UNITRIN

News Release

Source: Unitrin, Inc.

Unitrin, Inc. Reports Third Quarter Results

Monday, November 3, 2008

CHICAGO – (Business Wire)—November 3, 2008 – Unitrin, Inc. (NYSE: UTR – News) reported today a loss from continuing operations of $43.7 million ($0.70 per common share) for the third quarter of 2008, compared to income from continuing operations of $57.6 million ($0.89 per common share) for the third quarter of 2007. Unitrin reported a net loss, including discontinued operations, of $39.3 million ($0.63 per common share) for the third quarter of 2008, compared to net income of $64.3 million ($0.99 per common share) for the third quarter of 2007.

Don Southwell, Unitrin's President and Chief Executive Officer, commented, "Our third quarter results were impacted by catastrophe losses and net losses from the sales and write-downs of investments. Catastrophe losses from continuing operations were $83.1 million before tax for the third quarter of 2008, compared to $7.3 million for the third quarter of 2007. Catastrophe losses for the third quarter of 2008 include losses of $70.5 million from Hurricanes Dolly, Gustav and Ike. We recognized net realized investment losses of $44.6 million for the third quarter of 2008, compared to net realized investment gains of $12.5 million for the third quarter of 2007."

Mr. Southwell further commented, "Today we have adequate capital at our subsidiaries to operate our businesses, approximately $165 million of investments at the parent company level and we have $311 million of undrawn capacity in our revolving credit facility.

While the capital markets have changed dramatically since the end of the third quarter, we have at the same time substantially reduced our equity investment risk. During the third quarter, we had already sold 2.3 million shares of our stake in Northrop generating $162 million in pre-tax cash proceeds. In October, we sold an additional 4.0 million shares generating $177 million in additional pre-tax cash proceeds, which leaves us with a balance of 2.2 million shares. In October, we also sold other equity securities generating $221 million in pre-tax cash proceeds. We do not participate in securities lending programs. We have little direct investment exposure to subprime residential mortgage-backed securities, "Alt–A" investments, commercial mortgage-backed securities, collateralized debt obligations, credit derivatives, enhanced money market funds, or commercial paper investments. We have not written credit default swaps nor do we write investment-based life insurance products.

In addition to reducing investment risk, we made several changes to reduce operating risk. We have discontinued the sale of dwelling policies by our life and health insurance segment's career agents. We have slowed marketing expenditures and reduced staff at Unitrin Direct which should both improve short-term results and give us the opportunity to adequately price the Unitrin Direct book of business. We are also exploring strategic alternatives associated with Fireside Bank."

Shareholders' Equity

Shareholders' equity decreased by $246.4 million during the third quarter of 2008 and was $1,798.6 million at September 30, 2008. Total comprehensive loss, which includes the unrealized decline in the value of investments, was $206.0 million for the three months ended September 30, 2008. Dividends and repurchases of the Company's common stock reduced shareholders' equity by $29.4 million and $11.6 million, respectively, during the third quarter of 2008.

Total Revenues

Total revenues were $688.9 million for the third quarter of 2008, compared to $735.4 million for the third quarter of 2007. Total revenues decreased due primarily to net realized investment losses and lower automobile finance revenues, partially offset by higher earned premiums.

Earned premiums were $599.5 million and $579.9 million for the third quarter of 2008 and 2007, respectively, an increase of $19.6 million. Earned premiums increased primarily in the Unitrin Specialty segment, with the Kemper, Unitrin Direct and Life and Health Insurance segments each posting modest increases. Automobile finance revenues in the Fireside Bank segment decreased by $6.4 million for the third quarter of 2008, compared to the same period in 2007.

Net investment income decreased by $3.3 million for the third quarter of 2008, compared to the same period in 2007, due primarily to lower net investment income from certain investments in limited liability investment companies and limited partnerships which the Company accounts for under the equity method of accounting. The Company reported a net investment loss of $0.9 million from its investments in limited liability investment companies and limited partnerships for the third quarter of 2008, compared to net investment income of $6.4 million for the same period in 2007. Each of the Company's insurance segments reported lower net investment income as a result of these investments.

Net realized investment losses were $44.6 million for the third quarter of 2008, compared to net realized investment gains of $12.5 million for the same period in 2007. Net realized investment losses for the third quarter of 2008 and 2007 included pretax losses of $72.1 million and $7.0 million, respectively, resulting from other-than-temporary declines in the fair values of investments. The Company recognized net realized investment gains on sales of investments of $27.5 million in the third quarter of 2008, compared to $19.5 million in 2007. (*See* "Net Realized Investment Gains (Losses)" below for additional information.) The Company cannot anticipate when or if similar net investment gains and losses may occur in the future.

Quarterly Segment Results

Unitrin is engaged, through its subsidiaries, in the property and casualty insurance, life and health insurance and automobile finance businesses. The Company conducts its continuing operations through five operating segments: Kemper, Unitrin Specialty, Unitrin Direct, Life and Health Insurance and Fireside Bank.

NOTE: *The Company uses the registered trademark, "Kemper," under license, for personal lines insurance only, from Lumbermens Mutual Casualty Company ("Lumbermens"), which is not affiliated with the Company. Lumbermens continues to use the name, "Kemper Insurance Companies," in connection with its operations, which are distinct from, and not to be confused with, Unitrin's Kemper business segment.*

Kemper

Earned premiums in the Kemper segment increased by $2.4 million for the third quarter of 2008, compared to the same period in 2007, due primarily to higher average premium rates and higher volume on homeowners insurance and higher volume of other personal lines insurance, partially offset by lower average premium rates on automobile insurance.

Kemper reported an operating loss of $21.5 million for the third quarter of 2008, compared to operating profit of $35.0 million for the same period in 2007. Operating results decreased due primarily to higher incurred losses and loss adjustment expenses (LAE). Incurred losses and LAE increased due primarily to higher catastrophe losses and LAE from Hurricanes Dolly, Gustav, and Ike.

Unitrin Specialty

Earned premiums in the Unitrin Specialty segment increased by $11.9 million for the third quarter of 2008, compared to the same period in 2007, due primarily to higher volume of personal automobile insurance, partially offset by lower volume of commercial automobile insurance. Operating profit in the Unitrin Specialty segment decreased by $4.6 million for the third quarter of 2008, compared to the same period in 2007, due primarily to higher incurred losses and LAE and lower net investment income.

Unitrin Direct

Earned premiums in the Unitrin Direct segment increased by $2.4 million for the third quarter of 2008, compared to the same period in 2007, due primarily to higher volume of insurance. The Unitrin Direct segment reported an operating loss of $13.3 million for the third quarter of 2008, compared to an operating loss of $7.3 million for the same period in 2007. Unitrin Direct's operating loss increased due primarily to higher incurred losses and LAE and higher insurance expenses.

Life and Health Insurance

Earned premiums in the Life and Health Insurance segment increased by $2.9 million for the third quarter of 2008, compared to the same period in 2007. Earned premiums included $12.6 million resulting from the acquisition of Primesco, Inc. ("Primesco"). Primesco was acquired on April 1, 2008 and its results of operations are included in the Company's results of operations from the date of acquisition. Excluding the impact of the Primesco acquisition, earned premiums decreased by $9.7 million for the third quarter of 2008, compared to the same period in 2007, due primarily to lower volume, partially offset by higher average premium rates on accident and health insurance products.

Operating profit in the Life and Health Insurance segment decreased by $36.4 million for the third quarter of 2008, compared to the same period in 2007, due primarily to higher catastrophe losses on the property insurance sold by the Life and Health Insurance segment's career agents. Catastrophe losses were $30.5 million for third quarter of 2008, compared to $4.6 million for the third quarter of 2007. Catastrophe losses for the third quarter of 2008 included $22.7 million, net of reinsurance, from Hurricanes Dolly, Gustav and Ike. Operating profit in the third quarter of 2008 included $1.5 million operating profit from the Primesco acquisition.

Fireside Bank

Automobile finance revenues for the third quarter of 2008 decreased by $6.4 million, compared to the same period in 2007, due primarily to lower yields on loans outstanding and lower average levels of loans outstanding. Automobile loan originations were $110.7 million for the third quarter of 2008, compared to $202.7 million for the third quarter of 2007. Loan originations declined due primarily to Fireside Bank's more stringent underwriting requirements and overall decline in automobile sales. Fireside Bank does not make loans secured by real estate; it derives its interest income solely from automobile loans.

Fireside Bank reported an operating loss of $1.3 million for the third quarter of 2008, compared to an operating loss of $8.9 million for the same period in 2007. Fireside Bank's operating results improved due primarily to a lower provision for loan losses and lower general and administrative expenses.

Consolidated results for the three and nine months ended September 30, 2008 and 2007 are as follows:

(Dollars and Shares in Millions, Except Per Share Amounts)	Three Months Ended Sept. 30, 2008	Three Months Ended Sept. 30, 2007	Nine Months Ended Sept. 30, 2008	Nine Months Ended Sept. 30, 2007
Revenues:				
Earned Premiums	$ 599.5	$ 579.9	$ 1,771.7	$ 1,712.6
Automobile Finance Revenues	60.1	66.5	185.6	194.4
Net Investment Income	72.7	76.0	190.8	234.8
Other Income	1.2	0.5	2.6	2.7
Net Realized Investment Gains (Losses)	(44.6)	12.5	(33.4)	52.0
Total Revenues	688.9	735.4	2,117.3	2,196.5
Expenses:				
Policyholders' Benefits and Incurred Losses and Loss Adjustment Expenses	494.3	383.6	1,353.2	1,168.0
Insurance Expenses	190.8	179.6	545.9	525.4
Automobile Finance Expenses	47.8	61.5	171.3	147.3
Interest Expense on Certificates of Deposit	14.2	15.2	44.9	43.0
Interest and Other Expenses	14.6	16.1	46.3	52.2
Total Expenses	761.7	656.0	2,161.6	1,935.9
Income (Loss) from Continuing Operations before Income Taxes and Equity in Net Income of Investee	(72.8)	79.4	(44.3)	260.6
Income Tax Benefit (Expense)	28.1	(22.7)	28.0	(77.6)
Income (Loss) from Continuing Operations before Equity in Net Income of Investee	(44.7)	56.7	(16.3)	183.0
Equity in Net Income of Investee	1.0	0.9	4.3	0.7
Income (Loss) from Continuing Operations	(43.7)	57.6	(12.0)	183.7
Discontinued Operations:				
Income (Loss) from Discontinued Operations Before Income Taxes	6.7	8.7	(6.1)	18.2
Income Tax Benefit (Expense)	(2.3)	(2.0)	(1.6)	(3.0)
Income (Loss) from Discontinued Operations	4.4	6.7	(7.7)	15.2
Net Income (Loss)	$ (39.3)	$ 64.3	$ (19.7)	$ 198.9
Income (Loss) Per Share from Continuing Operations	$ (0.70)	$ 0.89	$ (0.19)	$ 2.79
Income (Loss) Per Share from Discontinued Operations	0.07	0.10	(0.12)	0.23
Net Income (Loss) Per Share	$ (0.63)	$ 0.99	$ (0.31)	$ 3.02
Income (Loss) Per Share from Continuing Operations Assuming Dilution	$ (0.70)	$ 0.88	$ (0.19)	$ 2.77
Income (Loss) Per Share from Discontinued Operations Assuming Dilution	0.07	0.10	(0.12)	0.23
Net Income (Loss) Per Share Assuming Dilution	$ (0.63)	$ 0.98	$ (0.31)	$ 3.00
Weighted Average Common Shares Outstanding	62.4	65.0	62.9	65.9
Weighted Average Common Shares and Equivalent Shares Outstanding Assuming Dilution	62.4	65.3	62.9	66.3
Dividends Paid Per Share	$ 0.470	$ 0.455	$ 1.410	$ 1.365

Business segment revenues for the three and nine months ended September 30, 2008 and 2007 are as follows:

	Three Months Ended		Nine Months Ended	
(Dollars in Millions)	Sept. 30, 2008	Sept. 30, 2007	Sept. 30, 2008	Sept. 30, 2007
Revenues:				
Segment Revenues:				
Kemper:				
Earned Premiums	$ 235.2	$ 232.8	$ 694.2	$ 693.9
Net Investment Income	8.8	12.1	22.2	35.4
Other Income	0.2	0.2	0.4	0.4
Total Kemper	244.2	245.1	716.8	729.7
Unitrin Specialty:				
Earned Premiums	125.6	113.7	362.8	338.2
Net Investment Income	4.0	5.3	10.0	15.6
Other Income	-	-	0.1	0.1
Total Unitrin Specialty	129.6	119.0	372.9	353.9
Unitrin Direct:				
Earned Premiums	73.7	71.3	219.6	186.1
Net Investment Income	2.3	2.6	5.4	6.8
Other Income	0.1	0.1	0.3	0.3
Total Unitrin Direct	76.1	74.0	225.3	193.2
Life and Health Insurance:				
Earned Premiums	165.0	162.1	495.1	494.4
Net Investment Income	49.6	47.2	134.5	148.0
Other Income	0.2	0.2	0.9	0.7
Total Life and Health Insurance	214.8	209.5	630.5	643.1
Fireside Bank:				
Automobile Finance Revenues	60.1	66.5	185.6	194.4
Net Investment Income	0.7	1.4	3.5	3.4
Total Fireside Bank	60.8	67.9	189.1	197.8
Total Segment Revenues	725.5	715.5	2,134.6	2,117.7
Unallocated Dividend Income	3.3	5.5	10.1	19.9
Net Realized Investment Gains (Losses)	(44.6)	12.5	(33.4)	52.0
Other	4.7	1.9	6.0	6.9
Total Revenues	$ 688.9	$ 735.4	$ 2,117.3	$ 2,196.5

Business segment operating profit (loss) for the three and nine months ended September 30, 2008 and 2007 is as follows:

	Three Months Ended		Nine Months Ended	
(Dollars in Millions)	Sept. 30, 2008	Sept. 30, 2007	Sept. 30, 2008	Sept. 30, 2007
Segment Operating Profit (Loss):				
Kemper	$ (21.5)	$ 35.0	$ (12.8)	$ 71.4
Unitrin Specialty	5.2	9.8	14.4	30.1
Unitrin Direct	(13.3)	(7.3)	(36.6)	(25.0)
Life and Health Insurance	2.8	39.2	59.4	125.9
Fireside Bank	(1.3)	(8.9)	(27.2)	7.4
Total Segment Operating Profit (Loss)	(28.1)	67.8	(2.8)	209.8
Unallocated Dividend Income	3.3	5.5	10.1	19.9
Net Realized Investment Gains (Losses)	(44.6)	12.5	(33.4)	52.0
Other Expense, Net	(3.4)	(6.4)	(18.2)	(21.1)
Income (Loss) from Continuing Operations before Income Taxes and Equity in Net Income of Investee	$ (72.8)	$ 79.4	$ (44.3)	$ 260.6

Business segment net income (loss) for the three and nine months ended September 30, 2008 and 2007 is as follows:

	Three Months Ended		Nine Months Ended	
(Dollars in Millions)	Sept. 30, 2008	Sept. 30, 2007	Sept. 30, 2008	Sept. 30, 2007
Segment Net Income (Loss):				
Kemper	$ (11.9)	$ 24.9	$ (1.9)	$ 52.8
Unitrin Specialty	4.4	7.3	12.3	22.4
Unitrin Direct	(8.1)	(4.2)	(22.2)	(15.0)
Life and Health Insurance	1.8	24.2	37.7	80.7
Fireside Bank	(5.3)	(5.2)	(20.5)	4.3
Total Segment Net Income (Loss)	(19.1)	47.0	5.4	145.2
Net Income (Loss) From:				
Unallocated Dividend Income	2.9	4.9	8.8	17.6
Net Realized Investment Gains (Losses)	(29.0)	8.1	(21.7)	33.7
Other (Expense) Income, Net	0.5	(3.3)	(8.8)	(13.5)
Income (Loss) from Continuing Operations Before Equity in Net Income of Investee	(44.7)	56.7	(16.3)	183.0
Equity in Net Income of Investee	1.0	0.9	4.3	0.7
Income (Loss) from Continuing Operations	$ (43.7)	$ 57.6	$ (12.0)	$ 183.7

The components of Net Realized Investment Gains (Losses) for the three and nine months ended September 30, 2008 and 2007 were:

(Dollars in Millions)	Three Months Ended Sept. 30, 2008	Three Months Ended Sept. 30, 2007	Nine Months Ended Sept. 30, 2008	Nine Months Ended Sept. 30, 2007
Fixed Maturities:				
Gains on Dispositions	$ 0.1	$ 1.4	$ 4.6	$ 2.6
Losses on Dispositions	(4.0)	(0.1)	(5.2)	(3.8)
Losses from Write-downs (1)	(21.5)	(0.3)	(23.2)	(1.0)
Northrop Common Stock:				
Gains on Dispositions	35.4	8.7	47.5	35.3
Other Equity Securities:				
Gains on Dispositions	1.5	5.8	28.8	20.6
Losses on Dispositions	(4.8)	(0.5)	(10.4)	(1.0)
Losses from Write-downs (2)	(50.6)	(6.7)	(75.7)	(7.0)
Real Estate:				
Gains on Dispositions	-	-	1.5	1.9
Other Investments:				
Gains on Dispositions	-	4.0	-	4.0
Losses on Dispositions	-	(0.1)	(0.1)	(0.2)
Net Trading Securities Gains (Losses)	(0.7)	0.3	(1.2)	0.6
Net Realized Investment Gains (Losses)	$ (44.6)	$ 12.5	$ (33.4)	$ 52.0

(1) Includes a loss of $2.3 million for both the three and nine months ended September 30, 2008 to write down Lehman Brothers Holdings, Inc. (“Lehman”) bonds and a loss of $13.8 million for both the three and nine months ended September 30, 2008 to write down Celerity bonds.

(2) Includes a loss of $12.8 million and $15.4 million for the three and nine months ended September 30, 2008, respectively, to write down Federal National Mortgage Association preferred stock, a loss of $18.1 million and $20.2 million for the three and nine months ended September 30, 2008, respectively, to write down Federal Home Loan Mortgage Corporation preferred stock, a loss of $3.1 million and $4.0 million for the three and nine months ended September 30, 2008, respectively, to write down Lehman preferred stock, and a loss of $12.5 million for both the three and nine months ended September 30, 2008 to write down certain common stocks due to the change in Company’s intent to hold them until they fully recovered in value.

Unitrin, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(Dollars in millions, except per share amounts)

	Sept. 30, 2008	Dec. 31, 2007
Assets:		
Investments:		
Fixed Maturities at Fair Value (Amortized Cost: 2008 - $4,093.8; 2007 - $3,608.9)	$ 3,955.4	$ 3,686.7
Northrop Grumman Corporation Preferred Stock at Fair Value (Cost: 2007 - $177.5)	-	258.5
Northrop Grumman Corporation Common Stock at Fair Value (Cost: 2008 - $276.0; 2007 - $245.5)	376.0	447.5
Other Equity Securities at Fair Value (Cost: 2008 - $438.8; 2007 - $436.5)	490.2	597.6
Investee (Intermec) at Cost Plus Cumulative Undistributed Earnings (Fair Value: 2008 - $248.6; 2007 - $257.1)	102.8	90.7
Short-term Investments at Cost which Approximates Fair Value	597.7	658.7
Other	752.3	706.7
Total Investments	6,274.4	6,446.4
Cash	53.1	103.1
Automobile Loan Receivables at Cost (Fair Value: 2008 - $1,162.8; 2007 - $1,230.3)	1,140.8	1,213.5
Other Receivables	710.7	634.8
Deferred Policy Acquisition Costs	499.5	437.4
Goodwill	343.1	314.7
Current and Deferred Income Taxes	76.8	17.2
Other Assets	112.2	109.9
Assets of Discontinued Operations	-	128.0
Total Assets	$ 9,210.6	$ 9,405.0
Liabilities and Shareholders' Equity:		
Insurance Reserves:		
Life and Health	$ 2,968.3	$ 2,533.0
Property and Casualty	1,358.5	1,322.9
Total Insurance Reserves	4,326.8	3,855.9
Certificates of Deposits at Cost (Fair Value: 2008 - $1,187.0; 2007 - $1,269.7)	1,171.6	1,274.3
Unearned Premiums	761.8	722.2
Liabilities for Income Taxes	45.9	262.5
Notes Payable at Amortized Cost (Fair Value: 2008 - $491.8; 2007 - $550.3)	560.6	560.1
Accrued Expenses and Other Liabilities	545.3	380.9
Liabilities of Discontinued Operations	-	51.3
Total Liabilities	7,412.0	7,107.2
Shareholders' Equity:		
Common Stock, $0.10 par value, 100 million Shares Authorized; 62,316,303 Shares Issued and Outstanding at September 30, 2008 and 64,254,818 Shares Issued and Outstanding at December 31, 2007	6.2	6.4
Paid-in Capital	763.9	781.3
Retained Earnings	1,031.9	1,185.3
Accumulated Other Comprehensive Income (Loss)	(3.4)	324.8
Total Shareholders' Equity	1,798.6	2,297.8
Total Liabilities and Shareholders' Equity	$ 9,210.6	$ 9,405.0

*   *   *   *   *

This press release may contain or incorporate by reference information that includes or is based on forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements give expectations or forecasts of future events. The reader can identify these statements by the fact that they do not relate strictly to historical or current facts. They use words such as “believe(s),” “goal(s),” “target(s),” “estimate(s),” “anticipate(s),” “forecast(s),” “project(s),” “plan(s),” “intend(s),” “expect(s),” “might,” “may” and other words and terms of similar meaning in connection with a discussion of future operating or financial performance. Forward-looking statements, in particular, include statements relating to future actions, prospective services or products, future performance or results of current and anticipated services or products, sales efforts, expenses, the outcome of contingencies such as legal proceedings, trends in operations and financial results.

Any or all forward-looking statements may turn out to be wrong, and, accordingly, readers are cautioned not to place undue reliance on such statements, which speak only as of the date of this press release. Forward-looking statements can be affected by inaccurate assumptions or by known or unknown risks and uncertainties. Many such factors will be important in determining the Company’s actual future results. These statements are based on current expectations and the current economic environment. They involve a number of risks and uncertainties that are difficult to predict. These statements are not guarantees of future performance; actual results could differ materially from those expressed or implied in the forward-looking statements.

Among the general factors that could cause actual results to differ materially from estimated results are:

- Changes in general economic conditions, including performance of financial markets, interest rates, unemployment rates and fluctuating values of particular investments held by the Company and its subsidiaries;
- Heightened competition, including, with respect to pricing, entry of new competitors and the development of new products by new and existing competitors;
- The number and severity of insurance claims (including those associated with catastrophe losses) and their impact on the adequacy of loss reserves;
- The impact of inflation on insurance claims, including, but not limited to, the effects attributed to scarcity of resources available to rebuild damaged structures, including labor and materials and the amount of salvage value recovered for damaged property;
- Orders, interpretations or other actions by regulators that impact the reporting, adjustment and payment of claims;
- Changes in the pricing or availability of reinsurance;
- Changes in the financial condition of reinsurers and amounts recoverable therefrom;
- Changes in industry trends and significant industry developments;
- Regulatory approval of insurance rates, policy forms, license applications and similar matters;

- Developments related to insurance policy claims and coverage issues, including, but not limited to, interpretations or decisions by courts or regulators that may govern or influence insurance policy coverage issues arising with respect to losses incurred in connection with hurricanes and other catastrophes;
- Governmental actions, including new laws or regulations or court decisions interpreting existing laws and regulations or policy provisions;
- Adverse outcomes in litigation or other legal or regulatory proceedings involving the Company or its subsidiaries;
- Regulatory, accounting or tax changes that may affect the cost of, or demand for, the Company's products or services;
- The impact of residual market assessments and assessments for insurance industry insolvencies;
- Changes in distribution channels, methods or costs resulting from changes in laws or regulations, lawsuits or market forces;
- Changes in ratings by credit rating agencies, including A.M. Best Co., Inc.;
- Changes in laws or regulations governing or affecting the regulatory status of industrial banks, such as Fireside Bank, and their parent companies, including minimum capital requirements and restrictions on the non-financial activities and equity investments of companies that acquire control of industrial banks;
- Changes in the estimated rates of automobile loan receivables net charge-off, including, but not limited to, the impact of changes in the fair value of collateral held, used to estimate Fireside Bank's reserve for loan losses;
- The failure to complete the acquisition of Direct Response Corporation;
- The level of success and costs expended in realizing economies of scale and implementing significant business consolidations and technology initiatives;
- Increased costs and risks related to data security;
- Absolute and relative performance of the Company's products or services; and
- Other risks and uncertainties described from time to time in the Company's filings with the Securities and Exchange Commission ("SEC").

No assurances can be given that the results contemplated in any forward-looking statements will be achieved or will be achieved in any particular timetable. The Company assumes no obligation to publicly correct or update any forward-looking statements as a result of events or developments subsequent to the date of this press release. The reader is advised, however, to consult any further disclosures the Company makes on related subjects in filings made with the SEC.

Unitrin is a financial services company focused on creating shareholder value by providing through its subsidiaries a diverse array of insurance and automobile finance products and services for individuals, families and small businesses.

Among the brands in Unitrin's Property and Casualty Insurance businesses are Kemper and Unitrin Specialty which sell personal and commercial insurance through networks of independent agents, and Unitrin Direct, which sells automobile and homeowners insurance directly to consumers or through employer-sponsored voluntary benefit programs. Unitrin's Life and Health Insurance businesses bring a high-level of personalized service to their customers. Unitrin's automobile finance subsidiary, Fireside Bank, specializes in automobile loans for the purchase of pre-owned vehicles. Additional information about Unitrin is available by visiting its website (www.unitrin.com).

CONTACT:

Unitrin, Inc.

David F. Bengston at (312) 661-4930 or via e-mail at investor.relations@unitrin.com

KEYWORD: ILLINOIS

INDUSTRY KEYWORD: INSURANCE BANKING EARNINGS