



News Release

American National Insurance Company, Galveston, Texas

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For Immediate Release

AMERICAN NATIONAL ANNOUNCES FOURTH QUARTER 2008 RESULTS

Galveston, Texas – February 20, 2009- American National Insurance Company (Nasdaq: ANAT) announced a fourth quarter 2008 net loss of \$34,564,000, compared to net income of \$53,332,000 for the same period in 2007. Other-than-temporary impairments of security investments totaling \$60,277,000 after tax were the primary reason for the loss in earnings.

After tax operating earnings for the fourth quarter were a gain of \$43,911,000, compared with a gain of \$48,746,000 for the same period in 2007. After tax operating earnings exclude after tax net realized investment gains and losses.

After tax net realized investment losses were \$78,475,000 for the fourth quarter of 2008, compared with after tax net realized investment gains of \$4,586,000 for the same period in 2007.

YEAR-TO-DATE RESULTS

The net loss for the twelve months ended December 31, 2008 totaled \$123,507,000, compared to net income of \$240,773,000 for the twelve months ended December 31, 2007. The after tax operating earnings for the twelve months totaled \$92,704,000, compared to \$214,105,000 for the same period in 2007. After tax operating earnings exclude after tax net realized investment gains and losses, which totaled a net realized loss of \$216,211,000 for the twelve months of 2008, compared to a net realized gain of \$26,668,000 in the same period of 2007. The net realized investment losses in 2008 included \$211,257,000 of after tax other-than-temporary impairments on security investments.

OPERATIONS

Total revenues and pre-tax earnings were impacted by \$93 million for the fourth quarter and \$325 million for the full year, of other-than-temporary impairments on security investments. Despite these impairments required by GAAP accounting, Stockholders' Equity was \$3,133,856,000 at the end of 2008. This equates to a GAAP book value per share of \$118.35. American National remains financially strong with assets equal to more than 120% of those required to support the company's liabilities.

After tax operating earnings for the year were impacted heavily by a \$92 million decrease in earnings of the Property and Casualty subsidiaries. The decrease was primarily a result of significant catastrophe losses from the record setting year of spring storms across the Midwest and Hurricanes Gustav and Ike.

While earnings have been negatively impacted by the volatile economic and weather conditions, sales of deferred annuities increased significantly in 2008. Total policyholder deposits, for life and annuities, increased 64% to a total of \$2.0 billion, from \$1.2 billion in 2007. Life insurance in force grew to a total of \$70 billion as of December 31, 2008, which is an increase of 1.7% from December 31, 2007. Total assets as of December 31, 2008 were \$18.3 billion compared to \$18.4 billion as of December 31, 2007.

The operating results of the Mexico operations did not reach our objectives and, therefore, the Mexican subsidiaries were sold. The sale was completed during the fourth quarter of 2008.

The difficult financial environment has increased the actual and potential impairments of bonds and stocks as required by GAAP accounting. However, due to American National's conservative approach to managing its

investment portfolio and the strong financial position of the company as evidenced by the Stockholder Equity figures given above, we remain confident in the continuing strength of American National Insurance Company.

American National Insurance Company
COMPARATIVE OPERATIONAL HIGHLIGHTS
 Compiled on a GAAP basis (**Unaudited**)*

	Quarter Ended December 31,		Twelve Months Ended December 31,	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenues	\$ 589,132,000	\$ 727,519,000	\$ 2,573,830,000	\$ 3,065,635,000
After-tax earnings:				
Operating earnings **	\$ 43,911,000	\$ 48,746,000	\$ 92,704,000	\$ 214,105,000
Net realized investment (losses) gains	\$ (78,475,000)	\$ 4,586,000	\$ (216,211,000)	\$ 26,668,000
Net (loss) income	\$ (34,564,000)	\$ 53,332,000	\$ (123,507,000)	\$ 240,773,000
Per share earnings:				
Operating earnings **	\$ 1.65	\$ 1.84	\$ 3.51	\$ 8.08
Net realized investment (losses) gains	\$ (2.96)	\$ 0.17	\$ (8.17)	\$ 1.01
Net (loss) income – Basic	\$ (1.31)	\$ 2.01	\$ (4.66)	\$ 9.09
Weighted average number of shares upon which computations are based:				
Basic	26,479,832	26,479,832	26,479,832	26,479,832

	As of	
	<u>December 31, 2008</u>	<u>December 31, 2007</u>
Book value per basic share	\$ 118.35	\$ 141.12

* Results are preliminary and unaudited. American National expects to issue its audited consolidated financial statements in March.

** Operating earnings exclude after-tax realized investment gains and losses. 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 \$18.2 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, 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.

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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