

Kansas City Life Insurance Company

Selected Financial Information

2018



KANSAS CITY LIFE

Includes our subsidiaries:

Sunset Life Insurance Company of America
Old American Insurance Company
Sunset Financial Services, Inc.
Grange Life Insurance Company

Post Office Box 219139
Kansas City, Missouri 64121-9139
Listing: OTCQX
Stock Symbol: KCLI
www.kclife.com



Kansas City Life Insurance Company
Consolidated Balance Sheets
(amounts in thousands, except share data)

	December 31	
	2018	2017
ASSETS		
Investments:		
Fixed maturity securities available for sale, at fair value	\$ 2,704,079	\$ 2,535,064
Equity securities, at fair value	14,424	20,770
Mortgage loans	639,559	649,542
Real estate	186,994	193,219
Policy loans	88,066	78,175
Short-term investments	58,712	32,195
Other investments	5,355	2,424
Total investments	3,697,189	3,511,389
Cash	31,689	9,504
Accrued investment income	31,535	31,119
Deferred acquisition costs	291,168	277,182
Reinsurance recoverables	366,196	185,647
Other assets	179,975	96,017
Separate account assets	373,734	419,812
Total assets	\$ 4,971,486	\$ 4,530,670
LIABILITIES		
Future policy benefits	\$ 1,279,034	\$ 953,239
Policyholder account balances	2,261,860	2,051,311
Policy and contract claims	47,274	36,503
Other policyholder funds	174,984	172,850
Other liabilities	142,894	159,800
Separate account liabilities	373,734	419,812
Total liabilities	4,279,780	3,793,515
STOCKHOLDERS' EQUITY		
Common stock, par value \$1.25 per share		
Authorized 36,000,000 shares, issued 18,496,680 shares	23,121	23,121
Additional paid in capital	41,025	41,025
Retained earnings	914,411	908,022
Accumulated other comprehensive income (loss)	(45,550)	6,288
Treasury stock, at cost (2018 and 2017 - 8,813,266 shares)	(241,301)	(241,301)
Total stockholders' equity	691,706	737,155
Total liabilities and stockholders' equity	\$ 4,971,486	\$ 4,530,670



Kansas City Life Insurance Company
Consolidated Statements of Comprehensive Income
(amounts in thousands, except share data)

	Year Ended December 31	
	2018	2017
REVENUES		
Insurance revenues:		
Net premiums	\$ 193,593	\$ 179,936
Contract charges	116,916	114,028
Total insurance revenues	310,509	293,964
Investment revenues:		
Net investment income	141,315	145,825
Net investment gains	2,840	4,555
Total investment revenues	144,155	150,380
Other revenues	6,368	6,413
Total revenues	461,032	450,757
BENEFITS AND EXPENSES		
Policyholder benefits	227,202	210,799
Interest credited to policyholder account balances	74,308	72,921
Amortization of deferred acquisition costs	40,616	34,770
Operating expenses	101,720	102,898
Total benefits and expenses	443,846	421,388
Income before income tax expense (benefit)	17,186	29,369
Income tax expense (benefit)	1,514	(22,172)
NET INCOME	\$ 15,672	\$ 51,541
COMPREHENSIVE INCOME (LOSS), NET OF TAXES		
Changes in:		
Net unrealized gains (losses) on securities available for sale	\$ (65,062)	\$ 788
Effect on deferred acquisition costs, value of business acquired, and deferred revenue liabilities	8,867	1,254
Future policy benefits	11,210	1,942
Policyholder account balances	144	66
Benefit plan obligations	(5,823)	6,439
Other comprehensive income (loss)	(50,664)	10,489
COMPREHENSIVE INCOME (LOSS)	\$ (34,992)	\$ 62,030
Basic and diluted earnings per share:		
Net income	\$ 1.62	\$ 5.32

