

## PUBLIC RELATIONS

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



## FOR IMMEDIATE RELEASE

### Brighthouse Financial Announces Fourth Quarter and Full Year 2023 Results

- *Estimated combined risk-based capital ("RBC") ratio of approximately 420%; holding company liquid assets of \$1.3 billion*
- *\$350 million total subsidiary dividends paid to the holding company in the fourth quarter of 2023*
- *The company repurchased \$250 million of its common stock in full year 2023, reducing shares outstanding relative to year-end 2022 by 7%; repurchased an additional approximately \$30 million year-to-date through February 9, 2024, resulting in approximately \$763 million remaining under its current share repurchase authorizations*
- *Annuity sales for full year 2023 of \$10.6 billion, driven by strong sales of Shield Level annuities*
- *Life sales of \$102 million for full year 2023*
- *Fourth quarter 2023 net loss available to shareholders of \$942 million, or \$14.70 per diluted share*
- *Fourth quarter 2023 adjusted earnings, less notable items\*, of \$189 million, or \$2.92 per diluted share*

**CHARLOTTE, NC, February 12, 2024** — Brighthouse Financial, Inc. ("Brighthouse Financial" or the "company") (Nasdaq: BHF) announced today its financial results for the fourth quarter and full year ended December 31, 2023.

#### Fourth Quarter and Full Year 2023 Results

The company reported a net loss available to shareholders of \$942 million in the fourth quarter of 2023, or \$14.70 per diluted share, compared with net income available to shareholders of \$110 million in the fourth quarter of 2022. During the quarter, as a result of market performance, the value of the company's hedges decreased, as expected. Under GAAP accounting, all variable annuity guaranteed benefits classified as market risk benefits ("MRBs") are accounted for on a fair value basis. The company anticipates volatility in net income (loss) given the differences between GAAP MRBs and its hedge target.

The company ended the fourth quarter of 2023 with common stockholders' equity ("book value") of \$3.2 billion, or \$51.08 per common share, and book value, excluding accumulated other comprehensive income ("AOCI") of \$8.5 billion, or \$133.69 per common share.

\* 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 Fourth Quarter 2023 Brighthouse Financial, Inc. Financial Supplement and/or the Fourth Quarter and Full Year 2023 Brighthouse Financial, Inc. Earnings Call Presentation (which are available on the Brighthouse Financial Investor Relations webpage at <http://investor.brighthousefinancial.com>). GAAP results reflect the company's adoption, on January 1, 2023, of the provisions of FASB ASU 2018-12, Targeted Improvements to the Accounting for Long-Duration Contracts ("LDTI"), and any GAAP historical data contained herein has been updated retrospectively. Additional information regarding notable items can be found on the last page of this news release.

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For the fourth quarter of 2023, the company reported adjusted earnings\* of \$177 million, or \$2.73 per diluted share, compared with adjusted earnings of \$545 million, or \$7.81 per diluted share, in the fourth quarter of 2022.

Adjusted earnings for the quarter reflected a \$12 million unfavorable notable item, or \$0.19 per diluted share, related to legal matters.

Corporate expenses in the fourth quarter of 2023 were \$244 million, compared with \$243 million in the fourth quarter of 2022 and \$210 million in the third quarter of 2023, all on a pre-tax basis.

The company's annuity sales decreased 15% quarter-over-quarter and 8% year-over-year, driven by lower fixed deferred annuity sales, partially offset by strong Shield Annuity sales. Annuity sales increased 5% sequentially, driven by higher fixed deferred annuity sales. Life sales increased 32% quarter-over-quarter, 28% year-over-year and 16% sequentially.

On a full year basis, the company reported a net loss available to shareholders of \$1,214 million in 2023, or \$18.39 per diluted share, compared with net income available to shareholders of \$3,775 million in 2022, or \$51.30 per diluted share. As a result of market performance, the value of the company's hedges decreased, as expected. Full year 2023 adjusted earnings, less notable items\*, were \$930 million, or \$13.99 per diluted share, compared with full year 2022 adjusted earnings, less notable items, of \$1,120 million, or \$15.22 per diluted share.

During the fourth quarter of 2023, the company repurchased \$60 million of its common stock, and for the full year 2023 repurchased \$250 million of its common stock, reducing shares outstanding relative to year-end 2022 by 7%. Year-to-date through February 9, 2024, the company has repurchased an additional approximately \$30 million of its common stock, on a trade date basis, resulting in approximately \$763 million remaining under its current share repurchase authorizations.

"Looking back on the year, I am proud of our many accomplishments, including maintaining our target capitalization and robust liquidity, generating strong sales results, further strengthening our annuity and life insurance product suites and returning additional capital to our shareholders through repurchasing more of our common stock," said Eric Steigerwalt, president and CEO, Brighthouse Financial.

"In the fourth quarter, we implemented a new statutory requirement under which all future hedges must be reflected in reserves and required capital," Steigerwalt continued. "While this had a negative impact on statutory combined total adjusted capital ("TAC"), the new statutory requirement also led to a material decrease in required capital. After paying \$350 million of subsidiary dividends to the holding company in the quarter, our estimated combined RBC ratio remains strong at approximately 420% and our holding company liquid assets increased to \$1.3 billion."

"We believe that our strong balance sheet and liquidity, as well as our achievements in 2023, position us well for the future," concluded Steigerwalt.

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

	As of or For the Three Months Ended			
	December 31, 2023		December 31, 2022	
	Total	Per share	Total	Per share
Net income (loss) available to shareholders (1)	\$(942)	\$(14.70)	\$110	\$1.59
Adjusted earnings (1)	\$177	\$2.73	\$545	\$7.81
Adjusted earnings, less notable items (1)	\$189	\$2.92	\$282	\$4.04
Weighted average common shares outstanding - diluted (1)	64,820,914	N/A	69,765,118	N/A
Book value	\$3,244	\$51.08	\$3,834	\$56.15
Book value, excluding AOCI	\$8,490	\$133.69	\$9,940	\$145.58
Ending common shares outstanding	63,503,355	N/A	68,278,068	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.

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

ADJUSTED EARNINGS	For the Three Months Ended		
	December 31, 2023	September 30, 2023	December 31, 2022
Annuities	\$245	\$319	\$194
Life (1)	\$4	\$(73)	\$17
Run-off (1)	\$(50)	\$95	\$236
Corporate & Other (1)	\$(22)	\$(15)	\$98

(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		
	December 31, 2023	September 30, 2023	December 31, 2022
Annuities (1)	\$2,740	\$2,600	\$3,211
Life	\$29	\$25	\$22

(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 \$45 million for the fourth quarter of 2023, \$58 million for the third quarter of 2023 and \$161 million for the fourth quarter of 2022.

#### Annuities

Adjusted earnings in the Annuities segment were \$245 million in the current quarter, compared with adjusted earnings of \$194 million in the fourth quarter of 2022 and adjusted earnings of \$319 million in the third quarter of 2023.

There were no notable items in the current quarter. The fourth quarter of 2022 included a \$44 million unfavorable notable item and the third quarter of 2023 included a \$28 million favorable notable item related to the annual actuarial review.

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On a quarter-over-quarter basis, adjusted earnings, less notable items, were relatively flat. On a sequential basis, adjusted earnings, less notable items, reflect lower fees, higher expenses and a lower underwriting margin.

As mentioned above, annuity sales decreased 15% quarter-over-quarter and 8% year-over-year, driven by lower fixed deferred annuity sales, partially offset by strong Shield Level annuity sales. Annuity sales increased 5% sequentially, driven by higher fixed deferred annuity sales.

### *Life*

Adjusted earnings in the Life segment were \$4 million in the current quarter, compared with adjusted earnings of \$17 million in the fourth quarter of 2022 and an adjusted loss of \$73 million in the third quarter of 2023.

There were no notable items in the current quarter or the fourth quarter of 2022. The third quarter of 2023 included a \$71 million unfavorable notable item related to the annual actuarial review.

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

As mentioned above, life sales increased 32% quarter-over-quarter, 28% year-over-year and 16% sequentially.

### *Run-off*

The Run-off segment had an adjusted loss of \$50 million in the current quarter, compared with adjusted earnings of \$236 million in the fourth quarter of 2022 and adjusted earnings of \$95 million in the third quarter of 2023.

There were no notable items in the current quarter. The fourth quarter of 2022 included a \$271 million favorable notable item. The third quarter of 2023 included a \$94 million favorable notable item related to the annual actuarial review.

On a quarter-over-quarter basis, the adjusted loss, less notable items, reflects a lower underwriting margin, partially offset by higher net investment income. On a sequential basis, the adjusted loss, less notable items, reflects a lower underwriting margin and lower net investment income.

### *Corporate & Other*

Corporate & Other had an adjusted loss of \$22 million in the current quarter, compared with adjusted earnings of \$98 million in the fourth quarter of 2022 and an adjusted loss of \$15 million in the third quarter of 2023.

The current quarter included a \$12 million unfavorable notable item related to legal matters and the fourth quarter of 2022 included \$36 million of favorable notable items. There were no notable items in the third quarter of 2023.

On a quarter-over-quarter basis, the adjusted loss, less notable items, reflects a lower tax benefit and higher expenses. On a sequential basis, the adjusted loss, less notable items, reflects lower expenses, partially offset by a lower tax benefit.

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

	For the Three Months Ended		
	December 31, 2023	September 30, 2023	December 31, 2022
Net investment income	\$1,207	\$1,202	\$1,049
Adjusted net investment income	\$1,226	\$1,227	\$1,082

#### Net Investment Income

Net investment income was \$1,207 million and adjusted net investment income\* was \$1,226 million in the current quarter. On a quarter-over-quarter basis, adjusted net investment income increased \$144 million, primarily driven by alternative investment income, asset growth and higher interest rates. On a sequential basis, adjusted net investment income was flat.

The net investment income yield was 4.16% during the quarter.

### Statutory Capital and Liquidity (Unaudited, in billions)

	As of		
	December 31, 2023 (1)	September 30, 2023	December 31, 2022
Statutory combined total adjusted capital	\$6.3	\$7.3	\$8.1

(1) Reflects preliminary statutory results as of December 31, 2023.

#### Capitalization

As of December 31, 2023:

- TAC<sup>(1)</sup> decreased to approximately \$6.3 billion, driven by the impact from the new statutory requirement and subsidiary dividends paid in the quarter
- Estimated combined RBC ratio<sup>(1)</sup> increased to approximately 420%, with a reduction in required capital associated with the new statutory requirement providing an effective offset to the decline in TAC
- Holding company liquid assets were \$1.3 billion

(1) Reflects preliminary statutory results as of December 31, 2023.

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### Earnings Conference Call

Brighthouse Financial will hold a conference call and audio webcast to discuss its financial results for the fourth quarter and full year 2023 at 8:00 a.m. Eastern Time on Tuesday, February 13, 2024. 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 <https://register.vevent.com/register/Bif1641bbbff1d436f871280ce7989f769>.

A replay of the conference call will be made available until Friday, March 1, 2024, 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.,<sup>(1)</sup> we specialize in products designed to help people protect what they've earned and ensure it lasts. Learn more at [brighthousefinancial.com](http://brighthousefinancial.com).

(1) Ranked by 2022 admitted assets. Best's Review®: Top 200 U.S. Life/Health Insurers. AM Best, 2023.

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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 between actual outcomes and the sensitivities calculated under certain scenarios that we may utilize in connection with our variable annuity risk management strategies; the impact of interest rates on our future ULSP policyholder obligations and net income volatility; 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 of public health crises, extreme mortality events or similar occurrences on our business and the economy in general; 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 geopolitical events, military actions or catastrophic events, on our profitability measures as well as our investment portfolio, including on realized and unrealized losses and impairments, net investment spread and net investment income; the financial risks that our investment portfolio is subject to, including credit risk, interest rate risk, inflation risk, market valuation risk, liquidity risk, real estate risk, derivatives risk, and other factors outside our control; the impact of changes in regulation and in supervisory and enforcement policies or interpretations thereof 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 or increase our tax liability; the effectiveness of our policies, procedures and processes 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. are not as expected, leading to material additional taxes or material adverse consequences to tax attributes that impact us; and other factors described from time to time in documents that we file with the U.S. Securities and Exchange Commission (the "SEC").

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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, 2022, 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 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.

#### *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.



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Adjusted earnings reflect 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); and
- 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").

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

- Change in market risk benefits; and
- Change in fair value of the crediting rate on experience-rated contracts ("Market Value Adjustments").

The provision for income tax related to adjusted earnings is calculated using the statutory tax rate of 21%, net of impacts related to the dividends received deduction, tax credits and current period non-recurring items.

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.

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 GAAP net investment income plus Investment Hedge Adjustments.

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### 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.

#### *CTE70*

CTE70 is defined as the amount of assets required to satisfy contract holder obligations across market environments in the average of the worst thirty percent of a set of capital market scenarios over the life of the contracts.

#### *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*

Holding company means, collectively, Brighthouse Financial, Inc., Brighthouse Holdings, LLC, and Brighthouse Services, LLC.

#### *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 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 Shield hedging programs and other equity risk management strategies. Normalized statutory earnings (loss) may be further adjusted for certain unanticipated items that impact 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		
	December 31, 2023	September 30, 2023	December 31, 2022
<b>Revenues</b>			
Premiums	\$226	\$194	\$167
Universal life and investment-type product policy fees	546	542	549
Net investment income	1,207	1,202	1,049
Other revenues	135	125	100
Revenues before NIGL and NDGL	2,114	2,063	1,865
Net investment gains (losses)	(33)	(53)	(69)
Net derivative gains (losses)	(681)	(840)	(1,923)
<b>Total revenues</b>	<b>\$1,400</b>	<b>\$1,170</b>	<b>\$(127)</b>
<b>Expenses</b>			
Policyholder benefits and claims	\$710	\$590	\$267
Interest credited to policyholder account balances	525	426	401
Amortization of DAC and VOBA	152	155	155
Change in market risk benefits	663	(1,064)	(1,479)
Interest expense on debt	39	38	39
Other expenses	485	435	450
<b>Total expenses</b>	<b>2,574</b>	<b>580</b>	<b>(167)</b>
Income (loss) before provision for income tax	(1,174)	590	40
Provision for income tax expense (benefit)	(258)	109	(97)
<b>Net income (loss)</b>	<b>(916)</b>	<b>481</b>	<b>137</b>
Less: Net income (loss) attributable to noncontrolling interests	1	2	1
<b>Net income (loss) attributable to Brighthouse Financial, Inc.</b>	<b>(917)</b>	<b>479</b>	<b>136</b>
Less: Preferred stock dividends	25	26	26
<b>Net income (loss) available to Brighthouse Financial, Inc.'s common shareholders</b>	<b>\$(942)</b>	<b>\$453</b>	<b>\$110</b>

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Charlotte, NC 28277



### Condensed Balance Sheets (Unaudited, in millions)

	As of		
	December 31, 2023	September 30, 2023	December 31, 2022
<b>ASSETS</b>			
Investments:			
Fixed maturity securities available-for-sale	\$80,991	\$75,433	\$75,577
Equity securities	102	90	89
Mortgage loans	22,508	22,682	22,936
Policy loans	1,331	1,311	1,282
Limited partnerships and limited liability companies	4,946	4,931	4,775
Short-term investments	1,169	1,003	1,081
Other invested assets	4,409	3,210	2,852
Total investments	115,456	108,660	108,592
Cash and cash equivalents	3,851	3,839	4,115
Accrued investment income	1,183	1,143	885
Reinsurance recoverables	19,213	18,597	18,019
Premiums and other receivables	548	469	529
DAC and VOBA	4,872	4,919	5,084
Current income tax recoverable	27	31	38
Deferred income tax asset	1,893	2,121	1,736
Market risk benefit assets	656	694	483
Other assets	370	368	401
Separate account assets	88,271	82,675	84,965
<b>Total assets</b>	<b>\$236,340</b>	<b>\$223,516</b>	<b>\$224,847</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Future policy benefits	\$32,569	\$30,404	\$31,497
Policyholder account balances	81,068	78,371	73,527
Market risk benefit liabilities	10,323	8,830	10,389
Other policy-related balances	3,836	3,806	4,098
Payables for collateral under securities loaned and other transactions	3,670	3,941	4,560
Long-term debt	3,156	3,157	3,156
Other liabilities	8,439	8,198	7,057
Separate account liabilities	88,271	82,675	84,965
<b>Total liabilities</b>	<b>231,332</b>	<b>219,382</b>	<b>219,249</b>
<b>Equity</b>			
Preferred stock, at par value	—	—	—
Common stock, at par value	1	1	1
Additional paid-in capital	14,004	14,022	14,075
Retained earnings (deficit)	(1,507)	(590)	(395)
Treasury stock	(2,309)	(2,248)	(2,042)
Accumulated other comprehensive income (loss)	(5,246)	(7,116)	(6,106)
<b>Total Brighthouse Financial, Inc.'s stockholders' equity</b>	<b>4,943</b>	<b>4,069</b>	<b>5,533</b>
Noncontrolling interests	65	65	65
<b>Total equity</b>	<b>5,008</b>	<b>4,134</b>	<b>5,598</b>
<b>Total liabilities and equity</b>	<b>\$236,340</b>	<b>\$223,516</b>	<b>\$224,847</b>

## PUBLIC RELATIONS

Brighthouse Financial, Inc.  
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### 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		
	December 31, 2023	September 30, 2023	December 31, 2022
<b>ADJUSTED EARNINGS, LESS NOTABLE ITEMS</b>			
<b>Net income (loss) available to shareholders</b>	<b>\$(942)</b>	<b>\$453</b>	<b>\$110</b>
Less: Net investment gains (losses)	(33)	(53)	(69)
Less: Net derivative gains (losses), excluding investment hedge adjustments	(700)	(865)	(1,956)
Less: Change in market risk benefits	(663)	1,064	1,479
Less: Market value adjustments	(21)	15	(3)
Less: Provision for income tax (expense) benefit on reconciling adjustments	298	(34)	114
<b>Adjusted earnings</b>	<b>177</b>	<b>326</b>	<b>545</b>
Less: Notable items	(12)	51	263
<b>Adjusted earnings, less notable items</b>	<b>\$189</b>	<b>\$275</b>	<b>\$282</b>
<b>ADJUSTED EARNINGS, LESS NOTABLE ITEMS PER COMMON SHARE (1)</b>			
<b>Net income (loss) available to shareholders per common share</b>	<b>\$(14.70)</b>	<b>\$6.89</b>	<b>\$1.59</b>
Less: Net investment gains (losses)	(0.51)	(0.81)	(0.99)
Less: Net derivative gains (losses), excluding investment hedge adjustments	(10.92)	(13.16)	(28.04)
Less: Change in market risk benefits	(10.34)	16.18	21.20
Less: Market value adjustments	(0.33)	0.23	(0.04)
Less: Provision for income tax (expense) benefit on reconciling adjustments	4.65	(0.52)	1.63
Less: Impact of inclusion of dilutive shares	0.03	—	—
<b>Adjusted earnings per common share</b>	<b>2.73</b>	<b>4.97</b>	<b>7.81</b>
Less: Notable items	(0.19)	0.78	3.77
<b>Adjusted earnings, less notable items per common share</b>	<b>\$2.92</b>	<b>\$4.18</b>	<b>\$4.04</b>

(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

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### Reconciliation of Net Investment Income to Adjusted Net Investment Income (Unaudited, in millions)

	For the Three Months Ended		
	December 31, 2023	September 30, 2023	December 31, 2022
Net investment income	\$1,207	\$1,202	\$1,049
Less: Investment hedge adjustments	(19)	(25)	(33)
<b>Adjusted net investment income</b>	<b>\$1,226</b>	<b>\$1,227</b>	<b>\$1,082</b>

### Notable Items (Unaudited, in millions)

	For the Three Months Ended		
	December 31, 2023	September 30, 2023	December 31, 2022
<b>NOTABLE ITEMS IMPACTING ADJUSTED EARNINGS</b>			
Actuarial items and other insurance adjustments	\$—	\$(51)	\$(227)
Establishment costs	—	—	15
Debt repayment costs	—	—	—
Prior year tax matters	—	—	(51)
Legal matters	12	—	—
<b>Total notable items (1)</b>	<b>\$12</b>	<b>\$(51)</b>	<b>\$(263)</b>
<b>NOTABLE ITEMS BY SEGMENT AND CORPORATE &amp; OTHER</b>			
Annuities	\$—	\$(28)	\$44
Life	—	71	—
Run-off	—	(94)	(271)
Corporate & Other	12	—	(36)
<b>Total notable items (1)</b>	<b>\$12</b>	<b>\$(51)</b>	<b>\$(263)</b>

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