

NMI Holdings, Inc.
NMI Holdings, Inc. Reconciliation of GAAP to Non-GAAP

	As Reported			Adjustment			Adjusted			As Reported			Adjustment			Adjusted			As Reported			Reported LTM Sept. 30, 2017 vs LTM Sept. 30, 2016		Adjusted LTM Sept. 30, 2017 vs LTM Sept. 30, 2016	
	Qtr Ended 12/31/2016		Qtr Ended 12/31/2016	Qtr Ended 3/31/2017		Qtr Ended 3/31/2017	Qtr Ended 6/30/2017		Qtr Ended 6/30/2017	Qtr Ended 9/30/2017		Qtr Ended 9/30/2017	LTM 9/30/2017	LTM 9/30/2017	LTM 9/30/2016	Change (\$)	Change (%)	Change (\$)	Change (%)						
<i>(\$ in Thousands)</i>																									
Net premiums earned	32,825	-	32,825	33,225	-	33,225	37,917	-	37,917	44,519	148,486	148,486	94,536	53,950	57%	53,950	57%								
Net investment income	3,634	-	3,634	3,807	-	3,807	3,908	-	3,908	4,170	15,519	15,519	12,195	3,324	27%	3,324	27%								
Net realized investment gains (losses)	65	-	65	(58)	-	(58)	188	-	188	69	264	264	(879)	1,143	-130%	1,143	-130%								
Other revenues	105	-	105	80	-	80	185	-	185	195	565	565	196	369	188%	369	188%								
Total revenues	36,629		36,629	37,054		37,054	42,198		42,198	48,953	164,834	164,834	106,048	58,786	55%	58,786	55%								
Insurance claims and claims expenses	800	-	800	635	-	635	1,373	-	1,373	957	3,765	3,765	1,963	1,802	92%	1,802	92%								
Underwriting and operating expenses	23,281	-	23,281	25,989	(1,600)	24,389	28,048	(3,105)	24,943	24,645	101,963	97,258	91,629	10,334	11%	5,629	6%								
Total expenses	24,081		24,081	26,624	(1,600)	25,024	29,421	(3,105)	26,316	25,602	105,728	101,023	93,592	12,136	13%	7,431	8%								
Income before income taxes	7,058		7,058	6,740	1,600	8,340	9,496	3,105	12,601	19,497	42,791	47,496	(428)	43,219	nm	47,924	nm								
Income tax expense	(52,550)	52,550	-	1,248	296	1,544	3,484	1,139	4,623	7,185	(40,633)	13,352	114	(40,747)	nm	13,238	nm								
Net income	\$ 59,608	\$ (52,550)	\$ 7,058	\$ 5,492	\$ 1,304	\$ 6,796	\$ 6,012	\$ 1,966	\$ 7,978	\$ 12,312	\$ 83,424	\$ 34,144	\$ (542)	\$ 83,966	nm	\$ 34,686	nm								
Average Shareholders Equity	452,889		452,889	479,709		479,709	489,475		489,475	503,033															
Return on Equity	52.6%		6.2%	4.6%		5.7%	4.9%		6.5%	9.8%															
Expense Ratio	71%		71%	78%		73%	74%		66%	55%															
Loss Ratio	2%		2%	2%		2%	4%		4%	2%															
Combined Ratio	73%		73%	80%		75%	78%		69%	58%															
Underwriting Margin (1-Combined Ratio)	27%		27%	20%		25%	22%		31%	42%															