

# Financial Strength and Stability

Building a solid foundation for fulfilling life.

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Senior Vice President,  
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Ameritas continues to grow, achieve big things, and serve both our customers and communities. An ongoing transformation initiative is driving smart investments in advanced technologies and processes. We're creating new efficiencies, new opportunities in new markets, and new ways of interacting with customers, and the many colleagues who represent us in the field.

We've definitely been evolving and innovating, but the heart of our business is, as always, life insurance, annuities and individual disability income insurance; group benefits, including dental, vision and hearing care insurance; retirement plan services and products;

and comprehensive financial strategies. Our customers use these products and services to help them prepare for a brighter and more predictable future.

That reassuring sense of readiness is welcome in times like these. Looking at the big picture, it's an all too familiar story of navigating through rapid change, uncertainty, and an array of threats to our economy and society: Stubbornly high inflation and interest rates, tight labor, volatile investment markets, new regulations, security threats, chaotic politics and foreign wars.

It's an environment that makes things more difficult for business and all the institutions meant to create stability. Trends can quickly shift in good ways and bad. That's the reason we've always believed it's healthy to be optimistic, and wise to be ready.

- Being an **independent, mutual-based organization** lets us make the best decisions for those we serve.
- An **exceptionally strong capital base** provides the stability to keep our promises and control our destiny.
- Our **diversified business model** features multiple product lines and balanced investments to mitigate risk during volatility.

In short, being prepared is more important than ever. The good news is that, at Ameritas, our philosophy, business model, products and services – literally everything we do – is intended to help our customers make a brighter future for themselves, their families, and their employees.

The financial measures described here reflect our commitment to the strength and stability that allow us act with confidence and optimism. Take comfort knowing that Ameritas is here for you, focused on fulfilling life. As always, we're proud of the associates who build and support our products, thankful for the growing network of field colleagues who bring them to market, and deeply honored to serve our customers.

## Fulfilling life ...

It's the essence of our company's mission and purpose, and a job we take very seriously. It's also the promise we make to everyone who protects some part of their future through a relationship with Ameritas.

And whether our economy is strong or the times are challenging, we stay focused on financial strength and stability – the foundation our business is built on and the commitment behind the products we offer and the relationships we maintain, from generation to generation.

That's what "fulfilling life" means at Ameritas. For each of us, and not least the financial professionals who represent us in communities around the nation, we're here to help clients and future clients prepare and prosper.

## Our mutual advantage

Founded nearly 140 years ago as the Old Line Bankers Life Insurance Company of Nebraska, we're still headquartered in Lincoln, Neb., but have been known for decades as Ameritas. We've continued growing organically and through acquisitions, and now serve 6 million customers nationwide<sup>1</sup> by providing insurance, financial services and employee benefits.

Being a mutual-based organization means our business structure focuses on our customers' interests, rather than those of investment analysts or stockholders. We can make smart, well-timed, long-term decisions designed to benefit the individuals, families and businesses who rely on our products and services. We remain committed to the sustainable business standards that support growth and help us keep promises for generations to come.

## A record of strength and stability

### Industry financial strength ratings<sup>2</sup>

The analyses from Standard & Poor's RatingsDirect and AM Best's Rating Reports are available in the Ameritas ratings section of the Financial Strength page on Ameritas.com.

**A+**

**Standard & Poor's**

A+ (Strong) for insurer financial strength.<sup>3</sup> This is the fifth highest of Standard & Poor's 21 ratings assigned.

**A**

**AM Best**

A (Excellent) for insurer financial strength.<sup>4</sup> This is the third highest of AM Best's 13 ratings assigned.

### Strong liquidity

Liquidity measures how easily a company can convert assets into cash. AM Best confirms Ameritas has access to multiple avenues of funding, indicating that our overall liquidity is supported by positive net cash flows from a diversified business mix, access to a committed but fully available bank line, and membership in the Federal Home Loan Bank system, providing additional borrowing capacity at relatively low cost of funds. AM Best notes that liquidity is further enhanced by the Ameritas mutual holding company structure, providing very low financial leverage, and by our generally lower risk product portfolio.<sup>4</sup>

### High capital and surplus/assets ratio

The capital and surplus/assets ratio measures a company's cushion protecting it from a decline in the value of its assets before surplus is depleted. Higher levels of capital and surplus relative to assets help support operations and growth. The statutory surplus levels of Ameritas Life Insurance Corp. and Ameritas Life Insurance Corp. of New York (Ameritas) exceed Standard & Poor's capital requirements at the AAA rating level.<sup>3</sup> Ameritas had \$1.9 billion of statutory basis total adjusted capital as of Dec. 31, 2023,<sup>5</sup> ending the period with a capital and surplus/assets ratio of 10.5% – well above the industry average of 9.0%<sup>6</sup> and comparing favorably to our peers. This represents extremely strong capital which, along with low levels of financial leverage, demonstrates financial flexibility capable of addressing unforeseen market conditions.

### Low debt-to-capital ratio

The debt-to-capital ratio measures the debt component of a company's capital structure. Calculated by dividing total debt by total capital, it is often seen as a reflection of the soundness of long-term financial policies. As of Dec. 31, 2023, Ameritas had \$59.2 million of outstanding debt,<sup>7</sup> representing 3.1% of our capital and surplus. This is significantly below the industry average of 10.1%<sup>6</sup> for the same period, demonstrating a strong equity position and our focus on minimizing permanent debt.

### High-quality assets

Asset quality is an important factor in managing risk. As of Dec. 31, 2023, the Ameritas insurance companies' general account invested assets base was \$17.5 billion.<sup>8</sup> This represented approximately 96.7% of the general account admitted assets. Bonds represented 70.7% of the company's invested assets, 96.0% of which were rated strong investment grade, versus the industry average of approximately 95.0%.<sup>6</sup> The high yield portfolio comprised 4.0% of bonds compared to the industry average at 5.0%.<sup>6</sup> This reflects our continued focus on maintaining a high-quality investment portfolio.

### Ameritas Mutual Holding Company

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<sup>1</sup> Total number of customers served as of Dec. 31, 2023. 2023 Annual Report, Ameritas Mutual Holding Company.

<sup>2</sup> The ratings assigned to Ameritas Life Insurance Corp. and Ameritas Life Insurance Corp. of New York provide an independent opinion of each insurer's financial strength and ability to meet ongoing insurance policy and contract obligations. Standard & Poor's and AM Best are recognized among the top authorities in analyzing insurance companies. Ratings are current as of February 2024 and May 2024, respectively, and subject to change. For the latest Best's credit rating, visit [ambest.com/home](https://ambest.com/home).

<sup>3</sup> Standard & Poor's RatingsDirect®, Feb. 28, 2024.

<sup>4</sup> Best's Rating Report, July 12, 2023. To view the complete analysis, visit [ameritas.com/about/financial-strength](https://ameritas.com/about/financial-strength).

<sup>5</sup> Total adjusted capital equals capital and surplus plus asset valuation reserves.

<sup>6</sup> S&P Global Market Intelligence, 2023 statutory insurance data.

<sup>7</sup> Debt includes surplus notes payable and real estate encumbrances on the balance sheet.

<sup>8</sup> The information contained within this brochure reflects combined statutory basis of accounting results for the Ameritas Life insurance operations, as of Dec. 31, 2023. This information does not represent the financials of the individual insurance companies.

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