NMI Holdings, Inc.

Non-GAAP reconciliation

($ in thousands, except per share values)	First Quarter 3/31/2021	Second Quarter 6/30/2021	Third Quarter 9/30/2021	Fourth Quarter 12/31/2021	First Quarter 3/31/2022	Second Quarter 6/30/2022	Third Quarter 9/30/2022	Fourth Quarter 12/31/2022	First Quarter 3/31/2023
As Reported:									
Revenues									
Net premiums earned	$ 105,879	$ 110,888	$ 113,594	$ 113,933	$ 116,495	$ 120,870	$ 118,317	$ 119,584	$ 121,754
Net Investment Income	8,814	9,382	9,831	10,045	10,199	10,921	11,945	13,341	14,894
Net realized investment gains (losses)	-	12	3	714	408	53	14	6	(33)
Other revenues	501	483	613	380	339	376	301	176	164
Total revenues	**$ 115,194**	**$ 120,765**	**$ 124,041**	**$ 125,072**	**$ 127,441**	**$ 132,220**	**$ 130,577**	**$ 133,107**	**$ 136,779**
Expenses									
Insurance claims and claim expenses (benefits)	$ 4,962	$ 4,640	$ 3,204	$ (500)	$ (619)	$ (3,036)	$ (3,389)	$ 3,450	$ 6,701
Underwriting and operating expenses	34,065	34,725	34,669	38,843	32,935	30,700	27,144	26,711	25,786
Service expenses	591	481	787	650	430	336	197	131	80
Interest expense	7,915	7,922	7,930	8,029	8,041	8,051	8,036	8,035	8,039
Loss (gain) from change in fair value of warrant liability	205	(658)	-	(112)	(93)	(1,020)	-	-	-
Total expenses	**$ 47,738**	**$ 47,110**	**$ 46,590**	**$ 46,910**	**$ 40,694**	**$ 35,031**	**$ 31,988**	**$ 38,327**	**$ 40,606**
Income before income taxes	**$ 67,456**	**$ 73,655**	**$ 77,451**	**$ 78,162**	**$ 86,747**	**$ 97,189**	**$ 98,589**	**$ 94,780**	**$ 96,173**
Income tax expense	14,565	16,133	17,258	17,639	19,067	21,745	21,751	21,840	21,715
Net income	**$ 52,891**	**$ 57,522**	**$ 60,193**	**$ 60,523**	**$ 67,680**	**$ 75,444**	**$ 76,838**	**$ 72,940**	**$ 74,458**
Adjustments:									
Loss (gain) from change in fair value of warrant liability	$ 205	$ (658)	$ -	$ (112)	$ (93)	$ (1,020)	$ -	$ -	$ -
Capital markets transaction costs	378	1,615	481	1,505	260	(55)	-	-	-
Net realized investment (gains) losses	-	(12)	(3)	(714)	(408)	(53)	(14)	(6)	33
Other Infrequent, unusual or non-operating items	-	-	1,289	2,540	-	-	-	-	-
Adjusted Income before income taxes	**$ 68,039**	**$ 74,600**	**$ 79,218**	**$ 81,381**	**$ 86,506**	**$ 96,061**	**$ 98,575**	**$ 94,774**	**$ 96,206**
Income tax expense (benefit) on adjustments	$ 79	$ 337	$ 139	$ 251	$ (31)	$ (23)	$ (3)	$ (1)	$ 7
Adjusted Net income	**$ 53,395**	**$ 58,130**	**$ 61,821**	**$ 63,491**	**$ 67,470**	**$ 74,339**	**$ 76,827**	**$ 72,935**	**$ 74,484**
Weighted average diluted shares outstanding	86,487	86,819	86,880	87,117	87,310	86,577	85,485	84,809	84,840
Dilutive effect of non-vested shares and warrants	-	-	-	-	-	-	-	-	-
Weighted average diluted shares outstanding – Adjusted	**86,487**	**86,819**	**86,880**	**87,117**	**87,310**	**86,577**	**85,485**	**84,809**	**84,840**
Diluted EPS – Reported	$ 0.61	$ 0.65	$ 0.69	$ 0.69	$ 0.77	$ 0.86	$ 0.90	$ 0.86	$ 0.88
Diluted EPS – Adjusted	$ 0.62	$ 0.67	$ 0.71	$ 0.73	$ 0.77	$ 0.86	$ 0.90	$ 0.86	$ 0.88
Shareholders' equity	$ 1,380,308	$ 1,459,905	$ 1,516,226	$ 1,565,786	$ 1,535,042	$ 1,525,092	$ 1,525,866	$ 1,613,727	$ 1,706,711
Return on equity – Reported	15.4%	16.2%	16.2%	15.7%	17.5%	19.7%	20.1%	18.6%	17.9%
Return on equity – Adjusted	15.5%	16.4%	16.6%	16.5%	17.4%	19.4%	20.1%	18.6%	17.9%
Expense ratio - Reported	32.2%	31.3%	30.5%	34.1%	28.3%	25.4%	22.9%	22.3%	21.2%
Expense ratio - Adjusted	31.8%	29.9%	29.0%	30.5%	28.0%	25.4%	22.9%	22.3%	21.2%
Loss ratio - Reported and Adjusted	4.7%	4.2%	2.8%	(0.4%)	(0.5%)	(2.5%)	(2.9%)	2.9%	5.5%
Combined ratio - Reported	36.9%	35.5%	33.3%	33.7%	27.7%	22.9%	20.1%	25.2%	26.7%
Combined ratio - Adjusted	36.5%	34.0%	31.8%	30.1%	27.5%	22.9%	20.1%	25.2%	26.7%
Book value per share	$ 16.13	$ 17.03	$ 17.68	$ 18.25	$ 17.84	$ 18.01	$ 18.21	$ 19.31	$ 20.49
Book value per share (excluding net unrealized gains and losses)	$ 16.02	$ 16.71	$ 17.46	$ 18.23	$ 18.97	$ 19.91	$ 20.85	$ 21.76	$ 22.56