
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported) May 11, 2020 (May 11, 2020)

NATIONAL WESTERN LIFE GROUP, INC.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-55522
(Commission
File Number)

47-3339380
(IRS Employer
Identification No.)

10801 N. Mopac Expy Bldg 3
Austin, Texas
(Address of Principal Executive Offices)

78759
(Zip Code)

Registrant's telephone number, including area code **(512) 836-1010**

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of the chapter) or Rule 12-b2 of the Securities Exchange Act of 1934 (§240.12b-2 of the chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition

On May 11, 2020, National Western Life Group, Inc. ("Company") announced via press release the Company's financial results for the quarter ended March 31, 2020. A copy of the Company's press release is attached hereto as Exhibit 99.1. This Form 8-K and the attached exhibit are provided under Item 9.01 of Form 8-K and are furnished to, but not filed with, the Securities and Exchange Commission.

The press release is available at the Company's website, www.nwlg.com.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated May 11, 2020

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NATIONAL WESTERN LIFE GROUP, INC.

Date: May 11, 2020

/S/Brian M. Pribyl

Brian M. Pribyl
Senior Vice President,
Chief Financial Officer
and Treasurer

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
99.1	Press Release of National Western Life Group, Inc. issued May 11, 2020 reporting financial results for the quarter ended March 31, 2020.



National Western Life Group, Inc.

NEWS RELEASE

EXHIBIT 99.1

National Western Life Group, Inc. Announces 2020 First Quarter Earnings

Austin, Texas, May 11, 2020 - Ross R. Moody, Chairman of the Board, President, and Chief Executive Officer of National Western Life Group, Inc. (Nasdaq: NWLI), announced today a first quarter 2020 consolidated net loss of \$2.1 million, or \$0.58 per diluted Class A common share, compared with consolidated net earnings of \$40.2 million, or \$11.37 per diluted Class A common share, for the first quarter of 2019. The Company's book value per share as of March 31, 2020 was \$558.43.

Total revenues decreased in the first quarter of 2020 to \$52.5 million from \$217.9 million in the first quarter of 2019 reflecting net investment losses incurred during the current period. Net investment losses were the result of \$138.1 million in unrealized losses for market value changes on unexpired investment options which are purchased to hedge the equity indexing obligation on the Company's fixed indexed policies, a \$6.0 million decrease in the fair value of equity securities, and \$3.4 million in credit losses driven by the application of the new Current Expected Credit Losses accounting standard. Commenting on the activity Mr. Moody indicated, "The COVID-19 pandemic has introduced a great deal of financial uncertainty and economic disruption which was evidenced by the level of unrealized adjustments to investments we report at fair market value. Somewhat hidden behind this data is positive news as our life insurance sales increased 35% in the first quarter over last year and annuity sales increased 23%."

Pretax earnings decreased \$53.6 million in the quarter ended March 31, 2020 from the amount reported in the first quarter of 2019. This amount includes a shift of \$53.9 million associated with liability accounting for fixed indexed policy obligations. Mr. Moody commented on the charge saying, "Embedded derivative accounting can produce dramatic swings when equity markets are severely disrupted and volatility spikes. Fortunately, we entered 2020 well-positioned in terms of liquidity, with strong capital ratios and a solid balance sheet."

National Western Life Group, Inc. is the parent organization of National Western Life Insurance Company, which is the parent organization of Ozark National Life Insurance Company, both stock life insurance companies in aggregate offering a broad portfolio of individual universal life, whole life and term insurance plans, as well as annuity products. At March 31, 2020, the Company maintained consolidated total assets of \$12.3 billion, consolidated stockholders' equity of \$2.0 billion, and combined life insurance inforce of \$22.9 billion.

Caution Regarding Forward-Looking Statements:

This press release contains statements which are or may be viewed as forward-looking within the meaning of The Private Securities Litigation Reform Act of 2005. Forward-looking statements relate to future operations, strategies, financial results or other developments, and are subject to assumptions, risks, and uncertainties. Factors that may cause actual results to differ materially from those contemplated in these forward-looking statements can be found in the Company's Form 10-K filed with the Securities and Exchange Commission. Forward-looking statements speak only as of the date the statement was made and the Company undertakes no obligation to update such forward-looking statements. There can be no assurance that other factors not currently anticipated by the Company will not materially and adversely affect our results of operations. Investors are cautioned not to place undue reliance on any forward-looking statements made by us or on our behalf.

Summary of Consolidated Financial Results (Unaudited)
(In thousands except per share data)

	Three Months Ended	
	March 31,	
	2020	2019
Revenues:		
Revenues, excluding investment and index option gains (losses)	\$ 155,632	171,277
Realized and unrealized gains (losses) on index options	(106,629)	42,003
Realized gains (losses) on investments	3,485	4,629
Total revenues	<u>52,488</u>	<u>217,909</u>
Benefits and expenses:		
Life and other policy benefits	33,634	28,189
Amortization of deferred acquisition costs and value of business acquired	30,037	32,164
Universal life and annuity contract interest	(28,026)	80,916
Other operating expenses	19,822	26,049
Total benefits and expenses	<u>55,467</u>	<u>167,318</u>
Earnings (loss) before income taxes	(2,979)	50,591
Income tax expense	(917)	10,393
Net earnings (loss)	<u>\$ (2,062)</u>	<u>40,198</u>
Net earnings (loss) attributable to Class A shares	<u>\$ (2,004)</u>	<u>39,061</u>
Diluted Earnings (Loss) Per Class A Share	\$ (0.58)	11.37
<i>Diluted Weighted Average Class A Shares</i>	<u>3,436</u>	<u>3,436</u>
	March 31,	December 31,
	2020	2019
Book value per share	\$ 558.43	585.32
Less: Per share impact of accumulated other comprehensive income (loss)	(5.71)	16.53
Book value per share, excluding accumulated other comprehensive income (loss) *	<u>\$ 564.14</u>	<u>568.79</u>

* Book value per share excluding accumulated other comprehensive income (loss) is a non-GAAP financial measure. Accumulated other comprehensive income (loss) totaled \$(20.8) million at March 31, 2020 and \$60.1 million at December 31, 2019. Since accumulated other comprehensive income (loss) fluctuates from quarter to quarter due to unrealized changes in the fair value of investments caused primarily by changes in market interest rates, National Western Life Group, Inc. believes this financial measure provides useful supplemental information.

Investor Relations Contact:

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www.nwlg.com