



Safety Insurance

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SAFETY RAISES THIRD QUARTER 2006 DIVIDEND TO \$0.25 PER SHARE FROM \$0.18 PER SHARE

Boston, Massachusetts, August 10, 2006. The Board of Directors of Safety Insurance Group, Inc. (NASDAQ:SAFT) today approved a \$0.25 per share quarterly cash dividend on its issued and outstanding common stock, payable on September 15, 2006, to shareholders of record at the close of business on September 1, 2006. Previously, the quarterly cash dividend was \$0.18 per share.

About Safety: Safety Insurance Group, Inc. is the parent of Safety Insurance Company and Safety Indemnity Insurance Company, which are Boston, MA, based writers of property and casualty insurance. Safety is a leading writer of personal automobile insurance in Massachusetts.

Additional Information: Press releases, announcements and SEC Filings are available for viewing or download at our company website located at www.SafetyInsurance.com, under "About Safety", "Investor Information".

Cautionary Statement under "Safe Harbor" Provision of the Private Securities Litigation Reform Act of 1995

This press release contains, and Safety may from time to time make, written or oral "forward-looking statements" within the meaning of the U.S. federal securities laws. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties and other factors, many of which are outside Safety's control, which could cause actual results to differ materially from such statements. Important factors that could cause the actual results to differ include, but are not necessarily limited to, our concentration of business in Massachusetts personal lines insurance; our dependence on principal employees; our exposure to claims related to severe weather conditions; and rating agency policies and practices. For a more detailed description of these uncertainties and other factors, please see Safety's filings with the U.S. Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made, and Safety assumes no obligation to update or revise any of them in light of new information, future events or otherwise.