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# NEWS RELEASE

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

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<http://www.ambest.com>

**FOR IMMEDIATE RELEASE**

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**A.M. Best Upgrades All Debt Ratings and  
Affirms and Upgrades Financial Strength Ratings of PacifiCare**

**Ratings Supplement**

The following debt ratings of PacifiCare Health Systems, Inc. have been upgraded with a stable outlook:

**PacifiCare Health Systems Inc.—**

- to “bbb-” from “bb+” on \$325 million 10.75% senior unsecured notes, due 2009
- to “bb+” from “bb” on \$135 million 3.0% convertible subordinated notes, due 2032

The following indicative debt ratings under the \$600 million shelf registration have been upgraded with a stable outlook:

**PacifiCare Health Systems Inc.—**

- to “bbb-” from “bb+” on senior unsecured
- to “bb+” from “bb” on subordinated
- to “bb” from “b+” on preferred stock

The financial strength ratings have been upgraded to A- (Excellent) with a stable outlook for the following subsidiaries of PacifiCare Health Systems, Inc.:

- **PacifiCare Life and Health Insurance Company**
- **PacifiCare of California, Inc.**

The financial strength rating has been upgraded to B++ (Very Good) with a stable outlook for **PacifiCare of Texas, Inc.**

—MORE—



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The financial strength ratings of B++ (Very Good) have been affirmed with a stable outlook for the following subsidiaries of PacifiCare Health Systems, Inc.:

- **PacifiCare Life Assurance Company**
- **PacifiCare of Arizona, Inc.**
- **PacifiCare of Colorado, Inc.**
- **PacifiCare of Nevada, Inc.**
- **PacifiCare of Oklahoma, Inc.**
- **PacifiCare of Oregon, Inc.**
- **PacifiCare of Washington**
- **PacifiCare Behavioral Health of California, Inc.**
- **PacifiCare Dental**

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