

BEACON'S *FIXED ANNUITY PREMIUM STUDY* REPORTS THIRD QUARTER'S BEST-SELLING PRODUCTS

Allianz MasterDex the top seller overall

Evanston, IL, December 16, 2004—MasterDex, an equity-indexed annuity issued by Allianz Life (Allianz AG (NYSE:AZ)), was third quarter's top-selling product out of 182 for which sales were reported in the Beacon Research quarterly *Fixed Annuity Premium Study*. New York Life's LifeStages/Mainstay (a book value single premium product) was number two, with another Allianz EIA, the PowerDex Elite, the third best-seller. Third quarter sales were reported by some 44 participating insurance companies.

Rank	Company Name	Product Name	Product Type
1	Allianz Life	MasterDex	EIA
2	New York Life	LifeStages/Mainstay Single Premium Fixed Annuity	Book Value
3	Allianz Life	PowerDex Elite	EIA
4	Sun Life Financial ¹	Keyport Index Multipoint	EIA
5	Genworth Financial	Capital Provider Advantage	Book Value

"The success of the top five products partially reflects overall sales trends," said Jeremy Alexander, president and CEO of Beacon Research. "Our study documents continued sales growth of EIA products as a group. In addition, the low interest rate environment has made book value products more popular than market value-adjusted fixed annuities."

Sure Horizon, issued by Allstate Financial (Allstate Corporation (NYSE:ALL)) was third quarter's top-selling MVA. Genworth Financial (NYSE:GNW) was the leader in fixed immediate annuity sales.

Third quarter's best-selling products also showed dominance in two distribution channels. The Allianz MasterDex led third quarter sales among some 90 products sold through independent producers. Of 45 products sold through banks, New York Life's Mainstay SPFA was the top seller. Another New York Life product, the LifeStages Choice Fixed Annuity was tops among some 90 products sold through captive agents.²

ING's Golden Select Guarantee, issued by ING US (ING Group (NYSE:ING)), was number one among wirehouses and independent broker-dealers. Allstate's Choice Rate (with MVA) topped sales through large/regional broker-dealers. Sales were reported for some 50 products distributed through the three B-D channels.

¹ Sun Life Financial Inc. (NYSE:SLF)

² In 2004 New York Life marked its 50th consecutive year as the company with the most agents qualifying for the Million Dollar Round Table.

Channel	Company	Product	Product Type
Captive Agents	New York Life	LifeStages Choice Fixed Annuity	Book Value
Independent Producers	Allianz Life	MasterDex	EIA
Wirehouses	ING USA	Golden Select Guarantee	MVA
Large/ Regional Broker-Dealers	Allstate Financial	Choice Rate (with MVA)	MVA
Independent Broker-Dealers	ING USA	Golden Select Guarantee	MVA
Banks and S&Ls	New York Life	Mainstay Single Premium Fixed Annuity	Book Value
Other	Genworth Financial	Capital Provider Advantage	Book Value

Third quarter's *Fixed Annuity Premium Study* also documented a continuing trend toward shorter rate terms among book value products. One-year IGPs accounted for 89% of book value sales, up from 82% in second quarter, 2004. However, one-year interest guarantee periods accounted for less than 18% of third quarter MVA sales, down significantly from 36% of sales in third quarter 2004.

Among index annuity methods of calculating index changes, products using monthly sum accounted for 56% of sales reported for index annuity products.

About the Beacon Research *Fixed Annuity Premium Study*

The quarterly Study is the first to track and analyze product-level fixed annuity sales on an ongoing basis. It features commentary by Milliman USA, a leading actuarial consulting firm recognized for its annuity expertise. Combining Beacon's capabilities in fixed annuity information with Milliman's knowledge and analytic skills, the Study provides timely market intelligence of the highest quality. It's designed to report what's moving in each channel and *why*. The rapid growth in Study participation – now including 52 major fixed annuity manufacturers -- is testimony to the need for this information.

About Beacon Research

Beacon Research is an independent research organization founded in 1997. It compiles market intelligence on fixed annuity products for subscribers to its web-based systems at www.annuitynexus.com. Carriers access these systems to support product development, rate setting and competition research. Distributors use them for product analysis and selection. The new AnnuityNexus Sales Support System is an important resource for retention teams and sales desk staff throughout the distribution chain. Beacon also licenses information and software tools to other platforms, including websites for sales representatives, AnnuityNet's annuity automation platform, and LifeLink Corporation's insurance sales platform. Beacon's fixed annuity benchmark series -- the industry's first - is available through Ibbotson Associates. Directly and through strategic alliances, Beacon information can be accessed by hundreds of financial institutions and distributors.

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