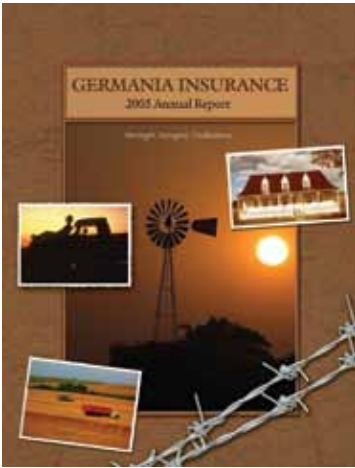


Germania Insurance Company: *Excerpts from Annual Report*



Strength. Integrity. Dedication.

Leveraging our Corporate Values

This year, Germania continued to utilize the qualities that have made the company successful since 1896 – strength, integrity and dedication to service. Our financial strength and integrity in the insurance market served us well during an extremely competitive year. Our dedication to service was evident in our response to our members’ claims during the worst catastrophe in Association history. Even with Hurricane Rita, we experienced another year of positive results.

Our Strategic Plan theme for the year was, “Focusing on Exceptional Service, Financial Strength and Strategic Growth – Our Formula for Success.” That formula guided Germania during the year’s many achievements. The Germania Group proactively worked to streamline the business process for agents and policyholders, further extending our reputation for outstanding service. As a team, we responded quickly to more than 5,000 claims following the unprecedented devastation of Hurricane Rita in September. The company maintained its “A” (Excellent) rating from A.M. Best and was named once again to the Ward’s 50 Benchmark Group.

Our accomplishments could only be made possible through the hard work and dedication of our extended Germania family – our directors, agents, employees, reinsurers and business partners. To each of you, I want to express our appreciation for another outstanding year. These loyal, long-term relationships have always been a critical success factor for Germania.

Together, we have leveraged our corporate values of strength, integrity, and dedication to service to expand our success and continue to earn the trust of our fellow Texans. All of us at Germania look forward to positive results in the coming year.