

PUBLIC RELATIONS

Brighthouse Financial, Inc.
11225 N. Community House Rd.
Charlotte, NC 28277



FOR IMMEDIATE RELEASE

Brighthouse Financial Announces First Quarter 2022 Results

- *Estimated combined risk-based capital ("RBC") ratio between 450% and 470%; holding company liquid assets of \$1.4 billion*
- *The company repurchased \$180 million of its common stock year-to-date through May 5, 2022*
- *Annuity sales decreased 3% over the first quarter of 2021*
- *Life sales decreased 13% over the first quarter of 2021*
- *First quarter 2022 net income available to shareholders of \$613 million, or \$7.91 per diluted share*
- *First quarter 2022 adjusted earnings, less notable items*, of \$315 million, or \$4.07 per diluted share*

CHARLOTTE, NC, May 9, 2022 — Brighthouse Financial, Inc. ("Brighthouse Financial" or the "company") (Nasdaq: BHF) announced today its financial results for the first quarter ended March 31, 2022.

First Quarter 2022 Results

The company reported net income available to shareholders of \$613 million in the first quarter of 2022, or \$7.91 per diluted share, compared with a net loss available to shareholders of \$610 million in the first quarter of 2021. During the quarter, as a result of market performance, the value of our hedges increased, as expected. Due to being accounted for as insurance liabilities as required under U.S. GAAP accounting, certain corresponding liabilities are less sensitive to market movements and, therefore, did not fully offset the increase in the value of our hedges.

The company ended the first quarter of 2022 with common stockholders' equity ("book value") of \$11.1 billion, or \$146.64 per common share, and book value, excluding accumulated other comprehensive income ("AOCI") of \$10.8 billion, or \$141.85 per common share.

For the first quarter of 2022, the company reported adjusted earnings* of \$294 million, or \$3.79 per diluted share, compared with adjusted earnings of \$385 million, or \$4.36 per diluted share, in the first quarter of 2021.

* Information regarding the non-GAAP and other financial measures included in this news release and a reconciliation of such non-GAAP financial measures to the most directly comparable GAAP measures are provided in the Non-GAAP and Other Financial Disclosures discussion below, as well as in the tables that accompany this news release and/or the First Quarter 2022 Brighthouse Financial, Inc. Financial Supplement and/or the First Quarter 2022 Brighthouse Financial, Inc. Earnings Call Presentation (which are available on the Brighthouse Financial Investor Relations webpage at <http://investor.brighthousefinancial.com>). Additional information regarding notable items can be found on the last page of this news release.

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Adjusted earnings for the quarter reflected \$21 million of unfavorable notable items, or \$0.27 per diluted share, including:

- \$12 million for establishment costs related to planned technology and other expenses associated with the company's separation from its former parent company, and
- \$9 million unfavorable impact related to a system migration associated with the company's transition to its future state platform.

Corporate expenses in the first quarter of 2022 were \$208 million, down from \$247 million in the fourth quarter of 2021, both on a pre-tax basis.

Annuity sales decreased 3% quarter-over-quarter and 12% sequentially. Life sales decreased 13% quarter-over-quarter and 43% sequentially. Overall, sales results were impacted by the recent macroeconomic headwinds.

During the first quarter of 2022, the company repurchased \$127 million of its common stock, with an additional \$53 million of its common stock repurchased, on a trade date basis, through May 5, 2022.

"Brighthouse Financial delivered solid results in the first quarter of 2022, despite the challenging macroeconomic environment," said Eric Steigerwalt, president and CEO, Brighthouse Financial. "We maintained balance sheet strength and flexibility, prudently managed our expenses and repurchased more of our common stock, while making additional progress toward continuing to shift our business mix profile over time."

Key Metrics (Unaudited, dollars in millions except share and per share amounts)

	As of or For the Three Months Ended			
	March 31, 2022		March 31, 2021	
	Total	Per share	Total	Per share
Net income (loss) available to shareholders (1)	\$613	\$7.91	\$(610)	\$(6.96)
Adjusted earnings (1)	\$294	\$3.79	\$385	\$4.36
Adjusted earnings, less notable items (1)	\$315	\$4.07	\$428	\$4.86
Weighted average common shares outstanding - diluted (1)	77,476,465	N/A	88,124,035	N/A
Book value	\$11,115	\$146.64	\$13,657	\$157.26
Book value, excluding AOCI	\$10,752	\$141.85	\$10,268	\$118.24
Ending common shares outstanding	75,799,704	N/A	86,841,260	N/A

(1) Per share amounts are on a diluted basis and may not recalculate due to rounding. For loss periods, dilutive shares were not included in the calculation as inclusion of such shares would have an anti-dilutive effect. See Non-GAAP and Other Financial Disclosures discussion in this news release.

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Results by Segment and Corporate & Other (Unaudited, in millions)

ADJUSTED EARNINGS	For the Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
Annuities	\$311	\$390	\$336
Life	\$26	\$67	\$42
Run-off (1)	\$16	\$(45)	\$76
Corporate & Other (1)	\$(59)	\$(89)	\$(69)

(1) The company uses the term "adjusted loss" throughout this news release to refer to negative adjusted earnings values.

Sales (Unaudited, in millions)

	For the Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
Annuities (1)	\$2,070	\$2,359	\$2,132
Life	\$20	\$35	\$23

(1) Annuities sales include sales of a fixed index annuity product, which represents 100% of gross sales on directly written business and the proportion of assumed gross sales under reinsurance agreements. Sales of this product were \$196 million for the first quarter of 2022, \$292 million for the fourth quarter of 2021 and \$182 million for the first quarter of 2021.

Annuities

Adjusted earnings in the Annuities segment were \$311 million in the current quarter, compared with adjusted earnings of \$336 million in the first quarter of 2021 and adjusted earnings of \$390 million in the fourth quarter of 2021.

There were no notable items in the current quarter or the first quarter of 2021. The fourth quarter of 2021 included a \$29 million favorable notable item.

On a quarter-over-quarter basis, adjusted earnings, less notable items, reflect higher reserves, lower fees and higher deferred acquisition costs ("DAC") amortization, partially offset by lower expenses. On a sequential basis, adjusted earnings, less notable items, reflect higher DAC amortization and reserves, and lower net investment income, partially offset by lower expenses.

As mentioned above, annuity sales decreased 3% quarter-over-quarter and 12% sequentially, as a result of the recent macroeconomic headwinds.

Life

Adjusted earnings in the Life segment were \$26 million in the current quarter, compared with adjusted earnings of \$42 million in the first quarter of 2021 and adjusted earnings of \$67 million in the fourth quarter of 2021.

The current quarter included a \$9 million unfavorable notable item, as noted above. There were no notable items in the first quarter of 2021. The fourth quarter of 2021 included a \$9 million favorable notable item.

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On a quarter-over-quarter basis, adjusted earnings, less notable items, reflect lower net investment income and a lower underwriting margin, partially offset by lower expenses. On a sequential basis, adjusted earnings, less notable items, reflect a lower underwriting margin and higher DAC amortization, partially offset by lower expenses.

As mentioned above, life sales decreased 13% quarter-over-quarter and 43% sequentially, as a result of the recent macroeconomic headwinds.

Run-off

Adjusted earnings in the Run-off segment were \$16 million in the current quarter, compared with adjusted earnings of \$76 million in the first quarter of 2021 and an adjusted loss of \$45 million in the fourth quarter of 2021.

There were no notable items in the current quarter. The first quarter of 2021 included a \$29 million unfavorable notable item, and the fourth quarter of 2021 included \$51 million of unfavorable notable items.

On a quarter-over-quarter basis, adjusted earnings, less notable items, reflect lower net investment income and a lower underwriting margin. On a sequential basis, adjusted earnings, less notable items, reflect a tax true-up in the prior quarter that was offset in Corporate & Other, a higher underwriting margin and lower expenses, partially offset by lower net investment income.

Corporate & Other

Corporate & Other had an adjusted loss of \$59 million in the current quarter, compared with an adjusted loss of \$69 million in the first quarter of 2021 and an adjusted loss of \$89 million in the fourth quarter of 2021.

The current quarter included a \$12 million unfavorable notable item related to establishment costs, as noted above. The first quarter of 2021 included a \$14 million unfavorable notable item, and the fourth quarter of 2021 included \$80 million of unfavorable notable items.

On a quarter-over-quarter basis, the adjusted loss, less notable items, reflects higher net investment income and lower expenses, partially offset by a lower tax benefit. On a sequential basis, the adjusted loss, less notable items, reflects a tax true-up in the prior quarter that was offset in the Run-off segment and a lower tax benefit, partially offset by lower expenses.

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Net Investment Income and Adjusted Net Investment Income (Unaudited, in millions)

	For the Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
Net investment income	\$1,151	\$1,201	\$1,187
Adjusted net investment income	\$1,157	\$1,206	\$1,192

Net Investment Income

Net investment income was \$1,151 million and adjusted net investment income* was \$1,157 million in the current quarter. On a quarter-over-quarter basis, adjusted net investment income decreased \$35 million and on a sequential basis decreased \$49 million. The quarter-over-quarter and sequential results were primarily driven by lower alternative investment income, partially offset by asset growth.

The net investment income yield was 4.36% during the quarter.

Statutory Capital and Liquidity (Unaudited, in billions)

	As of		
	March 31, 2022 (1)	December 31, 2021	March 31, 2021
Statutory combined total adjusted capital	\$8.5	\$9.4	\$9.4

(1) Reflects preliminary statutory results as of March 31, 2022.

Capitalization

As of March 31, 2022:

- Statutory combined total adjusted capital⁽¹⁾ ("TAC") decreased to approximately \$8.5 billion, driven by the decline in the equity markets, the previously disclosed change in the prescribed statutory long-term interest rate assumption, as well as an unfavorable tax item and elevated mortality
- Estimated combined RBC ratio⁽¹⁾ between 450% and 470%, which reflects the above-mentioned drivers of the decrease in TAC, as well as capital requirements associated with growth in new business; these drivers were partially offset by the positive impact from core variable annuity results
- Holding company liquid assets were approximately \$1.4 billion

(1) Reflects preliminary statutory results as of March 31, 2022.

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Earnings Conference Call

Brighthouse Financial will hold a conference call and audio webcast to discuss its financial results for the first quarter of 2022 at 8:00 a.m. Eastern Time on Tuesday, May 10, 2022. In connection with this call, the company has prepared a presentation for use with investors and other members of the investment community. This presentation is available on the Brighthouse Financial Investor Relations webpage at <http://investor.brighthousefinancial.com>.

To listen to the audio webcast via the internet and to access the related presentation, please visit the Brighthouse Financial Investor Relations webpage at <http://investor.brighthousefinancial.com>. To join the conference call via telephone as a participant, please register in advance at <http://www.directeventreg.com/registration/event/1486402>.

A replay of the conference call will be made available until Friday, May 27, 2022, on the Brighthouse Financial Investor Relations webpage at <http://investor.brighthousefinancial.com>.

About Brighthouse Financial, Inc.

Brighthouse Financial, Inc. (Brighthouse Financial) (Nasdaq: BHF) is on a mission to help people achieve financial security. As one of the largest providers of annuities and life insurance in the U.S.,⁽¹⁾ we specialize in products designed to help people protect what they've earned and ensure it lasts. Learn more at brighthousefinancial.com.

(1) Ranked by 2020 admitted assets. Best's Review[®]: Top 200 U.S. Life/Health Insurers. A.M. Best, 2021.

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Note Regarding Forward-Looking Statements

This news release and other oral or written statements that we make from time to time may contain information that includes or is based upon forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve substantial risks and uncertainties. We have tried, wherever possible, to identify such statements using words such as "anticipate," "estimate," "expect," "project," "may," "will," "could," "intend," "goal," "target," "guidance," "forecast," "preliminary," "objective," "continue," "aim," "plan," "believe" and other words and terms of similar meaning, or that are tied to future periods, in connection with a discussion of future operating or financial performance. In particular, these include, without limitation, statements relating to future actions, prospective services or products, financial projections, future performance or results of current and anticipated services or products, sales efforts, expenses, the outcome of contingencies such as legal proceedings, as well as trends in operating and financial results.

Any or all forward-looking statements may turn out to be wrong. They can be affected by inaccurate assumptions or by known or unknown risks and uncertainties. Many such factors will be important in determining the actual future results of Brighthouse Financial. These statements are based on current expectations and the current economic environment and involve a number of risks and uncertainties that are difficult to predict. These statements are not guarantees of future performance. Actual results could differ materially from those expressed or implied in the forward-looking statements due to a variety of known and unknown risks, uncertainties and other factors. Although it is not possible to identify all of these risks and factors, they include, among others: differences between actual experience and actuarial assumptions and the effectiveness of our actuarial models; higher risk management costs and exposure to increased market risk due to guarantees within certain of our products; the effectiveness of our variable annuity exposure risk management strategy and the impact of such strategy on volatility in our profitability measures and negative effects on our statutory capital; material differences from actual outcomes compared to the sensitivities calculated under certain scenarios and sensitivities that we may utilize in connection with our variable annuity risk management strategies; the impact of interest rates on our future ULSSG policyholder obligations and net income volatility; the impact of the ongoing COVID-19 pandemic; the potential material adverse effect of changes in accounting standards, practices or policies applicable to us, including changes in the accounting for long-duration contracts; loss of business and other negative impacts resulting from a downgrade or a potential downgrade in our financial strength or credit ratings; the availability of reinsurance and the ability of the counterparties to our reinsurance or indemnification arrangements to perform their obligations thereunder; heightened competition, including with respect to service, product features, scale, price, actual or perceived financial strength, claims-paying ratings, credit ratings, e-business capabilities and name recognition; our ability to market and distribute our products through distribution channels; any failure of third parties to provide services we need, any failure of the practices and procedures of such third parties and any inability to obtain information or assistance we need from third parties; the ability of our subsidiaries to pay dividends to us, and our ability to pay dividends to our shareholders and repurchase our common stock; the risks associated with climate change; the adverse impact on liabilities for policyholder claims as a result of extreme mortality events; the impact of adverse capital and credit market conditions, including with respect to our ability to meet liquidity needs and access capital; the impact of economic conditions in the capital markets and the U.S. and global economy, as well as geo-political events, military actions or catastrophic events, on our investment portfolio, including on realized and unrealized losses and impairments, net investment spread and net investment income; the impact of events that adversely affect issuers, guarantors or collateral relating to our investments or our derivatives counterparties, on impairments, valuation allowances, reserves, net investment income and changes in unrealized gain or loss positions; the impact of changes in regulation and in supervisory and enforcement policies on our insurance business or other operations; the potential material negative tax impact of potential future tax legislation that could make some of our products less attractive to consumers; the effectiveness of our policies and procedures in managing risk; the loss or disclosure of confidential information, damage to our reputation and impairment of our ability to conduct business effectively as a result of any failure in cyber- or other information security systems; whether all or any portion of the tax consequences of our separation from MetLife, Inc. ("MetLife") are not as expected, leading to material additional taxes or material adverse consequences to tax attributes that impact us; the uncertainty of the outcome of any disputes with MetLife over tax-related or other matters and agreements or disagreements regarding MetLife's or our obligations under our other

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agreements; and other factors described from time to time in documents that we file with the U.S. Securities and Exchange Commission (the "SEC").

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements included and the risks, uncertainties and other factors identified in our Annual Report on Form 10-K for the year ended December 31, 2021, particularly in the sections entitled "Risk Factors" and "Quantitative and Qualitative Disclosures About Market Risk," as well as in our other subsequent filings with the SEC. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law.

Non-GAAP and Other Financial Disclosures

Our definitions of non-GAAP and other financial measures may differ from those used by other companies.

Non-GAAP Financial Disclosures

We present certain measures of our performance that are not calculated in accordance with accounting principles generally accepted in the United States of America, also known as "GAAP." We believe that these non-GAAP financial measures enhance the understanding of our performance by the investor community by highlighting the results of operations and the underlying profitability drivers of our business.

The following non-GAAP financial measures, previously referred to as operating measures, should not be viewed as substitutes for the most directly comparable financial measures calculated in accordance with GAAP:

Non-GAAP financial measures:

adjusted earnings
adjusted earnings, less notable items
adjusted revenues
adjusted expenses
adjusted earnings per common share
adjusted earnings per common share, less notable items
adjusted return on common equity
adjusted return on common equity, less notable items
adjusted net investment income

Most directly comparable GAAP financial measures:

net income (loss) available to shareholders (1)
net income (loss) available to shareholders (1)
revenues
expenses
earnings per common share, diluted (1)
earnings per common share, diluted (1)
return on common equity (2)
return on common equity (2)
net investment income

(1) Brighthouse uses net income (loss) available to shareholders to refer to net income (loss) available to Brighthouse Financial, Inc.'s common shareholders, and earnings per common share, diluted to refer to net income (loss) available to shareholders per common share.

(2) Brighthouse uses return on common equity to refer to return on Brighthouse Financial, Inc.'s common stockholders' equity.

Reconciliations to the most directly comparable historical GAAP measures are included for those measures which are presented herein. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are not accessible on a forward-looking basis because we believe it is not possible without unreasonable efforts to provide other than a range of net investment gains and losses and net derivative gains and losses, which can fluctuate significantly within or outside the range and from period to period and may have a material impact on net income (loss) available to shareholders.

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Adjusted Earnings, Adjusted Revenues and Adjusted Expenses

Adjusted earnings is a financial measure used by management to evaluate performance and facilitate comparisons to industry results. This financial measure, which may be positive or negative, focuses on our primary businesses by excluding the impact of market volatility, which could distort trends.

Adjusted earnings reflects adjusted revenues less (i) adjusted expenses, (ii) provision for income tax expense (benefit), (iii) net income (loss) attributable to noncontrolling interests and (iv) preferred stock dividends. Provided below are the adjustments to GAAP revenues and GAAP expenses used to calculate adjusted revenues and adjusted expenses, respectively.

The following are significant items excluded from total revenues in calculating the adjusted revenues component of adjusted earnings:

- Net investment gains (losses);
- Net derivative gains (losses) ("NDGL") except earned income and amortization of premium on derivatives that are hedges of investments or that are used to replicate certain investments, but do not qualify for hedge accounting treatment ("Investment Hedge Adjustments"); and
- Certain variable annuity GMIB fees ("GMIB Fees").

The following are significant items excluded from total expenses in calculating the adjusted expenses component of adjusted earnings:

- Amounts associated with benefits related to GMIBs ("GMIB Costs");
- Amounts associated with periodic crediting rate adjustments based on the total return of a contractually referenced pool of assets ("Market Value Adjustments"); and
- Amortization of DAC and value of business acquired ("VOBA") related to (i) net investment gains (losses), (ii) net derivative gains (losses) and (iii) GMIB Fees and GMIB Costs.

The tax impact of the adjustments discussed above is calculated net of the statutory tax rate, which could differ from our effective tax rate.

Consistent with GAAP guidance for segment reporting, adjusted earnings is also our GAAP measure of segment performance.

Adjusted Earnings per Common Share and Adjusted Return on Common Equity

Adjusted earnings per common share and adjusted return on common equity are measures used by management to evaluate the execution of our business strategy and align such strategy with our shareholders' interests.

Adjusted earnings per common share is defined as adjusted earnings for the period divided by the weighted average number of fully diluted shares of common stock outstanding for the period. The weighted average common shares outstanding used to calculate adjusted earnings per share will differ from such shares used to calculate diluted net income (loss) available to shareholders per common share when the inclusion of dilutive shares has an anti-dilutive effect for one calculation but not for the other.

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Adjusted return on common equity is defined as total annual adjusted earnings on a four quarter trailing basis, divided by the simple average of the most recent five quarters of total Brighthouse Financial, Inc.'s common stockholders' equity, excluding AOCI.

Adjusted Net Investment Income

We present adjusted net investment income to measure our performance for management purposes, and we believe it enhances the understanding of our investment portfolio results. Adjusted net investment income represents net investment income, including Investment Hedge Adjustments.

Other Financial Disclosures

Corporate Expenses

Corporate expenses includes functional department expenses, public company expenses, certain investment expenses, retirement funding and incentive compensation; and excludes establishment costs.

Notable items

Certain of the non-GAAP measures described above may be presented further adjusted to exclude notable items. Notable items reflect the unfavorable (favorable) after-tax impact on our results of certain unanticipated items and events, as well as certain items and events that were anticipated, such as establishment costs. The presentation of notable items and non-GAAP measures, less notable items is intended to help investors better understand our results and to evaluate and forecast those results.

Book Value per Common Share and Book Value per Common Share, excluding AOCI

Brighthouse uses the term "book value" to refer to "Brighthouse Financial, Inc.'s common stockholders' equity, including AOCI." Book value per common share is defined as ending Brighthouse Financial, Inc.'s common stockholders' equity, including AOCI, divided by ending common shares outstanding. Book value per common share, excluding AOCI, is defined as ending Brighthouse Financial, Inc.'s common stockholders' equity, excluding AOCI, divided by ending common shares outstanding.

CTE98

CTE98 is defined as the amount of assets required to satisfy contract holder obligations across market environments in the average of the worst two percent of a set of capital market scenarios over the life of the contracts.

Holding Company Liquid Assets

Holding company liquid assets include liquid assets in Brighthouse Financial, Inc., Brighthouse Holdings, LLC, and Brighthouse Services, LLC. Liquid assets are comprised of cash and cash equivalents, short-term investments and publicly-traded securities, excluding assets that are pledged or otherwise committed. Assets pledged or otherwise committed include assets held in trust.

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Total Adjusted Capital

Total adjusted capital primarily consists of statutory capital and surplus, as well as the statutory asset valuation reserve. When referred to as “combined,” represents that of our insurance subsidiaries as a whole.

Sales

Life insurance sales consist of 100 percent of annualized new premium for term life, first-year paid premium for whole life, universal life, and variable universal life, and total paid premium for indexed universal life. We exclude company-sponsored internal exchanges, corporate-owned life insurance, bank-owned life insurance, and private placement variable universal life.

Annuity sales consist of 100 percent of direct statutory premiums, except for fixed index annuity sales, which represents 100 percent of gross sales on directly written business and the proportion of assumed gross sales under reinsurance agreements. Annuity sales exclude certain internal exchanges. These sales statistics do not correspond to revenues under GAAP, but are used as relevant measures of business activity.

Net Investment Income Yield

Similar to adjusted net investment income, we present net investment income yields as a performance measure we believe enhances the understanding of our investment portfolio results. Net investment income yields are calculated on adjusted net investment income as a percentage of average quarterly asset carrying values. Asset carrying values exclude unrealized gains (losses), collateral received in connection with our securities lending program, freestanding derivative assets and collateral received from derivative counterparties. Investment fee and expense yields are calculated as investment fees and expenses as a percentage of average quarterly asset estimated fair values. Asset estimated fair values exclude collateral received in connection with our securities lending program, freestanding derivative assets and collateral received from derivative counterparties.

Normalized Statutory Earnings (Loss)

Normalized statutory earnings (loss) is used by management to measure our insurance companies’ ability to pay future distributions and is reflective of whether our hedging program functions as intended. Normalized statutory earnings (loss) is calculated as statutory pre-tax net gain (loss) from operations adjusted for the favorable or unfavorable impacts of (i) net realized capital gains (losses), (ii) the change in total asset requirement at CTE98, net of the change in our variable annuity reserves, and (iii) unrealized gains (losses) associated with our variable annuities and other equity risk management strategies. Normalized statutory earnings (loss) may be further adjusted for certain unanticipated items that impacted our results in order to help management and investors better understand, evaluate and forecast those results.

Risk-Based Capital Ratio

The risk-based capital ratio is a method of measuring an insurance company’s capital, taking into consideration its relative size and risk profile, in order to ensure compliance with minimum regulatory capital requirements set by the National Association of Insurance Commissioners. When referred to as “combined,” represents that of our insurance subsidiaries as a whole. The reporting of our combined risk-based capital ratio is not intended for the purpose of ranking any insurance company or for use in connection with any marketing, advertising or promotional activities.

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Condensed Statements of Operations (Unaudited, in millions)

	For the Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
Revenues			
Premiums	\$166	\$168	\$184
Universal life and investment-type product policy fees	841	906	930
Net investment income	1,151	1,201	1,187
Other revenues	137	101	127
Revenues before NIGL and NDGL	2,295	2,376	2,428
Net investment gains (losses)	(68)	(23)	14
Net derivative gains (losses)	513	(337)	(1,504)
Total revenues	\$2,740	\$2,016	\$938
Expenses			
Policyholder benefits and claims	\$906	\$823	\$756
Interest credited to policyholder account balances	290	315	297
Amortization of DAC and VOBA	227	127	91
Interest expense on debt	38	41	41
Other expenses	472	661	521
Total expenses	1,933	1,967	1,706
Income (loss) before provision for income tax	807	49	(768)
Provision for income tax expense (benefit)	165	(15)	(185)
Net income (loss)	642	64	(583)
Less: Net income (loss) attributable to noncontrolling interests	2	1	2
Net income (loss) attributable to Brighthouse Financial, Inc.	640	63	(585)
Less: Preferred stock dividends	27	21	25
Net income (loss) available to Brighthouse Financial, Inc.'s common shareholders	\$613	\$42	\$(610)

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Condensed Balance Sheets (Unaudited, in millions)

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
ASSETS			
Investments:			
Fixed maturity securities available-for-sale	\$82,496	\$87,582	\$78,971
Equity securities	80	101	106
Mortgage loans	21,357	19,850	15,690
Policy loans	1,270	1,264	1,245
Limited partnerships and limited liability companies	4,587	4,271	3,219
Short-term investments	1,062	1,841	1,673
Other invested assets	2,568	3,316	2,267
Total investments	113,420	118,225	103,171
Cash and cash equivalents	4,101	4,474	4,025
Accrued investment income	754	724	734
Reinsurance recoverables	15,401	15,340	15,257
Premiums and other receivables	889	754	872
DAC and VOBA	5,581	5,377	5,148
Other assets	465	482	506
Separate account assets	104,441	114,464	112,224
Total assets	\$245,052	\$259,840	\$241,937
LIABILITIES AND EQUITY			
Liabilities			
Future policy benefits	\$41,979	\$43,807	\$42,426
Policyholder account balances	67,887	66,851	55,152
Other policy-related balances	3,457	3,457	3,355
Payables for collateral under securities loaned and other transactions	6,209	6,269	4,281
Long-term debt	3,157	3,157	3,435
Current income tax payable	61	62	152
Deferred income tax liability	215	1,062	812
Other liabilities	4,767	4,504	5,018
Separate account liabilities	104,441	114,464	112,224
Total liabilities	232,173	243,633	226,855
Equity			
Preferred stock, at par value	—	—	—
Common stock, at par value	1	1	1
Additional paid-in capital	14,133	14,154	13,858
Retained earnings (deficit)	(2)	(642)	(1,119)
Treasury stock	(1,681)	(1,543)	(1,112)
Accumulated other comprehensive income (loss)	363	4,172	3,389
Total Brighthouse Financial, Inc.'s stockholders' equity	12,814	16,142	15,017
Noncontrolling interests	65	65	65
Total equity	12,879	16,207	15,082
Total liabilities and equity	\$245,052	\$259,840	\$241,937

PUBLIC RELATIONS

Brighthouse Financial, Inc.
11225 N. Community House Rd.
Charlotte, NC 28277



Reconciliation of Net Income (Loss) Available to Shareholders to Adjusted Earnings and Adjusted Earnings, Less Notable Items, and Reconciliation of Net Income (Loss) Available to Shareholders per Common Share to Adjusted Earnings per Common Share and Adjusted Earnings, Less Notable Items per Common Share (Unaudited, in millions except per share data)

	For the Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
ADJUSTED EARNINGS, LESS NOTABLE ITEMS			
Net income (loss) available to shareholders	\$613	\$42	\$(610)
Less: Net investment gains (losses)	(68)	(23)	14
Less: Net derivative gains (losses), excluding investment hedge adjustments	507	(342)	(1,509)
Less: GMIB Fees and GMIB Costs	(9)	89	122
Less: Amortization of DAC and VOBA	(64)	(74)	84
Less: Market value adjustments and other	37	(5)	31
Less: Provision for income tax (expense) benefit on reconciling adjustments	(84)	74	263
Adjusted earnings	294	323	385
Less: Notable items	(21)	(93)	(43)
Adjusted earnings, less notable items	\$315	\$416	\$428
ADJUSTED EARNINGS, LESS NOTABLE ITEMS PER COMMON SHARE (1)			
Net income (loss) available to shareholders per common share	\$7.91	\$0.51	\$(6.96)
Less: Net investment gains (losses)	(0.88)	(0.29)	0.16
Less: Net derivative gains (losses), excluding investment hedge adjustments	6.54	(4.26)	(17.23)
Less: GMIB Fees and GMIB Costs	(0.12)	1.11	1.39
Less: Amortization of DAC and VOBA	(0.83)	(0.92)	0.96
Less: Market value adjustments and other	0.48	(0.06)	0.35
Less: Provision for income tax (expense) benefit on reconciling adjustments	(1.08)	0.92	3.00
Less: Impact of inclusion of dilutive shares	—	—	0.03
Adjusted earnings per common share	3.79	4.02	4.36
Less: Notable items	(0.27)	(1.16)	(0.49)
Adjusted earnings, less notable items per common share	\$4.07	\$5.18	\$4.86

(1) Per share calculations are on a diluted basis and may not recalculate or foot due to rounding. For loss periods, dilutive shares were not included in the calculation as inclusion of such shares would have an anti-dilutive effect. See Non-GAAP and Other Financial Disclosures discussion in this news release.

PUBLIC RELATIONS

Brighthouse Financial, Inc.
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Reconciliation of Net Investment Income to Adjusted Net Investment Income (Unaudited, in millions)

	For the Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
Net investment income	\$1,151	\$1,201	\$1,187
Less: Investment hedge adjustments	(6)	(5)	(5)
Adjusted net investment income	\$1,157	\$1,206	\$1,192

Notable Items (Unaudited, in millions)

	For the Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
NOTABLE ITEMS IMPACTING ADJUSTED EARNINGS			
Actuarial items and other insurance adjustments	\$9	\$13	\$29
Establishment costs	12	21	14
Debt repayment costs	—	59	—
Total notable items (1)	\$21	\$93	\$43
NOTABLE ITEMS BY SEGMENT AND CORPORATE & OTHER			
Annuities	\$—	\$(29)	\$—
Life	9	(9)	—
Run-off	—	51	29
Corporate & Other	12	80	14
Total notable items (1)	\$21	\$93	\$43

(1) See Non-GAAP and Other Financial Disclosures discussion in this news release.