



NEWS RELEASE

A.M. BEST COMPANY, INC., OLDWICK, NJ • A.M. BEST EUROPE, LTD., LONDON
A.M. BEST ASIA-PACIFIC, LTD., HONG KONG

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CONTACTS: Analysts

Robert DeRose—P/C
(908) 439-2200, ext. 5453
robert.derose@ambest.com

William Pargeans—L/H
(908) 439-2200, ext. 5359
william.pargeans@ambest.com

Public Relations

Jim Peavy
(908) 439-2200, ext. 5644
james.peavy@ambest.com

Rachelle Morrow
(908) 439-2200, ext. 5378
rachelle.morrow@ambest.com

A.M. Best Assigns Negative Outlook to Ratings of XL Capital Ltd and Its Subsidiaries

Ratings Supplement

The FSR of A+ (Superior) and the ICRs of “aa-” outlook has been revised to negative from stable for **XL Capital Group** and its following members:

- **XL Re Ltd**
- **Indian Harbor Insurance Company**
- **Greenwich Insurance Company**
- **XL Insurance Company of New York, Inc.**
- **XL Insurance America, Inc.**
- **XL Select Insurance Company**
- **XL Reinsurance America Inc.**
- **XL Specialty Insurance Company**
- **XL Insurance (Bermuda) Ltd**
- **XL Re Latin America Ltd**
- **XL Insurance Company Limited**
- **XL Europe Limited**
- **XL Re Europe Limited**
- **XL Lloyds Insurance Company**
- **XL Life Ltd.**

The ICR of “a-” outlook has been revised to negative from stable for **XL Capital Ltd.**

The ICR of “a” outlook has been revised to negative from stable for **XLLIAC Global**

Funding.

The following debt ratings’ outlook has been revised to negative from stable:

XL Capital Ltd—

-- “a-” on \$255 million 6.58% senior unsecured notes, due 2011

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- “a-” on \$600 million 5.25% senior unsecured notes, due 2014
- “a-” on \$745 million 7.0% adjustable conversion rate equity security units, due 2009
- “a-” on \$350 million 6.375% senior unsecured bonds, due 2024
- “a-” on \$325 million 6.3% senior unsecured notes, due 2027
- “bbb” on \$1.0 billion Series E 6.5% non-cumulative preference shares, redeemable 2017

XL Capital Finance (Europe) plc (guaranteed by XL Capital Ltd)—

- “a-” on \$600 million 6.5% senior notes, due 2012

Mangrove Bay Pass Through Trust—

- “bbb” on \$500 million 6.102% preferred shares, redeemable 2033

XLLIAC Global Funding —

- “a” on series 2005-2 \$200 million floating rate secured notes, due 2008
- “a” on \$350 million 4.8% fixed rate medium-term notes due 2010
- “a” on \$100 million floating rate secured notes, due 2010

The following indicative ratings on shelf securities outlook has been revised to negative from stable:

XL Capital Ltd—

- “a-” on senior unsecured
- “bbb+” on subordinated
- “bbb” on preferred stock

XL Capital Finance (Europe) plc (guaranteed by XL Capital Ltd)—

- “a-” on senior unsecured

XL Capital Trust I, II & III (guaranteed by XL Capital Ltd)—

- “bbb+” on preferred securities

The FSR of A (Excellent) and ICRs of “a” outlook has been revised to negative from stable for **XL Re Life America Inc.** and **XL Life Insurance and Annuity Co.**

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