

GAINSCO ANNOUNCES NEW INSURANCE MARKETING UNIT

Dallas, Texas, October 23, 2007 – GAINSCO, INC. (AMEX: GAN) announced today the formation of GAINSCO Motorsports Insurance (“GMI”), which will market third-party insurance products to customers in the motorsports industry.

This new marketing unit will be managed by a new addition to GAINSCO and GMI, Christopher S. Maume, who currently operates as an insurance agent in the motorsports industry. “We are pleased to have someone with Chris’ level of passion and experience joining us at GAINSCO,” said Glenn W. Anderson, President and Chief Executive Officer of GAINSCO. “This niche marketing opportunity enables us to develop a fee income business that capitalizes on our successful racing sponsorship and brand. We believe that Chris is the right person to lead this program for GAINSCO.”

The Company believes motorsports insurance correlates closely with its sponsorship of the GAINSCO 99 Daytona Prototype racecar. The GAINSCO 99 racecar recently completed its season long campaign in the Grand-Am Rolex Sports Car Series by capturing the 2007 team and driver championships. GAINSCO became the primary sponsor of the No. 99 car and Bob Stallings Racing when the team entered competition in the Grand-Am Rolex Sports Car Series in mid-season 2005.

Andy Jordan, Senior Vice President of Corporate Marketing for GAINSCO, explained the brand connection with GMI. “At GAINSCO, we are continuing to build brand recognition through the strong association with the championship GAINSCO/Bob Stallings racing team. What is particularly exciting about this opportunity to provide insurance solutions inside the racing community is the way it extends and strengthens our brand.”

“The GAINSCO/Bob Stallings racing team has been highly successful on the track,” said Chris Maume, “and I look forward to growing this program and achieving the same success off the track as the GAINSCO 99 racecar does on it.”

Most recently, Mr. Maume was President of ProSure Motorsports Protection (“ProSure”). ProSure sold the same type of motorsports-related products that Mr. Maume will market through GMI. As with ProSure, the business sold by Mr. Maume and GMI will be insured solely by unaffiliated third-party insurance companies.

Mr. Maume will operate from his current base in Atlanta, Georgia. He can be reached at (678) 643-8415.

GAINSCO, INC. is a Dallas, Texas-based holding company established in 1978. The Company's nonstandard personal automobile insurance products are distributed through independent retail agents in Florida and South Carolina (Southeast Region), Texas (South Central Region) and Arizona, Nevada and New Mexico (Southwest Region), and through an independent managing general agency in California (West Region). The Company's motorsports insurance operations are represented by its specialty insurance agency, GAINSCO Motorsports Insurance. Its insurance company subsidiary is MGA Insurance Company, Inc.

Some of the statements made in this release may be forward-looking statements. Forward-looking statements relate to future events or future financial performance and may involve known or unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from future results, performance, or achievements expressed or implied by such forward-looking statements.

These forward-looking statements reflect current views but are based on assumptions and are subject to risks, uncertainties, and other variables which should be considered when making an investment decision. Please refer to the Company's recent SEC filings, including the Annual Report on Form 10-K for the year ended December 31, 2006, for more information regarding factors that could affect the Company's results.

Forward-looking statements are relevant only as of the dates made, and the Company undertakes no obligation to update any forward-looking statement to reflect new information, events or circumstances after the date on which the statement is made. All written or oral forward-looking statements that are made by or are attributable to the Company are expressly qualified in their entirety by this cautionary notice. Actual results may differ significantly from the results discussed in these forward-looking statements.

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