



Insured Retirement Institute

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IRI Announces 4Q Fixed Annuity Data

Fixed Indexed Annuity Sales Continue to Rise

*Beacon Research to Provide Fixed Annuity Data and Analysis
Through New, Exclusive Partnership with IRI*

WASHINGTON, D.C. – Through a new, exclusive partnership with Beacon Research, the Insured Retirement Institute (IRI) today announced fourth quarter and 2009 results for the fixed annuity industry. Fixed indexed annuity sales continue to climb, with fourth quarter sales totaling \$7.6 billion, representing a 3.2% increase over the previous quarter. In addition, total fixed index annuity sales for 2009 were \$30.2 billion, posting a year-to-year increase of \$3.5 billion. Total fixed annuity sales were \$105.1 billion in 2009, just 2% less than the record high in 2008.

IRI's new partnership with Beacon Research represents another important step forward for the association. A key part of IRI's mission is to be the authoritative source of all things pertaining to insured retirement strategies, including both fixed and variable annuity products. A leader in providing sought-after fixed annuity data, Beacon Research, will also offer expert insights and analysis on industry trends through this new collaboration with IRI.

“Beacon Research has distinguished itself as an authoritative and trusted resource in fixed annuity data and analysis,” IRI President and CEO Cathy Weatherford said. “This new partnership provides the perfect complement to IRI's established efforts in the variable industry. We look forward to working with the entire team at Beacon to further advance the one-of-a kind value annuities bring to the retirement planning equation – a value that is evident by the continuing strength in fixed annuity sales.”

“IRI has rapidly become the insurance industry's key voice with regard to retirement income issues” said Jeremy Alexander, President and CEO of Beacon Research. “We are very pleased to partner with IRI to help increase understanding of the important role fixed annuities can and do play in achievement of retirement income objectives.”



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Overall, fixed annuity sales for the fourth quarter were \$20.4 billion, down slightly from \$22.1 billion in the previous quarter, representing an 8% decline. Year-to-year sales were down marginally, from \$106.7 billion in 2008 to \$105.1 billion in 2009, posting a 1.5% decline.

“Fixed annuity sales in 2009 were second only to the record-setting prior year,” Alexander added. “Due to strong demand for secure retirement savings and income alternatives, 2009 results were achieved despite financial pressures on consumers and other challenges.”

Table 1. Quarterly Fixed Annuity Sales By Product Type

(\$ Millions)	Quarter Ended				
	12/31/09	9/30/09	6/30/09	3/31/09	12/31/08
Total Sales (Rounded)	20,360	22,140	27,810	34,760	34,110
Book Value	8,994	9,940	13,862	19,194	17,120
Market Value Adjusted	1,855	2,907	3,563	6,549	7,445
Indexed	7,588	7,349	8,215	7,076	7,179
Income	1,915	1,942	2,167	1,941	2,362

Source: Beacon Research

Table 2. Quarterly Market Share By Product Type

(As a percent of total sales)	12/31/09
Book Value	44.2 %
Market Value Adjusted	9.1
Indexed	37.3
Immediate	9.4

Source: Beacon Research

About the Insured Retirement Institute: The Insured Retirement Institute (IRI) is a not-for-profit organization and is the authoritative source of all things pertaining to annuities, insured retirement strategies and retirement planning. IRI exists to vigorously promote consumer



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confidence in the value and viability of insured retirement strategies, bringing together the interests of the industry, financial advisors and consumers under one umbrella. IRI's mission is to: encourage industry adherence to highest ethical principles; promote better understanding of the insured retirement value proposition; develop and promote best practice standards to improve value delivery; and to advocate before public policy makers on critical issues affecting insured retirement strategies. Visit www.IRIONline.org to experience the new, vast resources of the new Insured Retirement Institute for yourself.

About Beacon Research: Beacon Research is an independent research company and application service provider founded in 1997 and based in Evanston, IL. Beacon tracks fixed and variable annuity features, rates and sales. Its quarterly *Fixed Annuity Premium Study* is the first and only source to analyze fixed annuity sales at the product level. Beacon lowers compliance risk and increases fixed annuity sales with 100% carrier-approved, comprehensive product profiles, spreadsheets and search tools for the advisor/rep websites of banks, TPMs, broker-dealers and marketing organizations. Financial institutions use its systems at www.annuitynexus.com for compliance review of 1035 exchanges, sales support, conservation and product research. Beacon also licenses information to other platforms, including Insurance Technologies' VisibleChoice™ annuity sales platform, Ebix, Lipper, and Ibbotson Associates. Directly and through strategic alliances, Beacon information can be accessed by hundreds of financial institutions and thousands of advisors.

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