

State Farm Life Insurance Company

Variable Deferred Annuity Performance and Returns

Monthly Returns for Period Ending 9/30/2018

(before deduction of annual administrative fee and surrender charges)

Fund	Inception Date	YTD Returns	Average Annual Returns				
			1-Year	3-Year	5-Year	10-Year	Since Inception
Large Cap Equity Index Fund	1/22/1998	9.04%	16.36%	15.92%	12.50%	10.48%	6.00%
Small Cap Equity Index Fund ¹	1/29/1998	7.93%	10.79%	14.99%	9.16%	9.27%	6.47%
International Equity Index Fund ²	1/22/1998	-2.77%	1.58%	7.66%	2.94%	3.64%	3.26%
Stock and Bond Balanced Fund	1/29/1998	4.61%	8.81%	9.41%	7.69%	7.48%	4.84%
Bond Fund ⁴	1/22/1998	-2.22%	-2.70%	-0.35%	0.23%	2.17%	2.88%
Money Market Fund ³	1/29/1998	0.26%	0.17%	-0.54%	-0.80%	-0.93%	0.68%
7-Day Current Yield as of 09/30/2018 : 0.00%*							
Large Cap Equity Fund	8/1/2005	9.09%	17.65%	14.46%	12.38%	9.73%	5.85%
Small/Mid Cap Equity Fund ¹	8/1/2005	7.68%	11.63%	10.59%	7.46%	8.21%	5.81%
International Equity Fund ²	8/1/2005	-4.18%	-0.07%	8.13%	2.78%	4.00%	3.19%

Before investing, consider the funds' investment objectives, risks, charges and expenses. Contact State Farm VP Management Corp. (1-888-702-2307) for a prospectus containing this and other information. Read it carefully. Investment return and principal value will fluctuate and your investment, when redeemed, may be worth more or less than its original cost. Past performance is no guarantee of future results. Recent performance may be less than the figures shown.

Investing involves risk, including potential for loss.

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Assumptions:

- The above State Farm Variable Deferred Annuity policy Total Returns reflect all underlying fund fees and expenses - see [prospectus](#).
- The Total Returns reflect all contract level fees and expenses (including the daily Mortality and Expense Risk Charge at a current annual rate of 1.15% of net assets) except for the \$30 annual administrative fee (waived if total premiums of at least \$50,000 have been paid) and surrender charges (7% in year 1, declining by 1% each following year until it reaches 0% in year 8). Their inclusion would reduce the returns shown.
- The since inception total return period begins on the Fund inception date. The 1-year total return period begins one year prior to the indicated ending date.

Monthly Returns for Period Ending 9/30/2018

(after deduction of annual administrative fee and surrender charges)

Fund	Inception Date	YTD Returns	Average Annual Returns				
			1-Year	3-Year	5-Year	10-Year	Since Inception
Large Cap Equity Index Fund	1/22/1998	1.30%	9.86%	14.38%	11.98%	10.38%	5.91%
Small Cap Equity Index Fund ¹	1/29/1998	0.26%	4.59%	13.47%	8.64%	9.17%	6.39%
International Equity Index Fund ²	1/22/1998	-9.69%	-4.13%	6.21%	2.43%	3.53%	3.17%
Stock and Bond Balanced Fund	1/29/1998	-2.83%	2.71%	7.94%	7.18%	7.39%	4.75%
Bond Fund ⁴	1/22/1998	-9.18%	-8.18%	-1.71%	-0.26%	2.06%	2.80%
Money Market Fund ³	1/29/1998	-6.87%	-5.46%	-1.91%	-1.30%	-1.07%	0.58%
7-Day Current Yield as of 09/30/2018 : -0.11%*							
Large Cap Equity Fund	8/1/2005	1.34%	11.07%	12.94%	11.86%	9.63%	5.73%
Small/Mid Cap Equity Fund ¹	8/1/2005	0.03%	5.38%	9.11%	6.95%	8.11%	5.70%
International Equity Fund ²	8/1/2005	-11.00%	-5.69%	6.68%	2.28%	3.89%	3.09%

Assumptions:

- The above State Farm Variable Deferred Annuity policy Total Returns reflect all contract level and underlying fund fees and expenses (including the daily Mortality and Expense Risk Charge at a current annual rate of 1.15% of net assets, the investment advisory fees and other expenses incurred by the funds - see [prospectus](#)).

- The Total Returns include the \$30 annual administrative fee (waived if total premiums of at least \$50,000 have been paid) and surrender charges (7% in year 1, declining by 1% each following year until it reaches 0% in year 8). However, the Money Market Fund 7-day Current Yield does not include surrender charges. The fees and expenses are based on an assumed average account size of \$26,100 as of 9/30/18.
- The since inception total return period begins on the Fund inception date. The 1-year total return period begins one year prior to the indicated ending date.

Quarterly Returns for Period Ending 9/30/2018

(after deduction of annual administrative fee and surrender charges)

Fund	Inception Date	YTD Returns	Average Annual Returns				
			1-Year	3-Year	5-Year	10-Year	Since Inception
Large Cap Equity Index Fund	1/22/1998	1.30%	9.86%	14.38%	11.98%	10.38%	5.91%
Small Cap Equity Index Fund ¹	1/29/1998	0.26%	4.59%	13.47%	8.64%	9.17%	6.39%
International Equity Index Fund ²	1/22/1998	-9.69%	-4.13%	6.21%	2.43%	3.53%	3.17%
Stock and Bond Balanced Fund	1/29/1998	-2.83%	2.71%	7.94%	7.18%	7.39%	4.75%
Bond Fund ⁴	1/22/1998	-9.18%	-8.18%	-1.71%	-0.26%	2.06%	2.80%
Money Market Fund ³							
7-Day Current Yield as of 09/30/2018 : -0.11%*	1/29/1998	-6.87%	-5.46%	-1.91%	-1.30%	-1.07%	0.58%
Large Cap Equity Fund	8/1/2005	1.34%	11.07%	12.94%	11.86%	9.63%	5.73%
Small/Mid Cap Equity Fund ¹	8/1/2005	0.03%	5.38%	9.11%	6.95%	8.11%	5.70%
International Equity Fund ²	8/1/2005	-11.00%	-5.69%	6.68%	2.28%	3.89%	3.09%

Assumptions:

- Standardized returns reflect all contract level and underlying fund fees and expenses (including the daily Mortality and Expense Risk Charge at a current annual rate of 1.15% of net assets, the investment advisory fees and other expenses incurred by the funds – see [prospectus](#)), including the \$30 annual administrative fee (waived if total premiums of at least \$50,000 have been paid) and surrender charges (7% in year 1, declining by 1% each following year until it reaches 0% in year 8). However, the Money Market Fund 7-day Current Yield does not include surrender charges.
- The fees and expenses are based on an assumed average account size of \$26,100 as of 9/30/18.
- The 1-year standardized return period begins one year prior to the indicated ending date.

¹ The stocks of small companies are more volatile than the stocks of larger, more established companies.

² Foreign investments involve greater risks than U.S. investments, including political and economic risks and the risk of currency fluctuations.

³ **You could lose money by investing in the Money Market Fund. Although the Fund seeks to preserve the value of your investment of \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.**

⁴ Bonds are subject to interest rate risk and may decline in value due to an increase in interest rates.

* The yield quotation more closely reflects the current earnings of the Money Market Fund than the return quotation.

Annual Administrative Fee

State Farm will also deduct a \$30 annual administrative fee on each Policy Anniversary, on the day of any surrender if the surrender is not on the Policy Anniversary, or on the Annuity Date if the Annuity Date is not on the Policy Anniversary. We will waive this fee if total premiums of at least \$50,000 have been paid under a Policy at the time the Annual Administrative Fee would have otherwise been deducted.

Call (888) 702-2307 if you have questions regarding your coverage, costs, restrictions, and renewability. Neither State Farm nor its agents provide tax or legal advice.

Policy series 97040 & 97090 in all states except MT, NY, WI; 97090 in MT, A97040 & A97090 in NY, WI

Issued by:
State Farm Life Insurance Company
(Not Licensed in MA, NY, or WI)

State Farm VP Management Corp.
(Underwriter and Distributor of
Securities Products)

Not FDIC Insured

*No Bank
Guarantee
*May Lose Value

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