



www.texasmutual.com

For more information, contact Terry Frakes, senior vice president of public affairs, at (512) 224-3855.

NEWS RELEASE: July 25, 2008

Texas Mutual Pays \$150M in Dividends

AUSTIN— Texas Mutual Insurance Company began distributing nearly \$150 million in policyholder dividends today. About 38,000 policyholders will receive a dividend based on their premium size, loss ratio and history with Texas Mutual.

“Affordable workers’ compensation insurance is a key element in sustaining Texas’ healthy economy,” said Richard A. Cooper, chairman of the Texas Mutual board of directors. “These generous dividends reward policyholders who share our commitment to preventing workplace accidents and controlling claim costs. “Together with Texas Mutual’s competitive pricing and exemplary service, they demonstrate our commitment to helping build a stronger Texas.”

The dividend plan, the largest in the company’s history, includes a \$75 million special dividend in recognition of the company’s excellent financial results in 2007.

Texas Mutual Insurance Company has declared more than \$595 million in individual policyholder dividends since 1999. In addition, the company has declared about \$42 million in dividends to members of its group purchase programs.

“Texas Mutual continues to pursue initiatives that will help better serve Texas businesses in the future,” added Cooper. “We are committed to working with our policyholders, the independent agent community, the Governor, state leadership and the Legislature to strengthen the products and services we bring to support growth of Texas businesses.”

Texas Mutual Insurance Company is the state’s leading provider of workers’ compensation insurance, with offices in Austin, Dallas, Houston and Lubbock. The company notes that past dividends are not a guarantee of future dividends, and the Texas Department of Insurance must approve all dividends before distribution. For more information about dividends, visit the News and Publications section at texasmutual.com.

###

For more information, contact Terry Frakes, senior vice president of public affairs, at (512) 224-3855.

-END-

For more information, contact Terry Frakes, senior vice president of public affairs, at (512) 224-3855.