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HOMESTEADERS FINANCIAL STRENGTH RATING AFFIRMED BY A.M. BEST

Des Moines, Iowa — A.M. Best Company announced today that it has affirmed Homesteaders' financial strength rating of B++ (Good), and is upgrading the company's issuer credit rating to "bbb+." The outlook for both ratings is stable.

In its news release, analysts for A.M. Best say, "The rating actions reflect Homesteaders' leading position in the pre-need market, consistently profitable operating earnings due to competitive product pricing and controlled expenses." This rating also reflects the company's strengthened risk-based capital position and a reduction in investment losses.

Citing some ongoing concern in the areas of commercial mortgage lending and reinsurance, analysts recognized Homesteaders' successful efforts to reduce its commercial loan exposure and the significant improvement of the financial condition of its reinsurance counterparty, Scottish Re.

Homesteaders' COO Steve Lang reflected on his company's vigilance in adhering to long-standing financial management during uncertain economic times. "In a market where instability reigned, Homesteaders demonstrated its ability to grow and protect its policy owners," he said. "We are very pleased that A.M. Best Company recognizes our ability to remain a stable force in the insurance and pre-need marketplace."

Focused solely on funeral insurance funding and support, Homesteaders Life Company is a market leader associated with more than 3,000 funeral homes and 8,000 licensed agents across the United States. Visit www.homesteaderslife.com for more information.

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