

## PRESS RELEASE

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**December 1, 2009, Baton Rouge, Louisiana – Guaranty Income Life Insurance Company (“Guaranty”) announced third quarter 2009 statutory financial results today.**

George Foster, Jr., Chairman, stated, “In a difficult economic environment with historically low interest rates, Guaranty had another successful quarter of growth in sales, assets and operating income. Our operating income has been solid 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 at 9/30/09 were up 12% to \$66.5 million compared to \$59.3 million at 9/30/08. Statutory assets increased 11% to \$449 million compared to \$403 million at 9/30/08. Statutory operating income was up 10% to \$1.1 million at 9/30/09 compared to \$1.0 million at 9/30/08. Statutory net income, after capital gains and losses, was \$0.2 million compared to \$0.6 million for the nine months ended 9/30/09 and 9/30/08, respectively.

John Lancaster, Guaranty Income Life’s President, said, “Sales of Annuicare<sup>®</sup> continue to grow with the backing of our reinsurance agreement with Munich American Re, the U.S. life reinsurance subsidiary of Munich Re, the largest reinsurance group in the world. Also, the passage of the Pension Protection Act (“PPA”) introduced new tax incentives for Annuity/Long-Term Care (“LTC”) combination products. Beginning 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<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. Guaranty Income Life’s ten years of experience has established Annuicare<sup>®</sup> as the innovative leader in the fast growing Annuity/LTC combo market.

Guaranty Income is proud of our 83-year history of providing safe and secure products to our policy owners and agents. We purchase only high quality bonds and do not buy any below investment grade. We have less than 2% of our assets invested in real estate and direct mortgages. We have less than 2% invested in stocks. We have over 10% of our assets in cash and short-term investments, and we have no debt.

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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