

## PRESS RELEASE

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### **July 23, 2014, Baton Rouge, Louisiana – Guaranty Income Life Insurance Company (“Guaranty”) announces financial results for the first six months of 2014.**

Guaranty reported solid financial results for the first six months of 2014 following a record year in 2013. On a statutory basis, net income was \$2.8 million compared to \$2.5 million for the first six months of 2013. Statutory assets were \$480 million and direct premiums increased 17% to \$16.8 million compared to \$14.3 million at June 30, 2013. Adjusted statutory capital, including Asset Valuation Reserve, grew to \$38.7 million from \$34.9 million at December 31, 2013. On a Generally Accepted Accounting Principles (GAAP) basis, Guaranty had net earnings of \$2.7 million through June 30, 2014, compared to \$2.5 million through June 30, 2013.

George Foster, Jr., Chairman, stated, “Guaranty is pleased to have another quarter of increased earnings and capital levels, despite the prolonged low interest rate environment. We continue a history of providing safe and secure products for our policy owners and producers. We are proud to have consistently offered consumer oriented products, backed by high quality investments and excellent service, to our customers. The quality and liquidity of Guaranty’s bond portfolio is one of the strongest in the insurance industry. More than 98% of the bond portfolio is investment grade.”

Flynn Foster, President and CEO of Guaranty Corporation, the parent company of Guaranty, praised “the hard work and dedication of Guaranty’s employees, producers, investment advisors and strategic partners. Their committed efforts have produced strong financial results for Guaranty following the global recession. These results have positioned us for sustained growth in the future.”

John Lancaster, Guaranty’s President and CEO, said, “Annuicare<sup>®</sup> sales have increased over the last three years with the development and sales of six new annuity products. These new products were necessary in the current economy to allow the Company the flexibility to credit competitive interest rates and attain improved spreads and profitability. Annuicare<sup>®</sup>, our signature product, has never had an increase in premium rates for the LTC riders!”

Annuicare<sup>®</sup>, 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 introduced new combo products in 2014. However, Guaranty Income Life’s 15 years of experience has established Annuicare<sup>®</sup> 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 which is required to maintain reserves equal to or greater than guaranteed surrender values. Guaranty is 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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