related to a reinsurance agreement.

(2) A non-GAAP measure. See pages 32 and 34 for a reconciliation to the corresponding GAAP measure.

4Q21 Significant Items

The table below summarizes the financial impact of significant items on our 4Q21 net operating income. Management believes that identifying the impact of these items enhances the understanding of our operating results.

(dollars in millions, except per-share amounts)

	Three months ended December 31, 2021		
	Actual results	Significant items	Excluding significant items
Insurance product margin			
Annuity	\$ 65.6	\$ 0.7 (1)	\$ 66.3
Health	126.2	(7.1) (1)	119.1
Life	53.4	3.4 (1)	56.8
Total insurance product margin	245.2	(3.0)	242.2
Allocated expenses	(143.3)	-	(143.3)
Income from insurance products	101.9	(3.0)	98.9
Fee income	2.9	-	2.9
Investment income not allocated to product lines	44.4	-	44.4
Expenses not allocated to product lines	(17.4)	-	(17.4)
Operating earnings before taxes	131.8	(3.0)	128.8
Income tax (expense) benefit on operating income	(28.7)	0.7	(28.0)
Net operating income (2)	<u>\$ 103.1</u>	<u>\$ (2.3)</u>	<u>100.8</u>
Net operating income per diluted share (2)	<u>\$ 0.83</u>	<u>\$ (0.02)</u>	<u>\$ 0.81</u>

(1) Adjustments arising from our comprehensive annual actuarial review of assumptions.

(2) A non-GAAP measure. See pages 32 and 34 for a reconciliation to the corresponding GAAP measure.

3Q21 Significant Items

The table below summarizes the financial impact of significant items on our 3Q21 net operating income. Management believes that identifying the impact of these items enhances the understanding of our operating results.

(dollars in millions, except per-share amounts)

	Three months ended September 30, 2021		
	Actual results	Significant items	Excluding significant items
Insurance product margin			
Annuity	\$ 58.5	\$ -	\$ 58.5
Health	122.8	-	122.8
Life	60.8	-	60.8
Total insurance product margin	242.1	-	242.1
Allocated expenses	(140.5)	-	(140.5)
Income from insurance products	101.6	-	101.6
Fee income	2.6	-	2.6
Investment income not allocated to product lines	51.9	-	51.9
Expenses not allocated to product lines	(17.3)	3.0 (1)	(14.3)
Operating earnings before taxes	138.8	3.0	141.8
Income tax expense on operating income	(30.7)	(0.7)	(31.4)
Net operating income (2)	<u>\$ 108.1</u>	<u>\$ 2.3</u>	<u>110.4</u>
Net operating income per diluted share (2)	<u>\$ 0.84</u>	<u>\$ 0.02</u>	<u>\$ 0.86</u>

(1) Comprised of \$3.0 million from legal and regulatory matters.

(2) A non-GAAP measure. See pages 32 and 34 for a reconciliation to the corresponding GAAP measure.

Quarterly Earnings

(dollars in millions)

	2Q22	3Q22	4Q22	1Q23	2Q23
Insurance product margin					
Annuity	\$ 60.1	\$ 60.1	\$ 50.8	\$ 57.3	\$ 57.1
Health	125.4	123.3	140.4	116.5	108.2
Life	70.2	55.7	43.3	47.4	57.9
Total insurance product margin	255.7	239.1	234.5	221.2	223.2
Allocated expenses	(152.2)	(150.5)	(149.1)	(157.5)	(149.5)
Income from insurance products	103.5	88.6	85.4	63.7	73.7
Fee income	3.2	1.4	9.2	15.5	0.6
Investment income not allocated to product lines	64.6	27.1	25.2	15.5	28.0
Expenses not allocated to product lines	2.9	(16.1)	(12.8)	(18.3)	(21.1)
Operating earnings before taxes	174.2	101.0	107.0	76.4	81.2
Income tax expense on operating income	(39.1)	(23.1)	(24.1)	(17.8)	(18.9)
Net operating income*	135.1	77.9	82.9	58.6	62.3
Net realized investment gains (losses) from sales, impairments and change in allowance for credit losses	(27.1)	(0.7)	(27.2)	(12.7)	(31.3)
Net change in market value of investments recognized in earnings	(21.7)	(17.0)	(9.0)	(1.9)	(4.0)
Changes in fair value of embedded derivative liabilities and market risk benefits	160.6	130.6	(16.4)	(65.1)	50.4
Fair value changes related to agent deferred compensation plan	14.0	12.0	0.2	-	-
Other	(0.2)	2.0	(6.1)	2.3	(0.2)
Non-operating income (loss) before taxes	125.6	126.9	(58.5)	(77.4)	14.9
Income tax (expense) benefit on non-operating income (loss)	(27.4)	(28.9)	13.6	18.0	(3.5)
Net non-operating income (loss)	98.2	98.0	(44.9)	(59.4)	11.4
Net income (loss)	\$ 233.3	\$ 175.9	\$ 38.0	\$ (0.8)	\$ 73.7

* Management believes that an analysis of Net income applicable to common stock before: (i) net realized investment gains or losses from sales, impairments and the change in allowance for credit losses, net of taxes; (ii) net change in market value of investments recognized in earnings, net of taxes; (iii) changes in fair value of embedded derivative liabilities and market risk benefits related to our fixed indexed annuities, net of taxes; (iv) fair value changes related to the agent deferred compensation plan, net of taxes; (v) loss on extinguishment of debt, net of taxes; (vi) changes in the valuation allowance for deferred tax assets and other tax items; and (vii) other non-operating items consisting primarily of earnings attributable to variable interest entities, net of taxes ("Net operating income," a non-GAAP financial measure) is important to evaluate the financial performance of the company, and is a key measure commonly used in the life insurance industry. Management uses this measure to evaluate performance because the items excluded from net operating income can be affected by events that are unrelated to the company's underlying fundamentals. A reconciliation of Net operating income to Net income applicable to common stock is provided in the above table.

Information Related to Certain Non-GAAP Financial Measures

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

Operating earnings measures

Management believes that an analysis of net income applicable to common stock before net realized investment gains or losses from sales, impairments and change in allowance for credit losses, net change in market value of investments recognized in earnings, changes in fair value of embedded derivative liabilities and market risk benefits related to our fixed indexed annuities, fair value changes related to the agent deferred compensation plan, loss on extinguishment of debt, changes in the valuation allowance for deferred tax assets and other tax items and other non-operating items consisting primarily of earnings attributable to variable interest entities ("net operating income," a non-GAAP financial measure) is important to evaluate the financial performance of the Company and is a key measure commonly used in the life insurance industry. Management uses this measure to evaluate performance because the items excluded from net operating income can be affected by events that are unrelated to the Company's underlying fundamentals.

Information Related to Certain Non-GAAP Financial Measures

A reconciliation of net income applicable to common stock to net operating income (and related per-share amounts) is as follows:

(dollars in millions, except per-share amounts)

	<u>2Q22</u>	<u>3Q22</u>	<u>4Q22</u>	<u>1Q23</u>	<u>2Q23</u>
Net income (loss) applicable to common stock	\$ 233.3	\$ 175.9	\$ 38.0	\$ (0.8)	\$ 73.7
Non-operating items:					
Net realized investment (gains) losses from sales and impairments	27.1	0.7	27.2	12.7	31.3
Net change in market value of investments recognized in earnings	21.7	17.0	9.0	1.9	4.0
Changes in fair value of embedded derivative liabilities and market risk benefits	(160.6)	(130.6)	16.4	65.1	(50.4)
Fair value changes related to the agent deferred compensation plan	(14.0)	(12.0)	(0.2)	-	-
Other	0.2	(2.0)	6.1	(2.3)	0.2
Non-operating (income) loss before taxes	(125.6)	(126.9)	58.5	77.4	(14.9)
Income tax expense (benefit) on non-operating income	27.4	28.9	(13.6)	(18.0)	3.5
Net non-operating (income) loss	(98.2)	(98.0)	44.9	59.4	(11.4)
Net operating income (a non-GAAP financial measure)	\$ 135.1	\$ 77.9	\$ 82.9	\$ 58.6	\$ 62.3
Per diluted share:					
Net income (loss)	\$ 1.99	\$ 1.52	\$ 0.33	\$ (0.01)	\$ 0.64
Net realized investment (gains) losses from sales and impairments (net of taxes)	0.18	-	0.18	0.09	0.21
Net change in market value of investments recognized in earnings (net of taxes)	0.14	0.11	0.06	0.01	0.02
Changes in fair value of embedded derivative liabilities and market risk benefits (net of taxes)	(1.07)	(0.87)	0.10	0.44	(0.33)
Fair value changes related to the agent deferred compensation plan (net of taxes)	(0.09)	(0.08)	-	-	-
Other	-	(0.01)	0.04	(0.02)	-
Net operating income (a non-GAAP financial measure)	\$ 1.15	\$ 0.67	\$ 0.71	\$ 0.51	\$ 0.54

Information Related to Certain Non-GAAP Financial Measures

A reconciliation of operating income and shares used to calculate basic and diluted operating earnings per share is as follows:

(dollars in millions, except per-share amounts, and shares in thousands)

	<u>2Q22</u>	<u>3Q22</u>	<u>4Q22</u>	<u>1Q23^(a)</u>	<u>2Q23</u>
Operating income	<u>\$ 135.1</u>	<u>\$ 77.9</u>	<u>\$ 82.9</u>	<u>\$ 58.6</u>	<u>\$ 62.3</u>
Weighted average shares outstanding for basic earnings per share	115,533	114,354	114,422	114,545	114,273
Effect of dilutive securities on weighted average shares:					
Stock options, restricted stock and performance units	<u>1,753</u>	<u>1,574</u>	<u>2,231</u>	<u>-</u>	<u>1,377</u>
Weighted average shares outstanding for diluted earnings per share	<u>117,286</u>	<u>115,928</u>	<u>116,653</u>	<u>114,545</u>	<u>115,650</u>
Net operating income per diluted share	<u>\$ 1.15</u>	<u>\$ 0.67</u>	<u>\$ 0.71</u>	<u>\$ 0.51</u>	<u>\$ 0.54</u>

(a) Equivalent common shares of 2,182.5 were not included in the diluted weighted average shares outstanding due to the net loss recognized in 1Q23.

Information Related to Certain Non-GAAP Financial Measures

Book value per diluted share

Book value per diluted share reflects the potential dilution that could occur if outstanding stock options were exercised, restricted stock and performance units were vested, and convertible securities were converted. The dilution from options, restricted shares and performance units is calculated using the treasury stock method. Under this method, we assume the proceeds from the exercise of the options (or the unrecognized compensation expense with respect to restricted stock and performance units) will be used to purchase shares of our common stock at the closing market price on the last day of the period. In addition, the calculation of this non-GAAP measure differs from the corresponding GAAP measure because accumulated other comprehensive income (loss) has been excluded from the value of capital used to determine this measure. Management believes this non-GAAP measure is useful because it removes the volatility that arises from changes in the unrealized appreciation (depreciation) of our investments.

A reconciliation from book value per share to book value per diluted share, excluding accumulated other comprehensive income (loss) is as follows:

(dollars in millions, except per-share amounts)

	2Q22	3Q22	4Q22	1Q23	2Q23
Total shareholders' equity	\$ 2,127.9	\$ 1,863.4	\$ 1,768.8	\$ 2,031.8	\$ 1,995.8
Shares outstanding for the period	114,795,328	114,367,345	114,343,070	114,905,172	113,673,882
Book value per share	\$ 18.54	\$ 16.29	\$ 15.47	\$ 17.68	\$ 17.56
Total shareholders' equity	\$ 2,127.9	\$ 1,863.4	\$ 1,768.8	\$ 2,031.8	\$ 1,995.8
Accumulated other comprehensive loss	(1,415.8)	(1,837.8)	(1,957.3)	(1,664.4)	(1,733.5)
Adjusted shareholders' equity excluding AOCI	\$ 3,543.7	\$ 3,701.2	\$ 3,726.1	\$ 3,696.2	\$ 3,729.3
Shares outstanding for the period	114,795,328	114,367,345	114,343,070	114,905,172	113,673,882
Dilutive common stock equivalents related to:					
Stock options, restricted stock and performance units	1,407,756	1,603,295	2,499,071	1,270,836	1,629,412
Diluted shares outstanding	116,203,084	115,970,640	116,842,141	116,176,008	115,303,294
Book value per diluted share (a non-GAAP measure)	\$ 30.50	\$ 31.91	\$ 31.89	\$ 31.82	\$ 32.34

Information Related to Certain Non-GAAP Financial Measures

Operating return measures

Management believes that an analysis of net income applicable to common stock before net realized investment gains or losses from sales, impairments and change in allowance for credit losses, net change in market value of investments recognized in earnings, changes in fair value of embedded derivative liabilities and market risk benefits related to our fixed indexed annuities, fair value changes related to the agent deferred compensation plan, loss on extinguishment of debt, changes in the valuation allowance for deferred tax assets and other tax items, loss on extinguishment of debt and other non-operating items consisting primarily of earnings attributable to variable interest entities ("net operating income," a non-GAAP financial measure) is important to evaluate the financial performance of the Company and is a key measure commonly used in the life insurance industry. Management uses this measure to evaluate performance because the items excluded from net operating income can be affected by events that are unrelated to the Company's underlying fundamentals.

Management also believes that an operating return, excluding significant items, is important as the impact of these items enhances the understanding of our operating results.

This non-GAAP financial measure also differs from return on equity because accumulated other comprehensive income (loss) has been excluded from the value of equity used to determine this ratio. Management believes this non-GAAP financial measure is useful because it removes the volatility that arises from changes in accumulated other comprehensive income (loss). Such volatility is often caused by changes in the estimated fair value of our investment portfolio resulting from changes in general market interest rates rather than the business decisions made by management.

In addition, our equity includes the value of significant net operating loss carryforwards (included in income tax assets). In accordance with GAAP, these assets are not discounted, and accordingly will not provide a return to shareholders (until after it is realized as a reduction to taxes that would otherwise be paid). Management believes that excluding this value from the equity component of this measure enhances the understanding of the effect these non-discounted assets have on operating returns and the comparability of these measures from period-to-period. Operating return measures are used in measuring the performance of our business units and are used as a basis for incentive compensation.

Information Related to Certain Non-GAAP Financial Measures

The calculations of: (i) operating return on equity, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure); (ii) operating return, excluding significant item, on equity, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure); and (iii) return on equity are as follows:

(dollars in millions)

	Twelve Months Ended				
	2Q22	3Q22	4Q22	1Q23	2Q23
Operating income	\$ 410.8	\$ 380.6	\$ 360.4	\$ 354.5	\$ 281.7
Operating income, excluding significant items	\$ 393.4	\$ 360.9	\$ 342.5	\$ 336.6	\$ 281.2
Net income	\$ 677.3	\$ 749.8	\$ 630.6	\$ 446.4	\$ 286.8
Average common equity, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure)	\$ 3,090.3	\$ 3,197.5	\$ 3,323.3	\$ 3,434.8	\$ 3,519.3
Average common shareholders' equity	\$ 3,239.8	\$ 2,840.4	\$ 2,384.1	\$ 2,046.3	\$ 1,931.5
Operating return on equity, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure)	13.3%	11.9%	10.8%	10.3%	8.0%
Operating return, excluding significant items, on equity, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure)	12.7%	11.3%	10.3%	9.8%	8.0%
Return on equity	20.9%	26.4%	26.5%	21.8%	14.8%

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Information Related to Certain Non-GAAP Financial Measures

The following summarizes: (i) operating earnings; (ii) significant items; (iii) operating earnings, excluding significant items; and (iv) net income (loss):

(dollars in millions)

	Net operating income	Significant items (a)	Net operating income, excluding significant items	Net operating income, excluding significant items - trailing four quarters	Net income (loss)	Net income - trailing four quarters
3Q21	\$ 108.1	\$ 2.3	\$ 110.4	NA	\$ 103.4	NA
4Q21	103.1	(2.3)	100.8	\$ 410.0	157.2	\$ 570.3
1Q22	64.5	-	64.5	373.2	183.4	491.7
2Q22	135.1	(17.4)	117.7	393.4	233.3	677.3
3Q22	77.9	-	77.9	360.9	175.9	749.8
4Q22	82.9	(0.5)	82.4	342.5	38.0	630.6
1Q23	58.6	-	58.6	336.6	(0.8)	446.4
2Q23	62.3	-	62.3	281.2	73.7	286.8

(a) The significant items have been discussed in prior press releases.

(Continued on next page)

Information Related to Certain Non-GAAP Financial Measures

The calculations of: (i) operating return on equity, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure); (ii) operating return, excluding significant item, on equity, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure); and (iii) return on equity are as follows:

(dollars in millions)

	Twelve Months Ended				
	2Q22	3Q22	4Q22	1Q23	2Q23
Pre-tax operating earnings (a non-GAAP financial measure)	\$ 529.3	\$ 491.5	\$ 466.7	\$ 458.6	\$ 365.6
Income tax expense	(118.5)	(110.9)	(106.3)	(104.1)	(83.9)
Operating return	410.8	380.6	360.4	354.5	281.7
Non-operating items:					
Net realized investment gains (losses) from sales and impairments	(27.0)	(30.0)	(62.2)	(67.7)	(71.9)
Net change in market value of investments recognized in earnings	(63.9)	(76.3)	(73.2)	(49.6)	(31.9)
Changes in fair value of embedded derivative liabilities and market risk benefits	400.6	535.3	440.2	209.7	99.5
Fair value changes and amendment related to the agent deferred compensation plan	32.4	44.4	48.9	26.2	12.2
Other	2.3	4.1	(3.9)	(2.0)	(2.0)
Non-operating income before taxes	344.4	477.5	349.8	116.6	5.9
Income tax expense on non-operating income	(77.9)	(108.3)	(79.6)	(24.7)	(0.8)
Net non-operating income	266.5	369.2	270.2	91.9	5.1
Net income	<u>\$ 677.3</u>	<u>\$ 749.8</u>	<u>\$ 630.6</u>	<u>\$ 446.4</u>	<u>\$ 286.8</u>

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Information Related to Certain Non-GAAP Financial Measures

A reconciliation of consolidated capital, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure) to common shareholders' equity, is as follows:

(dollars in millions)

	<u>1Q21</u>	<u>2Q21</u>	<u>3Q21</u>	<u>4Q21</u>
Consolidated capital, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure)	\$ 3,003.2	\$ 2,989.0	\$ 2,993.3	\$ 3,067.3
Net operating loss carryforwards	323.1	292.9	266.9	243.7
Accumulated other comprehensive income	73.1	306.7	337.5	373.7
Common shareholders' equity	<u>\$ 3,399.4</u>	<u>\$ 3,588.6</u>	<u>\$ 3,597.7</u>	<u>\$ 3,684.7</u>
	<u>1Q22</u>	<u>2Q22</u>	<u>3Q22</u>	<u>4Q22</u>
Consolidated capital, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure)	\$ 3,141.7	\$ 3,329.0	\$ 3,510.3	\$ 3,557.1
Net operating loss carryforwards	238.2	214.7	190.9	169.0
Accumulated other comprehensive loss	(561.5)	(1,415.8)	(1,837.8)	(1,957.3)
Common shareholders' equity	<u>\$ 2,818.4</u>	<u>\$ 2,127.9</u>	<u>\$ 1,863.4</u>	<u>\$ 1,768.8</u>
	<u>1Q23</u>	<u>2Q23</u>		
Consolidated capital, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure)	\$ 3,543.8	\$ 3,603.0		
Net operating loss carryforwards	152.4	126.3		
Accumulated other comprehensive loss	(1,664.4)	(1,733.5)		
Common shareholders' equity	<u>\$ 2,031.8</u>	<u>\$ 1,995.8</u>		

Information Related to Certain Non-GAAP Financial Measures

A reconciliation of consolidated capital, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure) to common shareholders' equity, is as follows:

(dollars in millions)

	Trailing Four Quarter Average				
	2Q22	3Q22	4Q22	1Q23	2Q23
Consolidated capital, excluding accumulated other comprehensive income (loss) and net operating loss carryforwards (a non-GAAP financial measure)	\$ 3,090.3	\$ 3,197.4	\$ 3,323.3	\$ 3,434.8	\$ 3,519.3
Net operating loss carryforwards	250.7	231.4	212.5	192.5	170.7
Accumulated other comprehensive income (loss)	(101.2)	(588.4)	(1,151.7)	(1,581.0)	(1,758.5)
Common shareholders' equity	<u>\$ 3,239.8</u>	<u>\$ 2,840.4</u>	<u>\$ 2,384.1</u>	<u>\$ 2,046.3</u>	<u>\$ 1,931.5</u>

Information Related to Certain Non-GAAP Financial Measures

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

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

(dollars in millions)

	2021	2022	1Q23	2Q23
Corporate notes payable	\$ 1,137.3	\$ 1,138.8	\$ 1,139.2	\$ 1,139.7
Total shareholders' equity	3,684.7	1,768.8	2,031.8	1,995.8
Total capital	\$ 4,822.0	\$ 2,907.6	\$ 3,171.0	\$ 3,135.5
Corporate debt to capital	23.6%	39.2%	35.9%	36.3%
Corporate notes payable	\$ 1,137.3	\$ 1,138.8	\$ 1,139.2	\$ 1,139.7
Total shareholders' equity	3,684.7	1,768.8	2,031.8	1,995.8
Less accumulated other comprehensive (income) loss	(373.7)	1,957.3	1,664.4	1,733.5
Total capital	\$ 4,448.3	\$ 4,864.9	\$ 4,835.4	\$ 4,869.0
Debt to total capital ratio, excluding AOCI (a non-GAAP financial measure)	25.6%	23.4%	23.6%	23.4%