

Employers Holdings, Inc.
Form 10-Q
May 13, 2008

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the Quarterly Period Ended March 31, 2008

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the transition period from to

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Commission file number: 001-33245

EMPLOYERS HOLDINGS, INC.

(Exact Name of Registrant as Specified in Its Charter)

Nevada

04-3850065 (State or other jurisdiction
of incorporation or organization) (IRS Employer
Identification No.)

10375 Professional Circle, Reno, Nevada 89521

(Address of Principal Executive Offices and Zip Code)

(888) 682-6671

(Registrant's telephone number, including area code)

9790 Gateway Drive, Reno, Nevada 89521

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes
No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small reporting company. See definitions of "large accelerated filer," "accelerated filer," "non-accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting Company

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Class

May 8, 2008 Common Stock, \$0.01 par value per share 49,421,435 shares outstanding

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Employers Holdings, Inc. and Subsidiaries

Consolidated Statements of Income

(in thousands, except per share data)

Three months ended March 31, 2008	2007	(unaudited)	Revenues	Net premiums earned	\$ 75,896
\$ 89,792	Net investment income	18,903	20,835	Realized (losses) gains on investments, net	(1,488)
190	Other income	438	1,140	Total revenues	93,749
	adjustment expenses	30,614	41,667	Expenses	Losses and loss
	operating expense	21,726	23,300	Commission expense	10,623
				11,721	Underwriting and other
30,786	35,269	Income taxes	5,292	7,403	Net income before income taxes
					\$ 25,494
					\$ 27,866
					Net income after date of
					conversion (Note 2)
					\$ 21,395

Earnings per common share for the periods (Note 9):

					For the three
months ended					
March 31, 2008	For the period				
February 5, 2007					
through					
March 31, 2007	Basic	\$0.51	\$ 0.40	Diluted	\$0.51 \$ 0.40

					Pro forma
for the three					
months ended					
March 31, 2007	Basic	\$ 0.53	Diluted	\$ 0.53	Cash dividends declared per share \$0.06

See accompanying unaudited notes to consolidated financial statements.

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Employers Holdings, Inc. and Subsidiaries

Consolidated Statements of Stockholders' Equity
(in thousands, except share data)

Common stock paid-in capital earnings other comprehensive income, net stock, at cost	Additional Retained Accumulated Treasury Total							
Shares	Amount	(unaudited) Balance, January 1, 2007						
equity		—	\$ —	\$ —	\$ 274,602	\$ 29,175	\$ —	\$ 303,777
Conversion transaction (Note 2)	22,765,407	227	(182,143)	(281,073)	—	—	(462,989)	Initial public offering
transaction (Note 2)	30,762,500	308	483,285	—	—	—	483,593	Stock based compensation, net
— 140	—	—	140	Comprehensive income:				
	6,471	—	6,471	Net income before conversion		—		
	—	—	6,471	Net income after conversion		—		
income for the period	—	—	27,866	—	—	27,866	Change in net unrealized gains on investments, net	—
of taxes	—	—	(411)	—	(411)	Comprehensive income		27,455
Balance, March 31, 2007	53,527,907	\$ 535	\$ 301,282	\$ 21,395	\$ 28,764	\$ —	\$ 351,976	Balance,
January 1, 2008	53,527,907	\$ 535	\$ 302,862	\$ 104,536	\$ 46,520	\$ (75,000)	\$ 379,453	Stock
based compensation, net	—	—	632	—	—	—	632	Acquisition of treasury stock (Note 8)
	—	—	—	—	—	—	—	—