

PRESS RELEASE

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GUARANTY INCOME LIFE ANNOUNCES FINANCIAL RESULTS FOR 2014

February 25, 2015, Baton Rouge, LA – Guaranty Income Life Insurance Company reported strong financial results for calendar year 2014, which continued many record levels for the 89-year history of the company.

George Foster, Jr., Chairman, said, “In spite of the low interest rate levels of the global economy during the past five years, Guaranty Income Life (the Company) is pleased to have increased our capital position again. These gains strengthen the balance sheet and our promise to provide safe and secure products to our policy owners. We want to recognize and thank our dedicated and hardworking employees, strategic partners and producers that allow the Company to continue to deliver the consumer-oriented products and excellent service that have been our family tradition for over 89 years.”

On a statutory basis, Net Income increased to \$5.4 million from the previous record level of \$5.2 million in 2013. Statutory Assets were \$479.5 million compared to \$477.9 million at December 31, 2013. Direct Premiums increased 21% to \$35.0 million from \$29.0 million in 2013. Adjusted Capital and Surplus, including the Asset Valuation Reserve, reached a record level of \$39.2 million versus \$34.9 million at December 31, 2013. On a Generally Accepted Accounting Principles (GAAP) basis, Net Income was \$3.9 million and GAAP equity increased to \$60.0 million.

Flynn Foster, President and CEO of Guaranty Corporation, the ultimate parent company of Guaranty Income Life, cited, “The excellent performance of our Investment Advisors during the past few years is a key factor that has enabled us to attain record results over the past three years. These financial improvements have positioned the Company for future growth into additional states and more products in the years ahead. The high quality and liquidity of our investment portfolio is among the best in the insurance industry. Over 98% of our bond portfolio is rated Investment Grade.”

John Lancaster, President and CEO of Guaranty Income Life, stated, “The sales improvement in 2014 was led by the ongoing popularity of our signature product—Annuicare[®]. The good financial results provided for a rating increase in the fall of 2014 to B+ (Investment Grade) from A.M. Best, which sets the stage for continued rating improvements and expansion into more distribution areas including banks, broker-dealers and financial planners.”

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. Guaranty Income Life’s 16 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 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 Life 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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