

Non-GAAP reconciliation

	First Quarter 3/31/2016	Second Quarter 6/30/2016	Third Quarter 9/30/2016	Fourth Quarter 12/31/2016	Year Ended 12/31/2016	First Quarter 3/31/2017	Second Quarter 6/30/2017	Third Quarter 9/30/2017	Fourth Quarter 12/31/2017	Year Ended 12/31/2017	First Quarter 3/31/2018
<i>\$ in thousands, except per share values</i>											
As Reported:											
Revenues											
Net premiums earned	\$ 19,807	\$ 26,041	\$ 31,808	\$ 32,825	\$ 110,481	\$ 33,225	\$ 37,917	\$ 44,519	\$ 50,079	\$ 165,740	\$ 54,914
Net Investment Income	3,231	3,342	3,544	3,634	13,751	3,807	3,908	4,170	4,388	16,273	4,574
Net realized investment gains (losses)	(885)	61	66	65	(693)	(58)	188	69	9	208	-
Other revenues	32	37	102	105	276	80	185	195	62	522	64
Total revenues	\$ 22,185	\$ 29,481	\$ 35,520	\$ 36,629	\$ 123,815	\$ 37,054	\$ 42,198	\$ 48,953	\$ 54,538	\$ 182,743	\$ 59,552
Expenses											
Insurance claims and claims expenses	\$ 458	\$ 470	\$ 664	\$ 800	\$ 2,392	\$ 635	\$ 1,373	\$ 957	\$ 2,374	\$ 5,339	\$ 1,569
Underwriting and operating expenses	22,671	23,234	24,037	23,281	93,223	25,989	28,048	24,645	28,297	106,979	28,453
Total expenses	\$ 23,129	\$ 23,704	\$ 24,701	\$ 24,081	\$ 95,615	\$ 26,624	\$ 29,421	\$ 25,602	\$ 30,671	\$ 112,318	\$ 30,022
Other Expenses											
Gain (loss) from change in fair value of warrant liability	\$ 669	\$ (59)	\$ (797)	\$ (1,713)	\$ (1,900)	\$ (196)	\$ 19	\$ (502)	\$ (3,426)	\$ (4,105)	\$ 420
Interest expense	(3,632)	(3,707)	(3,733)	(3,777)	(14,848)	(3,494)	(3,300)	(3,352)	(3,382)	(13,528)	(3,419)
Total other expense	(\$2,963)	(\$3,766)	(\$4,530)	(\$5,490)	(\$16,748)	(\$3,690)	(\$3,281)	(\$3,854)	(\$6,808)	(\$17,633)	(\$2,999)
Income before income taxes	\$ (3,907)	\$ 2,011	\$ 6,289	\$ 7,059	\$ 11,452	\$ 6,740	\$ 9,496	\$ 19,497	\$ 17,059	\$ 52,792	\$ 26,531
Income tax expense (benefit)	-	-	114	(52,663)	(52,549)	1,248	3,484	7,185	18,825	30,742	4,176
Net income	\$ (3,907)	\$ 2,011	\$ 6,175	\$ 59,722	\$ 64,001	\$ 5,492	\$ 6,012	\$ 12,312	\$ (1,766)	\$ 22,050	\$ 22,355
Adjustments:											
(Gain) loss from change in fair value of warrant liability	\$ (669)	\$ 59	\$ 797	\$ 1,713	\$ 1,900	\$ 196	\$ (19)	\$ 502	\$ 3,426	\$ 4,105	\$ (420)
Adjusted Income before income taxes	\$ (4,576)	\$ 2,070	\$ 7,086	\$ 8,771	\$ 13,352	\$ 6,936	\$ 9,477	\$ 19,999	\$ 20,485	\$ 56,897	\$ 26,111
After-tax warrant adjustment	\$ (435)	\$ 38	\$ 518	\$ 1,113	\$ 1,235	\$ 127	\$ (12)	\$ 326	\$ 2,227	\$ 2,668	\$ (332)
Nonrecurring deferred tax asset adjustments	-	-	-	(58,535)	(58,535)	-	-	-	13,554	13,554	-
Adjusted Net income	\$ (4,342)	\$ 2,049	\$ 6,693	\$ 2,300	\$ 6,701	\$ 5,619	\$ 6,000	\$ 12,638	\$ 14,015	\$ 38,272	\$ 22,023
Weighted average diluted shares outstanding – Reported	58,937	59,831	60,285	61,229	60,829	62,339	63,010	63,089	60,219	62,186	65,697
Dilutive effect of non-vested shares and warrants	-	-	-	-	-	-	-	-	3,449	3,449	-
Weighted average diluted shares outstanding – Adjusted	58,937	59,831	60,285	61,229	60,829	62,339	63,010	63,089	63,668	65,635	65,697
Diluted EPS – Reported	\$ (0.07)	\$ 0.03	\$ 0.10	\$ 0.98	\$ 1.05	\$ 0.09	\$ 0.10	\$ 0.20	\$ (0.03)	\$ 0.35	\$ 0.34
Diluted EPS – Adjusted	\$ (0.07)	\$ 0.03	\$ 0.11	\$ 0.04	\$ 0.11	\$ 0.09	\$ 0.10	\$ 0.20	\$ 0.22	\$ 0.58	\$ 0.34
Shareholders' equity	\$ 410,058	\$ 422,435	\$ 430,269	\$ 475,509	\$ 475,509	\$ 483,909	\$ 495,040	\$ 511,025	\$ 509,077	\$ 509,077	\$ 601,944
Return on equity – Reported	(3.8%)	1.9%	5.8%	52.7%	14.6%	4.6%	4.9%	9.8%	(1.4%)	4.5%	16.1%
Return on equity – Adjusted	(4.3%)	2.0%	6.3%	2.0%	1.5%	4.7%	4.9%	10.0%	11.0%	7.8%	15.9%