



December 12, 2016

Independence Holding Company Announces Redemption of Final Series of Its Trust Preferred Securities

STAMFORD, Conn., Dec. 12, 2016 (GLOBE NEWSWIRE) -- Independence Holding Company (NYSE:IHC) (the "Company" or "IHC") today announced that it will redeem the Junior Subordinated Debt Securities due in December 2034 this week.

Chief Executive Officer's Comments

Roy T. K. Thung, Chief Executive Officer, commented, "We have a pristine balance sheet and are pleased that, as a result of redeeming these securities, IHC will be debt free. We recently announced a 33% increase in our cash dividend from \$.09 to \$.12 per share. Since the beginning of this year, we have retired \$43 million of debt and invested \$7.3 million in investments in distribution partnerships and established website domains. Even after these redemptions of indebtedness and investments, we continue to have a great deal of liquidity. We are in the process of using a portion of our liquidity to make additional strategic investments that will further enhance distribution of our specialty benefit products. As of September 30, 2016, our book value is \$25.72 per share and our tangible book value is \$22.74 per share. Based on the market close on December 9, 2016, our stock is trading at 80% of book value per share and 91% of tangible book value per share."

Mr. Thung continued, "We are also very optimistic for the future of our specialty health division as a result of changes that we anticipate from the Trump administration. While we cannot predict the exact nature and extent of these changes, we believe that our broad and diverse portfolio of group and individual specialty benefit products (short-term medical, hospital indemnity, group limited medical and gap plans), our varied distribution (direct to consumer, career, call center, independent agents and brokerage) and our industry-leading ACT ('Agent Connectivity Tools') technology will result in accelerated growth of this segment."

About The IHC Group

Independence Holding Company (NYSE:IHC) is a holding company that is principally engaged in underwriting, administering and/or distributing group and individual specialty benefit products, including disability, supplemental health, pet, and group life insurance through its subsidiaries since 1980. The IHC Group owns three insurance companies (Standard Security Life Insurance Company of New York, Madison National Life Insurance Company, Inc. and Independence American Insurance Company), and IHC Specialty Benefits, Inc., a technology-driven insurance sales and marketing company that creates value for insurance producers, carriers and consumers (both individuals and small businesses) through a suite of proprietary tools and products (including ACA plans and small group medical stop-loss). All products are placed with highly rated carriers.

Forward-looking Statements

Certain statements and information contained in this release may be considered "forward-looking statements," such as statements relating to management's views with respect to future events and financial performance. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical experience or from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, economic conditions in the markets in which IHC operates, new federal or state governmental regulation, IHC's ability to effectively operate, integrate and leverage any past or future strategic acquisition, and other factors which can be found in IHC's other news releases and filings with the Securities and Exchange Commission. IHC expressly disclaims any duty to update its forward-looking statements unless required by applicable law.

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