

# 2013 Ward's 50 Top Performing L&H Insurers



To develop its annual list of the top 50 performing insurance companies, Ward Group analyzes the financial performance of nearly 800 life-health insurance companies domiciled in the United States and identifies the top performers based on objective data and subjective quality measures. Each company has passed all safety and consistency screens and achieved superior performance over the five years analyzed. This is the 23rd consecutive year Ward Group has conducted the analysis.

The Ward's 50 life-health group of insurance companies produced a 19.7% statutory return on average equity from 2008 to 2012 compared to 4.3% for the life-health industry overall.

"After several years of weaker revenue gain and sluggish economic conditions, financial returns for insurers improved in 2012," explained Jeff Rieder, partner and head of Ward Group. "Most insurance sectors are experiencing revenue growth and insurance companies appear more optimistic as they look toward the future. Total policyholder surplus continues to grow and overall financial stability for the industry remains very strong. In selecting the Ward's 50, we identified companies that pass financial stability requirements and measure their ability to grow while maintaining strong capital positions and underwriting results."

## Safety and Consistency

Insurance companies are evaluated and must pass minimum thresholds to be considered for the Ward's 50 designation. Each company must pass primary safety and consistency tests, including:

- Surplus and premiums of at least \$50 million for each of the five years analyzed

- Adjusted net income in at least four of the last five years.
- Compound annual growth in premiums between -10% and +40%

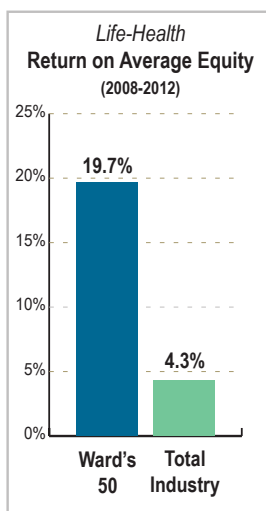
## Performance Measurements

Companies that pass the safety and consistency tests are measured and scored on the following elements:

- Five Year Average Return on Average Equity
- Five Year Average Return on Average Assets
- Five Year Average Return on Total Revenue
- Five Year Growth in Revenue
- Five Year Growth in Surplus

## Key Performance Benchmarks

An important objective of the Ward's 50 is to compare their performance as a group with the rest of the industry. In addition to achieving greater levels of income returns, the Ward's 50 benchmarks also outperformed in other key performance benchmarks. The Ward's 50 life-health group of companies outpaced the industry for five year policyholder surplus growth (50.1% compared to 37.0%) and net premium income growth (20.7% compared to 6.7%).



In addition to achieving higher financial returns, the Ward's 50 benchmark continues to achieve

lower expense ratios. "The expense ratio declined slightly in 2012 for the life-health industry and we still find the Ward's 50 benchmarks comparing better than the industry average." said Rieder. In 2012, expenses relative to revenue were 1.0% lower for the Ward's 50 life-health group.

## 2013 Ward's 50® Companies

### Life and Health

(listed alphabetically)

Aetna Life Insurance Company  
AFLAC  
Amalgamated Life Insurance Company  
American Equity Investment Life Insurance Co.  
American Family Life Insurance Company  
American Fidelity Assurance Company  
American Health and Life Insurance Company  
American Republic Insurance Company  
Americo Financial Life and Annuity Insur. Co.  
Amica Life Insurance Company  
Auto-Owners Life Insurance Company  
Bankers Life & Casualty Company  
BlueBonnet Life Insurance Company  
Boston Mutual Life Insurance Company  
CICA Life Insurance Company of America  
CIGNA Group  
Combined Insurance Company of America  
Companion Life Insurance Company  
Farm Bureau Life Insurance Company  
Farmers New World Life Insurance Company  
Federated Life Insurance Company  
Fidelity Security Life Insurance Company  
First Investors Life Insurance Company  
Forethought Life Insurance Company  
Funeral Directors Life Insurance Company  
General Re Life Insurance Corporation  
Great American Life Insurance Company  
HCC Life Insurance Company  
HM Life Insurance Company  
Homesteaders Life Company  
Humana Insurance Company  
Liberty National Life Insurance Company  
Life Insurance Company of the Southwest  
LifeCare Assurance Company  
LifeWise Assurance Company  
Midland National Life Insurance Company  
National Teachers Associates Life Insur. Co.  
National Western Life Insurance Company  
Ozark National Life Insurance Company  
Protective Life Insurance Company  
RiverSource Life Insurance Company  
Standard Insurance Company  
Symetra Life Insurance Company  
Tennessee Farmers Life Insurance Company  
Thrivent Financial for Lutherans  
Trustmark Insurance Company  
United Insurance Company of America  
UnitedHealthcare Insurance Company  
Unum Life Insurance Company of America  
USAA Life Insurance Company

An important objective of the Ward's 50 is to compare their performance as a group with the rest of the industry. Comparisons based on benchmarks set by the Ward's 50 group of companies are available for individual companies and the total industry. Visit [www.wardinc.com](http://www.wardinc.com) for more information.