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**Section 1: 8-K (8-K)**

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

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**FORM 8-K**

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**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, 2017

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**FIDELITY & GUARANTY LIFE**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-36227**  
(Commission  
File Number)

**46-3489149**  
(IRS Employer  
Identification No.)

**Two Ruan Center  
601 Locust Street, 14th Floor  
Des Moines, IA**

(Address of principal executive offices)

**50309**  
(Zip Code)

**Registrant's telephone number, including area code: (800) 445-6758**  
**Former name or former address, if changed since last report.**

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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))

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.**

The following information, including the Exhibit 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, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

On August 2, 2017, Fidelity & Guaranty Life issued a press release announcing its results of operations for the quarter ended June 30, 2017. A copy of the press release is furnished as Exhibit 99.1 to this Report. In addition, Fidelity & Guaranty Life is including as Exhibit 99.2 to this report the related quarterly financial supplement.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

Exhibit No.	Description
99.1	Press Release of Fidelity & Guaranty Life dated August 2, 2017
99.2	Financial Supplement of Fidelity & Guaranty Life dated August 2, 2017

## SIGNATURES

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

### FIDELITY & GUARANTY LIFE

/s/ Eric L. Marhoun

Name: Eric L. Marhoun

Title: Executive Vice President, General Counsel and Secretary

Dated: August 2, 2017

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## Section 2: EX-99.1 (EXHIBIT 99.1)

### Fidelity & Guaranty Life Reports Fiscal Third Quarter 2017 Results

DES MOINES, Iowa: August 2, 2017 -- Fidelity & Guaranty Life (NYSE: FGL), a leading provider of annuities and life insurance, today announced financial results for the fiscal third quarter of 2017.

- **Reported net income was \$32 million or \$0.54 per diluted share for the third quarter**
- **Adjusted operating income was \$37 million or \$0.63 per diluted share for the third quarter**
- **Total annuity sales were \$582 million; including fixed indexed annuity ("FIA") sales of \$455 million**
- **Total annuity and FIA year-to-date sales increased 2% and 7%, respectively, over prior year**
- **Average assets under management increased to \$20.2 billion, up 9% over prior year**
- **On May 24, 2017, FGL and CF Corporation ("CF Corp.") entered into a definitive merger agreement pursuant to which CF Corp. will acquire FGL for \$31.10 per share**

Net income for the fiscal third quarter of 2017 ended on June 30, 2017<sup>(1)</sup> was \$32 million or \$0.54 per diluted common share. Adjusted operating income for the fiscal third quarter of 2017 was \$37 million, or \$0.63 per diluted share, compared to adjusted operating income of \$48 million, or \$0.82 per diluted share, in the prior year period.

The table below reconciles reported after-tax net income to adjusted operating income ("AOI").

(In millions)

	Three months ended June 30, (Unaudited)		
	2017	2016	Increase (decrease)
<b>Reconciliation from Net Income to AOI<sup>(2)</sup>:</b>			
Net income	\$ 32	\$ 10	\$ 22
Effect of investment losses (gains), net of offsets	4	5	(1)
Effect of change in FIA embedded derivative discount rate, net of offsets	(4)	28	(32)
Effect of change in fair value of reinsurance related embedded derivative, net of offsets	8	26	(18)
Tax impact of adjusting items	(3)	(21)	18
Adjusted operating income	\$ 37	\$ 48	\$ (11)

See footnotes at end of release.

The current quarter included net unfavorable items of \$4 million or \$0.07 per diluted share. The prior year quarter included net favorable items of \$13 million or \$0.22 per diluted share. The table below details notable items in both periods.

Current Year Fiscal Quarter

- Higher expense related to merger transaction costs & legacy incentive compensation plans	(\$6) million
- Favorable actual to expected mortality within single premium immediate annuity ("SPIA") product line	\$2 million
<b>Prior Year Fiscal Quarter</b>	
- Net favorable adjustments related to lower deferred acquisition cost ("DAC") amortization, primarily due to equity market fluctuations	\$7 million
- Favorable performance within the SPIA product line and other annuity reserve movements	\$4 million
- Favorable net investment income from tender offers and bond prepayment income	\$2 million

"We delivered another solid quarter and are very pleased with the year-over-year increases in net income, net investment income and assets under management," said Chris Littlefield, President and CEO of FGL. "Our FIA sales are up 7% year-to-date over the prior year and up 4% from last quarter, though are down 8% versus last year's third quarter. The uncertainty surrounding the

Department of Labor fiduciary rule is having some impact on FIA sales industry-wide and we expect additional disruption if the rule is fully implemented on January 1, 2018. Our IUL and MYGA sales are lower compared to last year as we have prioritized higher profitability over volume. We continue to maintain discipline in managing our spreads and are pleased that we have consistently achieved our targeted returns on new sales while growing our business. Finally, the recently announced merger with CF Corp. and accompanying regulatory approval processes are progressing and, subject to approval of CF Corp.'s shareholders at their August 8th meeting, we expect to close the transaction in the fourth calendar quarter of 2017."

### Summary Financial Results (Unaudited)

(In millions, except per share data)	Three months ended June 30,		Nine months ended June 30,	
	2017	2016	2017	2016
Fixed indexed annuity sales <sup>(2)</sup>	\$ 455	\$ 495	\$ 1,444	\$ 1,350
Total annuity sales <sup>(2)</sup>	\$ 582	\$ 832	\$ 1,962	\$ 1,922
Average assets under management <sup>(2)</sup>	\$ 20,569	\$ 18,854	\$ 20,153	\$ 18,523
Net investment spread - FIA <sup>(2)</sup>	3.02%	3.07%	3.03%	2.98%
Net investment spread - All products <sup>(2)</sup>	2.54%	2.41%	2.41%	2.27%
Net income	\$ 32	\$ 10	\$ 162	\$ 67
Net income per diluted share	\$ 0.54	\$ 0.16	\$ 2.77	\$ 1.14
Adjusted operating income ("AOI") <sup>(2)</sup>	\$ 37	\$ 48	\$ 114	\$ 122
AOI per diluted share <sup>(2)</sup>	\$ 0.63	\$ 0.82	\$ 1.95	\$ 2.08
Weighted average basic shares	58.3	58.3	58.3	58.3
Weighted average diluted shares	58.4	58.7	58.4	58.6
Total common shares outstanding	59.0	59.0	59.0	59.0
Book value per share	\$ 35.82	\$ 30.22	\$ 35.82	\$ 30.22
Book value per share, excluding AOCI <sup>(2)</sup>	\$ 27.90	\$ 25.05	\$ 27.90	\$ 25.05

See footnotes below.

### Sales In Line With Expectations

Sales of our core FIA product were \$455 million in the current period, a decrease of 8% over the prior year period. As expected, FIA sales levels were influenced from an overall industry decline in FIA sales over the past two quarters as carriers and independent marketing organizations ("IMO's") focused on the Department of Labor ("DOL") fiduciary rule implementation. On a sequential basis, FIA sales increased 4% as compared to the fiscal second quarter of 2017. FIA sales levels in recent quarters reflect strong and productive partnerships with our IMO's, and our continued discipline to achieve new business profitability and capital targets. FIA sales were \$1.4 billion on a year-to-date basis, an increase of 7% over the prior year period.

Sales of multi-year guarantee annuities ("MYGA") were \$127 million in the current quarter as compared to \$180 million in the same period last year. Total annuity sales were \$582 million for the current quarter, a decrease of 30% over the prior year quarter. On a year-to-date basis, total annuity sales of \$2.0 billion increased 2% over the prior year period.

Indexed universal life ("IUL") sales in the quarter were \$9 million compared to \$15 million last year. The decline in IUL sales reflects our focus on quality of new business and pricing discipline to achieve profitability and capital targets. On a year-to-date basis, IUL sales of \$40 million increased 3% over the prior year period.

### Investment Portfolio Performance

Overall, the investment portfolio is performing in line with expectations. Net investment income in the current period was \$257 million, an increase of 9% compared to \$236 million for the same period last year. This growth was right in line with the increase

in average assets under management ("AAUM"), which were up \$1.6 billion or 9% over the prior year from sales and stable policy owner retention trends.

The average earned yield on the total portfolio in the quarter was 5.01%, unchanged from the prior year quarter which benefited from tender offer and bond prepayment income. Asset purchases during the quarter were \$1.2 billion at an average yield of 5.27% primarily reflecting purchases in investment grade corporate bonds, structured securities, and a modest allocation to private credit strategies with a focus on current income, which helped lift the overall new money rate. The average NAIC rating for the portfolio remains approximately 1.5.

Net investment spread across all product lines increased 13 basis points to 254 basis points, compared to fiscal third quarter 2016. Net investment spread in the current quarter for fixed indexed annuities was consistent with recent performance at 302 basis points.

### **Capital Management Trends**

- GAAP book value per share at June 30, 2017 was \$35.82 on a reported basis; book value per share excluding accumulated other comprehensive income ("AOCI") was \$27.90, an increase of 11% year over year.
- In July, FGL extended the maturity date of its existing unsecured revolving credit facility from August 26, 2017 to August 26, 2018. The remaining amount available under the revolving credit facility is \$45 million.
- As announced on July 27, 2017, the FGL Board of Directors has declared a quarterly dividend of \$0.065 per share. The dividend is payable on August 28, 2017 to shareholders of record as of the close of business on August 14, 2017.

**FIDELITY & GUARANTY LIFE AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
*(In millions, except share data)*

	<b>June 30, 2017</b>	<b>September 30, 2016</b>
	<b>(Unaudited)</b>	
<b>ASSETS</b>		
Investments:		
Fixed maturity securities, available-for-sale, at fair value (amortized cost: June 30, 2017 - \$19,845; September 30, 2016 - \$18,521)	\$ 20,766	\$ 19,411
Equity securities, available-for-sale, at fair value (amortized cost: June 30, 2017 - \$732; September 30, 2016 - \$640)	774	683
Derivative investments	361	276
Commercial mortgage loans	550	595
Other invested assets	176	60
<b>Total investments</b>	<b>22,627</b>	<b>21,025</b>
Related party loans	71	71
Cash and cash equivalents	799	864
Accrued investment income	204	214
Reinsurance recoverable	3,390	3,464
Intangibles, net	1,097	1,026
Deferred tax assets, net	—	—
Other assets	214	371
<b>Total assets</b>	<b>\$ 28,402</b>	<b>\$ 27,035</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Contractholder funds		
	\$ 20,342	\$ 19,251
Future policy benefits	3,423	3,467
Funds withheld for reinsurance liabilities	1,106	1,172
Liability for policy and contract claims	57	55
Debt	300	300
Revolving credit facility	105	100
Deferred tax liability, net	11	10
Other liabilities	945	746
<b>Total liabilities</b>	<b>26,289</b>	<b>25,101</b>
<b>Commitments and contingencies</b>		
Shareholders' equity:		
Preferred stock (\$.01 par value, 50,000,000 shares authorized, no shares issued at June 30, 2017 and September 30, 2016)	\$ —	\$ —
Common stock (\$.01 par value, 500,000,000 shares authorized, 58,993,219 issued and outstanding at June 30, 2017; 58,956,127 shares issued and outstanding at September 30, 2016)	1	1
Additional paid-in capital	716	714
Retained earnings	942	792
Accumulated other comprehensive income	467	439
Treasury stock, at cost (568,847 shares at June 30, 2017; 537,613 shares at September 30, 2016)	(13)	(12)
<b>Total shareholders' equity</b>	<b>2,113</b>	<b>1,934</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 28,402</b>	<b>\$ 27,035</b>

**FIDELITY & GUARANTY LIFE AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
*(In millions, except per share data)*

	Three months ended		Nine months ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
	(Unaudited)		(Unaudited)	
<b>Revenues:</b>				
Premiums	\$ 12	\$ 21	\$ 26	\$ 52
Net investment income	257	236	744	685
Net investment gains (losses)	67	(28)	199	(7)
Insurance and investment product fees and other	44	32	126	93
Total revenues	<u>380</u>	<u>261</u>	<u>1,095</u>	<u>823</u>
<b>Benefits and expenses:</b>				
Benefits and other changes in policy reserves	235	216	523	585
Acquisition and operating expenses, net of deferrals	40	28	101	83
Amortization of intangibles	51	(4)	207	34
Total benefits and expenses	<u>326</u>	<u>240</u>	<u>831</u>	<u>702</u>
Operating income	54	21	264	121
Interest expense	(6)	(5)	(18)	(17)
Income before income taxes	48	16	246	104
Income tax expense	(16)	(6)	(84)	(37)
<b>Net income</b>	<u>\$ 32</u>	<u>\$ 10</u>	<u>\$ 162</u>	<u>\$ 67</u>
Net income per common share:				
Basic	\$ 0.54	\$ 0.16	\$ 2.78	\$ 1.14
Diluted	\$ 0.54	\$ 0.16	\$ 2.77	\$ 1.14
Weighted average common shares used in computing net income per common share:				
Basic	58.3	58.3	58.3	58.3
Diluted	58.4	58.7	58.4	58.6
Cash dividend per common share	\$ 0.065	\$ 0.065	\$ 0.195	\$ 0.195



## RECONCILIATION OF BOOK VALUE PER SHARE EXCLUDING AOCI

(In millions, except per share data)	June 30, 2017	September 30, 2016
Reconciliation to total shareholder's equity:		
Total shareholder's equity	\$ 2,113	\$ 1,934
Less: AOCI	467	439
Total shareholder's equity excluding AOCI	<u>\$ 1,646</u>	<u>\$ 1,495</u>
Total shares outstanding	59.0	59.0
Weighted average shares outstanding - basic	58.3	58.3
Weighted average shares outstanding - diluted	58.4	58.6
Book value per share	\$ 35.82	\$ 32.80
Book value per share, excluding AOCI <sup>(2)</sup>	\$ 27.90	\$ 25.36

### Footnotes:

- (1) Fidelity & Guaranty Life's fiscal year ends on September 30.
- (2) Non-GAAP financial measure. See the Non-GAAP Measures section below for additional information.

### Agreement and Plan of Merger with CF Corp.

On May 24, 2017, FGL and CF Corp. entered into a definitive merger agreement (the "Merger Agreement") pursuant to which CF Corp. will acquire all outstanding shares of FGL (the "Merger") for \$31.10 per share in cash, without interest, plus the assumption of \$405 million of existing debt. The joint press release can be found on FGL's investor relations website at [www.fglife.com](http://www.fglife.com).

The transaction is expected to close in the calendar fourth quarter of 2017. The Merger is subject to closing conditions, including the approval of the shareholders of CF Corp., the receipt of regulatory approvals from the Iowa Insurance Division, the New York Department of Financial Services, and the Vermont Department of Financial Regulation, and the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"). On June 16, 2017, the Federal Trade Commission granted early termination of the waiting period under the HSR Act.

### Non-GAAP Measures

Management believes that certain non-GAAP financial measures may be useful in certain instances to provide additional meaningful comparisons between current results and results in prior operating periods. Reconciliations of such measures to the most comparable GAAP measures are included herein.

AOI is calculated by adjusting net income to eliminate (i) the impact of net investment gains including other-than-temporary impairment ("OTTI") losses recognized in operations, but excluding gains and losses on derivatives hedging our indexed annuity policies, (ii) the effect of changes in the interest rates used to discount the FIA embedded derivative liability, and (iii) the effect of change in fair value of the reinsurance related embedded derivative. All adjustments to AOI are net of the corresponding value of business acquired ("VOBA") and DAC impact. The income tax impact related to these adjustments is measured using an effective tax rate of 35%, as appropriate.

While these adjustments are an integral part of the overall performance of FGL, market conditions impacting these items can overshadow the underlying performance of the business. Accordingly, we believe using a measure which excludes their impact is effective in analyzing the trends of our operations. 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.

Net investment spread is the excess of net investment income earned over the sum of interest credited to policyholders and the cost of hedging our risk on FIA policies.

Average assets under management ("AAUM") is the sum of (i) total invested assets at amortized cost, excluding derivatives, (ii) related party loans and investments and (iii) cash and cash equivalents at the end of each month in the period divided by the number of months in the period.

Book value per share excluding AOCI is calculated as total stockholders' equity excluding AOCI divided by the total number of shares of common stock outstanding.

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. For GAAP purposes annuity sales are recorded as deposit liabilities (i.e. contract holder funds). 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.

While management believes that non-GAAP measurements are useful supplemental information, such adjusted results are not intended to replace GAAP financial results and should be read in conjunction with those GAAP results.

#### **Conference Call and Earnings Release**

In light of the announced merger with CF Corp., FGL has elected to discontinue conference calls to discuss quarterly and annual results, pending the closing of the transaction. FGL will continue to issue its earnings press releases and quarterly financial supplement.

#### **About Fidelity & Guaranty Life**

Fidelity & Guaranty Life, an insurance holding company, helps middle-income Americans prepare for retirement. Through its subsidiaries, the company offers fixed annuity and life insurance products distributed by independent agents through an established network of independent marketing organizations. Fidelity & Guaranty Life, headquartered in Des Moines, Iowa, trades on the New York Stock Exchange under the ticker symbol FGL. For more information, please visit [www.fglife.com](http://www.fglife.com).

#### **Forward Looking Statements**

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995: This document contains, and certain oral statements made by our representatives from time to time may contain, forward-looking statements, including as to FGL's evaluation of strategic alternatives and regarding our subsidiaries' ability to pay dividends. Such statements are subject to risks and uncertainties that could cause actual results, events and developments to differ materially from those set forth in, or implied by, such statements. These statements are based on the beliefs and assumptions of FGL's management and the management of FGL's subsidiaries (including target businesses). Generally, forward-looking statements include information concerning possible or assumed future distributions from subsidiaries, other actions, events, results, strategies and expectations and are generally identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans," "seeks," "estimates," "projects," "may," "will," "could," "might," or "continues" or similar expressions. Factors that could cause actual results, events and developments to differ include, without limitation: the accuracy of FGL's assumptions and estimates; FGL's and its insurance subsidiaries' ability to maintain or improve financial strength ratings; FGL's ability to manage its business in a highly regulated industry; regulatory changes or actions; the impact of FGL's reinsurers failing to meet their assumed obligations; restrictions on FGL's ability to use captive reinsurers; the impact of interest rate fluctuations; changes in the federal income tax laws and regulations; litigation (including class action litigation), enforcement investigations or regulatory scrutiny; the performance of third parties; the loss of key personnel; telecommunication, information technology and other operational systems failures; the continued availability of capital; new accounting rules or changes to existing accounting rules; general economic conditions; FGL's ability to protect its intellectual property; the ability to maintain or obtain approval of the Iowa Insurance Department and other regulatory authorities as required for FGL's operations; possible risks and uncertainties arising from FGL's evaluation of strategic alternatives; and other factors discussed in FGL's filings with the SEC including its Form 10-K for the year ended September 30, 2016, and its Form 10-Q for the quarter ended March 31, 2017, which can be found at the SEC's website [www.sec.gov](http://www.sec.gov).

All forward-looking statements described herein are qualified by these cautionary statements and there can be no assurance that the actual results, events or developments referenced herein will occur or be realized. FGL does not undertake any obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operation results, except as required by law.

Investor Contact:  
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Source: Fidelity & Guaranty Life

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## Section 3: EX-99.2 (EXHIBIT 99.2)

Exhibit 99.2



**Investor Supplement**  
**Third Fiscal Quarter 2017**  
**(Fiscal Year Ended September 30)**

The financial statements and financial exhibits included herein are unaudited. 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. The results of operations for interim periods should not be considered indicative of results to be expected for the full year.

### **Non-GAAP Financial Measures**

This document contains non-GAAP financial measures to analyze the Company's operating performance for the periods presented. Because the Company's calculation of these measures may differ from similar measures used by other companies, investors should be careful when comparing the Company's non-GAAP financial measures to those of other companies.

FIDELITY & GUARANTY LIFE AND SUBSIDIARIES  
Financial Supplement  
June 30, 2017

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FIDELITY & GUARANTY LIFE AND SUBSIDIARIES  
**Consolidated Financial Highlights**

	Three Months Ended				Nine Months Ended	
	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	June 30, 2016
(Dollars in millions)						
<b>Revenues:</b>						
Premiums	\$ 12	\$ 3	\$ 11	\$ 18	\$ 21	\$ 26 \$ 52
Net investment income	257	247	240	238	236	744 685
Net investment gains (losses)	67	81	51	26	(28)	199 (7)
Insurance and investment product fees and other	44	44	38	34	32	126 93
Total revenues	380	375	340	316	261	1,095 823
<b>Net income</b>	\$ 32	\$ 22	\$ 108	\$ 30	\$ 10	\$ 162 \$ 67
Adjusted Operating Income ("AOI")	\$ 37	\$ 36	\$ 41	\$ 40	\$ 48	114 122
<b>Per Unrestricted Common Shares Amounts:</b>						
Basic:						
Net income	\$ 0.54	\$ 0.38	\$ 1.85	\$ 0.52	\$ 0.16	\$ 2.78 \$ 1.14
AOI	\$ 0.63	\$ 0.62	\$ 0.70	\$ 0.69	\$ 0.82	\$ 1.95 \$ 2.09
Diluted:						
Net income	\$ 0.54	\$ 0.38	\$ 1.85	\$ 0.52	\$ 0.16	\$ 2.77 \$ 1.14
AOI	\$ 0.63	\$ 0.62	\$ 0.70	\$ 0.69	\$ 0.82	\$ 1.95 \$ 2.08
Dividends Paid to Shareholders Per Share	\$ 0.065	\$ 0.065	\$ 0.065	\$ 0.065	\$ 0.065	\$ 0.195 \$ 0.195
<b>At Period End</b>						
Cash and cash equivalents	\$ 799	\$ 887	\$ 632	\$ 864	\$ 719	\$ 799 \$ 719
Total investments	\$ 22,627	\$ 21,813	\$ 21,076	\$ 21,025	\$ 20,548	\$ 22,627 \$ 20,548
Total assets	\$ 28,402	\$ 27,897	\$ 26,952	\$ 27,035	\$ 26,338	\$ 28,402 \$ 26,338
Contractholder funds	\$ 20,342	\$ 20,052	\$ 19,486	\$ 19,251	\$ 18,874	\$ 20,342 \$ 18,874
Future policy benefits	\$ 3,423	\$ 3,435	\$ 3,453	\$ 3,467	\$ 3,466	\$ 3,423 \$ 3,466
Debt (including revolving credit facility)	\$ 405	\$ 405	\$ 400	\$ 400	\$ 300	\$ 405 \$ 300
Total equity	\$ 2,113	\$ 1,908	\$ 1,752	\$ 1,934	\$ 1,782	\$ 2,113 \$ 1,782
Total equity excluding AOCI	\$ 1,646	\$ 1,617	\$ 1,599	\$ 1,495	\$ 1,477	\$ 1,646 \$ 1,477
Common shares issued and outstanding	58.99	58.99	58.98	58.96	58.96	58.99 58.96
GAAP Book value per share	\$ 35.82	\$ 32.34	\$ 29.70	\$ 32.80	\$ 30.22	\$ 35.82 \$ 30.22
GAAP Book Value per Share excluding AOCI	\$ 27.90	\$ 27.41	\$ 27.11	\$ 25.36	\$ 25.05	27.90 25.05
Debt to total Capitalization excluding AOCI	19.7%	20.0%	20.0%	21.1%	16.9%	19.7% 16.9%
Return on average shareholders' equity excluding AOCI	7.8%	5.5%	27.9%	8.1%	2.7%	13.8% 9.1%
Statutory Book value per share(1)	\$ 25.18	\$ 26.06	\$ 22.43	\$ 22.39	\$ 21.23	25.18 21.23
Statutory Book value per share excluding IMR and AVR(1)	\$ 34.30	\$ 35.28	\$ 32.18	\$ 32.20	\$ 31.35	34.30 31.35

(1) The statutory book value per share and the statutory book value per share excluding interest maintenance reserve ("IMR") and asset valuation reserve ("AVR") are estimates due to the timing of the filing of statutory statements and are prepared consistent with the presentation of the statutory financial statements in the combined annual statement.

FIDELITY & GUARANTY LIFE AND SUBSIDIARIES  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
*(In millions, except per share data)*

	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	
<b>ASSETS</b>					
Investments:					
Fixed maturity securities, available-for-sale, at fair value (amortized cost: June 30, 2017 - \$19,845; September 30, 2016 - \$18,521)	\$ 20,766	\$ 20,052	\$ 19,437	\$ 19,411	\$
Equity securities, available-for-sale, at fair value (amortized cost: June 30, 2017 - \$732; September 30, 2016 - \$640)	774	712	696	683	
Derivative investments	361	351	314	276	
Commercial mortgage loans	550	579	582	595	
Other invested assets	176	119	47	60	
Total investments	<u>22,627</u>	<u>21,813</u>	<u>21,076</u>	<u>21,025</u>	
Related party loans	71	71	71	71	
Cash and cash equivalents	799	887	632	864	
Accrued investment income	204	225	201	214	
Reinsurance recoverable	3,390	3,426	3,444	3,464	
Intangibles, net	1,097	1,184	1,228	1,026	
Deferred tax assets, net	—	87	68	—	
Other assets	214	204	232	371	
<b>Total assets</b>	<u>\$ 28,402</u>	<u>\$ 27,897</u>	<u>\$ 26,952</u>	<u>\$ 27,035</u>	<u>\$</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Contractholder funds	\$ 20,342	\$ 20,052	\$ 19,486	\$ 19,251	\$
Future policy benefits	3,423	3,435	3,453	3,467	
Funds withheld for reinsurance liabilities	1,106	1,134	1,142	1,172	
Liability for policy and contract claims	57	60	53	55	
Debt	300	300	300	300	
Revolving credit facility	105	105	100	100	
Deferred tax liability, net	11	—	—	10	
Other liabilities	945	903	666	746	
<b>Total liabilities</b>	<u>26,289</u>	<u>25,989</u>	<u>25,200</u>	<u>25,101</u>	
Shareholders' equity:					
Preferred stock (\$.01 par value, 50,000,000 shares authorized, no shares issued at June 30, 2017 and September 30, 2016)	\$ —	\$ —	\$ —	\$ —	\$
Common stock (\$.01 par value, 500,000,000 shares authorized, 58,993,219 issued and outstanding at June 30, 2017; 58,956,127 shares issued and outstanding at September 30, 2016)	1	1	1	1	
Additional paid-in capital	716	715	715	714	
Retained earnings	942	914	896	792	
Accumulated other comprehensive income	467	291	153	439	
Treasury stock, at cost (568,847 shares at June 30, 2017; 537,613 shares at September 30, 2016)	(13)	(13)	(13)	(12)	
<b>Total shareholders' equity</b>	<u>2,113</u>	<u>1,908</u>	<u>\$ 1,752</u>	<u>\$ 1,934</u>	<u>\$</u>
<b>Total liabilities and shareholders' equity</b>	<u>\$ 28,402</u>	<u>\$ 27,897</u>	<u>\$ 26,952</u>	<u>\$ 27,035</u>	<u>\$</u>

**FIDELITY & GUARANTY LIFE AND SUBSIDIARIES**  
**Financial Supplement - June 30, 2017**  
**(unaudited)**

**Quarterly Summary - Most Recent 5 Quarters**

	Three Months Ended					Nine Months Ended	
	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	June 30, 2017	June 30, 2016
(Dollars in millions)							
<b>Revenues:</b>							
Traditional life insurance premiums	\$ 7	\$ —	\$ 10	\$ 11	\$ 10	\$ 16	\$ 31
Life contingent immediate annuity	5	3	1	7	11	10	21
Net investment income	257	247	240	238	236	744	685
Net investment gains (losses)	67	81	51	26	(28)	199	(7)
Surrender charges	9	9	7	8	5	25	15
Cost of insurance fees and other income	35	35	31	26	27	101	78
<b>Total revenues</b>	<b>380</b>	<b>375</b>	<b>340</b>	<b>316</b>	<b>261</b>	<b>1,095</b>	<b>823</b>
<b>Benefits and expenses:</b>							
Traditional life insurance policy benefits and change in future policy benefits	21	11	22	18	18	53	52
Life contingent immediate annuity benefits and changes in future policy benefits	20	18	18	25	31	57	84
Interest sensitive and index product benefits and changes in future policy benefits	194	239	(20)	163	167	413	449
General expenses	35	30	25	30	26	90	77
Acquisition expenses	72	81	92	89	88	245	236
Deferred acquisition costs ("DAC")	(67)	(78)	(89)	(83)	(86)	(234)	(230)
Amortization of intangibles	51	33	123	20	(4)	207	34
<b>Total benefits and expenses</b>	<b>326</b>	<b>334</b>	<b>171</b>	<b>262</b>	<b>240</b>	<b>831</b>	<b>702</b>
Operating income	54	41	169	54	21	264	121
Interest expense	(6)	(6)	(6)	(5)	(5)	(18)	(17)
Income before income taxes	48	35	163	49	16	246	104
Income tax expense	(16)	(13)	(55)	(19)	(6)	(84)	(37)
<b>Net income</b>	<b>\$ 32</b>	<b>\$ 22</b>	<b>\$ 108</b>	<b>\$ 30</b>	<b>\$ 10</b>	<b>\$ 162</b>	<b>\$ 67</b>
<b>Net income per common share:</b>							
Basic	\$ 0.54	\$ 0.38	\$ 1.85	\$ 0.52	\$ 0.16	\$ 2.78	\$ 1.14
Diluted	\$ 0.54	\$ 0.38	\$ 1.85	\$ 0.52	\$ 0.16	\$ 2.77	\$ 1.14
<b>Weighted average common shares used in computing net income per common share:</b>							
Basic	58.34	58.33	58.28	58.26	58.31	58.31	58.28
Diluted	58.44	58.38	58.37	58.35	58.66	58.39	58.60

**Reconciliation from Net Income to Adjusted Operating Income ("AOI")**

	Three Months Ended					Nine Months Ended	
	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	June 30, 2017	June 30, 2016
	(Dollars in millions, except per share data)						
Net income	\$ 32	\$ 22	\$ 108	\$ 30	\$ 10	\$ 162	\$ 67
<b>Adjustments to arrive at AOI:</b>							
Effect of investment (gains) losses, net of offsets (a)	4	15	(1)	5	5	18	4
Effect of change in FIA embedded derivative discount rate, net of offsets (a)	(4)	(2)	(92)	(7)	28	(98)	61
Effect of change in fair value of reinsurance related embedded derivative, net of offsets (a)	8	8	(10)	17	26	6	20
Tax impact of adjusting items	(3)	(7)	36	(5)	(21)	26	(30)
<b>AOI</b>	<b>\$ 37</b>	<b>\$ 36</b>	<b>\$ 41</b>	<b>\$ 40</b>	<b>\$ 48</b>	<b>\$ 114</b>	<b>\$ 122</b>
<b>Per diluted common share:</b>							
Net income	\$ 0.54	\$ 0.38	\$ 1.85	\$ 0.52	\$ 0.16	\$ 2.77	\$ 1.14
<b>Adjustments to arrive at AOI:</b>							
Effect of investment (gains) losses, net of offsets (a)	0.07	0.26	(0.02)	0.09	0.09	0.31	0.07
Effect of change in FIA embedded derivative discount rate, net of offsets (a)	(0.07)	(0.04)	(1.58)	(0.12)	0.48	(1.68)	1.04
Effect of change in fair value of reinsurance related embedded derivative, net of offsets (a)	0.14	0.14	(0.17)	0.29	0.44	0.10	0.34
Tax impact of adjusting items	\$ (0.05)	\$ (0.12)	\$ 0.62	\$ (0.09)	\$ (0.35)	\$ 0.45	\$ (0.51)
<b>AOI per diluted share</b>	<b>\$ 0.63</b>	<b>\$ 0.62</b>	<b>\$ 0.70</b>	<b>\$ 0.69</b>	<b>\$ 0.82</b>	<b>\$ 1.95</b>	<b>\$ 2.08</b>

(a) amounts are net of offsets related to value of business acquired ("VOBA") and deferred acquisition cost ("DAC") amortization



**NON-GAAP FINANCIAL MEASURES**

***AOI***

AOI is a non-GAAP economic measure we use to evaluate financial performance each period. AOI is calculated by adjusting net income to eliminate (i) the impact of net investment gains including other-than-temporary impairment ("OTTI") losses recognized in operations, but excluding gains and losses on derivatives hedging our indexed annuity policies, (ii) the effect of changes in the interest rates used to discount the FIA embedded derivative liability, and (iii) the effect of change in fair value of the reinsurance related embedded derivative. All adjustments to AOI are net of the corresponding VOBA and DAC impact. The income tax impact related to these adjustments is measured using an effective tax rate of 35%, as appropriate. While these adjustments are an integral part of the overall performance of FGL, market conditions impacting these items can overshadow the underlying performance of the business. Accordingly, we believe using a measure which excludes their impact is effective in analyzing the trends of our operations. 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.

***Sales***

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. For GAAP purposes annuity sales are recorded as deposit liabilities (i.e. contract holder funds). 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.

While management believes that non-GAAP measurements are useful supplemental information, such adjusted results are not intended to replace GAAP financial results and should be read in conjunction with those GAAP results.

**Summary of Adjustments to Arrive at AOI**

	Three Months Ended				Nine Months Ended		
	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	June 30, 2016	
(Dollars in millions)							
<b>Revenue:</b>							
Net investment gains (a)	\$ 15	\$ 28	\$ (12)	\$ 29	\$ 44	\$ 31	\$ 34
Increase (decrease) in total revenues	15	28	(12)	29	44	31	34
<b>Benefits and expenses:</b>							
Benefits and other changes in policy reserves (b)	(10)	(1)	(168)	(16)	53	(179)	113
Amortization of intangibles	3	(6)	77	2	(38)	74	(62)
(Decrease) increase in total benefits and expenses	(7)	(7)	(91)	(14)	15	(105)	51
Increase (decrease) in pre-tax operating income	8	21	(103)	15	59	(74)	85
(Decrease) increase in income tax expense (benefit) (c)	(3)	(7)	36	(5)	(21)	26	(30)
Increase (decrease) in net income	\$ 5	\$ 14	\$ (67)	\$ 10	\$ 38	\$ (48)	\$ 55

(a) Net investment gains: includes the effects of net investment gains and change in fair value of the reinsurance related embedded derivative.

(b) Benefits and other changes in policy reserves: includes the effects of the change in fair value of the FIA embedded derivative discount rate.

(c) The tax expense (benefit) includes the tax impact of the adjustments in a-b above.

**Notable Items Included in Net Income and AOI**

Each quarterly reporting period, we identify notable items that explain the trends in our Net Income and AOI. These items are infrequent in nature or involve accounting volatility under general accepted accounting principles. The amounts below are included in disclosures within the Company's earnings releases to explain our Net Income and AOI results. We believe that understanding these items provides further clarity to the financial performance of the business.

	Three Months Ended					Nine Months Ended	
	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	June 30, 2017	June 30, 2016
	(Dollars in millions)						
<b>Net Income</b>	\$ 32	\$ 22	\$ 108	\$ 30	\$ 10	\$ 162	\$ 67
<b>AOI</b>	\$ 37	\$ 36	\$ 41	\$ 40	\$ 48	\$ 114	\$ 122
<b>Notable Items Included within AOI</b>							
<b>[(unfavorable)/favorable]</b>							
Legacy incentive compensation (a)	(1)	(1)	—	(2)	1	(2)	—
Project expenses (b)	(5)	(2)	—	—	(1)	(7)	(4)
Single premium immediate annuities ("SPIA") mortality & other reserve adjustments (c)	2	3	2	—	4	7	7
Assumption review & DAC unlocking (d)	—	(3)	—	5	7	(3)	12
Other, including bond prepayment income & tax valuation allowance (e)	—	—	2	1	2	2	5

(a) Change in certain long term incentive compensation costs, including the change in the liability for our FGLH stock compensation plan, which as a liability plan, is settled in cash and accounted for at fair value each reporting period.

(b) Expenses associated with corporate development activities, including mergers & acquisitions.

(c) The release of annuity reserves associated with mortality of annuitants, which varies due to timing, volume and severity of experience, and other reserve adjustments.

(d) Reflects unlocking from updating our DAC amortization models for actual experience and equity market fluctuations. Also, annually in the 4th fiscal quarter, we complete our Annual Assumption Review & DAC Unlocking process by adjusting our valuation assumptions to align with actual experience.

(e) Bond prepayment income, changes in tax valuation, and other allowances related to reinsurance and agent debt, reinsurance settlements and other net favorable activity.

**Capitalization/Book Value per Share**

	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016
(Dollars in millions, except per share data)					
<b>Capitalization:</b>					
Debt	\$ 405	\$ 405	\$ 400	\$ 400	\$ 300
<b>Total debt</b>	405	405	400	400	300
<b>Total shareholders' equity</b>	2,113	1,908	1,752	1,934	1,782
<b>Total capitalization</b>	2,518	2,313	2,152	2,334	2,082
AOCI	467	291	153	439	305
<b>Total capitalization excluding AOCI (a)</b>	<u>\$ 2,051</u>	<u>\$ 2,022</u>	<u>\$ 1,999</u>	<u>\$ 1,895</u>	<u>\$ 1,777</u>
<b>Total shareholders' equity</b>	2,113	1,908	1,752	1,934	1,782
AOCI	467	291	153	439	305
<b>Total shareholders' equity excluding AOCI (a)</b>	<u>\$ 1,646</u>	<u>\$ 1,617</u>	<u>\$ 1,599</u>	<u>\$ 1,495</u>	<u>\$ 1,477</u>
Common shares outstanding	58.99	58.99	58.98	58.96	58.96
<b>Book Value per Share: (b)</b>					
GAAP Book value per share including AOCI	\$ 35.82	\$ 32.34	\$ 29.70	\$ 32.80	\$ 30.22
GAAP Book value per share excluding AOCI (a)	\$ 27.90	\$ 27.41	\$ 27.11	\$ 25.36	\$ 25.05
<b>Twelve months ended</b>					
<b>Twelve Month Rolling Average Return on Equity ("ROE")</b>	<b>June 30, 2017</b>	<b>March 31, 2017</b>	<b>December 31, 2016</b>	<b>September 30, 2016</b>	<b>June 30, 2016</b>
<b>Return on Shareholders' Equity (c)</b>					
Return on average shareholders' equity	10.1%	9.6%	9.4%	6.0%	6.3%
Return on average shareholders' equity, excluding AOCI (c)	12.3%	11.1%	10.5%	6.6%	6.7%
<b>Return on Shareholders' Equity - AOI (d)</b>					
Adjusted Operating ROE, excluding AOCI (d)	9.8%	10.8%	11.5%	11.1%	11.4%
<b>Three months ended</b>					
<b>Quarterly Average ROE</b>	<b>June 30, 2017</b>	<b>March 31, 2017</b>	<b>December 31, 2016</b>	<b>September 30, 2016</b>	<b>June 30, 2016</b>
Return on average shareholders' equity	6.4%	4.8%	23.4%	6.5%	2.4%
Return on average shareholders' equity, excluding AOCI (c)	7.8%	5.5%	27.9%	8.1%	2.7%
Adjusted Operating ROE, excluding AOCI (d)	9.1%	9.0%	10.6%	10.8%	13.1%
<b>Debt-to-Capital Ratios: (e)</b>					
Long-term debt/Total capitalization excluding AOCI	19.7%	20.0%	20.0%	21.1%	16.9%

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(a) Total capitalization, total stockholders' equity and book value per share excluding AOCI (a non-GAAP financial measure) are based on stockholders' 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, we believe these non-GAAP financial measures provide useful supplemental information.

(b) Book value per share including and excluding AOCI is calculated as total stockholders' equity and total stockholders' equity excluding AOCI divided by the total number of shares of common stock outstanding.

(c) Return on Equity, excluding AOCI is a non-GAAP financial measure. It is calculated by dividing net income by total average equity excluding AOCI. Average equity excluding AOCI for the twelve months rolling, is the average of 5 points throughout the period and for the quarterly average equity is calculated using the beginning and ending equity, excluding AOCI, for the period. For periods less than a full fiscal year, amounts disclosed in the table are annualized.

(d) Adjusted Operating ROE, excluding AOCI is a non-GAAP financial measure. It is calculated by dividing AOI by total average equity excluding AOCI. Average equity excluding AOCI for the twelve months rolling, is the average of 5 points throughout the period and for the quarterly average equity is calculated using the beginning and ending equity, excluding AOCI, for the period. For periods less than a full fiscal year, amounts disclosed in the table are annualized.

(e) Debt-to-capital ratios are computed using total capitalization excluding AOCI. Adjusted debt includes the total senior unsecured debentures and revolving credit facility.

**Financial Strength Ratings**

	<b>S&amp;P</b>	<b>A.M. Best</b>	<b>Moody's</b>	<b>Fitch</b>
<b><u>As of Date of Financial Supplement</u></b>				
Fidelity and Guaranty Life Insurance Company	BBB-	B++	Baa2	BBB
Fidelity and Guaranty Life Insurance Company of New York	BBB-	B++	Not Rated	BBB
Rating Agency Outlook	Credit Watch Developing	Under Review with Developing Implications	Stable	Rating Watch Evolving

**Net Investment Spread Results**

(Dollars in millions)

	Three Months Ended		Nine Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Yield on average assets under management "AAUM" (at amortized cost)	5.01 %	5.01 %	4.92 %	4.93 %
Less: Interest credited and option cost	(2.47)%	(2.60)%	(2.51)%	(2.66)%
Total net investment spread - All product lines (b)	2.54 %	2.41 %	2.41 %	2.27 %
FIA net investment spread	3.02 %	3.07 %	3.03 %	2.98 %
Investment book yield - bonds purchased during the period (c)	5.27 %	5.00 %	5.08 %	5.52 %
AAUM (a)	\$ 20,569	\$ 18,854	\$ 20,153	\$ 18,523

(a) AAUM is a non-GAAP measure and is the sum of (i) total invested assets at amortized cost, excluding derivatives; and including (ii) related party loans and investments and (iii) cash and cash equivalents at the end of each month in the period divided by the number of months in the period.

(b) Net investment spread is the excess of net investment income earned over the sum of interest credited to policyholders and the cost of hedging our risk on FIA policies.

(c) Investment book yield on bonds purchased during the period excludes yield on short-term treasuries and cash and cash equivalents.

**Sales Results by Product**

(Dollars in millions)

	Three Months Ended				Nine Months Ended		
	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	June 30, 2016	
Fixed index annuities ("FIA")	\$ 455	\$ 438	\$ 551	\$ 482	\$ 495	\$ 1,444	1,350
Fixed rate annuities ("MYGA")	127	158	97	121	180	382	415
Institutional spread based (1)	—	136	—	—	157	136	157
Total Annuity	\$ 582	\$ 732	\$ 648	\$ 603	\$ 832	\$ 1,962	\$ 1,922
Index universal life	9	14	17	17	15	40	39
Total Sales	\$ 591	\$ 746	\$ 665	\$ 620	\$ 847	\$ 2,002	\$ 1,961

(1) Institutional spread based product sales from funding agreement investment contracts issued with the Federal Home Loan Bank and held in our separate account.

**Annuity Account Balance Rollforward (a)**

(Dollars in millions)

	<b>Three Months Ended</b>				
	<b>June 30, 2017</b>	<b>March 31, 2017</b>	<b>December 31, 2016</b>	<b>September 30, 2016</b>	<b>June 30, 2016</b>
Account balances at beginning of period:	\$ 16,114	\$ 15,603	\$ 15,250	\$ 14,935	\$ 14,599
Net deposits	591	603	655	598	687
Premium and interest bonuses	12	12	13	10	11
Fixed interest credited and index credits	154	153	87	81	45
Guaranteed product rider fees	(18)	(18)	(16)	(12)	(14)
Surrenders, withdrawals, deaths, etc.	(423)	(239)	(386)	(362)	(393)
Account balance at end of period	<u>\$ 16,430</u>	<u>\$ 16,114</u>	<u>\$ 15,603</u>	<u>\$ 15,250</u>	<u>\$ 14,935</u>

(a) The rollforward reflects the account balance of our fixed index annuities and fixed rate annuities.

**Annuity Deposits by Product Type**

<b>Product Type</b>	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>June 30, 2017</b>	<b>June 30, 2016</b>	<b>June 30, 2017</b>	<b>June 30, 2016</b>
	(Dollars in millions)			
Fixed Index Annuities:				
Index Strategies	\$ 370	\$ 411	\$ 1,156	\$ 1,114
Fixed Strategy	93	91	306	261
	463	502	1,462	1,375
Fixed Rate Annuities:				
Single-Year Rate Guaranteed	3	1	7	4
Multi-Year Rate Guaranteed	126	184	382	424
Total before coinsurance ceded	592	687	1,851	1,803
Coinsurance ceded	1	—	2	1
Net after coinsurance ceded	<u>\$ 591</u>	<u>\$ 687</u>	<u>\$ 1,849</u>	<u>\$ 1,802</u>

**Surrender Charge Protection and Account Values by Product Type**

Annuity Surrender Charges and Account Values (net of reinsurance) at June 30, 2017:

<b>Product Type</b>	<b>Surrender Charge</b>			<b>Net Account Value</b>	
	<b>Avg. Years at Issue</b>	<b>Avg. Years Remaining</b>	<b>Avg. % Remaining</b>	<b>Dollars in millions</b>	<b>%</b>
Fixed Index Annuities	11	6	8%	\$ 13,026	79%
Single-Year Rate Guaranteed	10	1	1%	598	4%
Multi-Year Rate Guaranteed	5	3	7%	2,806	17%
<b>Total</b>				<b>\$ 16,430</b>	<b>100%</b>



**Annuity Liability Characteristics**

	Fixed Annuities Account Value	Fixed Index Annuities Account Value
(Dollars in millions)		
<b><u>SURRENDER CHARGE PERCENTAGES:</u></b>		
No surrender charge	\$ 709	\$ 1,888
0.0% < 2.0%	41	300
2.0% < 4.0%	32	364
4.0% < 6.0%	274	585
6.0% < 8.0%	988	1,537
8.0% < 10.0%	1,323	2,469
10.0% or greater	37	5,883
	<u>\$ 3,404</u>	<u>\$ 13,026</u>

	Fixed and Fixed Index Annuities Account Value	Weighted Average Surrender Charge
(Dollars in millions)		
<b><u>SURRENDER CHARGE EXPIRATION BY YEAR:</u></b>		
Out of Surrender Charge	\$ 2,573	—%
2017	436	4%
2018 - 2019	2,240	5%
2020 - 2021	1,918	8%
2022 - 2023	1,949	8%
Thereafter	7,314	11%
	<u>\$ 16,430</u>	<u>7%</u>

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	Fixed Annuities Account Value	Fixed Index Annuities Account Value
	(Dollars in millions)	
<b><u>CREDITED RATE (INCLUDING BONUS INTEREST) VS. ULTIMATE MINIMUM GUARANTEED RATE DIFFERENTIAL:</u></b>		
No differential	\$ 1,017	\$ 1,334
0.0% - 1.0%	383	1,259
1.0% - 2.0%	283	58
2.0% - 3.0%	1,700	14
3.0% - 4.0%	21	—
Allocated to index strategies	—	10,361
	<u>\$ 3,404</u>	<u>\$ 13,026</u>

**FIXED INDEX ANNUITIES ACCOUNT VALUE - INDEX STRATEGIES**

**Monthly Average, Point to Point and Gain Trigger Strategies with Cap**

	Minimum Guaranteed Cap				
	1%	2%	3%	5%	6%
	(Dollars in millions)				
<b>Current Cap</b>					
At minimum	\$ —	\$ —	\$ 1,488	\$ 634	\$ —
2-3%	647	—	—	—	—
3-4%	1,006	—	391	—	—
4-5%	397	—	499	—	—
5-6%	70	1	133	4	—
6-7%	30	2	19	—	5
7% +	59	33	177	—	67
<b>Total:</b>	<u>\$ 2,209</u>	<u>\$ 36</u>	<u>\$ 2,707</u>	<u>\$ 638</u>	<u>\$ 72</u>

FIDELITY & GUARANTY LIFE AND SUBSIDIARIES  
**Financial Supplement - June 30, 2017**  
(unaudited)

**Monthly Point-to-Point with Cap**

	<b>Minimum Guaranteed Cap 1%</b>	
	<b>(Dollars in millions)</b>	
<b>Current Cap</b>		
At minimum	\$	1,334
1% to 2%		2,176
2% to 3%		660
3% +		164
<b>Total:</b>	<b>\$</b>	<b>4,334</b>

**3 Year Step Forward with Cap**

	<b>Minimum Guaranteed</b>		<b>Minimum Guaranteed</b>	
	<b>Cap 2%</b>		<b>Cap 5%</b>	
	<b>(Dollars in millions)</b>			
<b>Current Cap</b>				
At minimum	\$	—	\$	19
2% to 5%		2		—
5% to 7%		8		49
7% to 9%		—		43
9% to 11%		—		18
11% to 13%		—		7
<b>Total:</b>	<b>\$</b>	<b>10</b>	<b>\$</b>	<b>136</b>

There is an additional \$218 million Account Value allocated to strategies not listed above. Of this \$218 million, \$13 million is at the guaranteed rates.

**Summary of Invested Assets by Asset Class**

(Dollars in millions)	June 30, 2017			September 30, 2016		
	Amortized Cost	Fair Value	Percent	Amortized Cost	Fair Value	Percent
<b>Fixed maturity securities, available-for-sale:</b>						
United States Government full faith and credit	\$ 85	\$ 87	—%	\$ 233	\$ 243	1%
United States Government sponsored entities	132	133	1%	112	115	1%
United States municipalities, states and territories	1,589	1,726	8%	1,515	1,717	8%
<b>Corporate securities:</b>						
Finance, insurance and real estate	5,342	5,723	25%	5,084	5,463	26%
Manufacturing, construction and mining	985	1,009	5%	847	863	4%
Utilities, energy and related sectors	1,989	2,046	9%	1,811	1,881	9%
Wholesale/retail trade	1,343	1,398	6%	1,205	1,277	6%
Services, media and other	2,218	2,299	10%	1,765	1,856	9%
Hybrid securities	1,362	1,431	6%	1,356	1,386	7%
Non-agency residential mortgage-backed securities	1,073	1,161	6%	1,215	1,247	6%
Commercial mortgage-backed securities	950	950	4%	850	864	4%
Asset-backed securities	2,777	2,803	13%	2,528	2,499	12%
Equity securities	732	774	3%	640	683	3%
Commercial mortgage loans	550	551	2%	595	614	3%
Other (primarily derivatives and loan participations)	396	535	2%	281	334	1%
<b>Total</b>	<b>\$ 21,523</b>	<b>\$ 22,626</b>	<b>100%</b>	<b>20,037</b>	<b>\$ 21,042</b>	<b>100%</b>

**Credit Quality of Fixed Maturity Securities at June 30, 2017**

NAIC Designation	Fair Value	Percent	Rating Agency Rating	Fair Value	Percent
	(Dollars in millions)			(Dollars in millions)	
1	\$ 10,753	52%	AAA	\$ 1,643	8%
2	8,758	42%	AA	1,895	9%
3	1,047	5%	A	5,520	27%
4	141	1%	BBB	9,473	46%
5	65	—%	BB	1,057	5%
6	2	—%	B and below	1,178	5%
	<b>\$ 20,766</b>	<b>100%</b>		<b>\$ 20,766</b>	<b>100%</b>

Managed and Direct Related Party Investments

(Dollars in Millions)

Type	Balance Sheet Classification	June 30, 2017	
		Amortized Cost	Fair Value
<b>Investments managed by related parties:</b>			
Fortress Investment Group collateralized loan obligations	Fixed maturities, available-for-sale	\$ 173	\$ 174
	<b><i>Total investments managed by related parties</i></b>	<b><u>\$ 173</u></b>	<b><u>\$ 174</u></b>
<b>Direct investment in related parties:</b>			
HGI energy loan	Related party loans	72	71
Salus preferred equity	Equity securities, available-for-sale	1	1
Spectrum Brands, Inc.	Fixed maturities, available-for-sale	2	2
	<b><i>Total direct investment in related parties</i></b>	<b><u>\$ 75</u></b>	<b><u>\$ 74</u></b>
<b>Assets above included in FSRCI Funds withheld portfolio:</b>			
Fortress Investment Group collateralized loan obligations	Fixed maturities, available-for-sale	10	10
HGI energy loan	Related party loans	72	71
Spectrum Brands, Inc.	Fixed maturities, available-for-sale	2	2
Salus preferred equity	Equity securities, available-for-sale	1	1
	<b><i>Total assets included in FSRCI Funds withheld portfolio</i></b>	<b><u>\$ 85</u></b>	<b><u>\$ 84</u></b>

(a) Includes loan participations with 2 different borrowers.

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

Collateral Type	June 30, 2017	
	Amortized Cost	Fair Value
	(Dollars in millions)	
<b>Total by collateral type</b>		
Government agency	\$ 132	\$ 133
Prime	175	182
Subprime	272	287
Alt-A	626	692
	\$ 1,205	\$ 1,294
<b>Total by NAIC designation</b>		
1	\$ 1,176	\$ 1,266
2	20	20
3	9	8
4	—	—
5	—	—
	\$ 1,205	\$ 1,294

**Top 10 Holdings by Issuers**

(Dollars in millions)

<b>Issuer (a):</b>	<b>June 30, 2017</b>	
	<b>Fair Value</b>	<b>Percentage of Total Invested Assets</b>
Wells Fargo & Company	\$ 149	0.7%
Metropolitan Transportation Authority (NY)	120	0.5%
General Electric Company	114	0.5%
JP Morgan Chase & Co.	109	0.5%
Nationwide Mutual Insurance Company	101	0.4%
Entergy Corp	92	0.4%
Metlife, Inc.	91	0.4%
Goldman Sachs Group, Inc.	90	0.4%
Bank of New York Mellon Corp	88	0.4%
Rabobank Nederland	85	0.4%

(a) Issuers excluding U.S. Governmental securities and any securities held in our funds withheld portfolio.

Reinsurance Counterparty Risk- Top 5 Reinsurers

(Dollars in millions)

Parent Company/Principal Reinsurers	Reinsurance Recoverable (a)	Financial Strength Rating		
		AM Best	S&P	Moody's
Wilton Reinsurance	\$ 1,536	A+	Not Rated	Not Rated
Front Street Re	1,037	Not Rated	Not Rated	Not Rated
Scottish Re	154	Not Rated	Not Rated	Not Rated
Security Life of Denver	143	A	A	A2
London Life	102	A	Not Rated	Not Rated

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



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**Common stock and Dividend Information:**  
New York Stock Exchange symbol: "FGL"

	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>Dividend Declared</u>
<b>FY2017</b>				
First Quarter	\$ 24.25	\$ 21.10	\$ 23.70	\$ 0.065
Second Quarter	\$ 27.95	\$ 23.45	\$ 27.80	\$ 0.065
Third Quarter	\$ 31.30	\$ 27.15	\$ 31.05	\$ 0.065

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