



The Insurance Information Source

NEWS RELEASE

A.M. BEST COMPANY, OLDWICK, NJ • A.M. BEST INTERNATIONAL, LONDON

A.M. BEST EUROPE, LONDON • A.M. BEST ASIA-PACIFIC, HONG KONG

<http://www.ambest.com>

FOR IMMEDIATE RELEASE

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A.M. Best Revises St. Paul Companies' Under Review Implications

Ratings Supplement

The financial strength ratings of A (Excellent) for the following property/casualty subsidiaries of St. Paul Companies, Inc. have had the implication of their under review status changed from positive to developing:

- **St. Paul Fire & Marine Insurance Company**
- **St. Paul Surplus Lines Insurance Company**
- **Athena Assurance Company**
- **Seaboard Surety Company**
- **St. Paul Medical Liability Insurance Company**
- **St. Paul Protective Insurance Company**
- **Discover Property and Casualty Insurance Company**
- **Discover Specialty Insurance Company**
- **St. Paul Reinsurance Company Ltd.**
- **United States Fidelity and Guaranty Company**
- **Fidelity and Guaranty Insurance Company**
- **Fidelity and Guaranty Insurance Underwriters, Inc.**
- **GeoVera Insurance Company**
- **Pacific Select Property Insurance Company**
- **St. Paul Fire and Casualty Insurance Company**
- **St. Paul Guardian Insurance Company**
- **St. Paul Insurance Company of North Dakota**
- **St. Paul Mercury Insurance Company**
- **USF&G Insurance Company of Mississippi**
- **USF&G Specialty Insurance Company**

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The financial strength rating of A- (Excellent) for **Discover Reinsurance Company** has had the implication of its under review status changed from positive to developing.

The financial strength rating of A (Excellent) remains unaffected for **St. Paul Guarantee Insurance Company**.

The following debt ratings have had the implication of their under review status changed from positive to developing:

St. Paul Companies, Inc.—

- “bbb+” on \$442.8 million of 5.25% senior unsecured notes (equity units), due 2007
- “bbb+” on \$500 million of 5.75% senior notes, due 2007
- “bbb+” on \$250 million of 7.875% senior notes, due 2005
- “bbb+” on \$250 million of 8.125% senior notes, due 2010
- “bbb+” on \$80 million of 7.125% senior notes, due 2005
- “bbb+” on the medium-term note
- “bbb” on \$245 million of zero coupon convertible subordinated notes, due 2009
- AMB-2 on commercial paper

MMI Capital Trust I—(guaranteed by St. Paul Companies, Inc.)

- “bbb-” on \$125 million 7.625% preferred capital securities, due 2027

USF&G Capital I—(guaranteed by St. Paul Companies, Inc.)

- “bbb-” on \$100 million 8.5% Series A capital securities, due 2045

USF&G Capital II—(guaranteed by St. Paul Companies, Inc.)

- “bbb-” on \$100 million 8.47% Series B capital securities, due 2027

USF&G Capital III—(guaranteed by St. Paul Companies, Inc.)

- “bbb-” on \$100 million 8.312% Series C capital securities, due 2046

St. Paul Capital Trust I—

- “bbb-” on \$575 million 7.6% preferred capital securities, due 2050

The following indicative ratings under the shelf registration have had the implication of their under review rating status changed from positive to developing:

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St. Paul Companies, Inc.—

- “bbb+” on senior debt
- “bbb” on subordinated debt
- “bbb-” on preferred stock

St. Paul Capital Trust II—

- “bbb-” on preferred securities

A.M. Best Co., established in 1899, is the world’s oldest and most authoritative insurance rating and information source. For more information, visit A.M. Best’s Web site at www.ambest.com.

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