



Eastern Insurance Holdings, Inc.
Eastern Alliance Insurance Group
Eastern Life & Health Insurance Company
Employers Alliance, Inc.

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FOR IMMEDIATE RELEASE

Eastern Alliance Insurance Group Celebrates a Decade of Partnership with the Pennsylvania Builders Association Workers' Compensation Program

Lancaster, PA. Eastern Alliance Insurance Group ("EAIG") and the Pennsylvania Builders Association ("PBA") announced today they are celebrating a decade of partnership.

A monoline workers' compensation carrier, EAIG serves as the underwriter for the PBA's Workers' Compensation Program ("the Program"), and offers PBA members access to workers' compensation insurance products and services. These members are typically homebuilders and remodeling contractors engaged in construction, as well as those members who provide products and services to builders and remodelers.

The PBA is a nonprofit, professional trade organization which offers many products and services to its local associations and individual members. Its workers' compensation committee selected EAIG as the Program's underwriter in January 1999. Over the next decade, the Program doubled in membership and its premium volume grew eightfold, with \$7.2 million in direct written premium as of December 31, 2008.

"We are pleased to celebrate a decade of growth and partnership with the PBA," said Bruce Eckert, chief executive officer of EAIG's parent company, Eastern Insurance Holdings, Inc. ("EIHI"). "The PBA Workers' Compensation Program was EAIG's first alternative market program, and is currently our largest association program."

The Program's loss ratio has decreased to less than half of its 1999 number, a fact Eckert attributes to EAIG's focus on claim and risk management. "This is further proof that our emphasis on proactive risk management, industry-leading medical cost management techniques and return-to-work initiatives has made a significant impact on containing claim costs."

"The Program is an important value-added benefit for our members," said Jon Grella, chief financial officer for the PBA. "Our decade-long relationship with EAIG has added stability to the Program. The fact that nearly 70 of our members have renewed their policies for ten years in a row demonstrates the Program's tremendous value."

Another crucial partner in the Program success is E.K. McConkey and Co. ("McConkey"), a York-based independent insurance agency who assumed Program Administrator duties in 2005. McConkey acts as a liaison between the PBA and EAIG, assisting in annual Program renewal negotiations and developing marketing plans, while serving as a marketing and sales resource for the agents authorized to conduct business for the Program.

“We’ve helped drive the Program to its highest premium volume in its history, with over one million dollars written in new business in 2008,” said Steve Buterbaugh, vice president for McConkey. “We’ve also expanded the Program into the Maryland market place, through partnerships with the Home Builders Association of Maryland and the Eastern Shore Building Industry Association.”

“In the often-volatile workers’ compensation market place, the Program is a great example of a successful, stable partnership,” said Grella. “We’re looking forward to celebrating ten more years.”

Founded in 1997, EAIG specializes in providing workers’ compensation products and services to businesses and self-insured clients. EAIG distributes its products through independent insurance agencies. EAIG is a member of the publicly-held Eastern Insurance Holdings, Inc. (Nasdaq: EIHI) family of companies, with regional offices in Lancaster, Pennsylvania, Charlotte, North Carolina, and Indianapolis, Indiana. EAIG’s Web address is www.eains.com.

FORWARD LOOKING STATEMENTS

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,” “project,” “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, therefore no assurance can be given that management’s expectations, beliefs or projections will occur or be achieved or accomplished. 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; 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 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 acts of terrorism or war. More information about these and other factors that potentially could affect our financial results is included in our Form S-1 Registration Statement, filed with the U.S. Securities and Exchange Commission and in our other public filings with the U.S. Securities and Exchange Commission. 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. This press release also does not constitute an offer to sell, or a solicitation of an offer to buy, EIHI securities. Such an offer will be made only by means of a prospectus.

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