

FOR IMMEDIATE RELEASE

CONTACT: *Forrest E. Mills, Jr., Chief Financial Officer  
Guaranty Income Life Insurance Company  
Telephone 225.383.0355  
Fax 225.388.0022  
forrest@gilico.com  
www.gilico.com*

**February 25, 2009, Baton Rouge, Louisiana - Guaranty Income Life Insurance Company (“Guaranty”)** announced calendar year 2008 financial results today.

George Foster, Jr., Chairman, stated, “Although 2008 brought unprecedented turbulence and losses for major Wall Street firms and banks, Guaranty had another successful year of growth in sales, assets and operating income. Guaranty is proud of our 83-year history of being a family-owned company, with a heritage of innovative, consumer-oriented products.”

Statutory direct premiums increased 16% to \$71 million from \$61 million in 2007. Statutory Assets grew 9% to \$407 million versus \$374 million at December 31, 2007. Statutory Operating Income increased in 2008 to \$1.5 million compared to \$0.8 million in 2007.

Guaranty recorded a statutory net loss of (\$0.9 million) for 2008, compared to net income of \$0.9 million in 2007. The statutory net loss was caused primarily by write downs in our investment portfolio, including Lehman Brothers and General Motors bonds. Adjusted Statutory Capital and Surplus, including Asset Valuation Reserve, was \$23.0 million compared to \$24.8 million at December 31, 2007.

Guaranty’s emphasis on liquidity and high quality securities produced a bond portfolio with a credit rating of AA, which is among the most secure in the insurance industry. Our diverse investment portfolio helped Guaranty weather the economic recession better than most of our peers. We have only 2% of assets invested in common and preferred stocks, and we do not invest in Hedge Funds, Limited Partnerships, Credit Default Swaps or other derivative type investments.

General expenses have remained level while assets have grown significantly over the past several years. As a result, Guaranty has low average expense levels. This trend continues to validate the strength and efficiency of our organization and the ability to add substantial new business without increasing expenses.

John Lancaster, Guaranty Income Life’s President, said, “Sales of Annuicare® 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®, 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® as the innovative leader in the fast growing combo Annuity/LTC 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 Life offers products and services to help families meet their financial needs of wealth protection and wealth creation today and in the future.

###