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Press Release

Standard and Poor's Upgrades Fireman's Fund Insurance Company Rating to A+

NOVATO, Calif. (Oct. 4, 2007) – Standard and Poor's (S&P) Ratings Services has raised its rating for Fireman's Fund Insurance Company from 'A' to 'A+', giving the company a "positive outlook."

S&P noted that the upgrade "reflects the insurer's significant progress in strengthening its stand-alone competitive position, operating performance and balance sheet strength, while improving overall risk management in close conjunction with its ultimate parent Allianz SE."

S&P further reported that "the positive outlook reflects the potential for the insurer to achieve further integration and success with Allianz Group and its North American affiliates with regards to enterprise risk management as well as shared services and expense synergies."

"We are pleased S&P has recognized the significant progress we've made in our strategy to drive synergies between Fireman's Fund and Allianz Life Insurance Company," said Jan Carendi, the Allianz SE board member who oversees all North American insurance operations. "We will continue to look for opportunities between these two companies to work more closely together."

"It is very gratifying to have S&P identify our underwriting discipline and overall strategy as improvements to the company," said Chuck Kavitsky, chief executive of Fireman's Fund. "It is a testament to the hard work of our employees."

Major rating factors as reported by S&P include:

- Fireman's Fund, with total assets of \$12.1 billion as of June 30, 2007, has worked methodically to strengthen its competitive position in recent years. It has improved and continues to improve its sales and service effectiveness.

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- Fireman's Fund operating performance has demonstrated continuous improvement, which is attributable to stronger underwriting capability and management attention to expense control into a softening pricing environment.
- Fireman's Fund has taken several steps to strengthen its balance sheet. Specifically, it has eliminated all surplus relief reinsurance in 2005. It also completed dividending all inter-company promissory notes back to its parent in 2006. Both actions significantly improved the quality of the insurer's capital base.
- Fireman's Fund continues to improve its risk evaluation, selection and control. Today a risk management framework exists in close conjunction with parent Allianz SE that aims to sustain strong earnings, minimize earnings volatility and maintain strong capital strength.

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

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. 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.

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