

PRESS RELEASE

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February 23, 2010, Baton Rouge, Louisiana – Guaranty Income Life Insurance Company (“Guaranty”) announced 2009 statutory financial results today.

George Foster, Jr., Chairman, stated, “Guaranty is proud of our 84-year history of providing safe and secure products to our policy owners and producers. During an extended global financial recession with historically low interest rates, Guaranty had another successful year of growth in sales, assets and operating income. Our operating income has been consistently profitable over the last five years, and we intend to continue offering excellent consumer oriented products, backed by high quality investments to our customers.”

Statutory premiums for the year ended December 31, 2009 were up 19% to \$84.2 million compared to \$70.9 million for the year-end 2008. Statutory assets increased 12% to \$458 million compared to \$407 million at December 31, 2008. Statutory operating income was up 4% to \$1.54 million for 2009 versus \$1.48 million in 2008. After recognizing losses of \$3.5 million on downgraded bonds and preferred stocks, net loss was \$1.6 million for 2009 compared to a loss of \$0.9 million in 2008.

Based on a fundamentally conservative investment plan, Guaranty restricts purchases to high quality securities. As a result, at December 31, 2009, more than 96% of Guaranty’s portfolio was invested in investment grade securities. Furthermore, less than 2% of Guaranty’s assets were invested in real estate and direct mortgages. Common and preferred stocks represented approximately 1.7% of invested assets. Guaranty does not have any debt and maintains considerable liquidity with more than \$40 million in cash and short term investments at December 31, 2009.

John Lancaster, Guaranty Income Life’s President, said, “Sales of all our annuity products continue to grow as customers seek safe, guaranteed returns. Annuicare[®], which is reinsured with Munich American Re, the U.S. life reinsurance subsidiary of Munich Re, the largest reinsurance group in the world, gets a special benefit beginning in 2010. The Pension Protection Act (“PPA”) introduced new tax incentives for Annuity/Long-Term Care (“LTC”) combination products. Effective January 1, 2010, the PPA tax changes allow LTC premiums to be paid from untaxed annuity distributions and the LTC benefits paid remain tax free.”

Annuicare[®], the original Annuity/LTC combination product, was introduced in 1999. Guaranty Income Life was the first company to attach a tax-qualified LTC rider to a traditional annuity. Combination products offer greater flexibility to address multiple needs for annuity values and LTC benefits at a fraction of the premium charged for separate, individual LTC products. Several insurers have announced plans to introduce combo products in 2010. Guaranty Income Life’s 12 years of experience has established Annuicare[®] as the innovative leader in this fast growing Annuity/LTC combo market.

Guaranty Income Life Insurance Company was founded in 1926 and is a Legal Reserve Insurance Company currently licensed in 31 states. In addition to cost-effective life insurance, long-term care and annuity programs, Guaranty Income offers products and services to help families meet their financial needs of wealth protection and wealth creation today and in the future.

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