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## Variable annuity fee income boosts Jackson's performance

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By Editorial Staff      Thu, Aug 11, 2016

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Benefiting from fee income on a record \$138.9 billion in variable annuity separate account assets, Jackson National Life Insurance Co. generated IFRS pretax operating income of \$1.3 billion in first half 2016, slightly over the same period a year ago.

Sales and deposits of \$11.2 billion in the first half of the year were down 14% from the same period in 2015, however, as reduced VA sales more than offset higher sales of fixed and fixed index annuities, as well as institutional products.

"Despite the headwinds we faced in the first half of 2016, Jackson experienced positive variable annuity net flows of \$3.6 billion," said Barry Stowe, chairman and chief executive officer of the North American Business Unit of Prudential plc, which owns Jackson.

"However, consistent with the rest of the industry, variable annuity sales have slowed due to market volatility and activity surrounding the U.S. Department of Labor fiduciary rule."

Jackson's first half performance allowed the company to remit a \$450 million dividend to its parent company while continuing to hold capital in excess of regulatory requirements, according to a release.

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