



Erie Insurance Group to Market Products in Illinois

Erie, Pa. -- January 30, 1997 -- Erie Insurance Group announced its intention to expand its marketing territory to include the state of Illinois.

In Illinois, ERIE will be writing all lines of insurance the company offers, including auto, home, business and life. This will be the tenth state ERIE will be serving, in addition to the District of Columbia.

"We look forward to entering Illinois," said Stephen A. Milne, president and chief executive officer. "Our strategy of entering states adjacent to existing marketing territories has consistently proven successful, and we are optimistic Illinois will provide similar opportunities."

While ERIE is currently licensed in the state, a specific date for the company to begin writing insurance in Illinois has not yet been determined. Erie Insurance currently writes in Indiana, Maryland, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia.

Known for competitive rates and superior service, Erie Insurance was established in 1925 and is headquartered in Erie, Pa.

All of The ERIE's property/casualty companies hold the A++ "Superior" rating from A. M. Best, the leading authority on insurance companies. The Erie Family Life Insurance Company holds Best's A+ "Superior" rating. The Ward Financial Group includes Erie Insurance Group in its list of Top 50 insurers for overall industry performance and safety.

In addition, Financial World magazine ranks the Exchange second in its financial strength analysis of the 50 largest property/casualty insurers in the United States.

Erie Insurance Exchange is the 12th largest insurer of private passenger automobiles and the 23rd largest property/casualty insurer in the United States. Erie Indemnity Company is the principal management company for the member companies of the Erie Insurance Group, which includes the Erie Insurance Exchange, Flagship City Insurance Company, Erie Family Life Insurance Company, Erie Insurance Company, Erie Insurance Property and Casualty Company and the Erie Insurance Company of New York. Erie Indemnity Company's class A non-voting common stock trades on Nasdaq under the symbol "ERIE."