

CNO FINANCIAL GROUP, INC.

FORM DEFA14A

(Additional Proxy Soliciting Materials (definitive))

Filed 04/30/09

Address	11825 N PENNSYLVANIA ST CARMEL, IN 46032
Telephone	3178176100
CIK	0001224608
Symbol	CNO
SIC Code	6321 - Accident and Health Insurance
Industry	Insurance (Life)
Sector	Financial
Fiscal Year	12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary proxy statement
- Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2))
- Definitive proxy statement
- Definitive additional materials
- Soliciting material pursuant to §240.14a-12

Conseco, Inc.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of filing fee (Check the appropriate box):

- No fee required
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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1

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount previously paid:

(2) Form, schedule or registration statement no.:

(3) Filing party:

(4) Date filed:

The following materials were prepared for use in a presentation given to RiskMetrics Group on April 30, 2009 and may be provided to certain shareholders of Conseco, Inc. after April 30, 2009.

Conseco, Inc.
11825 North Pennsylvania Street
Carmel, IN 46032

April 30, 2009

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RiskMetrics Presentation
April 30, 2009





Agenda

- Business Overview
- Recent Financial Performance
- Investment Portfolio Review
- Board of Directors
- Summary
- Q&A



Business Overview

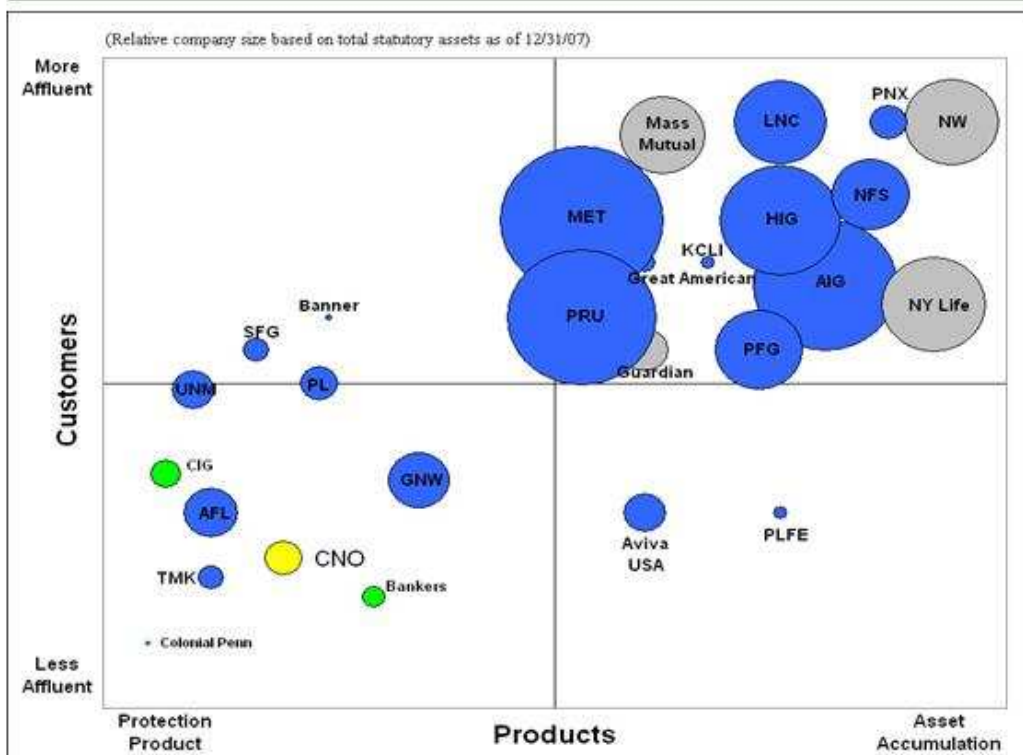


Conseco Highlights

Target Market	<ul style="list-style-type: none"> Defined and differentiated by focus on senior middle income market
Products	<ul style="list-style-type: none"> Small face amount protection products (4 million policies in force) Not ratings dependent Virtually no variable business (no sales since 2002)
Distribution	<ul style="list-style-type: none"> Bankers: “kitchen table” sales model through 4,800+ career agents Colonial Penn: direct sales CIG: Independent producers; PMA (wholly owned marketing company) now 57% of sales High agent recruitment and retention
Operating Performance	<ul style="list-style-type: none"> Solid growth in Sales and VNB Strong core operating performance Volatility substantially reduced through separation of LTC run-off business
Capital Management	<ul style="list-style-type: none"> Capital preservation through multiple reinsurance transactions <ul style="list-style-type: none"> Improving product mix, reducing risk
Investments	<ul style="list-style-type: none"> 92% Investment Grade Highly diversified portfolio No significant investment in exotic securities



Few Competitors in Our Target Space



Source:
KBW Research

Unique Value Proposition that is Closely Aligned to Important Target Market Trends



Strong Trends Are Impacting Middle Market Consumers

- Rising medical costs
- Decline of societal safety nets (government & employer)
- Increased longevity
- Greater awareness of need for retirement planning

Conseco Has Expertise Across Important Middle Market Products

- Specified Disease
- Equity-Indexed Life and Annuity products (longevity solutions)
- Long-Term Care
- Medicare Supplement
- Whole Life products
- Final Expense / Term insurance for protection

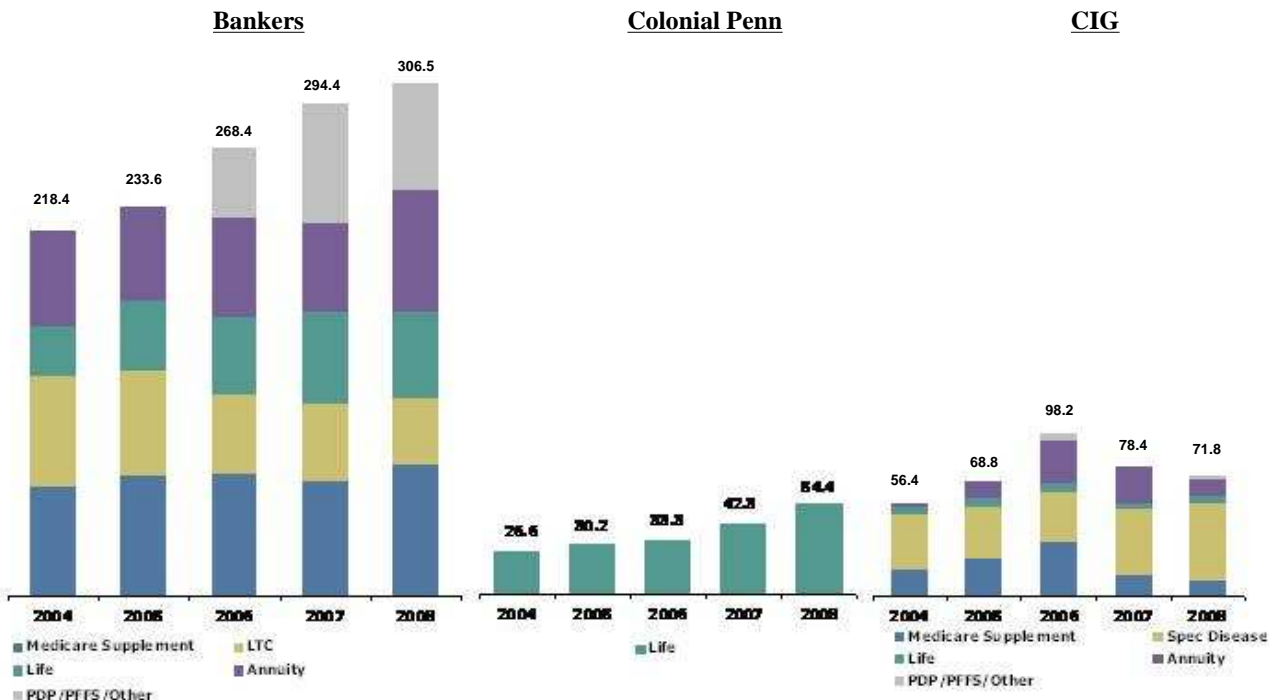
Able to Access Consumers Across Multiple Channels

- **With an Agent (Retail)**
 - Bankers
 - CIG
 - Independents
 - PMA (CIG-owned)
- **Without an Agent: (Direct)**
 - Colonial Penn
- **At Work: (Worksite Marketing)**
 - PMA Worksite Division
 - CIG - Independents

The Right Products and The Right Channels for Today's Middle Market Consumer

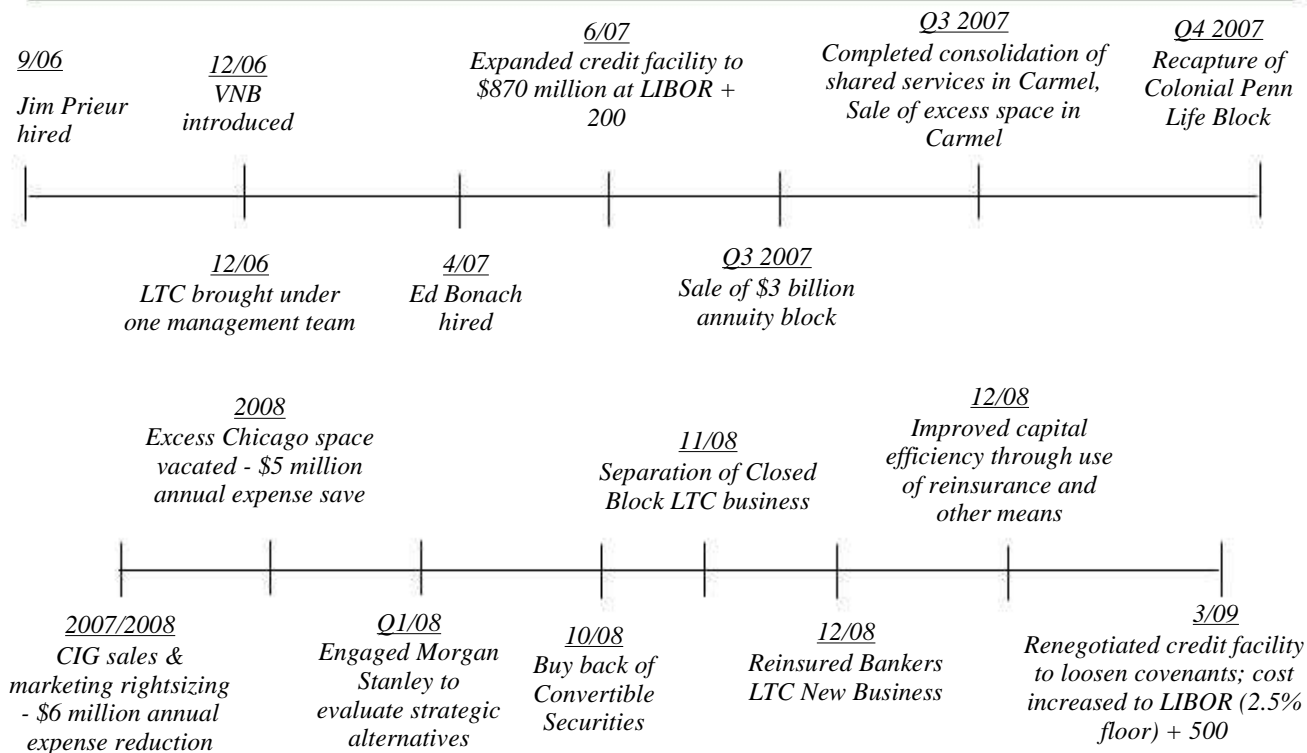
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Product Shift aligned with profitability – New Sales Across Business Units (NAP \$ in millions) ^(a)



(a) Measured by new annualized premium, which includes 6% of annuity and 10% of single premium whole life deposits and 100% of all other premiums, PDP sales equal \$200 per enrolled policy in 2008, \$310 in 2007 and \$315 in 2006, PFFS sales equal \$2,250 per enrolled policy

Fix, Focus, Grow Key Accomplishments



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Analyst Commentary



- **FBR Analyst – Indianapolis Business Journal Article 3/14/09**

Conseco has reported better numbers in the past, said Binner, the Friedman Billings analyst. But they were pumped up due to problems that have been uncovered since the 2006 arrival of CEO Jim Prieur and Chief Financial Officer Ed Bonach.

“Jim and Ed have created a better-functioning Conseco than ever really existed,” Binner said. “They are real, and they’re really fixing the company. But the economic backdrop is just so terrible right now.”

- **KBW Analyst Report 1/5/09**

Nevertheless, we still believe current management has been upfront with all stakeholders in trying to address and do the heavy lifting to fix Conseco’s many problems.

- **Dowling Analyst Report 11/12/08**

CNO had a major win today by receiving approval of the transfer of the Senior Health Insurance Co. (formally American Travelers) to an independent trust in PA.

CNO management, its bankers and shareholders do not now have the future unknown obligations of this company. We view this as a major positive for CNO. Precious capital can now be used to deal with portfolio issues and other emerging issues, not this run-off LTC block of business.

- **KBW Analyst Report 3/18/08**

In our opinion, the turnaround remains on track despite negative reaction in the stock following the reported

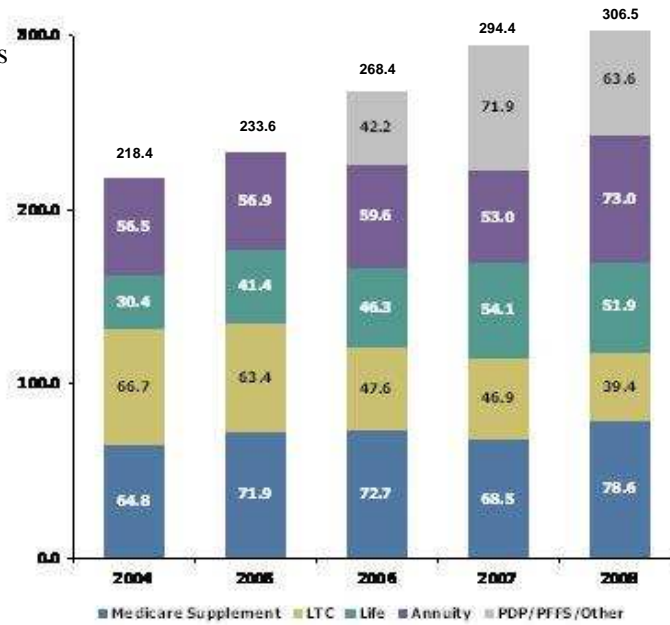
net loss and additional charges (though expected).



Bankers Overview

- Solid business with expanding low cost distribution
- 9% compounded annual sales growth (versus low single digit growth rate for industry)
- Focused on the middle-class senior market with Medicare supplement, life, annuity, LTC, Medicare Part D and Medicare Advantage products
- “Kitchen-table” sales model through over 4,800 agents
 - 12% YTD growth in new agents
 - 5% YTD growth in productive agents in 2008 over 2007 ^(a)

New Annualized Premiums (\$ millions)

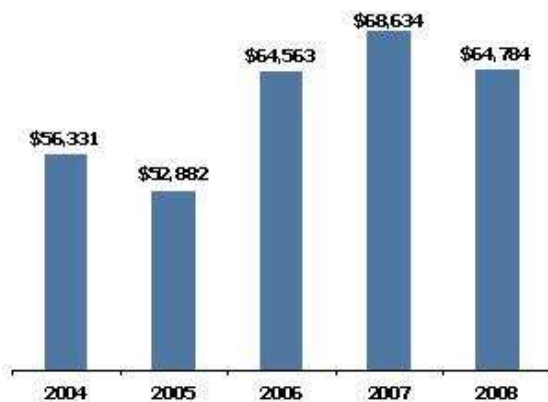


(a) Productive agents defined as agent who averages 4+ policies sold per month or averages \$2,000+ in commissions earned per month during the most recent 12 months

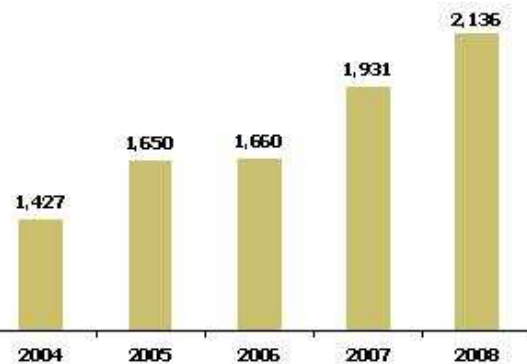


Bankers Agent Force Growth and Productivity Improvements

NAP per Agent (productivity)
Yearly Average 2004 – 2008



Number of Productive Agents ^(a)
Monthly Average 2004 – 2008



These improvements are enabling Bankers to grow total NAP to a target of 10% growth per year while the life insurance industry grows in the low single digits per year

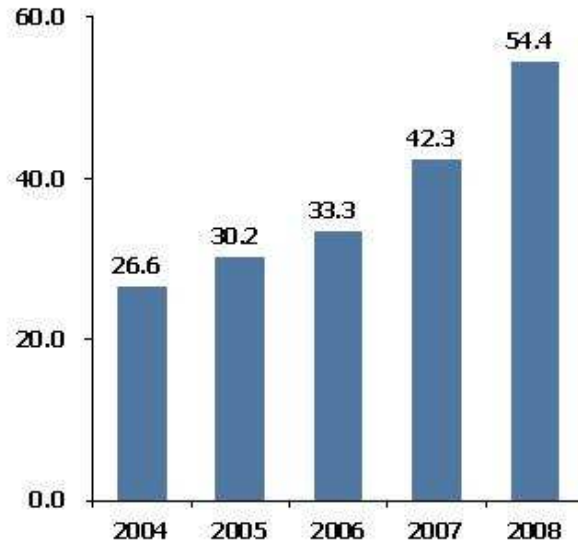
(a) Productive agents defined as agent who averages 4+ policies sold per month or averages \$2,000+ in commissions earned per month during the most recent 12 months



Colonial Penn Overview

- Focus on lower middle-income retirees with simple, low cost life insurance products
- Approximately 17% compound annual sales growth since 2004
- Direct response model with media and mail based lead generation with robust telemarketing support
- Well positioned in unique market niche with strong growth potential
 - ◆ 19% sales growth in 2008
 - ◆ Sustainable growth of 20% per year
- Low cost administrative platform

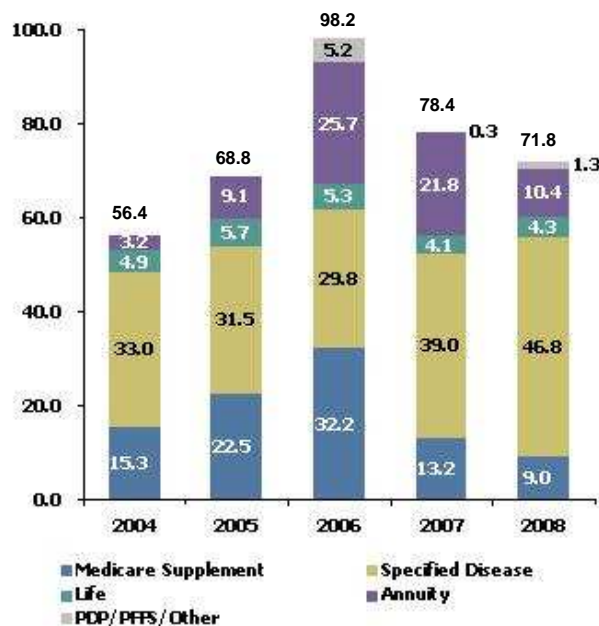
New Annualized Life Premiums (\$ millions)



CIG Overview

- Focus on middle income working Americans and retirees with supplemental health and protection products
- Distribution through approximately 2,400 independent producers, including 565 from Performance Matters Associates (“PMA”), a wholly-owned marketing company
 - ◆ PMA currently generates 57% of new business focusing on profitable supplemental health products
 - ◆ Building new relationships, broadening supplemental health and life distribution
- Key markets
 - ◆ Individual – farm/rural and seniors
 - ◆ Worksite – small business, education, government, healthcare and credit unions

New Annualized Premiums (\$ millions)

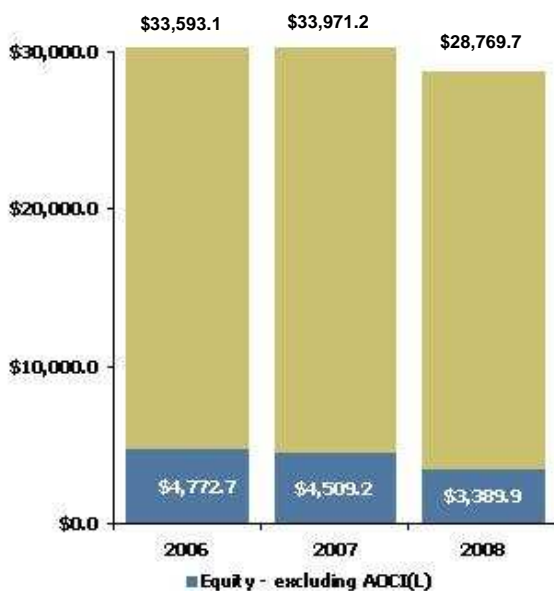


Recent Financial Performance

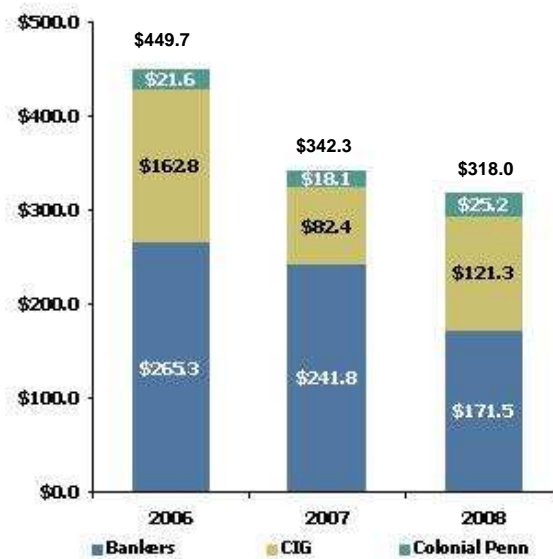
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Historical Financial Performance (\$ in millions)

Total Assets / Equity ex AOCI(L) (a)



Pre - Tax Operating Income (b)



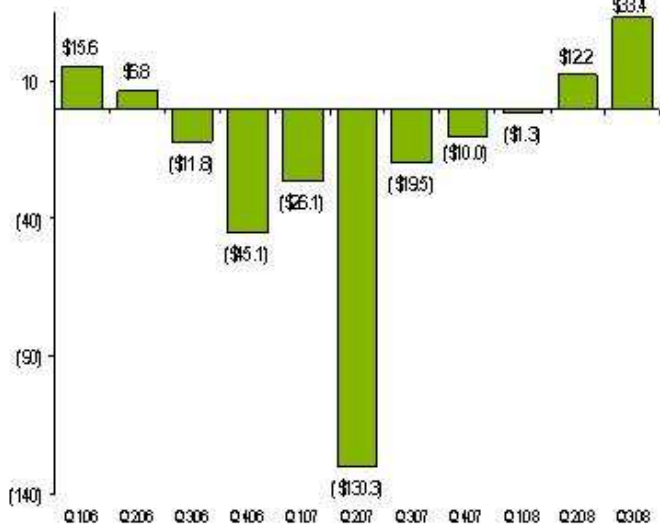
(a) Amounts do not reflect changes for the adoption of any Accounting Pronouncements in 2009 which require retrospective application.

(b) A non-GAAP financial measure which excludes: (i) net realized investment gains (losses), net of related amortization; (ii) a litigation settlement in 2006 and refinements to such estimates in subsequent periods; (iii) a 2007 charge related to an annuity coinsurance transaction; and (iv) corporate operations. See the Appendix for a reconciliation to the corresponding GAAP measure.

Fixing LTC Run-off: The Separation of Senior Health



Run-off Segment Pre-Tax Operating Earnings (\$MM) ^(a)



(a) A non-GAAP financial measure which excludes net realized investment gains (losses), net of related amortization. Q3 2008 results include \$30.5 million gain on reinsurance recapture.

Management Actions Taken Prior to Separation

- Stabilized LTC business
 - Strengthened reserves by \$200MM in 2007 - 2008
 - Installed experienced management team focused exclusively on LTC
 - Pursued premium rate increases where justified
- Improved customer service to LTC policy holders
 - Enhanced claims management
 - Outsourced most admin operations to the Long Term Care Group
 - Concluded multi-state insurance regulatory examination and started remediation

Senior Health Separation Transaction Overview



Key Transaction Terms

- Senior Health* (which housed 87% of run-off LTC business) was transferred for no consideration to a not-for-profit business trust set up to own and operate the business for the benefit of its LTC policyholders
- Pre-separation capital contribution of \$175MM to Senior Health to raise total adjusted statutory capital to approximately \$300MM
- Closed in Q4 2008

Conseco Rationale

- A balanced solution, considering the various stakeholders, to definitively separate Senior Health from Conseco
- Separation eliminates potential source of earnings volatility and perceived call on Conseco's capital
- Allows capital to be applied to profitable, high growth businesses
- Improves risk profile
- Allows Conseco's management to focus on core businesses

* Senior Health Insurance Company of Pennsylvania, formerly known as Conseco Senior Health Insurance Company prior to its name change in October 2008.

Senior Health Separation Transaction and Related Charges



During 2008, Conseco recorded accounting charges totaling \$1.0 billion related to the transaction, comprised of Senior Health's equity (as calculated in accordance with generally accepted accounting principles), an additional valuation allowance for deferred tax assets, the capital contribution to Senior Health and the Independent Trust and transaction expenses.

The accounting charges are summarized as follows:

	(\$ in millions)
Recognition of unrealized losses on investments transferred to the Independent Trust	\$380.5 (a)
Gain on reinsurance recapture, net of tax	(19.3)
Increase to deferred tax valuation allowance based on recent results which have had a significant impact on taxable income and the effects of the transaction	298.0
Write-off of remaining shareholder's equity of Senior Health	159.2 (a)
Additional capital contribution and transaction expenses	204.4 (a)
Total charges	<u>\$1,022.8</u>

(a) Amount is before the potential tax benefit. A deferred tax valuation allowance was established for all future potential tax benefits generated by these charges since management has concluded that it is more likely than not that such tax benefits will not be utilized to offset future taxable income.

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Impact of Credit Facility Amendment on Key Debt Covenants



(\$ millions)	<u>Q4 2007</u>	<u>Q3 2008</u>	<u>Q4 2008**</u>	<u>Modified Covenant Levels***</u>
Debt/Capital Ratio*				
Covenant Maximum	30.0%	30.0%	30.0%	32.5%
Actual	21.0%	23.6%	28.3%	
Interest Coverage				
Covenant Minimum	2.00X	2.00X	2.00X	1.50X
Actual	3.34X	2.64X	2.35X	
Statutory Capital				
Covenant Minimum	\$1,270	\$1,270	\$1,270	\$1,100
Actual	\$1,497	\$1,433	\$1,366	
RBC Ratio				
Covenant Minimum	250%	250%	250%	200%
Actual	296%	257%	255%	
Company Action Level Trigger	125%	125%	125%	

*Excludes Accumulated Other Comprehensive Income (Loss)

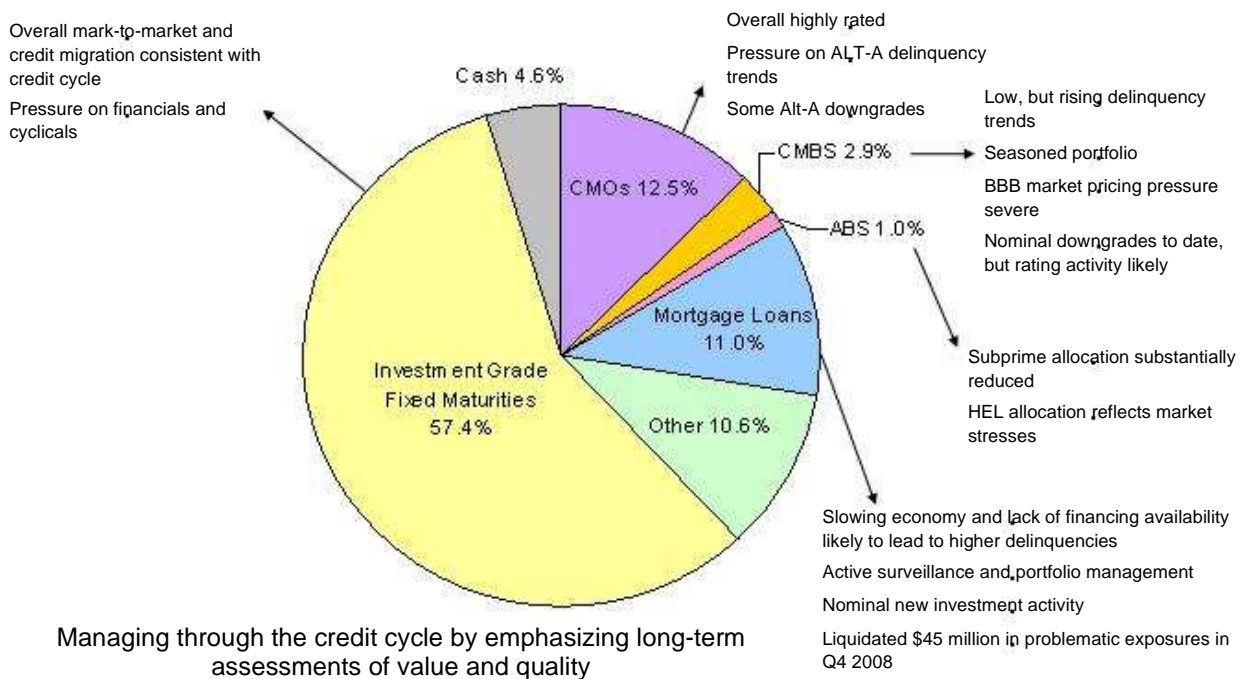
** Changes in covenant levels from Q3 2008 primarily driven by the transfer of Senior Health to an independent trust

***Reflects impact of modifications to the covenants which are applicable from March 31, 2009 through June 30, 2010

Investment Portfolio Review

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Asset Allocation at 12/31/08



Rating Agency Commentary on Investment Portfolio



■ AM BEST- Report Revision Date - 03/04/2009

- The overall credit quality of the portfolio is solid.
- The corporate bond portfolio is also well diversified by industry sector.
- A.M. Best notes that CNO's credit risk on BIG securities is partially mitigated by its lower exposure to structured securities relative to the industry.
- Structured securities are reasonably well diversified, consisting mainly of CMOs, asset-backed and commercial mortgage-backed securities. These securities are typically invested in sequential and planned amortization classes with modest amounts invested in riskier tranches.
- In general, A.M. Best notes that the group's investment risk credit risk profile has improved due to a reduction in high yield bonds, structured securities, affiliated investments and limited partnerships.

■ MOODY'S – 3/03/2009 Rating Update

- Over the past several years, the company has reduced the amount of alternative investments and affiliated investments.
- Overall, we believe the company's investment portfolio is representative of an A-rated company.

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Unrealized Losses at 12/31/08

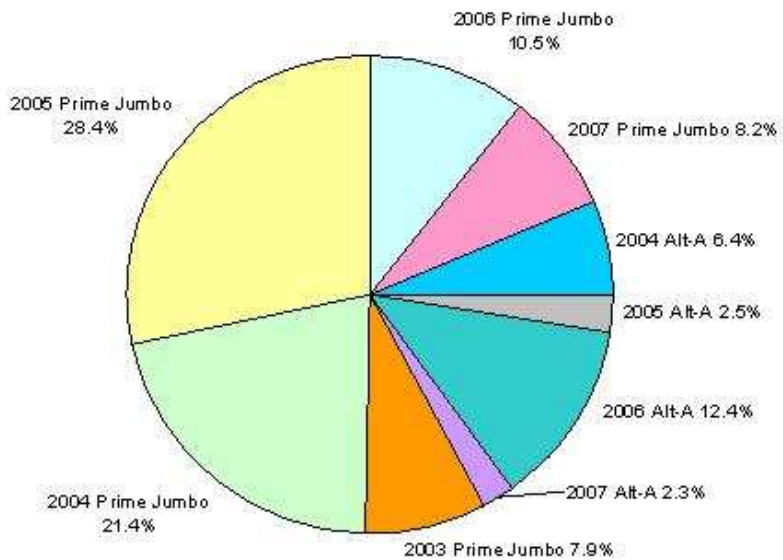


(\$ millions)	<u>Book Value</u>	<u>Market Value</u>	<u>Net Unrealized Gain/(Loss)</u>	<u>2008 Impairments</u>
Corporates	\$13,532	\$11,436	\$(2,096)	\$98
US Treasuries	340	371	31	-
States and Political	440	386	(54)	-
Foreign Governments	11	9	(2)	-
CDOs	134	97	(37)	-
Mortgage Pass-throughs	76	77	1	-
CMOs	2,920	2,443	(477)	35
CMBS	838	572	(266)	-
ABS	292	204	(88)	19
Mortgage Loans	2,159	2,122	(37)	6
Equity, Cash & Other	1,809	1,793	(16)	4
Total	\$22,551	\$19,510	\$(3,041)	\$162

Non-Agency CMOs at 12/31/08



Our non-agency CMOs are diversified by type and vintage



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Board of Directors

Board Structure and Governance



- Nine members being elected
- Eight members are independent, including Chairman
 - Two independent directors added in 2007 following extensive search
- Hired new CEO (September 2006) and CFO (April 2007)
- Active Board
 - 14 Board Meetings in 2008
 - More than 30 Board Committee Meetings in 2008 including 18 Audit Committee meetings
- Active role in establishing strategy – engaged Morgan Stanley to review strategic alternatives beginning in January 2008
- Adopted majority voting for directors and declassified Board in 2008

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Board of Directors Biographies



- **R. Glenn Hilliard**, 66, has served as chairman of our board of directors since September 2003. During the period from August 2004 until September 2005, he served as executive chairman and at all other times since September 2003 he has served as non-executive Chairman. Mr. Hilliard has been chairman and chief executive officer of Hilliard Group, LLC, an investment and consulting firm, since 2003. From 1999 until his retirement in 2003, Mr. Hilliard served as chairman, chief executive officer and a member of the executive committee for ING Americas. From 1994 to 1999 he was chairman and CEO of ING North America. Mr. Hilliard is a Trustee of Columbia Funds Series Trust, Columbia Funds Master Investment Trust, Columbia Funds Variable Insurance Trust I (formerly Nations Separate Account Trust) and Banc of America Funds Trust.
- **Donna A. James**, 51, has been a director of ConsecO since May 2007. Since 2006 Ms. James has been President and managing director of Lardon & Associates, a business and executive advisory services firm. Before retiring in 2006, Ms. James worked in various capacities with Nationwide Mutual Insurance Company and its public company subsidiary, Nationwide Financial Services, Inc., beginning in 1981, including President, Nationwide Strategic Investments (2003-2006), Executive Vice President and Chief Administrative Officer (2000-2003) and Senior Vice President and Chief Human Resources Officer (1998-2000). She is also a director of Coca-Cola Enterprises, Inc., Limited Brands, Inc. and Time Warner Cable Inc.
- **Debra J. Perry**, 58, has served as a director of ConsecO since June 2004. Since 2008 Ms. Perry has been the managing member of Perry Consulting LLC. From 1992-2004, she was a senior executive at Moody's Investors Service and Moody's Corporation. During her career there, she served as Chief Administrative Officer and Chief Credit Officer, and had responsibility for several ratings groups, including Americas Corporate Finance, Leverage Finance, Public Finance, and Finance, Securities and Insurance. Until recently, Ms. Perry served on the board of MBIA Inc., the largest financial guaranty

insurance company. At the request of the MBIA board, she became a consultant to its Credit Risk Committee to refine and implement the company's risk strategy as part of a five-year transformation plan. Ms. Perry is also a director of Korn/Ferry International. 30



Board of Directors Biographies

- **C. James Prieur**, 57, has been chief executive officer and a director since September 2006. Before joining Conseco, Mr. Prieur had been with Sun Life Financial since 1979. He began his career in private placements, then equity and fixed income portfolio management, rising to vice president of investments for Canada in 1988, and then vice president of investments for the U.S. in 1992. In 1997 he was named senior vice president and general manager for all U.S. operations, and became corporate president and chief operating officer in 1999.

- **Philip R. Roberts**, 67, joined our board of directors in September 2003. Mr. Roberts is retired. From 2000 until 2007, Mr. Roberts was principal of Roberts Ventures L.L.C., consultant for merger and acquisition and product development for investment management firms. From 1996 until 2000, Mr. Roberts served as chief investment officer of trust business for Mellon Financial Corporation and headed its institutional asset management businesses from 1990 to 1996.

- **Neal C. Schneider**, 64, joined our board of directors in September 2003. Between 2002 and 2003, Mr. Schneider was a partner of Smart and Associates, LLP, a business advisory and accounting firm. Between 2000 and 2002, he was an independent consultant. Until his retirement in 2000, Mr. Schneider spent 34 years with Arthur Andersen & Co., including service as partner in charge of the Worldwide Insurance Industry Practice and the North American Financial Service Practice. Mr. Schneider has been chairman of the board of PMA Capital Corporation since 2003.

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Board of Directors Biographies

- **Michael T. Tokarz**, 59, joined our board of directors in September 2003. Mr. Tokarz is the chairman of MVC Capital, Inc. (a registered investment company). In addition, he has been a managing member of the Tokarz Group, LLC (venture capital investments) since 2002. He was a general partner with Kohlberg Kravis Roberts & Co. from 1985 until he retired in 2002. Mr. Tokarz is chairman of Walter Industries, Inc. and is also a director of Idex Corp. and Dakota Growers Pasta Companies, Inc

- **John G. Turner**, 69, joined our board of directors in September 2003. Mr. Turner has been chairman of Hillcrest Capital Partners, a private equity investment firm since 2002. Mr. Turner served as chairman and CEO of ReliaStar Financial Corp. from 1991 until it was acquired by ING in 2000. After the acquisition he became vice chairman and a member of the executive committee for ING Americas until his retirement in 2002. Mr. Turner is a director of Hormel Foods Corporation.

- **Doreen A. Wright**, 52, joined our board of directors in May 2007. Ms. Wright was Senior Vice President and Chief Information Officer of Campbell Soup Company from 2001 until her retirement in 2008. Prior to joining Campbell Soup Company, she was Executive Vice President and Chief Information Officer at Nabisco, Inc. from 1999-2001. From 1995 through 1998, Ms. Wright was Senior Vice President, Operations and Systems for Prudential Insurance Company's Prudential Investment Group. From 1984 until 1994, she held various leadership positions at Bankers

Trust Company as a Managing Director and Senior Vice President of numerous large-scale institutional customer service and technology groups. Ms. Wright serves on the boards of directors of The Oriental Trading Company and The Riverside Symphonia, and she previously served on the board of directors of The Yankee Candle Company.



Qualifications of Mr. Roberts

- Mr. Roberts has worked in the insurance and securities industry since 1964
- Joined Conseco's board of directors in September of 2003.
- From 2000 to 2007, Mr. Roberts served as principal of Roberts Ventures L.L.C., consultant for merger & acquisition and product development for investment management firms.
- From 1996 until 2000, Mr. Roberts served as chief investment officer of trust business for Mellon Financial Corporation and headed Mellon's institutional asset management businesses from 1990 to 1996, in addition to chairing the Trust Committee. (Institutional Assets at Mellon were about \$130 billion and Personal Assets were about \$60 billion during his tenure). Company grew organically about 7% after adjusting for market movements. Also started a company to run dynamic currency hedging and built AUM to \$30 billion in five years.
- Prior to joining Mellon, Mr. Roberts enjoyed a 26-year career with Aetna Life & Casualty Company. During his tenure he served in a variety of management positions, culminating in service as senior vice president and chief investment officer. (Aetna's assets were approximately \$45 billion including P&C assets as well as the life assets).
- Mr. Roberts graduated from Harvard University with a bachelor of arts degree in economics. He also holds an MBA from the University of Connecticut.



Summary

Progress on Consecos Turnaround



- Emerged from bankruptcy in September 2003 with new Board of Directors
- Jim Prieur hired in September 2006 – “Fix Focus and Grow” Strategy
 - Sold \$3 billion annuity block
 - Recaptured life block (\$50 million of traditional life insurance premium in force that had been ceded)
 - Reduced expenses, consolidated and right-sized operations (annual savings in excess of \$25 million)
 - Retained investment banker to advise on strategic alternatives to build shareholder value
 - Separated LTC Closed-Block to reduce earnings volatility and free up capital (Strengthened reserves by \$200MM in 2007 – 2008)
 - Improved Capital Efficiency
 - Renegotiated Credit Facility to increase flexibility
 - All business segments returned to profitability
- Board has been actively engaged throughout

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Questions and Answers



Appendix

Amended and Restated Long-Term Incentive Plan



- Amendment and restatement of the Plan incorporates the provisions of the Plan as currently in effect and includes the following key modifications:
 - *Limits on Full-Value Awards.*
 - *Eliminating Liberal Share Counting Provisions.*
 - *Shareholders' Re-Approval of Performance Goals.*
 - *Clarifying and Conforming Amendments.*

- Increase in the number of shares authorized to be issued under the Plan by 15,846,268 shares, for a total number of authorized shares under the Plan of 25,846,268. First increase in Plan shares since Plan was adopted in 2003.

- 2009 annual award is based upon a higher price than current market share price (was developed on a 12 month trailing basis)

- Additional shares needed to attract and retain management

Information Related to Certain Non-GAAP Financial Measures



The following provides additional information regarding certain non-GAAP measures used in this presentation. A non-GAAP measure is a numerical measure of a company's performance, financial position, or cash flows that excludes or includes amounts that are normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. While management believes these measures are useful to enhance understanding and comparability of our financial results, these non-GAAP measures should not be considered as substitutes for the most directly comparable GAAP measures. Additional information concerning non-GAAP measures is included in our periodic filings with the Securities and Exchange Commission that are available in the "Investor – SEC Filings" section of Conseco's website, www.conseco.com.

Operating earnings measures

Management believes that an analysis of net income applicable to common stock before net realized gains or losses, losses related to the transfer of Senior Health to an independent trust and income taxes (a non-GAAP financial measure) is important to evaluate the performance of the Company and is a key measure commonly used in the life insurance industry. Management uses this measure to evaluate performance because realized investment gains or losses, losses related to the transfer of Senior Health to an independent trust and increases to our valuation allowance for deferred tax assets are unrelated to the Company's continuing operations.

In addition, our results were affected by unusual and significant charges related to: (i) a litigation settlement in Q2 2006 and refinements to such estimates recognized in subsequent periods; and (ii) a Q3 2007 charge related to an annuity coinsurance transaction. Management believes an analysis of operating earnings before these charges is important to evaluate the performance of the Company prior to the effect of these unusual and significant charges.

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Information Related to Certain Non-GAAP Financial Measures



A reconciliation of EBIT to net income (loss) applicable to common stock is as follows (dollars in millions):

	2006	2007	2008
EBIT, excluding costs related to a litigation settlement and loss related to a coinsurance transaction:			
Bankers Life	\$ 265.3	\$ 241.8	\$ 171.5
Colonial Penn	21.6	18.1	25.2
Conseco Insurance Group	162.8	82.4	121.3
Corporate Operations, excluding corporate interest expense	(18.2)	(16.8)	(26.7)
EBIT, excluding costs related to a litigation settlement and a loss related to an annuity coinsurance transaction	431.5	325.5	291.3
Costs related to a litigation settlement	(174.7)	(64.4)	-
Loss related to an annuity coinsurance transaction	-	(76.5)	-
Total EBIT	256.8	184.6	291.3
Corporate interest expense	(52.9)	(72.3)	(59.2)
Gain (loss) on extinguishment of debt	(0.7)	-	21.2
Income (loss) before net realized investment losses, taxes and discontinued operations	203.2	112.3	253.3
Tax expense (benefit) on period income	73.7	38.8	96.9
Income (loss) before net realized investment losses, valuation allowance for deferred tax assets and discontinued operations	129.5	73.5	156.4
Preferred stock dividends	(38.0)	(14.1)	-
Net income (loss) before net realized investment gains (losses), valuation allowance for deferred tax assets and discontinued operations	91.5	59.4	156.4
Net realized investment losses (excluding the increase in unrealized losses on those investments transferred to an independent trust and net of related amortization and taxes and the establishment of a valuation allowance for deferred tax assets related to such losses)	(23.8)	(79.5)	(217.4)
Net income (loss) applicable to common stock before valuation allowance for deferred tax assets and discontinued operations	67.7	(20.1)	(61.0)
Valuation allowance for deferred tax assets (excluding the establishment of a valuation allowance for realized investment losses and discontinued operations)	-	(68.0)	(343.0)
Discontinued Operations	0.3	(105.9)	(722.7)
Net income (loss) applicable to common stock	\$ 68.0	\$ (194.0)	\$ (1,126.7)

NOTE: Amounts do not reflect changes for the adoption of any Accounting Pronouncements in 2009 which require retrospective application.

