

**FOR IMMEDIATE RELEASE**

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**EMC INSURANCE GROUP INC. REPORTS  
LOSSES ASSOCIATED WITH MIDWEST  
STORMS AND REAFFIRMS ANNUAL  
EARNINGS GUIDANCE**

DES MOINES, Iowa (May 11, 2007) - EMC Insurance Group Inc. (Nasdaq/NGS:EMCI) announced today that losses associated with last week's Midwest storms, including the devastating tornado in Greensburg, Kansas, are expected to range from \$0.27 per share to \$0.31 per share. Favorable results experienced during the month of April will partially offset the impact of these losses on second quarter earnings. Catastrophe and storm losses to date are slightly above the actuarial projections utilized to establish the Company's earnings guidance and management has therefore reduced its projection for 2007 operating income<sup>1</sup> to \$2.27 per share from \$2.46 per share at the end of March; however, the revised projection is still within the original guidance range of \$2.25 to \$2.50 per share and management is therefore reaffirming this guidance.

"Our thoughts and prayers are with the many victims of the Greensburg incident and the many other communities that have been impacted by Midwestern storms in recent weeks," said Bruce G. Kelley, President and CEO. "We insured the Greensburg high school and junior high school, and other properties as well. We grieve this community's loss, but we are proud to be a part of its re-construction. A storm team and other insurance personnel were dispatched to the area immediately after the tornado hit and will remain on-sight until all of the losses are addressed."

EMC Insurance Group Inc., the publicly-held insurance holding company of EMC Insurance Companies, owns subsidiaries with operations in property and casualty insurance and reinsurance. EMC Insurance Companies is one of the largest property and casualty entities in Iowa and among the top 60 insurance entities nationwide based on premium volume. For more information, visit our website [www.emcinsurance.com](http://www.emcinsurance.com).

The Private Securities Litigation Reform Act of 1995 provides issuers the opportunity to make cautionary statements regarding forward-looking statements. Accordingly, any forward-looking statement contained in this report is based on management's current beliefs, assumptions and expectations of the Company's future performance, taking into account all information currently available to management. These beliefs, assumptions and expectations can change as the result of many possible events or factors, not all of which are known to management. If a change occurs, the Company's business, financial condition, liquidity, results of operations, plans and objectives may vary materially from those expressed in the forward-looking statements. The risks and uncertainties that may affect the actual results of the Company include, but are not limited to the following: catastrophic events and the occurrence of significant severe weather conditions; the adequacy of loss and settlement expense reserves; state and federal legislation and regulations; changes in our industry, interest rates or the performance of financial markets and the general economy; rating agency actions and other risks and uncertainties inherent to the Company's business. When management uses the words "believe", "expect", "anticipate", "estimate", or similar expressions, it intends to identify forward-looking statements. Undue reliance should not be placed on these forward-looking statements.

<sup>1</sup>The Company uses a non-GAAP financial measure called "operating income" that management believes is useful to investors because it illustrates the performance of our normal, ongoing operations, which is important in understanding and evaluating our financial condition and results of operations. While this measure is consistent with measures utilized by investors to evaluate performance, it is not a substitute for the U.S. GAAP financial measure of net income. Therefore, we have provided a reconciliation of this non-GAAP financial measure to the U.S. GAAP financial measure of net income in the Consolidated Statements of Income schedule contained in this release. Management also uses non-GAAP financial measures for goal setting, determining employee and senior management awards and compensation, and evaluating performance.