



The Insurance Information Source

NEWS RELEASE

A.M. BEST COMPANY, OLDWICK, NJ
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FOR IMMEDIATE RELEASE

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A.M. Best Affirms Financial Strength Ratings of SAFECO's Operating Subsidiaries; Affirms Debt Ratings of SAFECO Corporation

Ratings Supplement

The financial strength rating of A (Excellent) has been affirmed for the following property/casualty pool members of SAFECO Insurance Companies. The rating outlook has been changed to stable from negative.

- **American Economy Insurance Company**
- **American States Insurance Company**
- **American States Insurance Co. of TX**
- **American States Lloyds Insurance Company**
- **American States Preferred Insurance Co**
- **First National Insurance Co of America**
- **General Insurance Company of America**
- **SAFECO Insurance Company of America**
- **SAFECO Insurance Company of Illinois**
- **SAFECO Insurance Company of Indiana**
- **SAFECO Insurance Company of Oregon**
- **SAFECO Lloyds Insurance Company**
- **SAFECO National Insurance Company**
- **SAFECO Surplus Lines Insurance Company**

The financial strength ratings of A (Excellent) have been affirmed for the following life/health subsidiaries of SAFECO Corporation. The rating outlook is stable.

- **American States Life Insurance Company**
- **First SAFECO National Life Ins Co of NY**

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- **SAFECO Life Insurance Company**

The following existing debt ratings have been affirmed. The outlook for the ratings has been changed to stable from negative.

SAFECO Corporation—

- “bbb+” rating on \$300 million 7.875% senior unsecured notes, due March 2003
- “bbb+” rating on \$200 million 7.875% senior unsecured notes, due April 2005
- “bbb+” rating on \$200 million 6.875% senior unsecured notes, due July 2007
- “bbb+” rating on \$375 million 7.25% senior unsecured notes, due Sept. 2012

SAFECO Capital Trust I—

- “bbb” rating on \$850 million 8.07% capital securities, backed by junior subordinated debentures, due July 2037

The following indicative ratings relating to SAFECO’s shelf registration have been affirmed:

SAFECO Corporation—

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

The following rating has been withdrawn:

SAFECO Corporation—

- AMB-2 commercial paper rating

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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