AM Best Affirms Credit Ratings of Ameritas Life Insurance Corp. and Its Subsidiary

OLDWICK, N.J., April 2, 2020—AM Best has affirmed the Financial Strength Rating (FSR) of A (Excellent) and the Long-Term Issuer Credit Ratings (Long-Term ICR) of “a+” of Ameritas Life Insurance Corp. (Lincoln, NE) and Ameritas Life Insurance Corp. of New York (New York, NY). These insurance entities comprise the life/health operations of Ameritas Mutual Holding Company (all companies are collectively referred to as Ameritas). Concurrently, AM Best has affirmed the Long-Term Issue Credit Rating (Long-Term IR) of “a-” on the group’s surplus notes (see below for details of the Long-Term IR). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Ameritas’ balance sheet strength, which AM Best categorizes as very strong, as well as its adequate operating performance, favorable business profile and appropriate enterprise risk management.

Ameritas’ risk-adjusted capitalization level is in the strongest category, as measured by Best’s Capital Adequacy Ratio, and is supported by a high credit quality investment portfolio and favorable financial flexibility and liquidity. However, AM Best notes that the company has been increasing allocations to less liquid fixed-income securities and maintains a material allocation to mortgage loans, which has slightly diminished its liquidity profile in recent years. Ameritas has reported favorable earnings on a statutory and GAAP basis in recent years, benefiting from a diverse product portfolio covering life, annuity, and accident & health products on an

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individual and group basis. Notably, the company has maintained a top-three position in group dental sales in recent years, and has an increasing presence in the annuity space due to strong sales of fixed-indexed annuities.

The following Long-Term IR has been affirmed:

The Union Central Life Insurance Company (merged into Ameritas Corp. effective July 1, 2014)—-- “a-” on $50 million 8.20% surplus notes, due 2026

This press release relates to Credit Ratings that have been published on AM Best’s website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best’s Recent Rating Activity web page. For additional information regarding the use and limitations of Credit Rating opinions, please view Guide to Best’s Credit Ratings. For information on the proper media use of Best’s Credit Ratings and AM Best press releases, please view Guide for Media - Proper Use of Best’s Credit Ratings and AM Best Rating Action Press Releases.

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