

**NMI Holdings, Inc.**

**Non-GAAP reconciliation**

|  | Fourth Quarter<br>12/31/2022 | First Quarter<br>3/31/2023 | Second Quarter<br>6/30/2023 | Third<br>Quarter<br>9/30/2023 | Fourth<br>Quarter<br>12/31/2023 |
|--|------------------------------|----------------------------|-----------------------------|-------------------------------|---------------------------------|
| <i>(\$ in thousands, except per share values)</i>                |                              |                            |                             |                               |                                 |
| <b>As Reported:</b>  |                              |                            |                             |                               |                                 |
| <b>Revenues</b>  |                              |                            |                             |                               |                                 |
| Net premiums earned  | \$ 119,584                   | \$ 121,754                 | \$ 125,985                  | \$ 130,089                    | \$ 132,940                      |
| Net Investment Income  | 13,341                       | 14,894                     | 16,518                      | 17,853                        | 18,247                          |
| Net realized investment gains (losses)                           | 6                            | (33)                       | -                           | -                             | -                               |
| Other revenues   | 176                          | 164                        | 182                         | 217                           | 193                             |
| <b>Total revenues</b>  | <b>\$ 133,107</b>            | <b>\$ 136,779</b>          | <b>\$ 142,685</b>           | <b>\$ 148,159</b>             | <b>\$ 151,380</b>               |
| <b>Expenses</b>  |                              |                            |                             |                               |                                 |
| Insurance claims and claim (benefits) expenses                   | \$ 3,450                     | \$ 6,701                   | \$ 2,873                    | \$ 4,812                      | \$ 8,232                        |
| Underwriting and operating expenses                              | 26,711                       | 25,786                     | 27,448                      | 27,749                        | 29,716                          |
| Service expenses   | 131                          | 80                         | 267                         | 239                           | 185                             |
| Interest expense   | 8,035                        | 8,039                      | 8,048                       | 8,059                         | 8,066                           |
| Gain from change in fair value of warrant liability              | -                            | -                          | -                           | -                             | -                               |
| <b>Total expenses</b>  | <b>\$ 38,327</b>             | <b>\$ 40,606</b>           | <b>\$ 38,636</b>            | <b>\$ 40,859</b>              | <b>\$ 46,199</b>                |
| <b>Income before income taxes</b>                                | <b>\$ 94,780</b>             | <b>\$ 96,173</b>           | <b>\$ 104,049</b>           | <b>\$ 107,300</b>             | <b>\$ 105,181</b>               |
| Income tax expense   | 21,840                       | 21,715                     | 23,765                      | 23,345                        | 21,768                          |
| <b>Net income</b>  | <b>\$ 72,940</b>             | <b>\$ 74,458</b>           | <b>\$ 80,284</b>            | <b>\$ 83,955</b>              | <b>\$ 83,413</b>                |
| <b>Adjustments:</b>  |                              |                            |                             |                               |                                 |
| Gain from change in fair value of warrant liability              | \$ -                         | \$ -                       | \$ -                        | \$ -                          | \$ -                            |
| Capital markets transaction costs                                | -                            | -                          | -                           | -                             | -                               |
| Net realized investment (gains) losses                           | (6)                          | 33                         | -                           | -                             | -                               |
| Other Infrequent, unusual or non-operating items                 | -                            | -                          | -                           | -                             | -                               |
| <b>Adjusted income before income taxes</b>                       | <b>\$ 94,774</b>             | <b>\$ 96,206</b>           | <b>\$ 104,049</b>           | <b>\$ 107,300</b>             | <b>\$ 105,181</b>               |
| Income tax expense (benefit) on adjustments                      | (1)                          | 7                          | -                           | -                             | -                               |
| <b>Adjusted Net income</b>                                       | <b>\$ 72,935</b>             | <b>\$ 74,484</b>           | <b>\$ 80,284</b>            | <b>\$ 83,955</b>              | <b>\$ 83,413</b>                |
| Weighted average diluted shares outstanding                      | 84,809                       | 84,840                     | 84,190                      | 83,670                        | 82,685                          |
| Dilutive effect of non-vested shares and warrants                | -                            | -                          | -                           | -                             | -                               |
| <b>Weighted average diluted shares outstanding – Adjusted</b>    | <b>84,809</b>                | <b>84,840</b>              | <b>84,190</b>               | <b>83,670</b>                 | <b>82,685</b>                   |
| Diluted EPS – Reported   | \$ 0.86                      | \$ 0.88                    | \$ 0.95                     | \$ 1.00                       | \$ 1.01                         |
| Diluted EPS – Adjusted   | \$ 0.86                      | \$ 0.88                    | \$ 0.95                     | \$ 1.00                       | \$ 1.01                         |
| Shareholders' equity   | \$ 1,613,727                 | \$ 1,706,711               | \$ 1,748,955                | \$ 1,790,961                  | \$ 1,926,004                    |
| Return on equity – Reported                                      | 18.6%                        | 17.9%                      | 18.6%                       | 19.0%                         | 18.0%                           |
| Return on equity – Adjusted                                      | 18.6%                        | 17.9%                      | 18.6%                       | 19.0%                         | 18.0%                           |
| Expense ratio - Reported   | 22.3%                        | 21.2%                      | 21.8%                       | 21.3%                         | 22.4%                           |
| Expense ratio - Adjusted   | 22.3%                        | 21.2%                      | 21.8%                       | 21.3%                         | 22.4%                           |
| Loss ratio - Reported and Adjusted                               | 2.9%                         | 5.5%                       | 2.3%                        | 3.7%                          | 6.2%                            |
| Combined ratio - Reported  | 25.2%                        | 26.7%                      | 24.1%                       | 25.0%                         | 28.5%                           |
| Combined ratio - Adjusted  | 25.2%                        | 26.7%                      | 24.1%                       | 25.0%                         | 28.5%                           |
| Book value per share   | \$ 19.31                     | \$ 20.49                   | \$ 21.25                    | \$ 21.94                      | \$ 23.81                        |
| Book value per share (excluding net unrealized gains and losses) | \$ 21.76                     | \$ 22.56                   | \$ 23.53                    | \$ 24.56                      | \$ 25.54                        |