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A.M. BEST ASIA-PACIFIC, HONG KONG
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FOR IMMEDIATE RELEASE

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A.M. Best Takes Various Rating Actions on Unitrin Inc. and Its Subsidiaries

Ratings Supplement

The FSRs of A (Excellent) have been affirmed and ICRs of “a” have been assigned to Unitrin Property and Casualty Insurance Group and its following members. The FSR outlook has been revised to stable from negative, and the ICRs have been assigned a stable outlook.

- **Trinity Universal Insurance Company**
- **Alpha Property & Casualty Insurance Company**
- **Charter Indemnity Company**
- **Financial Indemnity Company**
- **Kemper Independence Insurance Company**
- **Milwaukee Casualty Insurance Company**
- **Milwaukee Insurance Company**
- **Milwaukee Safeguard Insurance Company**
- **Security National Insurance Company**
- **Trinity Lloyds Insurance Company**
- **Trinity Universal Insurance Company of Kansas, Inc.**
- **Union National Fire Insurance Company**
- **United Casualty Insurance Company of America**
- **Unitrin Advantage Insurance Company**
- **Unitrin Auto and Home Insurance Company**
- **Unitrin County Mutual Insurance Company**
- **Unitrin Direct Insurance Company**
- **Unitrin Direct Property & Casualty Company**
- **Unitrin Preferred Insurance Company**
- **Valley Insurance Company**
- **Valley Property & Casualty Insurance Company**

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The FSR of A (Excellent) has been affirmed and ICRs of “a” have been assigned to the following life/health subsidiaries of Unitrin, Inc. The FSR outlook has been revised to stable from negative, and the ICRs have been assigned a stable outlook.

- **United Insurance Company of America**
- **The Reliable Life Insurance Company**
- **Union National Life Insurance Company**

The FSR of A- (Excellent) has been affirmed and the ICR of “a-” has been assigned with a stable outlook to the Unitrin, Inc. life/health subsidiary, **Reserve National Insurance Company**.

The ICR of “bbb” has been affirmed for **Unitrin, Inc.**, and the outlook has been revised to stable from negative.

The FSRs of B++ (Very Good) have been upgraded to A (Excellent) and ICRs of “a” have been assigned with a stable outlook to **Old Reliable Casualty Company** and **Capitol County Mutual Fire Insurance Company**.

The following debt ratings have been affirmed, and the outlook has been revised to stable from negative:

Unitrin, Inc.—

- “bbb” on \$300 million 5.75% senior unsecured notes, due 2007
- “bbb” on \$200 million 4.875% senior unsecured notes, due 2010

The following indicative ratings have been assigned with a stable outlook to the \$300 million shelf registration:

Unitrin, Inc.—

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

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