



News Release

FOR IMMEDIATE RELEASE

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THE BOARD OF DIRECTORS OF PENN MILLERS HOLDING CORPORATION ELECTS F. KENNETH ACKERMAN JR. AS CHAIRMAN OF THE BOARD



Wilkes-Barre, PA, (Business Wire) May 19, 2010—Penn Millers Holding Corporation (the Company) announced today that on May 12, 2010, the Company’s Board of Directors elected F. Kenneth Ackerman, Jr. as Chairman of the Board of Penn Millers Holding Corporation and its direct and indirect subsidiaries. Mr. Ackerman replaces Mr. J. Harvey Sproul, Jr. who retired from the Company’s Board of Directors at the May 12, 2010 Annual Meeting.

“It is an honor to serve as the Chair of Penn Millers Board. I have great confidence in the Board as well as our CEO, Doug Gaudet, and his senior management team,” said Mr. Ackerman.

Mr. Ackerman served as Penn Millers’ Vice Chair from January 2003, and has been a Director since 1979. Since 2007, he has served as Chairman of Integrated Healthcare Strategies, the largest firm in the United States that offers professional services focused exclusively on executive compensation in the health care industry. Mr. Ackerman’s distinguished career in health care administration encompasses management of hospital-based multi-specialty medical group practices and acute care facilities, as well as executive level involvement in the nation’s largest rural health care system, Geisinger Health System in Pennsylvania, where he served as president of Geisinger Medical Center. A Fellow of the American College of Healthcare Executives (ACHE) as well as the American College of Medical Practice Executives (ACMPE), Mr. Ackerman is also a past president of the Medical Group Management Association and a past chair of its strategic planning and government relations committees.

Mr. Ackerman brings extensive experience in working with various boards to improve governance performance. Mr. Gaudet said, “Having a Chairman of the Board with Ken Ackerman’s strong governance background is of great value to Penn Millers and our shareholders. As a new publicly traded company, it is important that we have a strong

Board to represent the interest of all of our stakeholders. Ken has been instrumental in leading this transition from our former mutual structure.”

Mr. Ackerman received his Bachelor of Science degree from Denison University and his Master of Health Administration from the University of Michigan.

Some of the statements contained in this press release are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expect,” “plan,” “intend,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or “continue,” the negative of these terms or other terminology. Forward-looking statements are based on the opinions and estimates of management at the time the statements are made and are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in the forward-looking statements. Factors that could affect the company’s actual results include, among others, the fact that our loss reserves are based on estimates and may be inadequate to cover our actual losses; the uncertain effects of emerging claim and coverage issues on our business, including the effects of climate change; the geographic concentration of our business; an inability to obtain or collect on our reinsurance protection; a downgrade in the A.M. Best rating of our insurance subsidiaries; the impact of extensive regulation of the insurance industry and legislative and regulatory changes; a failure to realize our investment objectives; the effects of intense competition; the loss of one or more of our principal employees; the inability to acquire additional capital on favorable terms; a failure of independent insurance brokers to adequately market our products; and the effects of terrorism or war. More information about these and other factors that potentially could affect our financial results is included in our Annual Report on Form 10-K, filed with the SEC and in our other public filings with the SEC. Readers are cautioned not to place undue reliance upon these forward-looking statements, which speak only as of the date of this release. The Company undertakes no obligation to update any forward-looking statements.

Penn Millers Insurance Company, a wholly-owned insurance company subsidiary of Penn Millers Holding Corporation (NASDAQ:PMIC), provides Agribusiness insurance and Commercial Lines insurance in 33 states. Incorporated in 1887, Penn Millers Insurance Company is rated "A-" (Excellent) by A.M. Best Company, Inc. The Company’s web address is www.pennmillers.com.

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