Securian Financial Group

# Standing strong in uncertain times

9/08/09

**Securian Financial Group navigated successfully through the financial crisis in 2008,** and we remain strongly positioned to withstand a challenging economic environment.

## High ratings and asset quality:

**We believe that our strong capital position and high asset quality can help create a competitive advantage,** particularly in this volatile environment, and help us to better meet our obligations.

- **Investment quality:** As of June 30, 2009, 94 percent of bonds in our life insurance affiliate's general account were investment grade.
- **Ratings.** We are highly rated for financial strength and claims-paying ability, and among companies rated by all four rating agencies we currently rank among the 16 most highly rated insurance company groups in America.

  As of September 2009, Minnesota Life Insurance Company, our primary life insurance affiliate, was rated:

  - **A.M. Best – A+ (Superior)**
    Second highest of 16 ratings.
  - **Standard & Poor's – AA- (Very Strong)**
    Fourth highest of 21 ratings.
  - **Moody's Investors Service – Aa3 (Excellent)**
    Fourth highest of 21 ratings.
  - **Fitch – AA- (Very Strong)**
    Fourth highest of 19 ratings.

## Results:

**Results were solid in 2008, and all of our insurance businesses made money.**

- Reported GAAP operating earnings totaled $100 million. Due to declining investment yields, this result was less than expected and 34 percent lower than 2007's record high of $177 million.
- Although some losses are inevitable in this environment, we continue to be a highly rated company.
- We believe that the high quality and diversification of our assets is helping us perform better than others in the industry.
- Sales of our insurance products, measured in premiums and deposits, were excellent, increasing 26 percent over 2007.
- Top line growth, measured in GAAP product revenue, increased 20 percent from 2007.
- Insurance in force increased 15 percent in 2008, and is up 13 percent through June, 2009.
- At a time when many companies are retrenching, our strong balance sheet helps us to continue investing in our core businesses.

Source: Standing Strong, Securian Financial Group 2008 Annual Report

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## The Securian difference

The business practices we adhere to regardless of economic and market conditions proved particularly valuable during this turbulent period. They include:

- **Transparency.** Our balance sheet is clear about who we are as a company.
- **A long-term perspective.** Because we're not a publicly-traded company, we aren't pressured by the demands of Wall Street. We can focus on the long-term interests of our clients.
- **Liquidity.** We don't rely on the short-term credit markets to fund our operations.
- **Limited use of derivatives.** We use derivatives to help manage risk, not as a tool for to generating profits or making bets on economic outcomes.
- **Minimize counter-party exposure.** We manage counter party exposure to minimize the impact of a business partner's failure or financial difficulties.
- **Diversification.** We avoid concentrated exposure to a particular asset class or type of security.

In times of uncertainty, Securian's strong capital position, the high quality and diversification of our assets and our liquidity serve our clients particularly well.

Since 1880, **Securian Financial Group** and its affiliates have provided financial security for individuals and businesses in the form of insurance, investments and retirement plans. Now one of the nation's largest financial services providers, it is the holding company parent of a group of companies that offer a broad range of financial services.

**Securian Financial Group, Inc.**
www.securian.com

Insurance products offered by Minnesota Life Insurance Company,
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