

Security Benefit Acquires Rydex Investments

FACT SHEET

Summary

- Security Benefit to acquire Rydex Investments, a Rockville, Maryland-based investment manager
- Security Benefit, with Rydex, will offer financial advisors and investors sophisticated asset and risk management products, as well as high-quality customer service, delivered through industry-leading technology platforms
- We will seek to be a leader in serving the 75 million baby boomers as the generation retires, with a full line of investment products, from mutual funds to annuities to ETFs, that will help them transition from wealth accumulation to wealth preservation and management

Strategic Rationale

Security Benefit

- Mutual interests – aligned around clients, stewardship, long-term focus, stable/profitable growth while becoming broader, stronger, and more diverse
- Augments current investment management capabilities with the inclusion of a highly successful quantitative asset management firm with a strong brand name in the marketplace
- Broadens Security Benefit's considerable product engineering possibilities

Rydex Investments

- Gains significant resources in the form of capital, assets, a leading edge IT/Operations platform, market leading/burgeoning business process outsourcing business
- Garners Security Benefit's proven, well developed distribution platforms, for increased stability from a broader retail client base, while leveraging Security Benefit's expanding retail and institutional distribution to accelerate new business development and growth

Business Overviews



SECURITY BENEFITSM

- Financial services holding company focused on wealth accumulation and wealth management lines of business
- \$19.9B¹ AUM, 825 employees
- \$11.0B² managed within Security Global Investors, SB's asset management arm, in fixed income, domestic and global equity
- Business Process Outsourcing and third party service through its se² affiliate
- Retirement programs, mutual funds, variable and fixed annuities through its Employer and Advisor lines of business³
- Headquartered in: Topeka, KS with offices in Stamford, CT; San Francisco, and Folsom, CA; Cincinnati, OH; and White Plains, NY

Rydex Investments

Essential for modern markets[®]

- Independent investment management firm focused on bringing institutional-style investment products to the retail market
- \$15.6B AUM, 263 employees
- 58 mutual funds, including benchmark/directional products, sector funds and alternative investment products
- 25 exchange traded products, including equal weight, sector, style and currency-based ETFs
- 55 institutional products
- Full brokerage services, back office products and services offered to advisor clients
- Headquartered in: Rockville, MD

1) Security Benefit, through its subsidiaries, has \$19.9 billion in assets under management.

2) Security Global Investors refers to Security Benefit's asset management line of business, which also contains 6th Avenue Investment Management

3) Mutual fund and variable annuity products are distributed through Security Benefit broker-dealer subsidiary, Security Distributors, Inc.

Please note that any forward-looking statements made herein represent our current assessment of this potential transaction. Actual results may differ materially.