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## **Annuity providers report 1Q2022 performance**

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By Editorial Staff    Thu, May 12, 2022

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*Jackson National Life reported almost \$200 million in sales of its new registered index-linked annuity in the first quarter.*

*Equitable's RILA, launched over a decade ago, took in about \$2 billion. Brighthouse Financial reported a decline in annuity sales.*

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Jackson National Life, Equitable, and Brighthouse Financial recently reported their earnings for the first quarter of 2022. Excerpts from their news releases can be found below.

### **Jackson National Life**

Jackson National Life reported \$199 million in sales of Registered Index-Linked Annuities (RILAs) in the first quarter, after launching the product in the fourth quarter of 2021. RILA sales offset a 2% decline in variable annuity sales.

Jackson's retail annuities business reported pretax adjusted operating earnings of \$406 million in the first quarter of 2022 compared to \$568 million in the first quarter of 2021.

Total annuity sales of \$4.8 billion were up 2% from the first quarter of 2021. Jackson reported \$19.3 billion in annuity considerations received for all of 2021, according to its [annual statutory statement](#), filed in Michigan.

Jackson also reported these financial highlights:

- Net income of \$2,025 million, or \$22.51 per diluted share, including the impact of non-economic hedging results under GAAP accounting
- Adjusted operating earnings of \$354 million, or \$3.94 per diluted share
- Total annuity account value of \$242 billion increased 2% from the first quarter of 2021, primarily as a result of positive separate account performance
- Returned \$192 million to shareholders through \$140 million of share repurchases and \$52 million in dividends, in-line with full-year capital return target of \$425-\$525 million
- Estimated Adjusted Risk Based Capital (RBC) ratio was within the target range of 500-525% at the end of the quarter
- Cash and cash equivalents at the holding company of nearly \$1 billion at the end of the quarter, above Jackson's minimum liquidity buffer

"In total, annuity sales without lifetime benefit guarantees represented 33% of total annuity sales, up from 31% in the first quarter of 2021. We continue to generate fee-based sales, with current quarter advisory annuity sales of \$207 million, compared to \$267 million in the

first quarter of 2021,” Jackson’s release said.

### **Equitable**

Equitable reported total assets under management of \$856 billion as of March 31, 2022, “a year-over-year increase of 4.1% driven by net inflows and market performance over the prior twelve months,” according to a release.

Net income attributable to holdings for the first quarter of 2022 was \$573 million compared to net loss of \$1.5 billion in the first quarter of 2021 driven primarily by non-economic market impacts from hedging under US GAAP accounting.

Non-GAAP operating earnings in the first quarter of 2022 was \$548 million compared to \$600 million in the first quarter of 2021. Excluding notable items<sup>5</sup> of \$67 million, first quarter 2022 Non-GAAP operating earnings were \$615 million or \$1.53 per share.

As of March 31, 2022, book value per common share, including accumulated other comprehensive income (“AOCI”), was \$16.64. Book value per common share, excluding AOCI, was \$21.29.

Equitable’s business segment highlights included:

**Individual Retirement** reported first quarter net inflows of \$52 million, the highest quarter since the Equitable’s IPO and separation from AXA. The Structured Capital Strategies buffered annuity product achieved its highest month of sales ever in March and \$2 billion in first-year premium for the quarter.

**Group Retirement** generated first quarter net inflows of \$523 million primarily driven by secure income inflows associated with AB’s Lifetime Income product.

**Investment Management and Research** (AllianceBernstein) reported over \$11 billion in net inflows in the quarter, with fee rate expansion of 1% and annualized organic growth of 6% year-over-year.

**Protection Solutions** gross written premiums up 36% year-over-year driven by shift to less interested-sensitive VUL; excess mortality continues to be within COVID guidance.

### **Brighthouse Financial**

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.

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 US 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.

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