



## **Erie Insurance Group Property/Casualty Affiliates Retain A.M. Best's A+ (Superior) Financial Strength Rating**

### **Erie Family Life Insurance Company also affirmed as A (Excellent)**

Erie, Pa., May 4, 2005 - A.M. Best Co. has affirmed the A+ (Superior) rating for the property/casualty affiliates of Erie Insurance Group. A.M. Best Co. is the leading authority on insurance companies. The affirmed rating keeps Erie Insurance Group in the highest category (Superior) for financial strength. Only 9.0 percent of approximately 3,000 property/casualty insurers have earned this high rating. Erie Family Life Insurance Company also had its financial strength rating of A (Excellent) affirmed by A.M. Best. The rating outlooks are stable for all companies.

"We are pleased to again be recognized for our Company's outstanding financial condition," said Jeffrey A. Ludrof, Erie Insurance Group president and chief executive. "ERIE Agents and Employees are dedicated to the success of our Company, and assure that success with the outstanding service they consistently provide to our policyholders. Our improvements in underwriting profitability provide a foundation for long-term, steady growth. Every day ERIE Agents and Employees create strategies for our Company to be successful, and their efforts are having a lasting impact on what Erie Insurance Group will achieve in the future."

A.M. Best cited many positive reasons for its action, including numerous strategic initiatives ERIE has implemented to improve operating results, as reflected by the Company's focus on underwriting profitability and quality growth. The rating affirmation reflects ERIE's strong risk-adjusted capitalization, competitive position in the independent agency channel and favorable regional business profile. A.M. Best also pointed to ERIE's strong market presence and reputation for excellent customer service and extensive local market knowledge, which helps the Company maintain a policyholder retention ratio of slightly less than 90 percent.

According to A.M. Best Company, Erie Insurance Group, based in Erie, Pennsylvania, is the 14th largest automobile insurer in the United States based on direct premiums written and the 22nd largest property/casualty insurer in the United States based on total lines net premium written. The Group, rated A+ (Superior) by A.M. Best Company, has almost 3.8 million policies in force and operates in 11 states and the District of Columbia. Erie Insurance Group ranked 425 on the FORTUNE 500 and Erie Indemnity Company is included in Forbes Magazine's PLATINUM 400 list of the best-managed companies in America. News releases and more information about Erie Insurance Group are available at <http://www.erieinsurance.com>

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