Ameritas

Financial Strength Highlights

Ameritas Mutual Holding Company draws its financial strength and stability from many sources, but its foundation is our insurance companies. These include Ameritas Life Insurance Corp. (Ameritas Life) and Ameritas Life Insurance Corp. of New York (Ameritas Life of New York).

Delivering on our promises

Our business structure as a mutual-based organization helps us make long-term decisions in our customers' best interest. We have the skills, perspective and flexibility to make smart, well-timed decisions designed to benefit our members and customers for generations to come. Though we're proud of our ratings[1] from Standard & Poor's and AM Best, we measure our success by how many people we've helped and how many promises we've kept.

Capital and surplus/assets ratio

The capital and surplus/assets ratio measures the cushion a company has against a decline in the value of its assets before its surplus is depleted. Higher levels of capital and surplus relative to assets help support a company's operations and growth. The statutory surplus levels of Ameritas Life and Ameritas Life of New York are above Standard & Poor's capital requirements at the AAA rating level.[2] This is an "Excellent" capital position, as defined by the S&P Financial Risk Profile which, along with low levels of financial leverage, provides adequate financial flexibility to address unforeseen market conditions.

Ameritas Life and Ameritas Life of New York had approximately $2.2 billion of statutory basis total adjusted capital at Dec. 31, 2022.[3] They ended the period with a capital and surplus/assets ratio of 11.0%, which was 21.0% higher than the life industry average capital and surplus/assets ratio of 8.7%.[4]

The Best's Rating Report and Standard & Poor's Full Analysis Report are available in the Financial Strength section of ameritas.com.

A+

Standard & Poor's

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

A

AM Best

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

Ameritas
fulfilling life.

Low debt-to-capital ratio

The debt-to-capital ratio is a way to measure the debt component of a company's capital structure. It is often used to confirm the soundness of long-term financial policies, and is calculated by dividing a company's total debt by its total capital. The resulting ratio indicates what portions of equity and debt a company is using to finance its business.

Ameritas has $157.4 million of outstanding debt,[5] which represents 8.3% of capital and surplus, significantly below the industry average of 14.2% as of Dec. 31, 2022.[4] This demonstrates a strong equity position. A high debt-to-capital ratio means a company uses more aggressive financing that includes debt. This can result in more volatile earnings and less financial stability.

Debt-to-capital ratio is a very low 8.3%

High-quality assets

As of Dec. 31, 2022, Ameritas insurance companies' general account[6] invested assets base was $16.7 billion. This represented approximately 96.9% of the general account admitted assets. Bonds represent 70.6% of the company's invested assets. Of those bonds, 95.6% are rated strong investment grade, versus the industry average of approximately 94.6%[7]. High yield bonds make up the other 4.4% of the company's bonds, compared to the industry average at 5.4%[7]. This reflects our focus on maintaining a high quality investment portfolio.

Commercial mortgage loans are the second largest asset class within the invested assets portfolio, representing 14.8% of invested assets. Ameritas insurance companies have a solid liquidity profile with access to multiple avenues of funding, if needed.

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[1] Ameritas Mutual Holding Company's ratings by Standard & Poor's and AM Best include Ameritas Life Insurance Corp. and Ameritas Life Insurance Corp. of New York.

[2] Standard & Poor's RatingsDirect®, June 5, 2023.

[3] Total adjusted capital equals capital and surplus plus asset valuation reserves.

[4] S&P Global Market Intelligence, 2022 statutory insurance data.

[5] Debt includes surplus notes payable, encumbrances on real estate and operational borrowings on the balance sheet.

[6] "General account" refers to the general accounts of the life insurance subsidiaries of Ameritas on a consolidated basis, which consolidation is for accounting purposes only.

[7] American Council of Life Insurers (ACLI) preliminary values, Dec. 31, 2022.