



# News Release

## American National Insurance Company, Galveston, Texas

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For Immediate Release

### **AMERICAN NATIONAL ANNOUNCES FIRST QUARTER 2007 RESULTS**

*Galveston, Texas – April 23, 2007* - American National Insurance Company (Nasdaq: ANAT) announced first quarter 2007 net income of \$49,202,000 (\$1.85 per diluted share) compared to \$56,202,000 (\$2.11 per diluted share) for the same period in 2006.

After tax net gain from operations for the first quarter was \$50,783,000 (\$1.91 per diluted share) compared with \$48,674,000 (\$1.83 per diluted share) for the same period in 2006, an increase of 4.3%. After tax net gain from operations excludes after tax net realized investment gains and losses.

After-tax net realized investment losses were \$1,581,000 (\$0.06 per diluted share) for the first quarter of 2007 compared with after-tax net realized gains of \$7,528,000 (\$0.28 per diluted share) for the same period in 2006.

### OPERATIONS

Total revenue for first quarter 2007 was \$747,671,000, compared with the \$748,817,000 total reported for the first quarter of 2006. The decrease in realized investment gains was the primary reason for the decrease in revenue. Total assets increased over 1% in the first quarter, reaching a total of \$18,136,273,000. Stockholders' equity as of March 31, 2007 also increased over 1% from the amount at December 31, 2006 to a total of \$3,613,639,000 (\$135.76 per diluted share).

Life insurance and annuity sales increased significantly in the first quarter of 2007. Policyholder deposits on interest sensitive products, both life insurance and annuities, totaled \$344,500,000 for the three months ended March 31, 2007, an increase of 37% from the same period in 2006. Earned premium from life insurance and annuities for the first quarter of 2007 increased 31% from the same period in 2006, to a total of \$130,080,000.

# American National Insurance Company

## COMPARATIVE OPERATIONAL HIGHLIGHTS

Compiled on a GAAP basis (Unaudited)

	Quarter Ended March 31,	
	<u>2007</u>	<u>2006</u>
Revenues	\$ 747,671,000	\$ 748,817,000
After-tax earnings:		
Operating earnings *	\$ 50,783,000	\$ 48,674,000
Realized investment gains (losses)	\$ (1,581,000)	\$ 7,528,000
Net income	\$ 49,202,000	\$ 56,202,000
Per share earnings:		
Operating earnings *	\$ 1.91	\$ 1.83
Realized investment gains (losses)	\$ (0.06)	\$ 0.28
Net income – Diluted	\$ 1.85	\$ 2.11
Net income – Basic	\$ 1.86	\$ 2.12
Weighted average number of shares Upon which computations are based:		
Diluted	26,618,610	26,595,416
Basic	26,479,832	26,479,832

	<u>March 31, 2007</u>	<u>December 31, 2006</u>
Book value per diluted share	\$ 135.76	\$ 134.36

\* Operating earnings exclude after-tax realized investment gains. The sum of Operating earnings and Realized investment gains (losses) is equal to Net income.

American National Insurance Company is headquartered in Galveston, Texas. American National has over \$18.1 billion in assets and is rated A+ (Superior) by A.M. Best Company, and AA (Very Strong) by Standard & Poor's. The American National family of companies offers a broad line of products and services, which include life insurance, annuities, health insurance, credit insurance, pension plan services and property and casualty insurance for personal lines, agribusiness, and targeted commercial exposures. American National's major insurance subsidiaries include American National Life Insurance Company of Texas, Standard Life and Accident Insurance Company, Garden State Life Insurance Company, American National Property and Casualty Company, American National de Mexico, Compania de Seguros de Vida, S.A. de C.V. and the insurance subsidiaries of Farm Family Holdings, Inc. consisting of Farm Family Life Insurance Company, Farm Family Casualty Insurance Company, and United Farm Family Insurance Company.

For more information, including company news and investor relations information, visit the company's web site at [www.anico.com](http://www.anico.com).

The statements contained in this release that are not historical statements, including statements regarding future performance, plans and projections, are forward-looking statements based on management's current expectations. These statements involve certain risks and uncertainties detailed in the Company's financial statements. Actual results may differ materially from these statements due to changes in business, regulatory, competitive, market, economic, and political factors that are beyond our control. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

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