

4Q 2010

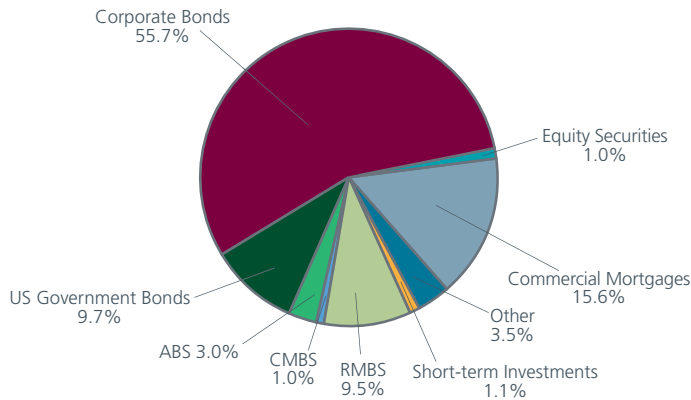
Protective Life Insurance Company Financial Highlights

The fourth quarter of 2010 was a strong quarter for the Company, indicative of our financial strength.

INVESTMENT PORTFOLIO

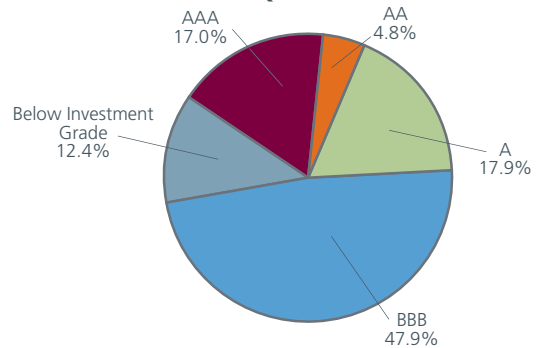
As of December 31, 2010, our investment portfolio totaled approximately \$31.3 billion. Our portfolio consists primarily of fixed maturity securities and commercial mortgage loans. We generally purchase our investments with the intent to hold to maturity by purchasing investments that match future cash flow needs.

COMPOSITION



Total Invested Assets of \$31.3 Billion
as of December 31, 2010

QUALITY



Total Fixed Maturity Investments of \$24.6 Billion
as of December 31, 2010

We invest primarily in highly-rated fixed maturity securities such as corporate bonds, U.S. Government bonds, and high-quality bonds backed by mortgages or other assets. The residential mortgage backed securities (RMBS) portfolio has a short average life. Again this quarter, there was a substantial amount of paydowns in this portfolio.

Our investment portfolio includes \$3.0 billion in RMBS. The vast majority of our RMBS portfolio is comprised of senior bonds, collateralized by fixed-rate mortgages from prime borrowers.

Commercial mortgage loans comprise \$4.9 billion of our investment portfolio. This amount includes approximately \$1.0 billion of loans that were previously a part of variable interest entity securitization and therefore subject to a contractual pooling and servicing agreement. Approximately 66% of the loan portfolio is concentrated in retail properties. Our disciplined approach in this asset category has helped produce a long history of solid performance.

As of December 31, 2010:

- Total portfolio consists of 1,845 loans with a weighted average loan size of \$2.7 million.
- There were no delinquent mortgage loans or foreclosed properties.
- \$19.3 million or 0.4% of the mortgage loan portfolio is considered nonperforming or was restructured under the terms of the pooling and servicing agreement.

As of December 31, 2010:

- Prime..... \$2,527.2 million
- Alt-A..... \$401.0 million
- Sub-prime \$42.1 million

Not a Deposit	Not Insured By Any Federal Government Agency
No Bank or Credit Union Guarantee	Not FDIC/NCUA Insured

“Protective”, “Company”, “we”, “us”, or “our” refers to the consolidated group of Protective Life Insurance Company and its subsidiaries, including West Coast Life Insurance Company and Protective Life and Annuity Insurance Company. Policies sold by these insurers are backed by the company that issued the policy. Please refer to Protective’s recent SEC Form 10-K/10-Q for important additional financial information.

This update includes “forward-looking statements,” which express our plans, intentions, objectives or expectations of future events and/or results. All statements based on future expectations rather than on historical facts are forward-looking statements that involve a number of risks and uncertainties, and the Company cannot give assurance that such statements will prove to be correct. Please refer to the Company’s most recent SEC Form 10-K/10-Q for more information about risks and uncertainties that could affect future results.

RISK MANAGEMENT

Limiting bond exposure to any single creditor group is one of the ways we manage credit risk. As of December 31, 2010, less than 1% of our invested assets was exposed to any one creditor group. The types of assets in which we may invest are influenced by various state laws which prescribe qualified investment assets. Additionally, we carefully consider factors such as liquidity needs, investment quality, matching of assets and liabilities and the overall composition of the investment portfolio by asset type.

BALANCE SHEET SUMMARY

Balance Sheet Summary As of December 31, 2010 (\$ in Billions)	
Total Assets	\$47.5
Liabilities	42.9
Shareowner’s Equity	4.6
Total Liabilities and Shareowner’s Equity	\$47.5

NOTEWORTHY COMPANY STRENGTHS

- Core business is traditional life insurance, sensibly and conservatively managed
- Majority of earnings from a stable block of life insurance policies that we have produced or acquired from other insurers
- Limited exposure to equity securities
- Asset/liability matching disciplines designed to provide liquidity to meet our projected obligations without reliance on new external sources of financing
- Virtually no corporate debt maturing until 2013
- Diversified liability structure supported by strong cash flows

INSURER FINANCIAL STRENGTH RATINGS

Protective Life Insurance Company and West Coast Life Insurance Company
(neither authorized to sell insurance in New York)

- **A+** (Superior, 2nd highest of 15 ratings) from A.M. Best
- **AA-** (Very Strong, 4th highest of 21 ratings) from Standard & Poor’s
- **A** (Strong, 6th highest of 22 ratings) from Fitch
- **A2** (Good, 6th highest of 21 ratings) from Moody’s Investors Service

Protective Life and Annuity Insurance Company
(authorized to sell insurance in New York)

- **A+** (Superior, 2nd highest of 15 ratings) from A.M. Best
- **AA-** (Very Strong, 4th highest of 21 ratings) from Standard & Poor’s
- **A** (Strong, 6th highest of 22 ratings) from Fitch

These ratings are current as of March 31, 2011. For more current information, please visit www.protective.com.

West Coast
Life Insurance Company
A PROTECTIVE COMPANY

Protective 