

RECONCILIATIONS BETWEEN ADJUSTED BOOK VALUE AND THE COMPARABLE GAAP MEASURE ⁽¹⁾



(\$ in millions, except per share data)

	December 31, 2013	December 31, 2018
GAAP book value	\$ 33,885	\$ 48,617
Less: Accumulated other comprehensive income (AOCI)	8,586	10,906
GAAP book value excluding AOCI	<u>25,299</u>	<u>37,711</u>
Less: Cumulative effect of remeasurement of foreign currency and certain deferred taxes ⁽²⁾	(2,818)	(2,344)
Adjusted book value ⁽²⁾	<u>\$ 28,117</u>	<u>\$ 40,055</u>
Number of diluted shares ⁽³⁾	468.7	422.2
GAAP book value per Common share - diluted ⁽³⁾	\$ 72.30	\$ 116.34
GAAP book value excluding AOCI per Common share - diluted ⁽³⁾	\$ 53.98	\$ 90.50
Adjusted book value per Common share - diluted ⁽²⁾⁽³⁾	\$ 59.99	\$ 96.06

1) Represents results of the former FSB for 2013.

2) Includes the cumulative impact of net gains and losses resulting from foreign currency exchange rate remeasurement and associated realized investment gains and losses included in net income (loss) and currency translation adjustments corresponding to realized investment gains and losses.

3) As of the first, second and third quarters of 2018, exchangeable surplus notes are dilutive when book value per share is greater than \$85.00 (equivalent to an additional 5.88 million in diluted shares and an increase of \$500 million in equity). As of the fourth quarter of 2018, exchangeable surplus notes are dilutive when book value per share is greater than \$82.16 (equivalent to an additional 6.09 million in diluted shares and an increase of \$500 million in equity). Book value per share as of December 31, 2013 excludes the impact of exchangeable surplus notes due to the anti-dilutive impact of conversion.