

GLOBE LIFE INC.
Operating Summary

(Unaudited)

(Amounts in thousands, except per share data)

| Nine Months Ended September 30, | | | Q3 | Q2 | Q1 | Q4 | Q3 |
|------------------------------------|-------------------|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| 2019 | 2018 | | 2019 | 2019 | 2019 | 2018 | 2018 |
| | | Underwriting income | | | | | |
| | | Life: | | | | | |
| \$ 1,886,314 | \$ 1,806,384 | Premium | \$ 630,824 | \$ 631,201 | \$ 624,289 | \$ 600,171 | \$ 605,547 |
| (730,722) | (722,243) | Net policy obligations | (239,244) | (245,448) | (246,030) | (233,507) | (236,643) |
| (572,468) | (545,476) | Non-deferred commissions and amortization | (191,050) | (191,949) | (189,469) | (180,421) | (182,343) |
| (56,776) | (54,071) | Non-deferred acquisition expense | (19,071) | (18,754) | (18,951) | (18,536) | (17,965) |
| 526,348 | 484,594 | Underwriting margin | 181,459 | 175,050 | 169,839 | 167,707 | 168,596 |
| | | Health: | | | | | |
| 802,132 | 758,439 | Premium | 269,166 | 266,282 | 266,684 | 256,900 | 255,201 |
| (446,272) | (421,559) | Net policy obligations | (148,920) | (148,831) | (148,521) | (144,386) | (141,609) |
| (154,353) | (141,306) | Non-deferred commissions and amortization | (52,845) | (50,998) | (50,510) | (48,322) | (47,474) |
| (18,893) | (17,735) | Non-deferred acquisition expense | (6,460) | (6,294) | (6,139) | (5,978) | (5,865) |
| 182,614 | 177,839 | Underwriting margin | 60,941 | 60,159 | 61,514 | 58,214 | 60,253 |
| 7,132 | 7,716 | Annuity underwriting margin | 2,351 | 2,365 | 2,416 | 2,660 | 2,564 |
| 716,094 | 670,149 | Total underwriting margin | 244,751 | 237,574 | 233,769 | 228,581 | 231,413 |
| 1,077 | 1,180 | Other income | 438 | 398 | 241 | 56 | 416 |
| (179,177) | (166,560) | Administrative expense | (60,570) | (59,416) | (59,191) | (57,381) | (55,812) |
| 537,994 | 504,769 | Underwriting income | 184,619 | 178,556 | 174,819 | 171,256 | 176,017 |
| | | Excess investment income | | | | | |
| 683,003 | 658,279 | Net investment income | 228,905 | 227,425 | 226,673 | 224,233 | 221,627 |
| (424,193) | (408,399) | Required interest on net policy liabilities | (143,038) | (141,315) | (139,840) | (138,943) | (137,666) |
| (63,804) | (66,466) | Interest on debt | (21,094) | (21,432) | (21,278) | (23,610) | (22,433) |
| 195,006 | 183,414 | Total excess investment income | 64,773 | 64,678 | 65,555 | 61,680 | 61,528 |
| (7,987) | (7,806) | Parent company expenses | (2,472) | (2,872) | (2,643) | (2,878) | (2,667) |
| 725,013 | 680,377 | Pre-tax operating income | 246,920 | 240,362 | 237,731 | 230,058 | 234,878 |
| (142,009) | (133,605) | Income tax | (48,305) | (47,114) | (46,590) | (44,870) | (46,531) |
| 583,004 | 546,772 | Net operating income before stock compensation expense | 198,615 | 193,248 | 191,141 | 185,188 | 188,347 |
| (18,995) | (16,820) | Stock compensation expense, net of tax | (6,232) | (6,366) | (6,397) | (8,166) | (5,625) |
| \$ 564,009 | \$ 529,952 | Net operating income | \$ 192,383 | \$ 186,882 | \$ 184,744 | \$ 177,022 | \$ 182,722 |
| \$ 5.05 | \$ 4.58 | Per share | \$ 1.73 | \$ 1.67 | \$ 1.64 | \$ 1.56 | \$ 1.59 |
| 111,592 | 115,785 | Average diluted shares outstanding | 110,914 | 111,586 | 112,329 | 113,667 | 114,974 |
| | | Reconciling items, net of tax: | | | | | |
| \$ 14,557 | \$ 11,689 | Realized gain (loss)—investments | \$ 9,435 | \$ 4,072 | \$ 1,050 | \$ (4,362) | \$ 815 |
| — | — | Realized loss—redemption of debt | — | — | — | (8,752) | — |
| (92) | (55) | Part D adjustments—discontinued operations | — | (43) | (49) | 11 | 24 |
| (400) | (3,590) | Administrative settlements | — | — | (400) | — | (3,590) |
| — | (1,247) | Non-operating fees | — | — | — | — | (1,247) |
| (4,345) | — | Legal proceedings | — | (4,345) | — | — | — |
| — | — | Tax reform adjustment | — | — | — | 798 | — |
| \$ 573,729 | \$ 536,749 | Net income | \$ 201,818 | \$ 186,566 | \$ 185,345 | \$ 164,717 | \$ 178,724 |
| \$ 5.14 | \$ 4.64 | Per share | \$ 1.82 | \$ 1.67 | \$ 1.65 | \$ 1.45 | \$ 1.55 |

Refer to 10-Q/10-K for supplemental information on www.sec.gov (NYSE: GL).

GLOBE LIFE INC.
Insurance Operations—Quarter
(Unaudited)
(Dollar amounts in thousands)

| | Three Months Ended September 30, | | | | | | | |
|--|----------------------------------|----|------------|----|-----------|----|-----------|----|
| | Life | | | | Health | | | |
| | 2019 | % | 2018 | % | 2019 | % | 2018 | % |
| American Income Exclusive Agency | | | | | | | | |
| Premium | \$ 293,149 | | \$ 273,184 | | \$ 25,312 | | \$ 23,677 | |
| Net policy obligations | 86,614 | 30 | 82,375 | 30 | 6,101 | 24 | 5,769 | 24 |
| Non-deferred commission & amortization | 96,139 | 33 | 89,338 | 33 | 4,873 | 19 | 4,587 | 19 |
| Non-deferred acquisition expenses | 9,900 | 3 | 8,947 | 3 | 623 | 2 | 571 | 2 |
| Underwriting margin | 100,496 | 34 | 92,524 | 34 | 13,715 | 54 | 12,750 | 54 |
| Direct Response | | | | | | | | |
| Premium | 211,693 | | 207,693 | | 19,135 | | 19,053 | |
| Net policy obligations | 112,706 | 53 | 110,017 | 53 | 15,249 | 80 | 15,174 | 80 |
| Non-deferred commission & amortization | 53,304 | 25 | 53,713 | 26 | 1,021 | 5 | 774 | 4 |
| Non-deferred acquisition expenses | 4,476 | 2 | 4,581 | 2 | 3 | — | 10 | — |
| Underwriting margin | 41,207 | 19 | 39,382 | 19 | 2,862 | 15 | 3,095 | 16 |
| Liberty National Exclusive Agency | | | | | | | | |
| Premium | 71,812 | | 70,207 | | 47,439 | | 47,561 | |
| Net policy obligations | 24,169 | 34 | 26,808 | 38 | 24,068 | 51 | 23,964 | 50 |
| Non-deferred commission & amortization | 24,677 | 34 | 22,716 | 32 | 10,869 | 23 | 10,640 | 22 |
| Non-deferred acquisition expenses | 4,394 | 6 | 4,104 | 6 | 1,126 | 2 | 1,190 | 3 |
| Underwriting margin | 18,572 | 26 | 16,579 | 24 | 11,376 | 24 | 11,767 | 25 |
| Family Heritage Exclusive Agency | | | | | | | | |
| Premium | 971 | | 891 | | 74,168 | | 69,061 | |
| Net policy obligations | 538 | 55 | 519 | 58 | 35,851 | 48 | 35,039 | 51 |
| Non-deferred commission & amortization | 198 | 20 | 174 | 20 | 17,361 | 23 | 15,321 | 22 |
| Non-deferred acquisition expenses | 28 | 3 | 24 | 3 | 2,155 | 3 | 1,878 | 3 |
| Underwriting margin | 207 | 21 | 174 | 20 | 18,801 | 25 | 16,823 | 24 |
| Other Distribution | | | | | | | | |
| Premium | 53,199 | | 53,572 | | 103,112 | | 95,849 | |
| Net policy obligations | 15,217 | 29 | 16,924 | 32 | 67,651 | 66 | 61,663 | 64 |
| Non-deferred commission & amortization | 16,732 | 31 | 16,402 | 31 | 18,721 | 18 | 16,152 | 17 |
| Non-deferred acquisition expenses | 273 | 1 | 309 | 1 | 2,553 | 2 | 2,216 | 2 |
| Underwriting margin | 20,977 | 39 | 19,937 | 37 | 14,187 | 14 | 15,818 | 17 |
| Totals: | | | | | | | | |
| Premium | 630,824 | | 605,547 | | 269,166 | | 255,201 | |
| Net policy obligations | 239,244 | 38 | 236,643 | 39 | 148,920 | 55 | 141,609 | 55 |
| Non-deferred commission & amortization | 191,050 | 30 | 182,343 | 30 | 52,845 | 20 | 47,474 | 19 |
| Non-deferred acquisition expenses | 19,071 | 3 | 17,965 | 3 | 6,460 | 2 | 5,865 | 2 |
| Underwriting margin | \$ 181,459 | 29 | \$ 168,596 | 28 | \$ 60,941 | 23 | \$ 60,253 | 24 |

| | Three Months Ended September 30, | |
|------------------------------------|----------------------------------|-------------------|
| | 2019 | 2018 |
| Total Underwriting Margins: | | |
| Life | \$ 181,459 | \$ 168,596 |
| Health | 60,941 | 60,253 |
| Annuity | 2,351 | 2,564 |
| Other income | 438 | 416 |
| Administrative & other expenses | (60,570) | (55,812) |
| Underwriting income | \$ 184,619 | \$ 176,017 |

Refer to 10-Q/10-K for supplemental information on www.sec.gov (NYSE: GL).

GLOBE LIFE INC.
Insurance Operations—Year to Date
(Unaudited)
(Dollar amounts in thousands)

| | Nine Months Ended September 30, | | | | | | | |
|--|---------------------------------|----|-------------------|----|-------------------|----|-------------------|----|
| | Life | | | | Health | | | |
| | 2019 | % | 2018 | % | 2019 | % | 2018 | % |
| American Income Exclusive Agency | | | | | | | | |
| Premium | \$ 863,250 | | \$ 805,372 | | \$ 73,861 | | \$ 69,751 | |
| Net policy obligations | 259,506 | 30 | 248,341 | 31 | 17,993 | 24 | 17,042 | 24 |
| Non-deferred commission & amortization | 283,768 | 33 | 264,345 | 33 | 14,525 | 20 | 13,727 | 20 |
| Non-deferred acquisition expenses | 29,165 | 3 | 26,669 | 3 | 1,838 | 2 | 1,701 | 2 |
| Underwriting margin | 290,811 | 34 | 266,017 | 33 | 39,505 | 53 | 37,281 | 53 |
| Direct Response | | | | | | | | |
| Premium | 646,530 | | 628,525 | | 58,644 | | 57,440 | |
| Net policy obligations | 349,530 | 54 | 343,355 | 55 | 46,468 | 79 | 45,571 | 79 |
| Non-deferred commission & amortization | 165,237 | 26 | 162,890 | 26 | 3,106 | 5 | 2,405 | 4 |
| Non-deferred acquisition expenses | 14,146 | 2 | 13,649 | 2 | 23 | — | 15 | — |
| Underwriting margin | 117,617 | 18 | 108,631 | 17 | 9,047 | 15 | 9,449 | 16 |
| Liberty National Exclusive Agency | | | | | | | | |
| Premium | 214,007 | | 209,224 | | 142,887 | | 144,598 | |
| Net policy obligations | 73,973 | 35 | 78,892 | 38 | 71,721 | 50 | 72,712 | 50 |
| Non-deferred commission & amortization | 72,747 | 34 | 67,581 | 32 | 32,503 | 23 | 32,127 | 22 |
| Non-deferred acquisition expenses | 12,598 | 6 | 12,740 | 6 | 3,483 | 2 | 3,599 | 2 |
| Underwriting margin | 54,689 | 26 | 50,011 | 24 | 35,180 | 25 | 36,160 | 25 |
| Family Heritage Exclusive Agency | | | | | | | | |
| Premium | 2,829 | | 2,597 | | 218,469 | | 202,915 | |
| Net policy obligations | 1,596 | 56 | 1,515 | 58 | 108,837 | 50 | 104,098 | 51 |
| Non-deferred commission & amortization | 571 | 20 | 506 | 19 | 49,360 | 23 | 44,974 | 22 |
| Non-deferred acquisition expenses | 76 | 3 | 73 | 3 | 5,854 | 3 | 5,726 | 3 |
| Underwriting margin | 586 | 21 | 503 | 19 | 54,418 | 25 | 48,117 | 24 |
| Other Distribution | | | | | | | | |
| Premium | 159,698 | | 160,666 | | 308,271 | | 283,735 | |
| Net policy obligations | 46,117 | 29 | 50,140 | 31 | 201,253 | 65 | 182,136 | 64 |
| Non-deferred commission & amortization | 50,145 | 31 | 50,154 | 31 | 54,859 | 18 | 48,073 | 17 |
| Non-deferred acquisition expenses | 791 | — | 940 | 1 | 7,695 | 2 | 6,694 | 2 |
| Underwriting margin | 62,645 | 39 | 59,432 | 37 | 44,464 | 14 | 46,832 | 17 |
| Totals: | | | | | | | | |
| Premium | 1,886,314 | | 1,806,384 | | 802,132 | | 758,439 | |
| Net policy obligations | 730,722 | 39 | 722,243 | 40 | 446,272 | 56 | 421,559 | 56 |
| Non-deferred commission & amortization | 572,468 | 30 | 545,476 | 30 | 154,353 | 19 | 141,306 | 19 |
| Non-deferred acquisition expenses | 56,776 | 3 | 54,071 | 3 | 18,893 | 2 | 17,735 | 2 |
| Underwriting margin | <u>\$ 526,348</u> | 28 | <u>\$ 484,594</u> | 27 | <u>\$ 182,614</u> | 23 | <u>\$ 177,839</u> | 23 |

| | Nine Months Ended September 30, | |
|------------------------------------|---------------------------------|-------------------|
| | 2019 | 2018 |
| Total Underwriting Margins: | | |
| Life | \$ 526,348 | \$ 484,594 |
| Health | 182,614 | 177,839 |
| Annuity | 7,132 | 7,716 |
| Other income | 1,077 | 1,180 |
| Administrative & other expenses | (179,177) | (166,560) |
| Underwriting income | <u>\$ 537,994</u> | <u>\$ 504,769</u> |

Refer to 10-Q/10-K for supplemental information on www.sec.gov (NYSE: GL).

GLOBE LIFE INC.
Net Sales and First-Year Collected Premium
(Unaudited)
(Dollar amounts in thousands)

| Net Sales ⁽¹⁾ | Nine Months Ended September 30, | | Increase (Decrease) % | Three Months Ended September 30, | | Increase (Decrease) % |
|------------------------------------|------------------------------------|-------------------|-----------------------------|-------------------------------------|-------------------|-----------------------------|
| | 2019 | 2018 | | 2019 | 2018 | |
| Life | | | | | | |
| American Income Exclusive Agency | \$ 178,291 | \$ 169,442 | 5 | \$ 59,692 | \$ 54,671 | 9 |
| Direct Response | 96,420 | 96,978 | (1) | 29,517 | 29,755 | (1) |
| Liberty National Exclusive Agency | 39,100 | 36,189 | 8 | 13,413 | 11,959 | 12 |
| Other Agencies | 9,265 | 9,901 | (6) | 2,975 | 3,565 | (17) |
| Total Life | 323,076 | 312,510 | 3 | 105,597 | 99,950 | 6 |
| Health | | | | | | |
| United American Independent Agency | 47,276 | 40,215 | 18 | 15,795 | 12,622 | 25 |
| Family Heritage Exclusive Agency | 47,453 | 45,047 | 5 | 17,525 | 16,026 | 9 |
| Liberty National Exclusive Agency | 17,332 | 15,706 | 10 | 5,903 | 5,452 | 8 |
| American Income Exclusive Agency | 13,108 | 10,697 | 23 | 4,910 | 3,611 | 36 |
| Direct Response | 2,273 | 3,439 | (34) | 546 | 878 | (38) |
| Total Health | 127,442 | 115,104 | 11 | 44,679 | 38,589 | 16 |
| Total Net Sales | \$ 450,518 | \$ 427,614 | 5 | \$ 150,276 | \$ 138,539 | 8 |

| First-Year Collected Premium ⁽²⁾ | Nine Months Ended September 30, | | Increase (Decrease) % | Three Months Ended September 30, | | Increase (Decrease) % |
|---|------------------------------------|-------------------|-----------------------------|-------------------------------------|-------------------|-----------------------------|
| | 2019 | 2018 | | 2019 | 2018 | |
| Life | | | | | | |
| American Income Exclusive Agency | \$ 145,445 | \$ 143,498 | 1 | \$ 49,225 | \$ 47,906 | 3 |
| Direct Response | 62,667 | 62,889 | — | 20,220 | 20,316 | — |
| Liberty National Exclusive Agency | 29,663 | 27,369 | 8 | 10,188 | 9,436 | 8 |
| Other Agencies | 8,818 | 7,424 | 19 | 2,894 | 2,711 | 7 |
| Total Life | 246,593 | 241,180 | 2 | 82,527 | 80,369 | 3 |
| Health | | | | | | |
| United American Independent Agency | 51,142 | 45,017 | 14 | 17,644 | 15,474 | 14 |
| Family Heritage Exclusive Agency | 37,123 | 35,196 | 5 | 12,658 | 12,109 | 5 |
| Liberty National Exclusive Agency | 14,692 | 13,330 | 10 | 5,031 | 4,635 | 9 |
| American Income Exclusive Agency | 12,467 | 11,352 | 10 | 4,683 | 4,002 | 17 |
| Direct Response | 2,839 | 3,862 | (26) | 860 | 1,242 | (31) |
| Total Health | 118,263 | 108,757 | 9 | 40,876 | 37,462 | 9 |
| Total First-Year Collected Premium | \$ 364,856 | \$ 349,937 | 4 | \$ 123,403 | \$ 117,831 | 5 |

Net sales and first-year collected premium are statistical measures utilized as indicators of future premium growth. Below are definitions:

(1) Net sales is annualized premium issued (gross premium that would be received during the policies' first year in force and assuming that none of the policies lapsed or terminated), net of cancellations in the first thirty days after issue, except in the case of our Direct Response channel, where net sales is annualized premium issued at the time the first full premium is paid after any introductory offer period has expired. We believe that net sales is a better indicator of the rate of premium growth as compared with annualized premium issued.

(2) First-year collected premium is defined as the premium collected during the reporting period for all policies in their first policy year. First-year collected premium takes lapses into account in the first year when lapses are more likely to occur, and thus is a useful indicator of how much new premium is expected to be added to premium income in the future.

GLOBE LIFE INC.
Condensed Consolidated Balance Sheet
(Unaudited)
(Dollar amounts in thousands, except per share data)

| | September 30, | |
|--|----------------------|----------------------|
| | 2019 | 2018 |
| Assets: | | |
| Investments: | | |
| Fixed maturities—available for sale, at fair value (amortized cost: 2019—\$16,209,723; 2018—\$15,462,364) | \$ 18,797,674 | \$ 16,231,471 |
| Policy loans | 568,892 | 543,836 |
| Other long-term investments (includes: 2019—\$184,466; 2018—\$107,996 under the fair value option) | 315,535 | 191,191 |
| Short-term investments | 77,556 | 633,490 |
| Total investments | 19,759,657 | 17,599,988 |
| Cash | 66,675 | 77,439 |
| Accrued investment income | 253,125 | 244,851 |
| Other receivables | 432,236 | 406,907 |
| Deferred acquisition costs | 4,281,018 | 4,091,601 |
| Goodwill | 441,591 | 441,591 |
| Other assets | 557,604 | 538,540 |
| Assets related to discontinued operations | — | 68,571 |
| Total assets | \$ 25,791,906 | \$ 23,469,488 |
| Liabilities: | | |
| Future policy benefits | \$ 14,358,592 | \$ 13,842,694 |
| Unearned and advance premium | 62,586 | 62,139 |
| Policy claims and other benefits payable | 351,729 | 337,981 |
| Other policyholders' funds | 95,875 | 97,007 |
| Total policy liabilities | 14,868,782 | 14,339,821 |
| Current and deferred income taxes | 1,498,025 | 1,072,856 |
| Short-term debt | 233,314 | 615,011 |
| Long-term debt (estimated fair value: 2019—\$1,466,868; 2018—\$1,387,229) | 1,351,190 | 1,358,947 |
| Other liabilities | 528,064 | 493,726 |
| Liabilities related to discontinued operations | — | 50,222 |
| Total liabilities | 18,479,375 | 17,930,583 |
| Commitments and Contingencies | | |
| Shareholders' equity: | | |
| Preferred stock, par value \$1 per share—5,000,000 shares authorized; outstanding: 0 in 2019 and 2018 | — | — |
| Common stock, par value \$1 per share—320,000,000 shares authorized; outstanding: (2019—121,218,183 issued; 2018—124,218,183 issued) | 121,218 | 124,218 |
| Additional paid-in-capital | 538,051 | 527,489 |
| Accumulated other comprehensive income (loss) | 1,943,124 | 477,624 |
| Retained earnings | 5,686,636 | 5,267,964 |
| Treasury stock, at cost: (2019—12,773,862 shares; 2018—12,050,407 shares) | (976,498) | (858,390) |
| Total shareholders' equity | 7,312,531 | 5,538,905 |
| Total liabilities and shareholders' equity | \$ 25,791,906 | \$ 23,469,488 |
| Diluted Basis: | | |
| Shares outstanding | 110,855 | 114,559 |
| Book value per common share | \$ 65.96 | \$ 48.35 |
| Book value per common share excluding net unrealized gains on fixed maturities ⁽¹⁾ | \$ 47.58 | \$ 43.10 |

(1) ASC 320 includes guidance for treatment of unrealized gains and losses on available-for-sale fixed maturities previously included in FAS 115. This is considered a non-GAAP measure.

GLOBE LIFE INC.

Invested Assets

(Unaudited)

(Dollar amounts in thousands, except per share data)

Investment Portfolio at September 30, 2019

| | Amortized Cost | Fair Value | % of Total | Life & Health Insurance Industry % ⁽¹⁾ |
|-------------------------------------|----------------------|----------------------|------------|---|
| Fixed maturities available for sale | \$ 16,209,723 | \$ 18,797,674 | 95 | 77 |
| Policy loans | 568,892 | 568,892 | 3 | 2 |
| Equities | 426 | 1,204 | — | 2 |
| Mortgage loans | 127,953 | 127,953 | 1 | 13 |
| Investment real estate | 203 | 203 | — | 1 |
| Other long-term investments | 177,736 | 186,175 | 1 | 4 |
| Short-term investments | 77,556 | 77,556 | — | 1 |
| Total | <u>\$ 17,162,489</u> | <u>\$ 19,759,657</u> | <u>100</u> | <u>100</u> |

⁽¹⁾ Data available from SNL as of December 31, 2018.

Fixed Maturities at September 30, 2019

| <u>Summary</u> | Amortized Cost | Fair Value | Net Unrealized Gain/(Loss) | Average Rating | % of Total Amortized Cost |
|------------------------|----------------------|----------------------|----------------------------------|-------------------|---------------------------------|
| Investment Grade | \$ 15,586,436 | \$ 18,205,054 | \$ 2,618,618 | A- | 96 |
| Below Investment Grade | 623,287 | 592,620 | (30,667) | B+ | 4 |
| Total | <u>\$ 16,209,723</u> | <u>\$ 18,797,674</u> | <u>\$ 2,587,951</u> | A- | <u>100</u> |

By Type

| | | | | | |
|--|----------------------|----------------------|---------------------|------|------------|
| Corporates | \$ 14,130,749 | \$ 16,460,052 | \$ 2,329,303 | BBB+ | 87 |
| Municipals | 1,459,986 | 1,633,814 | 173,828 | AA | 9 |
| Government-sponsored enterprises | 329,610 | 384,391 | 54,781 | AAA | 2 |
| Government & agencies | 87,516 | 90,484 | 2,968 | AAA | 1 |
| Collateralized debt obligations (CDOs) | 56,815 | 78,161 | 21,346 | CCC- | — |
| Other asset-backed securities | 145,047 | 150,772 | 5,725 | BBB | 1 |
| Total | <u>\$ 16,209,723</u> | <u>\$ 18,797,674</u> | <u>\$ 2,587,951</u> | A- | <u>100</u> |

GLOBE LIFE INC.

Invested Assets

(Unaudited)

(Dollar amounts in thousands, except per share data)

September 30, 2019

| By Sector: | Amortized Cost | Fair Value⁽¹⁾ | Net Unrealized Gain/(Loss) | Average Rating | % of Total Amortized Cost |
|--|-----------------------|---------------------------------|-----------------------------------|-----------------------|----------------------------------|
| Financial—life/health/PC insurance | \$ 2,054,024 | \$ 2,464,669 | \$ 410,645 | BBB+ | 13 |
| Financial—bank | 894,755 | 1,061,884 | 167,129 | A- | 6 |
| Financial—other | 1,083,140 | 1,199,069 | 115,929 | BBB+ | 7 |
| Utilities | 1,939,618 | 2,392,496 | 452,878 | A- | 12 |
| Energy | 1,658,861 | 1,892,364 | 233,503 | BBB | 10 |
| Consumer, non-cyclical | 2,117,848 | 2,423,480 | 305,632 | BBB+ | 13 |
| Consumer, cyclical | 518,709 | 561,338 | 42,629 | BBB | 2 |
| Communications | 735,582 | 841,435 | 105,853 | BBB+ | 4 |
| Basic materials | 1,125,871 | 1,280,609 | 154,738 | BBB | 7 |
| Transportation | 570,694 | 682,899 | 112,205 | BBB+ | 4 |
| Technology | 113,776 | 130,881 | 17,105 | A- | 1 |
| Other industrials | 1,317,871 | 1,528,928 | 211,057 | BBB+ | 8 |
| Governments (U.S., municipal, foreign) | 1,877,112 | 2,108,689 | 231,577 | AA | 12 |
| Collateralized debt obligations | 56,815 | 78,161 | 21,346 | CCC- | — |
| Other asset-backed securities | 145,047 | 150,772 | 5,725 | BBB | 1 |
| Total | \$ 16,209,723 | \$ 18,797,674 | \$ 2,587,951 | A- | 100 |

(1) Amounts reported on the balance sheet

September 30, 2019

| Rating by Sector at Amortized Cost: | AAA | AA | A | BBB | BIG | Total |
|--|------------------|--------------------|--------------------|--------------------|------------------|---------------------|
| Financial—life/health/PC insurance | \$ — | \$ 185,444 | \$ 719,848 | \$1,090,857 | \$ 57,875 | \$ 2,054,024 |
| Financial—bank | — | 111,155 | 356,779 | 399,768 | 27,053 | 894,755 |
| Financial—other | — | — | 454,407 | 531,162 | 97,571 | 1,083,140 |
| Utilities | — | 25,977 | 1,130,788 | 735,555 | 47,298 | 1,939,618 |
| Energy | — | 21,967 | 186,375 | 1,337,144 | 113,375 | 1,658,861 |
| Consumer, non-cyclical | 10,763 | 6,487 | 590,336 | 1,476,693 | 33,569 | 2,117,848 |
| Consumer, cyclical | — | — | 68,439 | 366,305 | 83,965 | 518,709 |
| Communications | — | — | 193,882 | 512,591 | 29,109 | 735,582 |
| Basic materials | — | 16,555 | 133,257 | 965,488 | 10,571 | 1,125,871 |
| Transportation | — | — | 146,477 | 398,229 | 25,988 | 570,694 |
| Technology | — | — | 69,893 | 43,883 | — | 113,776 |
| Other industrials | — | — | 262,534 | 1,029,564 | 25,773 | 1,317,871 |
| Governments (U.S., municipal, foreign) | 753,473 | 842,451 | 230,828 | 50,360 | — | 1,877,112 |
| Collateralized debt obligations | — | — | — | — | 56,815 | 56,815 |
| Other asset-backed securities | 668 | — | 6,325 | 123,729 | 14,325 | 145,047 |
| Total | \$764,904 | \$1,210,036 | \$4,550,168 | \$9,061,328 | \$623,287 | \$16,209,723 |
| % of Total Amortized Cost | 5% | 7% | 28% | 56% | 4% | 100% |

GLOBE LIFE INC.

Invested Assets

(Unaudited)

(Dollar amounts in thousands, except per share data)

| Below Investment Grade Bonds by Sector: | September 30, 2019 | June 30, 2019 | Increase (Decrease) Amount |
|--|---------------------------|----------------------|---|
| Financial—life/health/PC insurance | \$ 57,875 | \$ 57,916 | \$ (41) |
| Financial—bank | 27,053 | 27,061 | (8) |
| Financial—other | 97,571 | 97,562 | 9 |
| Utilities | 47,298 | 47,397 | (99) |
| Energy | 113,375 | 113,417 | (42) |
| Consumer, non-cyclical | 33,569 | 33,663 | (94) |
| Consumer, cyclical | 83,965 | 84,003 | (38) |
| Communications | 29,109 | 29,151 | (42) |
| Basic materials | 10,571 | 10,578 | (7) |
| Transportation | 25,988 | 26,105 | (117) |
| Technology | — | — | — |
| Other industrials | 25,773 | 46,703 | (20,930) |
| Governments (U.S., municipal, foreign) | — | 444 | (444) |
| Collateralized debt obligations | 56,815 | 57,172 | (357) |
| Other asset-backed securities | 14,325 | 14,400 | (75) |
| Total | \$ 623,287 | \$ 645,572 | \$ (22,285) |

| Fixed Maturity Acquisitions: | Three Months Ended September 30, | |
|-------------------------------------|---|-------------|
| | 2019 | 2018 |
| Amount | \$ 408,869 | \$ 206,088 |
| Average annual effective yield | 4.1% | 5.1% |
| Average rating | A | BBB+ |
| Average Life (in years) to: | | |
| Next Call | 18.6 | 20.4 |
| Maturity | 28.6 | 26.0 |

| Below Investment Grade Bonds By SVO⁽¹⁾ Class (Statutory): | September 30, 2019 | June 30, 2019 | Increase (Decrease) Amount |
|---|---------------------------|----------------------|---|
| Asset Class 3 | \$ 528,186 | \$ 498,036 | \$ 30,150 |
| Asset Class 4 | 156,588 | 190,559 | (33,971) |
| Asset Class 5 | 19,467 | 20,510 | (1,043) |
| Asset Class 6 (at market value) | 65,090 | 65,575 | (485) |
| | \$ 769,331 | \$ 774,680 | \$ (5,349) |

(1) NAIC Securities Valuation Office