

The Progressive Corporation
6300 Wilson Mills Road
Mayfield Village, Ohio 44143
<http://www.progressive.com>

Company Contact:
Thomas A. King
(440) 395-2260

As previously announced, the Company will host a simultaneous webcast of its 2006 Investor Relations Meeting on Thursday, June 15, 2006, beginning at 9:00 a.m. eastern time. The meeting will last approximately three hours and will include a question and answer session following the presentations. Information that is distributed at the meeting will be made available on the Company's Web site on the morning of the meeting. To attend the webcast, visit the Company Web site at <http://investors.progressive.com/events.asp>.

FOR IMMEDIATE RELEASE

MAYFIELD VILLAGE, OHIO -- June 14, 2006 -- The Progressive Corporation today reported the following results for May 2006:

(millions, except per share amounts and ratios)	May 2006	May 2005	Change
Net premiums written	\$1,100.2	\$1,070.9	3%
Net premiums earned	1,097.8	1,062.5	3%
Net income	125.8	126.1	0%
Per share	.16	.16	2%
Combined ratio	86.7	85.8	.9 pts.

See the "Income Statements" for further month and year-to-date information and the Monthly Commentary at the end of this release for additional discussion. All share and per share amounts in this release have been adjusted to reflect Progressive's May 18, 2006, 4-for-1 stock split.

Progressive offers insurance to personal and commercial auto drivers throughout the United States. Our Personal Lines business units write insurance for private passenger automobiles and recreational vehicles. Our Commercial Auto business unit writes primary liability, physical damage and other auto-related insurance for automobiles and trucks owned by small businesses. See "Supplemental Information" for month and year-to-date results.

THE PROGRESSIVE CORPORATION AND SUBSIDIARIES
INCOME STATEMENT

May 2006

(millions – except per share amounts)

(unaudited)

	Current Month	Comments on Monthly Results ¹
Direct premiums written	<u>\$1,125.1</u>	
Net premiums written	<u>\$1,100.2</u>	
Revenues:		
Net premiums earned	\$1,097.8	
Investment income	53.6	
Net realized gains (losses) on securities	(6.7)	Includes \$.8 million of write-downs on securities determined to have other-than-temporary declines in market value.
Service revenues	<u>2.7</u>	
Total revenues	<u>1,147.4</u>	
Expenses:		
Losses and loss adjustment expenses	735.1	
Policy acquisition costs	112.0	
Other underwriting expenses	104.6	
Investment expenses	1.2	
Service expenses	2.0	
Interest expense	<u>6.7</u>	
Total expenses	<u>961.6</u>	
Income before income taxes	185.8	
Provision for income taxes	<u>60.0</u>	
Net income	<u>\$125.8</u>	
COMPUTATION OF EARNINGS PER SHARE		
Basic:		
Average shares outstanding	<u>774.8</u>	
Per share	<u>\$.16</u>	
Diluted:		
Average shares outstanding	774.8	
Net effect of dilutive stock-based compensation	<u>9.8</u>	
Total equivalent shares	<u>784.6</u>	
Per share	<u>\$.16</u>	

¹See the Monthly Commentary at the end of this release for additional discussion. For a description of our reporting and accounting policies, see Note 1 to our 2005 audited consolidated financial statements included in our 2005 Shareholders' Report, which can be found at www.progressive.com/annualreport.

The following table sets forth the investment results for the month:

Fully taxable equivalent total return:	
Fixed-income securities	.3%
Common stocks	(2.9)%
Total portfolio	(.2)%
Pretax recurring investment book yield	4.6%

THE PROGRESSIVE CORPORATION AND SUBSIDIARIES
INCOME STATEMENTS

May 2006 Year-to-Date

(millions – except per share amounts)
(unaudited)

	Year-to-Date		% Change
	2006	2005	
Direct premiums written	\$6,390.1	\$6,240.2	2
Net premiums written	\$6,266.7	\$6,106.1	3
Revenues:			
Net premiums earned	\$5,968.0	\$5,734.2	4
Investment income	254.1	202.3	26
Net realized gains (losses) on securities	(2.2)	7.1	NM
Service revenues	14.1	18.4	(23)
Total revenues	6,234.0	5,962.0	5
Expenses:			
Losses and loss adjustment expenses	3,923.5	3,716.7	6
Policy acquisition costs	615.4	609.2	1
Other underwriting expenses	573.2	561.4	2
Investment expenses	5.1	4.9	4
Service expenses	11.1	10.1	10
Interest expense	33.9	34.6	(2)
Total expenses	5,162.2	4,936.9	5
Income before income taxes	1,071.8	1,025.1	5
Provision for income taxes	349.8	338.7	3
Net income	\$722.0	\$686.4	5
COMPUTATION OF EARNINGS PER SHARE			
Basic:			
Average shares outstanding	783.7	793.5	(1)
Per share	\$.92	\$.87	7
Diluted:			
Average shares outstanding	783.7	793.5	(1)
Net effect of dilutive stock-based compensation	10.2	11.6	(12)
Total equivalent shares	793.9	805.1	(1)
Per share	\$.91	\$.85	7
NM = Not Meaningful			

The following table sets forth the investment results for the year-to-date period:

	2006	2005
Fully taxable equivalent total return:		
Fixed-income securities	1.0%	1.7%
Common stocks	3.1%	(.1)%
Total portfolio	1.3%	1.4%
Pretax recurring investment book yield	4.4%	3.8%

THE PROGRESSIVE CORPORATION AND SUBSIDIARIES
SUPPLEMENTAL INFORMATION

May 2006
(\$ in millions)
(unaudited)

	Current Month					
	Personal Lines			Commercial Auto Business	Other Businesses ¹	Companywide Total
	Drive	Direct	Total			
Net Premiums Written	\$612.1	\$327.5	\$939.6	\$158.4	\$2.2	\$1,100.2
% Growth in NPW	0%	6%	2%	9%	NM	3%
Net Premiums Earned	\$614.6	\$336.3	\$950.9	\$145.2	\$1.7	\$1,097.8
% Growth in NPE	(1)%	7%	2%	14%	NM	3%
<u>GAAP Ratios</u>						
Loss/LAE ratio	69.9	67.2	69.0	55.4	NM	67.0
Expense ratio	19.8	19.8	19.8	18.9	NM	19.7
Combined ratio	89.7	87.0	88.8	74.3	NM	86.7
<u>Actuarial Adjustments</u> ²						
Reserve Decrease/(Increase)						
Prior accident years						\$15.9
Current accident year						6.8
Calendar year actuarial adjustment	\$9.5	\$5.5	\$15.0	\$7.7	\$--	\$22.7
<u>Prior Accident Years Development</u>						
Favorable/(Unfavorable)						
Actuarial adjustment						\$15.9
All other development						7.8
Total development						\$23.7
Calendar year loss/LAE ratio						67.0
Accident year loss/LAE ratio						69.2
<u>Statutory Ratios</u>						
Loss/LAE ratio						67.0
Expense ratio						19.7
Combined ratio						86.7
NM = Not Meaningful						

¹Primarily includes professional liability insurance for community banks and Progressive's run-off businesses. The other businesses generated an underwriting profit of \$1.8 million for the month.

²Represents adjustments solely based on our corporate actuarial reviews.

THE PROGRESSIVE CORPORATION AND SUBSIDIARIES
SUPPLEMENTAL INFORMATION
May 2006 Year-to-Date
(\$ in millions)
(unaudited)

	Year-to-Date					
	Personal Lines			Commercial Auto Business	Other Businesses ¹	Companywide Total
	Drive	Direct	Total			
Net Premiums Written	\$3,473.6	\$1,911.1	\$5,384.7	\$870.1	\$11.9	\$6,266.7
% Growth in NPW	(1)%	6%	1%	13%	NM	3%
Net Premiums Earned	\$3,370.1	\$1,822.6	\$5,192.7	\$764.7	\$10.6	\$5,968.0
% Growth in NPE	0%	9%	3%	13%	NM	4%
<u>GAAP Ratios</u>						
Loss/LAE ratio	67.0	66.3	66.8	59.6	NM	65.8
Expense ratio	20.1	19.9	20.0	19.1	NM	19.9
Combined ratio	87.1	86.2	86.8	78.7	NM	85.7
<u>Actuarial Adjustments</u> ²						
Reserve Decrease/(Increase)						
Prior accident years						\$85.3
Current accident year						16.2
Calendar year actuarial adjustment	\$53.8	\$25.8	\$79.6	\$21.7	\$2.2	\$101.5
<u>Prior Accident Years Development</u>						
Favorable/(Unfavorable)						
Actuarial adjustment						\$85.3
All other development						70.0
Total development						\$155.3
Calendar year loss/LAE ratio						65.8
Accident year loss/LAE ratio						68.4
<u>Statutory Ratios</u>						
Loss/LAE ratio						65.8
Expense ratio						19.5
Combined ratio						85.3
<u>Statutory Surplus</u>						
						\$5,436.3

NM = Not Meaningful

<u>Policies in Force</u>	May 2006	May 2005	Change
(in thousands)			
Drive – Auto	4,558	4,482	2%
Direct – Auto	2,403	2,252	7%
Special Lines ³	2,830	2,555	11%
Total Personal Lines	9,791	9,289	5%
Commercial Auto Business	497	449	11%

¹ The other businesses generated an underwriting profit of \$5.8 million.

² Represents adjustments solely based on our corporate actuarial reviews.

³ Includes insurance for motorcycles, recreational vehicles, mobile homes, watercraft, snowmobiles and similar items.

THE PROGRESSIVE CORPORATION AND SUBSIDIARIES
BALANCE SHEET AND OTHER INFORMATION

(millions— except per share amounts)
(unaudited)

	May 2006
CONDENSED GAAP BALANCE SHEET:¹	
Investments – Available-for-sale, at market:	
Fixed maturities (amortized cost: \$10,632.8)	\$10,459.2
Equity securities:	
Preferred stocks (cost: \$1,351.7)	1,348.4
Common equities (cost: \$1,426.3)	2,086.5
Short-term investments (amortized cost: \$3,453.5)	3,454.0
Total investments ²	17,348.1
Net premiums receivable	2,690.2
Deferred acquisition costs	478.3
Other assets	1,687.5
Total assets	\$22,204.1
Unearned premiums	\$4,635.5
Loss and loss adjustment expense reserves	5,691.3
Other liabilities ²	4,172.4
Debt	1,285.2
Shareholders' equity	6,419.7
Total liabilities and shareholders' equity	\$22,204.1

Common Shares outstanding	779.2
Shares repurchased – May ³	2.3
Average cost per share ³	NM
Book value per share	\$8.24
Trailing 12-month return on average shareholders' equity	23.8%
Net unrealized pre-tax gains on investments	\$483.8
Increase (decrease) from April 2006	\$(81.3)
Increase (decrease) from December 2005	\$(116.3)
Debt to total capital ratio	16.7%
Fixed-income portfolio duration	3.1 Years
Weighted average credit quality	AA
Year-to-date Gainshare factor	1.39

NM = Not Meaningful

¹Pursuant to SFAS 113, "Accounting and Reporting for Reinsurance of Short-Duration and Long-Duration Contracts," loss and loss adjustment expense reserves are stated gross of reinsurance recoverables on unpaid losses of \$339.7 million.

²Amounts include net unsettled security acquisitions, including repurchase commitments, of \$2,725.5 million.

³Includes .3 million Common Shares repurchased prior to our 4-for-1 stock split at an average cost of \$107.94 per share and 2.0 million Common Shares repurchased after the stock split at an average cost of \$27.16; we did not split treasury shares.

Monthly Commentary

- We retired our \$100 million, 7.30% Notes at maturity on June 1, 2006. This repayment is not reflected on the May 2006 Condensed GAAP Balance Sheet included in this release.

The Progressive Group of Insurance Companies, in business since 1937, ranks third in the nation for auto insurance based on premiums written and provides drivers with competitive rates and 24/7, in-person and online service. The products and services of the Progressive Direct Group of Insurance Companies are marketed directly to consumers by phone at 1-800-PROGRESSIVE and online at www.progressivedirect.com through the Progressive DirectSM brand. The Drive Group of Progressive Insurance Companies offers insurance through more than 30,000 independent insurance agencies that market their products and services through the Drive[®] Insurance from Progressive brand. For more information about Drive Insurance, go to www.driveinsurance.com. The Common Shares of The Progressive Corporation, the Mayfield Village, Ohio-based holding company, are publicly traded at NYSE:PGR. More information, including a guide to interpreting the monthly reporting package, can be found at www.progressive.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Statements in this release that are not historical fact are forward-looking statements that are subject to certain risks and uncertainties that could cause actual events and results to differ materially from those discussed herein. These risks and uncertainties include, without limitation, uncertainties related to estimates, assumptions and projections generally; inflation and changes in economic conditions (including changes in interest rates and financial markets); the accuracy and adequacy of the Company's pricing and loss reserving methodologies; pricing competition and other initiatives by competitors; the Company's ability to obtain regulatory approval for requested rate changes and the timing thereof; the effectiveness of the Company's advertising campaigns; legislative and regulatory developments; disputes relating to intellectual property rights; the outcome of litigation pending or that may be filed against the Company; weather conditions (including the severity and frequency of storms, hurricanes, snowfalls, hail and winter conditions); changes in driving patterns and loss trends; acts of war and terrorist activities; the Company's ability to maintain the uninterrupted operation of its facilities, systems (including information technology systems) and business functions; court decisions and trends in litigation and health care and auto repair costs; and other matters described from time to time by the Company in releases and publications, and in periodic reports and other documents filed with the United States Securities and Exchange Commission. In addition, investors should be aware that generally accepted accounting principles prescribe when a company may reserve for particular risks, including litigation exposures. Accordingly, results for a given reporting period could be significantly affected if and when a reserve is established for one or more contingencies. Reported results, therefore, may appear to be volatile in certain accounting periods.