

NI Holdings, Inc.

NI Holdings, Inc. (NODK)
Financial Supplement as of December 31, 2017

Note: The presentation of NI Holdings' financial reporting segments was modified to conform to the new operating model. As of fourth quarter 2017, the Company has five reportable segments:

- Private Passenger Auto (formerly included in Other Property & Casualty reportable segment): 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 (formerly included in Other Property & Casualty reportable segment): 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 (formerly included in Other Property & Casualty reportable segment): includes commercial liability and physical damage coverages, excess liability and other coverages, and assumed reinsurance pools.

**NI HOLDINGS, INC.
FINANCIAL SUPPLEMENT
(UNAUDITED)
AS OF DECEMBER 31, 2017**

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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)	2017				2016				Twelve Months			4Q17 - 4Q16 % Change	4Q17 - 3Q17 % Change	Y17 - Y16 % Change	
	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	2017	2016	2015				
Revenues:															
Net premiums earned	\$ 48,477	\$ 52,525	\$ 45,653	\$ 32,809	\$ 32,866	\$ 52,639	\$ 37,136	\$ 30,115	\$ 179,464	\$ 152,756	\$ 139,473	47.5%	-7.7%	17.5%	
Fee and other income	228	752	321	347	174	680	508	304	1,648	1,666	1,854	31.0%	-69.7%	-1.1%	
Net investment income	1,325	1,404	1,303	999	810	820	1,032	982	5,031	3,644	3,571	63.6%	-5.6%	38.1%	
Net realized capital gain on investments	157	1,885	339	616	466	4,996	130	89	2,997	5,681	823	-66.3%	-91.7%	-47.2%	
	50,187	56,566	47,616	34,771	34,316	59,135	38,806	31,490	189,140	163,747	145,721	46.2%	-11.3%	15.5%	
Expenses:															
Losses and loss adjustment expenses	19,161	49,599	36,230	17,721	25,248	50,675	31,096	11,489	122,711	118,508	83,876	-24.1%	-61.4%	3.5%	
Underwriting and general expenses ⁽¹⁾	12,887	10,092	11,425	10,019	7,426	11,021	10,376	10,299	44,423	39,122	35,972	73.5%	27.7%	13.5%	
	32,048	59,691	47,655	27,740	32,674	61,696	41,472	21,788	167,134	157,630	119,848	-1.9%	-46.3%	6.0%	
Income (loss) before income taxes	18,139	(3,125)	(39)	7,031	1,642	(2,561)	(2,666)	9,702	22,006	6,117	25,873	1004.7%	680.4%	259.8%	
Income taxes	4,700	(432)	(156)	2,282	405	(1,562)	(847)	3,483	6,394	1,479	8,288	1060.5%	1188.0%	332.3%	
Net income (loss)	13,439	(2,693)	117	4,749	1,237	(999)	(1,819)	6,219	15,612	4,638	17,585	986.4%	599.0%	236.6%	
Net income (loss) attributable to non-controlling interest	(467)	40	(12)	60	141	(2)	(57)	5	(379)	87	129	-431.2%	-1267.5%	-535.6%	
Net income (loss) attributable to NI Holdings, Inc.	\$ 13,906	\$ (2,733)	\$ 129	\$ 4,689	\$ 1,096	\$ (997)	\$ (1,762)	\$ 6,214	\$ 15,991	\$ 4,551	\$ 17,456	1168.8%	608.8%	251.4%	
Loss and LAE ratio ⁽²⁾	39.5%	94.4%	79.4%	54.0%	76.8%	96.3%	83.7%	38.2%	68.4%	77.6%	60.1%	-3730 bps	-5490 bps	-920 bps	
Expense ratio ⁽³⁾	26.6%	19.2%	25.0%	30.5%	22.6%	20.9%	27.9%	34.2%	24.8%	25.6%	24.8%	400 bps	740 bps	-80 bps	
Combined ratio ⁽⁴⁾	66.1%	113.6%	104.4%	84.5%	99.4%	117.2%	111.7%	72.3%	93.1%	103.2%	85.9%	-3330 bps	-4750 bps	-1010 bps	
Direct premiums written:															
Private passenger auto	\$ 15,377	\$ 14,365	\$ 16,171	\$ 14,834	\$ 13,342	\$ 12,352	\$ 14,325	\$ 13,137	\$ 60,747	\$ 53,156	\$ 47,821	15.3%	7.0%	14.3%	
Non-standard auto	2,737	2,855	2,597	2,646	2,552	2,764	2,690	2,794	10,835	10,800	11,273	7.2%	-4.1%	0.3%	
Home and farm	16,332	15,445	18,958	15,880	15,220	13,829	16,911	14,488	66,615	60,448	56,686	7.3%	5.7%	10.2%	
Crop	(87)	4,543	43,530	1,026	(2,682)	8,616	41,530	1,412	49,012	48,876	49,802	96.8%	-101.9%	0.3%	
All other ^(a)	1,823	1,797	2,414	1,995	1,632	1,677	2,297	1,984	8,029	7,590	7,193	11.7%	1.4%	5.8%	
Total	\$ 36,182	\$ 39,005	\$ 83,670	\$ 36,381	\$ 30,064	\$ 39,238	\$ 77,753	\$ 33,815	\$ 195,238	\$ 180,870	\$ 172,775	20.3%	-7.2%	7.9%	
Net premiums earned:															
Private passenger auto	\$ 14,939	\$ 14,275	\$ 13,520	\$ 12,644	\$ 12,187	\$ 12,531	\$ 11,954	\$ 11,578	\$ 55,378	\$ 48,250	\$ 43,985	22.6%	4.7%	14.8%	
Non-standard auto	2,746	2,663	2,590	2,531	2,643	2,719	2,707	2,602	10,530	10,671	11,373	3.9%	3.1%	-1.3%	
Home and farm	15,777	14,909	14,071	13,638	11,377	13,385	12,975	12,506	58,395	50,243	48,432	38.7%	5.8%	16.2%	
Crop	12,156	17,756	12,814	1,100	4,621	21,322	6,930	290	43,826	33,163	25,713	163.1%	-31.5%	32.2%	
All other ^(a)	2,859	2,922	2,658	2,896	2,038	2,682	2,570	3,139	11,335	10,429	9,970	40.3%	-2.2%	8.7%	
Total	\$ 48,477	\$ 52,525	\$ 45,653	\$ 32,809	\$ 32,866	\$ 52,639	\$ 37,136	\$ 30,115	\$ 179,464	\$ 152,756	\$ 139,473	47.5%	-7.7%	17.5%	
Losses and loss adjustment expenses:															
Private passenger auto	\$ 6,560	\$ 10,471	\$ 7,733	\$ 9,987	\$ 9,142	\$ 13,509	\$ 9,277	\$ 5,964	\$ 34,751	\$ 37,892	\$ 29,672	-28.2%	-37.4%	-8.3%	
Non-standard auto	2,406	1,564	2,347	2,373	2,383	2,443	2,526	2,613	8,690	9,965	9,954	1.0%	53.8%	-12.8%	
Home and farm	5,637	15,069	14,571	4,432	6,720	21,855	13,924	1,505	39,709	44,004	30,881	-16.1%	-62.6%	-9.8%	
Crop	2,735	18,213	10,914	580	6,211	10,564	2,318	276	32,442	19,369	11,037	-56.0%	-85.0%	67.5%	
All other ^(a)	1,823	4,282	665	349	792	2,304	3,051	1,131	7,119	7,278	2,332	130.2%	-57.4%	-2.2%	
Total	\$ 19,161	\$ 49,599	\$ 36,230	\$ 17,721	\$ 25,248	\$ 50,675	\$ 31,096	\$ 11,489	\$ 122,711	\$ 118,508	\$ 83,876	-24.1%	-61.4%	3.5%	
Loss and LAE ratios:															
Private passenger auto	43.9%	73.4%	57.2%	79.0%	75.0%	107.8%	77.6%	51.5%	62.8%	78.5%	67.5%	-3110 bps	-2940 bps	-1580 bps	
Non-standard auto	87.6%	58.7%	90.6%	93.8%	90.2%	89.8%	93.3%	100.4%	82.5%	93.4%	87.5%	-250 bps	2890 bps	-1090 bps	
Home and farm	35.7%	101.1%	103.6%	32.5%	59.1%	163.3%	107.3%	12.0%	68.0%	63.8%	63.8%	-2330 bps	-6530 bps	-1960 bps	
Crop	22.5%	102.6%	85.2%	52.7%	134.4%	49.5%	33.4%	95.2%	74.0%	58.4%	42.9%	-1190 bps	-8010 bps	1560 bps	
All other ^(a)	63.8%	146.5%	25.0%	12.1%	38.9%	85.9%	118.7%	36.0%	62.8%	69.8%	23.4%	2490 bps	-8280 bps	-700 bps	
Total	39.5%	94.4%	79.4%	54.0%	76.8%	96.3%	83.7%	38.2%	68.4%	77.6%	60.1%	-3730 bps	-5490 bps	-920 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.