A MESSAGE FROM THE CHAIRMAN

As a mutual holding company, Pacific Life exists for the benefit of its policyholders. To fulfill what are often decades-long promises to our clients, it is critical to constantly evolve our products and business practices.

In 2018, we began an exciting new phase of this evolution as we refocused our efforts on how we can better provide financial security to our policyholders. We are spending time better understanding consumers’ financial needs and creating solutions that empower them with confidence at life transitions and resilience when the unexpected happens.

We have powerful partnerships with financial professionals and distribution channels, enabling consumers the ability to access our products in the ways they want.

Year after year, our values are the driving force behind what we do. We are honored to be named one of the World’s Most Ethical Companies® by Ethisphere Institute. This recognition underscores our dedication to living our core values every day and our commitment to doing the right thing in all aspects of our business.

Looking forward, Pacific Life remains committed to being a leading provider of financial solutions and helping individuals not only protect themselves and their loved ones while in their working years, but helping them transition into and live through retirement.

Thank you for your continued trust and investment in Pacific Life.

James T. Morris
Chairman, President and Chief Executive Officer

2018 FINANCIAL SUMMARY
PACIFIC MUTUAL HOLDING COMPANY

DOLLARS IN MILLIONS DECEMBER 31, 2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Assets</td>
<td>$157,699</td>
</tr>
<tr>
<td>Policyholder &amp; Other Liabilities</td>
<td>$144,627</td>
</tr>
<tr>
<td>Equity</td>
<td>$12,211</td>
</tr>
<tr>
<td>Operating Revenues</td>
<td>$10,670</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$1,042</td>
</tr>
</tbody>
</table>

1 Excludes accumulated other comprehensive income (loss) and noncontrolling interests.
2 Excludes net investment gain and other than temporary impairments (OTTI).
3 Operating income is utilized by management to measure the profitability generated by the operations of the company. Operating income excludes net investment gain, other than stable value product income. It also excludes OTTI, aircraft impairments/sales, and deferred policy acquisition cost amortization and adjustments related to variable annuity derivatives.

INVESTMENT MANAGEMENT EXPERTISE
- Investment-grade bonds
- High-yield public bonds
- Private placements
- Emerging market debt
- Residential mortgage-backed securities
- Hedging strategies

REAL ESTATE INVESTMENTS EXPERTISE
- Commercial mortgage loans
- Real estate-related debt securities
- Private real estate equity investments

BUSINESS HIGHLIGHTS

$2.4B* life insurance and annuity benefits paid

$1.0T life insurance in force

1ST indexed universal life and universal life insurance sales

10TH variable annuity sales

151 years FORTUNE 500® company by total revenue

151

DISTRIBUTION OF INVESTMENTS

Dollars in millions December 31, 2018

- $53,372 Fixed Maturity Securities
- $14,886 Mortgage Loans
- $7,975 Policy Loans
- $1,576 Real Estate
- $1,488 Fair Value Option Securities
- $1,244 Private Equity
- $384 Equity Securities
- $1,087 Other Investments

*Reflects the combined results of Pacific Life Insurance Company and its insurance subsidiaries on a statutory basis and primarily includes death and annuity benefits paid.

Life insurance rankings are from the 2018 Confidential Sales Survey of Participating Companies by LIMRA. Pacific Life Insurance Company sales are based on planned recurring premiums as measured against 83 participating companies. Annuity rankings from U.S. Individual Annuities Sales Survey by LIMRA, as of December 31, 2018. FORTUNE ranking as of June 2018 is of the top 500 U.S. firms by total revenue.

The Pacific Life family of companies is supported by seasoned investment teams that focus on investment strategies that provide attractive, risk-adjusted returns. As an independent company with no publicly traded stock, we follow a disciplined and long-term investment philosophy that stands the test of time and serves the best interests of our policyholders and clients.
## Who We Are

### Core Values
- People
- Accountability
- Customer Focus
- Integrity
- Financial Strength
- Innovation
- Community

### Life Insurance Division

#### Expertise
- Financial protection
- Business planning and continuation strategies
- Estate planning strategies
- Supplemental retirement income

#### Solutions
- Term life insurance
- Universal life insurance
- Variable universal life insurance
- Indexed universal life insurance
- Life insurance with long-term care benefits

#### Markets
- Individuals and families
- Small businesses
- Corporations

## Pacific Life at a Glance

- Proven, global full-service platform and tested performance through multiple business cycles
- Committed to exceeding customer expectations and building meaningful relationships
- Strong capital structure and a disciplined focus on asset management

- Global aircraft leasing, trading and asset management services
- A focus on young, liquid, new technology aircraft in high demand
- Expertise in optimizing long-term economic value creation for our partners

- Commercial airlines globally
- Aircraft manufacturers and suppliers
- Institutional investors/lenders

## Pacific Life Subsidiaries at a Glance

### Avation Capital Group

#### Expertise
- Fixed income
- Equity
- Alternatives
- Multi-asset portfolios

#### Solutions
- Corporate credit investments
- Factor-focused equity
- Active equity
- Private equity
- Multi-asset
- Target risk strategies

#### Markets
- Financial Advisors
- Consultants
- Institutions
- Insurance Companies
- Outsourced Chief Investment Officer Programs

### Pacific Life Re

#### Expertise
- Life insurance
- Longevity and annuity risk
- Critical illness insurance
- Income protection insurance

#### Solutions
- Reinsurance of life insurance, critical illness and income protection businesses
- Reinsurance of annuity and longevity risk
- Life insurance retrocession
- Associated reinsurance services and technical support
- Underwriting manuals and technology

#### Markets
- United Kingdom
- Ireland
- Australia
- Selected markets in Asia
- United States and Canada (life insurance retrocession business only)
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Lynchburg, VA 24504

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PACIFIC MUTUAL HOLDING COMPANY
Pacific Mutual Holding Company (Pacific Mutual) is the parent company of Pacific Life Corp, which is the parent company of Pacific Life Insurance Company. Policyholders of Pacific Life Insurance Company are members of Pacific Mutual and, as such, are invited to attend the annual meeting of Pacific Mutual and to elect its board of directors. Through its direct and indirect subsidiaries, Pacific Mutual is engaged in a wide variety of insurance, financial services, and other investment-related businesses.

PACIFIC LIFE INSURANCE COMPANY
Offering insurance since 1868, Pacific Life provides a wide range of life insurance products, annuities, and mutual funds, and offers a variety of investment products and services to individuals, businesses, and pension plans. Pacific Life counts more than half of the 100 largest U.S. companies as its clients.

PACIFIC LIFE & ANNUITY COMPANY
Pacific Life & Annuity Company offers a wide range of products, including life insurance, annuities, structured settlement annuities, and other investment products and services for individuals and businesses.

"World's Most Ethical Companies” and “Ethisphere” names and marks are registered trademarks of Ethisphere LLC.

Whale photos courtesy of Jasmine Carey and Darren Jew/Whales Underwater

No bank guarantee — Not a deposit
May lose value — Not FDIC/NCUA insured
Not insured by any federal government agency