



# GUARDIAN®



## Facts on Guardian

### Overview

Guardian meets the unique needs of individuals, their businesses, and their employees through a combination of our products and services and the expert advice and vision of our professional field forces. The solutions we provide are backed by our financial strength and the long-term value we offer as a mutual company.

Our participating policyholders benefit directly from our mutuality because any efficiencies we obtain in the operation of the company are passed on to them. Unlike public companies, whose first allegiance is to their stockholders, we operate completely in the interests of our policyholders, which gives us the ability to provide the greatest amount of insurance for the lowest possible long-term cost with the greatest amount of financial strength. The long-term view allowed by mutuality makes it the ideal structure for ensuring that we'll be here to pay the claims of our policyholders many years from now.

Moody's	Aa2	Excellent
S&P	AA	Very Strong*
Fitch	AA+	Very Strong
A.M. Best	A+	Superior*

\*With a positive outlook

### Guardian Financial Highlights

As of December 31 (in millions)

	2007	2006
Net Investment Income	\$1,438	\$1,347
Total Revenues	7,648	7,491
Dividends to Policyholders	651	619
Gain from Operations Before Taxes	349	303
Net Income	292	376
Total Invested Assets	26,479	24,789
Total Admitted Assets	28,328	26,719
Total Surplus	\$3,751	\$3,490

Results Are Guardian Life Only (Not Consolidated).  
Numbers are calculated on a statutory basis.

### Strong Financial Results

In 2007, Guardian continued to build on our 148-year history of financial strength:

- As of December 31, 2007, Guardian and its subsidiaries had \$41.3 billion in assets (on a consolidated statutory basis).
- Guardian's capital, which serves to protect against unforeseen events and as a source of future income, grew to \$4.6 billion in 2007.
- Guardian's total benefits and dividends paid to policyholders increased to \$6.5 billion, reflecting our overall business growth.
- Guardian's pre-tax statutory gain from operations before payment of policyholder dividends was \$1 billion, making 2007 our third straight year of record earnings.

### Positive Ratings

The rating agency Fitch upgraded their rating of Guardian from AA to AA+ ("Very strong") in 2007. Fitch cited our sustained improved operating performance, our exceeding their very high capital strength expectations, and our extremely strong balance sheet among the factors for their decision. The other major rating agencies reaffirmed their ratings of Guardian, with two of them having a positive outlook on our company.

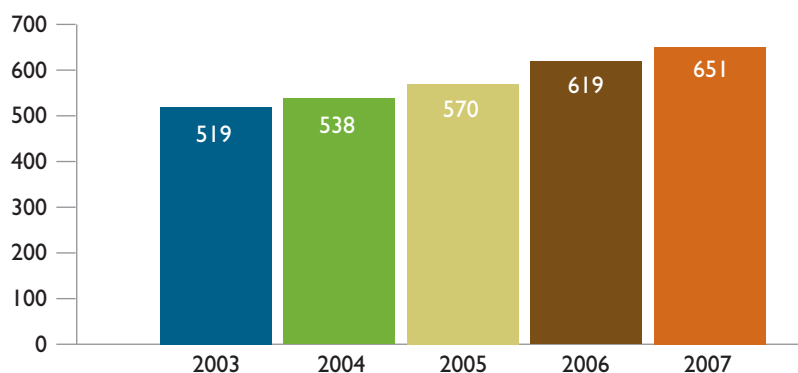
## Successful Investment Performance

Our investment process proved to be critical in successfully navigating the 2007 credit crisis and the market volatility that occurred during the second half of the year. Guardian successfully avoided problems with sub-prime and other complex structured investments that have contributed to recent market turmoil. While the markets were volatile in 2007 and many financial institutions reported billions in losses, Guardian not only avoided these problems but also generated \$196 million in realized investment gains, contributing to our dividend payout.

Guardian's principal investment objective is to generate attractive returns for our participating policyholders. The company's investment philosophy starts with sound asset allocation strategies that seek to optimize expected long-term returns within well-defined risk parameters, while benefiting from diversification strategies that reduce risk.

## Value Through Dividends

Results in  
\$ millions



Guardian's expected 2008 life policy dividend of \$664 million is the largest declared dividend in our company's 148-year history. The accompanying chart shows Guardian's dividends paid over the previous five years.

Dividends are not guaranteed and are declared annually by the Board of Directors.

## Solutions for Life

Guardian is committed to enhancing the financial lives of our customers through the values which guide all the decisions we make: we do the right thing, people count, and we hold ourselves to very high standards. With close to 5,000 employees and 3,000 financial representatives, as well as 80 agencies nationwide, Guardian and its subsidiaries protect individuals, business owners, and their employees with life, disability, health, long-term care, and dental insurance products, and offer 401(k), annuities, and other financial products and trust services.

To find out more about Guardian products, services, or career opportunities, contact your local agency or group office, or visit our Web site at [www.GuardianLife.com](http://www.GuardianLife.com).

Financial information concerning The Guardian Life Insurance Company of America as of 12/31/07 on a statutory basis: Admitted Assets = \$28.3 Billion; Liabilities = \$24.6 Billion (including \$20.8 Billion of Reserves); and Surplus = \$3.7 Billion.

Securities products and services are offered through Park Avenue Securities LLC (PAS) and Guardian Investor Services LLC (GIS), 7 Hanover Square, New York, NY 10004. GIS is a wholly owned subsidiary of The Guardian Life Insurance Company of America, New York, NY. PAS is a wholly owned subsidiary of GIAC, New York, NY. GIS and PAS are members of FINRA, SIPC.

