

SENTINEL SECURITY LIFE
INSURANCE COMPANY

FINANCIAL
SUMMARY
2017



Sentinel[®]
Security
Life

Reflecting on our many accomplishments in 2017, we are most proud of growing our organization to provide best-in-class customer service in addition to providing secure and innovative insurance and annuity products. Other significant financial accomplishments include:

- 1 Total Assets exceeded \$800 Million
- 2 Gross Annuity Premium exceeded \$350 Million
- 3 Capital and Surplus exceeded \$39 Million



As we look forward to 2018, we are excited to celebrate our 70th year in business. Sentinel has a long history of doing right by our customers and honoring our commitments. While it is good to reflect on our successful history, we remain focused on a successful future.

STATUTORY FINANCIAL HIGHLIGHTS*

Net Operating Income	\$3,033,774
Net Income	\$3,474,985
Admitted Assets	\$798,876,166
Total Liabilities	\$759,438,875
Gross Capital & Surplus	\$39,437,291
Policy Reserves	\$188,806,369
Total Net Revenue	\$75,267,601
Gross Final Expense Insurance In-Force	\$216,290,000
Gross Reserves for Fixed Annuities In-Force	\$1,525,363,408
Gross Capital & Surplus / Admitted Asset Ratio	4.94

* As of December 31, 2017 - Audited.

Sentinel is now part of the Advantage Capital Holdings (“A-Cap”) family of companies. A-CAP’s management team and expanded operational professionals have diverse experience and proven success across the insurance, reinsurance and investment sectors.

We remain committed to providing secure and innovative insurance and annuity products to our existing and future customers, enhanced by our continued commitment of providing exceptional service. In order to uphold our commitments we live by these four principles:

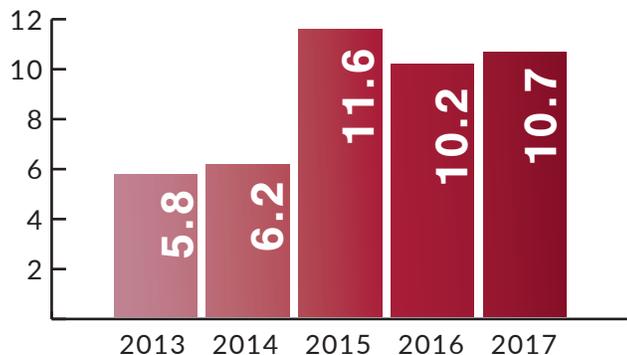


- 1 Become An Expert
- 2 Give Our Best
- 3 Be Open and Honest
- 4 Do The Right Thing

SELECT STATUTORY FINANCIAL DATA

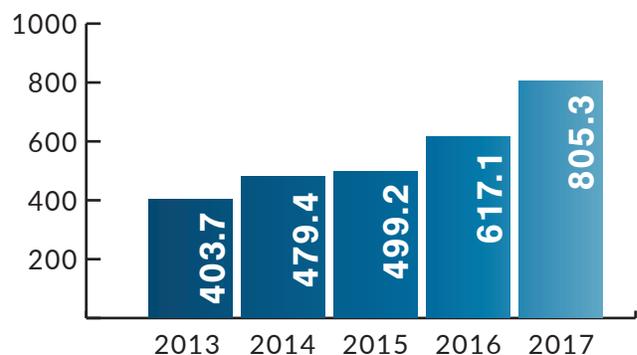
STATUTORY NET INVESTMENT INCOME (Millions)

Net investment income increased over 84% since 2013 as a result of the growth in invested assets in recent years, primarily from fixed annuity sales, and from an overall improvement in investment yields.



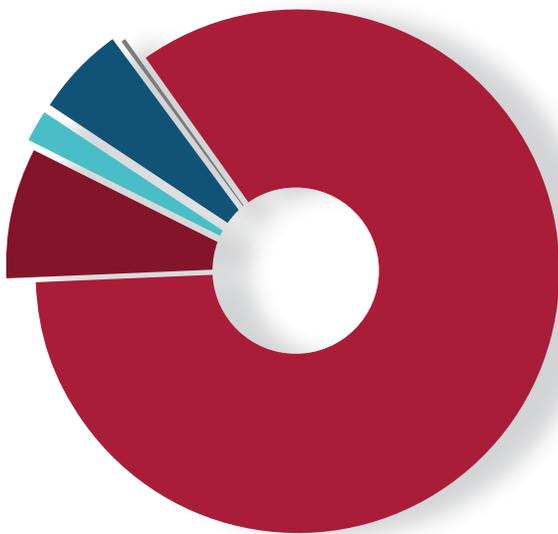
TOTAL STATUTORY ASSETS (Millions)

Total Statutory assets have increased over 99% since 2013. Sales for all product lines have increased during this time, but a majority of the growth is from sales of the fixed annuity products.

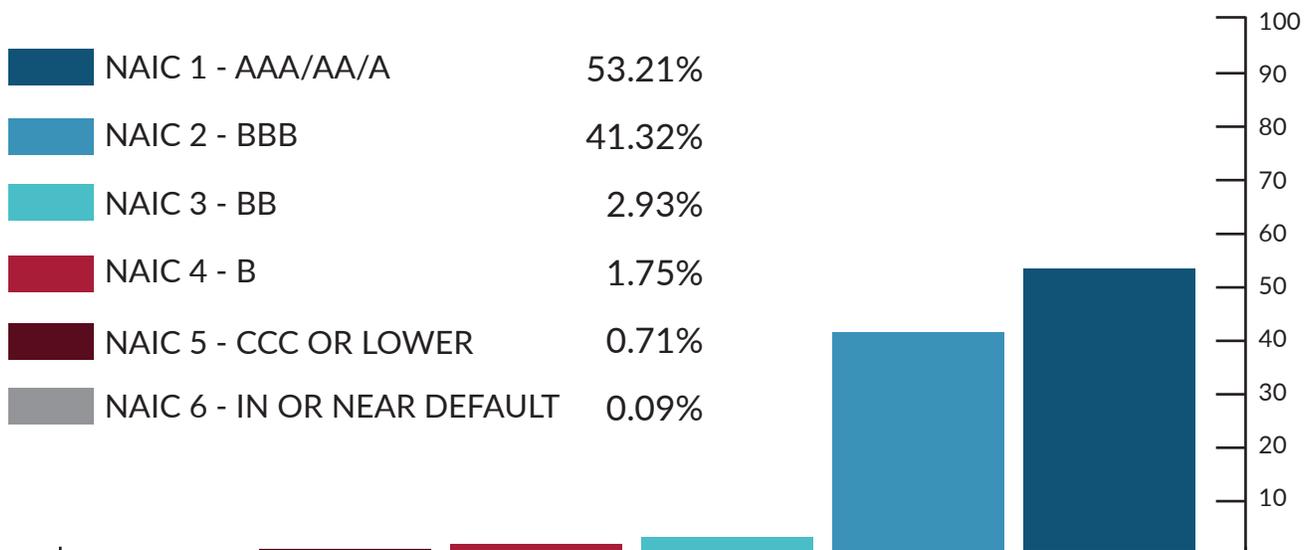


INVESTMENT PORTFOLIO SUMMARY

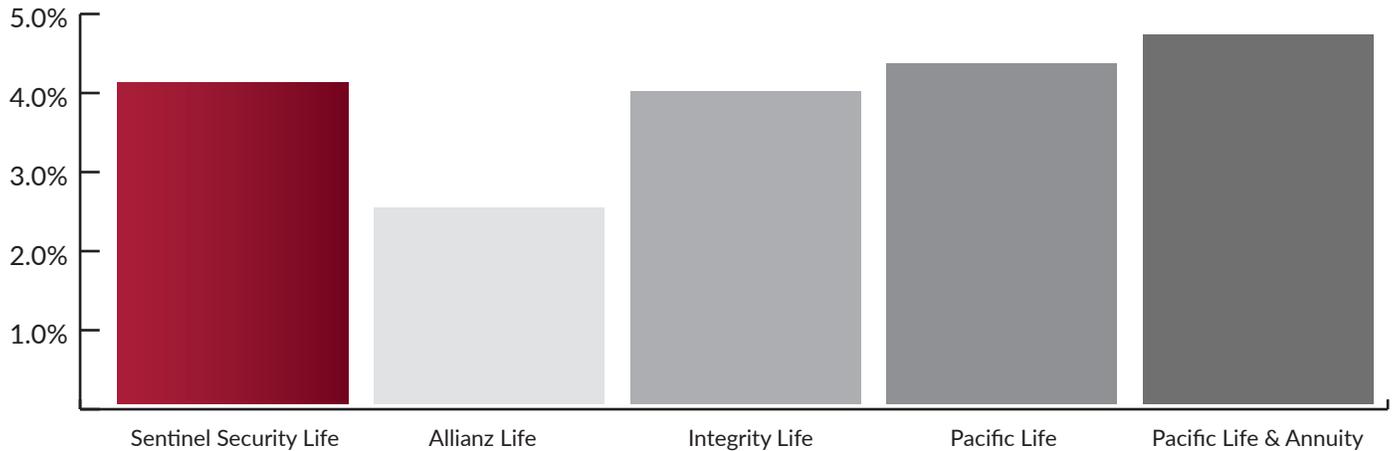
Sentinel's investment philosophy is based upon the principles of providing stable returns and income while mitigating risk for policyholders and shareholders. The following graphs validate this philosophy and provide additional detail for the investment portfolio. As of December 2017, the portfolio is primarily invested in bonds and has an overall credit quality of 1 or 2 (investment grade), using the National Association of Insurance Commissioners ("NAIC") financial rating designations, with an average net yield of 5.93%.



Over 94% of the investment portfolio is in investment grade securities, as rated by the NAIC



PEER GROUP SUMMARY OF NET YIELD INVESTED ASSETS 2017



Sentinel is able to offer industry leading life insurance and fixed annuity products through innovative product design rather than being overly aggressive in the investment markets. Sentinel's net investment yield (net investment income / invested assets) is comparable to other industry leaders.

Sentinel offers a strong senior market portfolio including Life, Health, and Annuity products. We continue to develop new products and services to meet our customers' needs.

Sentinel has a long history of financial strength and stability that has afforded us the opportunity to invest wisely in the growth of our Company. Our strength lies not only in the quality of our insurance products, but also the level of service we provide to our policyholders, agents, and shareholders. We invite you to learn more about our company by visiting www.sslco.com or by calling 1-800-247-1423.

Sentinel Security Life is rated B++ (Good) for financial strength by A.M. Best Company. This rating applies only to the overall financial status of the Company and is not a recommendation of the specific policy provisions, rates, or practices of the Company.

