

Press Release

Standard and Poor's Upgrades Fireman's Fund Insurance Company Rating to AA-

NOVATO, Calif. (Oct. 9, 2008) – Standard and Poor's (S&P) Ratings Services today raised its rating for Fireman's Fund Insurance Company from 'A+' to 'AA-.' The upgrade comes just one year after S&P upgraded the company from an 'A' to 'A+'.

S&P noted that the upgrade reflects its enhanced view of the strategic position of Fireman's Fund to its parent, the higher-rated Allianz SE.

"We are pleased S&P has recognized our excellent financial strength and stability, especially given the current overall economic climate," said Mike LaRocco, president and chief executive officer of Fireman's Fund. "We believe we are well-positioned for the future and are taking steps to further grow our business profitably."

Major rating factors according to S&P include:

- "Fireman's Fund, with total assets of \$11.4 billion as of June 30, 2008, maintains a strong and somewhat unique business profile. The insurer offers differentiated and specialized commercial insurance offerings, as well as customized personal insurance (auto/home/valuable articles) solutions for the affluent marketplace. In addition, Fireman's Fund is also a leading crop reinsurer in the U.S."
- "The company's balance sheet has been strengthened in recent years. The insurer eliminated all surplus relief reinsurance in 2005, and paid all remaining intercompany promissory notes back to its parent as a dividend in 2006. Both actions significantly improved the quality of the capital base."
- "Fireman's Fund maintains a strong enterprise risk management framework in conjunction with parent Allianz SE which aims to optimize earnings and maintain strong capital strength."

The rating outlook is negative based primarily on factors facing the insurance sector, commodity pricing and the economy overall.

More information can be found at www.standardandpoors.com.

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(Page 2: Fireman's Fund Insurance Co.)

About Fireman's Fund

Fireman's Fund Insurance Company is a premier property and casualty insurance company providing personal, commercial and specialty insurance products nationwide. It is rated AA- by Standard & Poor's Rating Services. Fireman's Fund is a member of the Allianz Group (NYSE: AZ), one of the world's largest providers of insurance and financial services. For additional information, visit www.firemansfund.com.

Cautionary Note Regarding Forward-Looking Statements: The statements contained herein may include statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, the words "may", "will", "should", "expects", "plans", "intends", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, including in particular economic conditions in the Allianz Group's core business and core markets, (ii) performance of financial markets, including emerging markets, (iii) the frequency and severity of insured loss events, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (ix) changing levels of competition, (x) changes in laws and regulations, including monetary convergence and the European Monetary Union, (xi) changes in the policies of central banks and/or foreign governments, (xii) the impact of acquisitions, including related integration issues, (xiii) reorganization measures and (xiv) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences. The matters discussed herein may also be affected by risks and uncertainties described from time to time in Allianz SE's filing with the U.S. Securities and Exchange Commission. The Company assumes no obligation to update any forward-looking statement.

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