

# ***NI Holdings, Inc.***

NI Holdings, Inc. (NODK)  
Financial Supplement as of March 31, 2018

The Company has five reportable segments:

- Private Passenger Auto: provides protection against liability for bodily injury and property damage arising from automobile accidents and protection against loss from damage to automobiles owned by the insured.
- Non-Standard Auto: provides limited protection auto insurance for both bodily injury and property damage.
- Home and Farm: provides coverage for damage to buildings, equipment, and contents for a variety of perils, including fire, lightning, wind, hail, and theft; also covers liability arising from injury to other persons or their property while on insured's premises.
- Crop: provides multi-peril crop and crop hail insurance. Multi-peril crop is a federal insurance program to provide protection against a variety of potential damages to crops, including both weather and non-weather causes. Crop hail is private coverage to provide protection against losses to crops due primarily to hail damage.
- All Other: includes commercial liability and physical damage coverages, excess liability and other coverages, and assumed reinsurance pools.

**NI HOLDINGS, INC.  
FINANCIAL SUPPLEMENT  
(UNAUDITED)  
AS OF MARCH 31, 2018**

**INDEX TO SUPPLEMENT**

SUMMARY FINANCIAL HIGHLIGHTS

Page:

3

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**About NI Holdings:**

NI Holdings, Inc. (NASDAQ: NODK) is a U.S. insurance holding company, specializing in property and casualty insurance coverages primarily in the Upper Midwest. NI Holdings is the parent company of Nodak Insurance Company, which focuses on providing financial protections for owners of homes, farms, automobiles, and small businesses. NI Holdings' financial statements include the consolidated financial results of NI Holdings and Nodak Insurance, including Nodak Insurance' subsidiaries American West Insurance Company, Primero Insurance Company, and Battle Creek Mutual Insurance Company.

**NI Holdings, Inc.**  
**Consolidated Statements of Operations and Selected Data**  
**(Unaudited)**

(\$ in thousands)	2018		2017				Twelve Months		1Q18 - 1Q17	1Q18 - 4Q17
	1Q	4Q	3Q	2Q	1Q	2017	2016	% Change	% Change	
<b>Revenues:</b>										
Net premiums earned	\$ 36,112	\$ 48,477	\$ 52,525	\$ 45,653	\$ 32,809	\$ 179,464	\$ 152,756	10.1%	-25.5%	
Fee and other income	377	228	752	321	347	1,648	1,666	8.6%	65.4%	
Net investment income	1,369	1,325	1,404	1,303	999	5,031	3,644	37.0%	3.3%	
Net realized capital gain on investments	469	157	1,885	339	616	2,997	5,681	-23.9%	198.7%	
	<u>38,327</u>	<u>50,187</u>	<u>56,566</u>	<u>47,616</u>	<u>34,771</u>	<u>189,140</u>	<u>163,747</u>	10.2%	-23.6%	
<b>Expenses:</b>										
Losses and loss adjustment expenses	18,849	19,161	49,599	36,230	17,721	122,711	118,508	6.4%	-1.6%	
Underwriting and general expenses <sup>(1)</sup>	11,877	12,887	10,092	11,425	10,019	44,423	39,122	18.5%	-7.8%	
	<u>30,726</u>	<u>32,048</u>	<u>59,691</u>	<u>47,655</u>	<u>27,740</u>	<u>167,134</u>	<u>157,630</u>	10.8%	-4.1%	
Income (loss) before income taxes	7,601	18,139	(3,125)	(39)	7,031	22,006	6,117	8.1%	-58.1%	
Income taxes	1,449	4,700	(432)	(156)	2,282	6,394	1,479	-36.5%	-69.2%	
Net income (loss)	6,152	13,439	(2,693)	117	4,749	15,612	4,638	29.5%	-54.2%	
Net income (loss) attributable to non-controlling interest	30	(467)	40	(12)	60	(379)	87	-50.0%	106.4%	
Net income (loss) attributable to NI Holdings, Inc.	<u>\$ 6,122</u>	<u>\$ 13,906</u>	<u>\$ (2,733)</u>	<u>\$ 129</u>	<u>\$ 4,689</u>	<u>\$ 15,991</u>	<u>\$ 4,551</u>	30.6%	-56.0%	
Loss and LAE ratio <sup>(2)</sup>	52.2%	39.5%	94.4%	79.4%	54.0%	68.4%	77.6%	-180 bps	1270 bps	
Expense ratio <sup>(3)</sup>	32.9%	26.6%	19.2%	25.0%	30.5%	24.8%	25.6%	240 bps	630 bps	
Combined ratio <sup>(4)</sup>	85.1%	66.1%	113.6%	104.4%	84.5%	93.1%	103.2%	60 bps	1900 bps	
<b>Direct premiums written:</b>										
Private passenger auto	\$ 16,517	\$ 15,377	\$ 14,365	\$ 16,171	\$ 14,834	\$ 60,747	\$ 53,156	11.3%	7.4%	
Non-standard auto	3,210	2,737	2,855	2,597	2,646	10,835	10,800	21.3%	17.3%	
Home and farm	17,457	16,332	15,445	18,958	15,880	66,615	60,448	9.9%	6.9%	
Crop	-	(87)	4,543	43,530	1,026	49,012	48,876	-100.0%	100.0%	
All other <sup>(a)</sup>	2,090	1,823	1,797	2,414	1,995	8,029	7,590	4.8%	14.6%	
Total	<u>\$ 39,274</u>	<u>\$ 36,182</u>	<u>\$ 39,005</u>	<u>\$ 83,670</u>	<u>\$ 36,381</u>	<u>\$ 195,238</u>	<u>\$ 180,870</u>	8.0%	8.5%	
<b>Net premiums earned:</b>										
Private passenger auto	\$ 14,825	\$ 14,939	\$ 14,275	\$ 13,520	\$ 12,644	\$ 55,378	\$ 48,250	17.2%	-0.8%	
Non-standard auto	2,991	2,746	2,663	2,590	2,531	10,530	10,671	18.2%	8.9%	
Home and farm	15,118	15,777	14,909	14,071	13,638	58,395	50,243	10.9%	-4.2%	
Crop	101	12,156	17,756	12,814	1,100	43,826	33,163	-90.8%	-99.2%	
All other <sup>(a)</sup>	3,077	2,859	2,922	2,658	2,896	11,335	10,429	6.3%	7.6%	
Total	<u>\$ 36,112</u>	<u>\$ 48,477</u>	<u>\$ 52,525</u>	<u>\$ 45,653</u>	<u>\$ 32,809</u>	<u>\$ 179,464</u>	<u>\$ 152,756</u>	10.1%	-25.5%	
<b>Losses and loss adjustment expenses:</b>										
Private passenger auto	\$ 10,122	\$ 6,560	\$ 10,471	\$ 7,733	\$ 9,987	\$ 34,751	\$ 37,892	1.4%	54.3%	
Non-standard auto	1,964	2,406	1,564	2,347	2,373	8,690	9,965	-17.2%	-18.4%	
Home and farm	5,322	5,637	15,069	14,571	4,432	39,709	44,004	20.1%	-5.6%	
Crop	315	2,735	18,213	10,914	580	32,442	19,369	-45.7%	-88.5%	
All other <sup>(a)</sup>	1,126	1,823	4,282	665	349	7,119	7,278	222.6%	-38.2%	
Total	<u>\$ 18,849</u>	<u>\$ 19,161</u>	<u>\$ 49,599</u>	<u>\$ 36,230</u>	<u>\$ 17,721</u>	<u>\$ 122,711</u>	<u>\$ 118,508</u>	6.4%	-1.6%	
<b>Loss and LAE ratios:</b>										
Private passenger auto	68.3%	43.9%	73.4%	57.2%	79.0%	62.8%	78.5%	-1070 bps	2440 bps	
Non-standard auto	65.7%	87.6%	58.7%	90.6%	93.8%	82.5%	93.4%	-2810 bps	-2200 bps	
Home and farm	35.2%	35.7%	101.1%	103.6%	32.5%	68.0%	87.6%	270 bps	-50 bps	
Crop	311.9%	22.5%	102.6%	85.2%	52.7%	74.0%	58.4%	25920 bps	28940 bps	
All other <sup>(a)</sup>	36.6%	63.8%	146.5%	25.0%	12.1%	62.8%	69.8%	2450 bps	-2720 bps	
Total	<u>52.2%</u>	<u>39.5%</u>	<u>94.4%</u>	<u>79.4%</u>	<u>54.0%</u>	<u>68.4%</u>	<u>77.6%</u>	-180 bps	1270 bps	

**Notes:**

(1) Underwriting and general expenses include the deferral and amortization of policy acquisition costs.

(2) The loss and LAE ratio equals losses and loss adjustment expenses divided by net premiums earned.

(3) The expense ratio equals underwriting and general expenses divided by net premiums earned.

(4) The combined ratio equals losses and loss adjustment expenses plus underwriting and general expenses, divided by net premiums earned.

(a) All other includes primarily commercial business owners insurance and assumed domestic and international reinsurance programs which are intended to diversify the risk exposure of the company.