

Contact: Jim Nolan
(402) 351-2944
Jim.Nolan@mutualofomaha.com
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FOR IMMEDIATE RELEASE:

Mutual of Omaha Subsidiary Completes Purchase of Security Federal Bank

OMAHA, Neb. – Omaha Financial Holdings, Inc., has completed the acquisition of Security Federal Bank, a federally chartered savings bank based in Lincoln, Neb.

The acquisition of Security Federal is the first to be completed by Omaha Financial Holdings, a subsidiary of Mutual of Omaha. It also has announced plans to acquire Nebraska State Bank in Omaha and Colorado's Peak National Bank.

The financial terms of the transaction were not disclosed.

Founded in 1927, Security Federal specializes in real estate loans and savings accounts. It has two locations in Lincoln, which will continue to operate under the Security Federal name, and one in Omaha. No changes are anticipated in the management or personnel at Security Federal.

The Security Federal acquisition is an important step in advancing Mutual of Omaha's banking strategy, providing the thrift charter that Mutual of Omaha Bank will utilize for its nationwide banking operations, said OFH President and CEO Jeff Schmid.

"Acquiring Security Federal and its thrift charter is a very significant milestone in the formation and growth of Mutual of Omaha Bank," Schmid said.

Security Federal also provides a robust lending operation and a presence in Lincoln, said Mutual of Omaha Bank President and Chief Operating Officer Mike Homa.

"With Security Federal we have acquired a well-managed bank with excellent employees and a great deal of expertise in mortgage lending, which we will extend to our other banks," Homa said. "We also intend to expand Security Federal's offerings, creating a full-service bank to better serve our Lincoln customers."

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Security Federal President Mike Fosdick will be the Lincoln market president for Mutual of Omaha Bank. “I’m excited by the potential that this acquisition unlocks for Security Federal to add products and services that will benefit our existing customers while expanding our customer base,” he said.

Mutual of Omaha formed Omaha Financial Holdings, Inc., in January of 2007 to pursue banking initiatives, including establishing a network of community banks, opening an Omaha-based bank on the Mutual of Omaha campus and launching a full-service internet bank.

Mutual of Omaha is a full-service, multi-line organization providing insurance and financial products for individuals, businesses and groups throughout the United States. For more information about Mutual of Omaha, visit www.mutualofomaha.com