

STRONG

A LOOK AT MUTUAL OF OMAHA'S FINANCIAL STRENGTH.

STABLE

STRONG. STABLE. SECURE.

SECURE



Mutual of Omaha

Strong. Stable. Secure.

For more than a century – through recessions and a Great Depression, through two World Wars, through the Roaring '20s, Psychedelic '60s and Go-Go '80s – Mutual of Omaha Insurance Company has been there to keep our promises to our customers. That will not change. Today, we are strong, stable, secure and ready to meet your insurance and financial needs.

THROUGH GOOD TIMES AND BAD, YOU CAN HAVE CONFIDENCE IN MUTUAL OF OMAHA.

A Message to Our Customers



Daniel P. Neary
Chairman and Chief Executive Officer

When it comes to building and protecting your financial future, it's wise to inquire about the strength of the companies in which you have placed your trust.

Rest assured that we are strong, stable, secure and more than able to keep our commitments to you, our customers.

Thanks to our focused business strategy, disciplined investment practices, strong commitment to our customers and talented, engaged workforce, we have built notable financial strength.

Mutual of Omaha Insurance Company is a mutual company. That enables us to focus on the long-term needs of our policyholders, not the short-term demands of the stock market. We have built a policyholder surplus of \$2.3 billion, an amount that represents added security and protection for you.

Our financial strength has been acknowledged by multiple third-party rating agencies, which have evaluated us repeatedly over a number of years and assigned strong ratings.

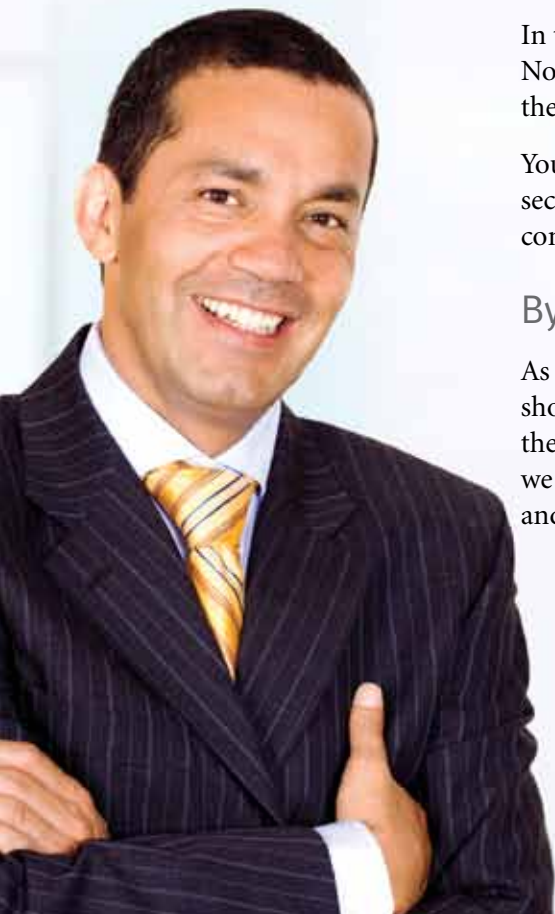
Now in our second century in business, we are committed to providing insurance and financial products that are designed to be a straightforward and affordable way to help customers through the transitions we all face.

This booklet contains more information about our financial strength. It demonstrates that through good times and bad, you can have confidence in Mutual of Omaha.

Sincerely,

A handwritten signature in black ink that reads "Daniel P. Neary". The signature is written in a cursive, flowing style.

We want to address your questions about our financial condition in a straightforward, objective and understandable way.



Mutual of Omaha: Strong. Stable. Secure.

There's no doubt about it – the world is much more financially complicated than it used to be. From flash crashes to bursting bubbles; from credit-default swaps to Alt-A mortgages; from toxic assets to TARP bailouts; we are all confronted with a complex and fast-changing financial landscape.

In today's environment, you need more information than ever about the companies you do business with. Nowhere is that more important than the firms you entrust with your family's financial future. How strong are they? Will they be there when it comes time to pay the promised benefits?

You can count on Mutual of Omaha Insurance Company and its subsidiaries for the strength, stability and security that's even more important in these complicated times. With a firm financial foundation and a lasting commitment to customer service, we can look forward to working together for years to come.

By Our Policyholders, For Our Policyholders

As a mutual company, owned by our policyholders, Mutual of Omaha Insurance Company is not driven by the short-term thinking and focus on quarterly results that often characterize publicly traded companies. While there are benefits to both forms of organization, our mutual structure allows us to ensure that every investment we make is done with the long-term benefit of our policyholders in mind. In addition, our financial strength and ability to operate and grow are not strongly tied to the ups and downs of the investment markets.

For additional information regarding Mutual of Omaha Insurance Company and its insurance subsidiaries (Mutual of Omaha), see page 8.

Strong Capital Position

In a volatile economy, capital strength gives companies the flexibility needed to weather the inevitable ups and downs they and their customers will face.

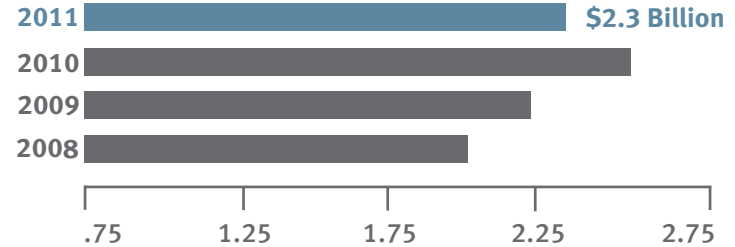
The events of the last few years illustrate the importance of prudent capital management. When the bubble burst, many businesses found themselves in a capital crisis. This erosion of capital, due largely to market declines and losses on risky investments, contributed to the financial crisis that gripped the country.

Mutual of Omaha's capital position is quite strong. Thanks to our disciplined balance sheet management and investment strategy as well as our prudent business philosophy, we have avoided drains on our capital. We said, "No, thank you," to federal bailout money – we simply did not need it to maintain our financial strength and keep our promises to our customers.

As of Dec. 31, 2011, Mutual of Omaha had \$2.3 billion in statutory surplus, a key measure of an insurer's capital strength. That \$2.3 billion represents financial security for our policyholders and ensures we will have the ability to not just survive, but to thrive.

Statutory Surplus

(In billions of dollars)



Surplus as of 12-31-11

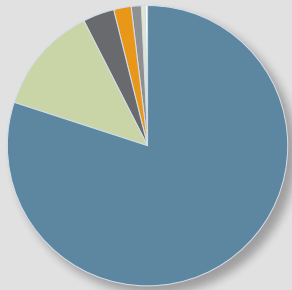
Solid Liquidity

Mutual of Omaha's liquidity position is solid. This is important in uncertain times with unpredictable markets. Ensuring the ready availability of funds to meet our obligations and run our business is an important facet of our operating philosophy. Our investments alone generate more than \$1.5 billion in cash flow each year. If necessary, we also have access to committed bank lines of credit. Further, we are a stockholder in the Federal Home Loan Bank of Topeka and have access to funds from that bank. All of this helps provide assurance that, even in the most challenging times, we will be there to keep our promises.

**WITH A FIRM FINANCIAL FOUNDATION AND A LASTING COMMITMENT TO CUSTOMER SERVICE,
WE CAN LOOK FORWARD TO WORKING TOGETHER FOR YEARS TO COME.**

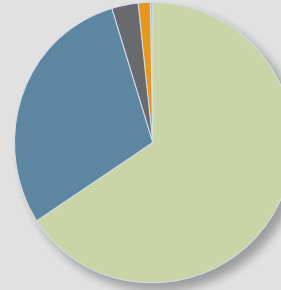
Disciplined Investment Strategy

No one really knows what will be the next high-flying, or free-falling, investment. That's why Mutual of Omaha uses a time-tested, disciplined investment strategy to build the portfolios that support our products for our customers. While investing inherently involves some risk, our thorough investment analysis and decades of experience allow us to build portfolios that offer attractive returns with appropriate levels of risk.



Mutual of Omaha and Insurance Subsidiaries
Invested Assets as of 12-31-11

■ Bonds	79.6%
■ Mortgage Loans	12.3%
■ Limited Partnerships	4.3%
■ Cash and Short Term	1.7%
■ Real Estate	0.6%
■ Preferred Stock	0.3%
■ Common Stock	0.2%
■ Other Invested Assets	1.0%



Mutual of Omaha and Insurance Subsidiaries
Bond Portfolio Quality as of 12-31-11

■ NAIC 1 (Highest Quality)	57.4%
■ NAIC 2 (High Quality)	37.8%
■ NAIC 3 (Medium Quality)	4.0%
■ NAIC 4 (Lower Quality)	0.6%
■ NAIC 5 (Lowest Quality)	0.1%
■ NAIC 6 (In or Near Default)	0.1%

Limited Equity Market Exposure

From record-setting peaks to hair-raising declines, dramatic swings in the stock market over the last few years have challenged investors. Mutual of Omaha has limited exposure to the public equity markets. As a result, stock market volatility has not had a material impact on our financial position.

High Quality Bond Portfolio

Most of Mutual of Omaha's portfolio – approximately 80 percent – is invested in bonds. Our bond portfolio is very strong, with 95 percent rated as highest or high quality by the National Association of Insurance Commissioners (NAIC). We emphasize investments in those asset classes that can most effectively fund our insurance products while providing adequate risk-adjusted returns.

Highly Rated

Objective, third-party assessments offer a valuable perspective on a company's financial strength. The leading rating agencies validate and reinforce Mutual of Omaha's financial strength. We have consistently earned high marks from rating agencies such as A.M. Best, Standard & Poor's and Moody's Investors Service.

Despite the economic challenges of the past few years, Mutual of Omaha's financial strength ratings have remained strong.

In mid-2011, A.M. Best affirmed Mutual of Omaha's A+ (Superior) rating, while Standard & Poor's issued an A+ (Strong) rating and Moody's Investors Service assigned an A1 (Good) rating.

Moody's Investors Service said Mutual of Omaha's A1 rating "reflect(s) the companies' established role in supplying life insurance and fixed annuity products to the mass market and a leading position in the Medicare supplement market, as well as their excellent capitalization and good-quality investment portfolio."*

The result of in-depth research and objective analysis, these independent ratings confirm that Mutual of Omaha is strong, stable, secure and well positioned to serve your insurance and financial needs.

**A VALUABLE PERSPECTIVE ON A COMPANY'S
FINANCIAL STRENGTH.**

A.M. Best Company
For overall financial strength and ability to meet ongoing obligations to policyholders

A+ (Superior)
This rating is second highest of 16

Moody's Investors Service*
For current financial strength and ability to withstand financial stress in the future

A1 (Good)
This rating is fifth highest of 21

Standard & Poor's
For financial strength to meet obligations to policyholders

A+ (Strong)
This rating is fifth highest of 21

Ratings as of 4/2012.

*Companion Life Insurance Company is not rated by Moody's Investors Services.



Meeting Your Needs

Mutual of Omaha offers products and services that provide financial protection to help individuals, families and businesses reach their goals. With a nationwide network of sales offices, our representatives are ready to assist you in planning for your future. For more information or to locate an office near you, visit www.mutualofomaha.com

Products and Services for Individuals, Families and Small Businesses

Life Insurance

Protect your family from the financial risk associated with death or build wealth to achieve your financial goals

Medicare Supplement Insurance

Reduce out-of-pocket health care expenses with competitively priced products that work well with Medicare plans

Long-Term Care Insurance

Preserve assets and receive quality care with coverage for home health care, assisted living facilities and nursing homes

Annuities

Accumulate savings and assets or convert into guaranteed income payments for retirement

Income Protection Insurance

Protect your income with short-term, long-term and accident disability insurance

Supplemental Health Insurance

Protection from life's unforeseen events through critical illness, accidental death and cancer insurance

Investment Products

Registered representatives can help you invest wisely toward your financial goals



Products and Services for Businesses and Employers

Life Insurance

Protect your employees and their families from the financial risk associated with death

Disability Insurance

Protect employees' incomes in the event of a disabling accident or illness

Dental Insurance

Offer your employees comprehensive, affordable coverage backed by a large network

Voluntary Products

Provide a comprehensive benefits package with voluntary benefits employees can purchase through payroll deduction

Retirement Services Products

Choose from turnkey employer solutions with fiduciary support and individually managed account options to protect plan sponsors and help employees save for a financially secure future

Retirement Income Products

A range of options designed to provide employees and individuals with a steady stream of retirement income

Institutional Investment Products

Preserve capital with fixed-income investment products, including funding agreements and guaranteed investment contracts

Special Markets

Special products for specialized needs, including Youth Activities/Sports Accident coverage

OUR PRODUCTS AND SERVICES OFFER FINANCIAL PROTECTION TO HELP REACH YOUR GOALS.

Insurance products and services are offered by Mutual of Omaha Insurance Company or one of its affiliates. Each underwriting company is solely responsible for its contractual obligations. Certain benefits or features may not be available in your state. Products may have exclusions and limitations. Please consult a representative for full details. Investment products and advisory services offered through Mutual of Omaha Investor Services, Inc., a broker-dealer and registered investment adviser. Home office: Mutual of Omaha Plaza, Omaha, NE 68175-1020.

Mutual of Omaha Insurance Company, United of Omaha Life Insurance Company, United World Life Insurance Company, or any of their Medicare supplement insurance policies/certificates, are not connected with or endorsed by the U.S. Government or the federal Medicare program.

About Mutual of Omaha

Mutual of Omaha Insurance Company was chartered in 1909 and offers a diversified line of individual and group health and accident insurance products nationwide. A mutual company, its subsidiaries include:

United of Omaha Life Insurance Company was founded in 1926 and offers a diversified portfolio of life insurance, fixed annuities and other insurance and financial services products through Mutual of Omaha's agency sales force, group sales offices and independent agent networks. It is licensed nationwide except for New York.

Companion Life Insurance Company of Hauppauge, N.Y., offers a full line of individual life, annuity and group life insurance plans to residents of New York, and underwrites special risks coverages in New York. It was founded in 1949.

United World Life Insurance Company offers specialty life plans and health and accident coverage through direct marketing, Mutual of Omaha's agency sales force and independent agent networks. Founded in 1983, it is licensed nationwide except in Connecticut and New York.

Omaha Insurance Company was founded in 2006 and offers health and accident coverage through direct marketing, Mutual of Omaha's agency sales force and independent agent networks.

Mutual of Omaha Investor Services, Inc., is a registered broker-dealer that provides mutual funds directly to consumers through Mutual of Omaha's agency sales force and Retirement Plans Division.

Omaha Financial Holdings, Inc., is a holding company for Mutual of Omaha's banking operations.

Retirement Marketing Solutions, Inc., is a national wholesaling organization specializing in retirement products.

Continuum Worldwide Corporation is a leading provider of Operational Risk Management services and consulting.

STRONG. STABLE. SECURE.





Mutual of Omaha Plaza
Omaha, NE 68175
mutualofomaha.com

M26765_0312