



NEWS RELEASE

FOR IMMEDIATE RELEASE

Contact: Maggie Sheehan
Phone: 617.725.6336
Fax: 617.725.6250
E-mail: msheehan@onebeacon.com

ADIRONDACK INSURANCE EXCHANGE OPENS FOR BUSINESS IN NEW YORK

BOSTON (August 21, 2006) – Adirondack Insurance Exchange is now offering auto, homeowners, package, boat, fire and personal umbrella insurance to New York consumers, through select independent insurance agents. A property-casualty company that is owned by its policyholders, Adirondack is dedicated solely to the New York personal insurance market.

As members, Adirondack policyholders can count on special benefits they won't find with traditional insurers. Exclusive membership advantages include emergency roadside assistance for vehicles insured by Adirondack, identity theft resolution services, access to travel assistance, and more.

Adirondack's focus on a single state makes it a strong, stable insurance solution for New Yorkers, according to Thom McDaniel, President of Adirondack AIF LLC, a OneBeacon Insurance Group subsidiary that manages Adirondack Insurance Exchange.

"A dedicated New York organization like Adirondack Insurance Exchange enhances the ability to deliver innovative products and value-added services – all supported by completely local employees and independent agents," said McDaniel.

Adirondack is not necessarily a typical new company, however.

(more)

“Most of the business going into Adirondack is profitably insured now by members of the OneBeacon group and will transfer over the next several months,” said McDaniel. “OneBeacon’s independent insurance agents have been appointed as Adirondack partners, so customers will continue to receive high-quality service from insurance experts who live and work alongside them.”

About Adirondack Insurance

Adirondack Insurance Exchange is a full-service property-casualty insurance company headquartered in Williamsville, New York. The company is rated A (Exceptional) by Demotech, Inc., a longtime provider of financial stability ratings of property-casualty insurance companies. Demotech’s ratings are recognized by Fannie Mae, Freddie Mac and the Department of Housing and Urban Development (HUD).

Adirondack Insurance Exchange is managed by Adirondack AIF LLC, a wholly owned subsidiary of OneBeacon Insurance Group, which is one of the oldest property-casualty insurance companies in the United States and rated A (excellent) by A.M. Best. OneBeacon Insurance Group is wholly owned by White Mountains Insurance Group, Ltd., of Hamilton, Bermuda. White Mountains’ principal businesses are conducted through its subsidiaries and affiliates in the business of property-casualty insurance and reinsurance. The company is publicly traded on the New York Stock Exchange and Bermuda Stock Exchange under the symbol "WTM."

###

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

This press release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included or referenced in this release which address activities, events or developments which we expect or anticipate will or may occur in the future are forward-looking statements. The words "will," "believe," "intend," "expect," "anticipate," "project," "estimate," "predict" and similar expressions are also intended to identify forward-looking statements. These forward-looking statements include, among others, statements with respect to White Mountains':

- growth in book value per share or return on equity;
- business strategy;
- financial and operating targets or plans;
- incurred losses and the adequacy of its loss and loss adjustment expense reserves and related reinsurance;
- projections of revenues, income (or loss), earnings (or loss) per share,
- dividends, market share or other financial forecasts;
- expansion and growth of our business and operations; and
- future capital expenditures.

These statements are based on certain assumptions and analyses made by White Mountains in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate in the circumstances. However, whether actual results and developments will conform to our expectations and predictions is subject to a number of risks and uncertainties that could cause actual results to differ materially from expectations, including:

- the risks associated with Item 1A of White Mountains' 2005 Annual Report on Form 10-K and second quarter 2006 Form 10-Q;
- claims arising from catastrophic events, such as hurricanes, earthquakes, floods or terrorist attacks;
- the continued availability of capital and financing;
- general economic, market or business conditions;
- business opportunities (or lack thereof) that may be presented to it and pursued;
- competitive forces, including the conduct of other property and casualty insurers and reinsurers;
- changes in domestic or foreign laws or regulations, or their interpretation, applicable to White Mountains, its competitors or its clients;
- an economic downturn or other economic conditions adversely affecting its financial position;
- recorded loss reserves subsequently proving to have been inadequate;
- other factors, most of which are beyond White Mountains' control.

Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by White Mountains will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, White Mountains or its business or operations. White Mountains assumes no obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or otherwise.