

**ALLEGHANY CORPORATION**

7 Times Square Tower, 17<sup>th</sup> Floor

New York NY 10036

Contact: R.M. Hart

(212) 752-1356

**ALLEGHANY COMMENTS ON STANDARD & POOR'S RATING SERVICES ACTION**

NEW YORK, NY, March 4, 2008 -- On March 4, 2008, Standard & Poor's Ratings Services ("S&P") informed Alleghany Corporation (NYSE:Y) that S&P was lowering S&P's counterparty credit rating on Alleghany Corporation by one notch to 'BBB' from 'BBB+' with a stable outlook due to S&P's belief that Alleghany "increasingly resembles a traditional insurance holding company, which reduces the justification for nonstandard notching under [S&P's] group methodology for financial services companies."

In commenting on S&P's action, Weston M. Hicks, President and chief executive officer of Alleghany, stated that, "I am surprised and perplexed by S&P's decision to lower its unsolicited counterparty credit rating of Alleghany, which was made without the benefit of any information being provided by Alleghany to S&P or discussions between S&P and Alleghany. I believe that the decision is entirely arbitrary and in no way reflects any change in Alleghany's condition. Alleghany continues to maintain an amount of capital that is significantly in excess of its fixed contractual obligations."

Alleghany is engaged through its subsidiary Alleghany Insurance Holdings LLC (including its insurance operating units RSUI Group, Inc., Capitol Transamerica Corporation, Darwin Professional Underwriters, Inc. and Employers Direct Corporation) in the property and casualty insurance business.

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