

**SECOND QUARTER 2017
INVESTOR CONFERENCE CALL**

August 10, 2017

CNFR
Nasdaq Listed




**Conifer
Holdings
Inc.**

SAFE HARBOR STATEMENT



This presentation contains “forward-looking” statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are based on our management’s beliefs and assumptions and on information currently available to management. These forward-looking statements include, without limitation, statements regarding our industry, business strategy, plans, goals and expectations concerning our market position, product expansion, future operations, margins, profitability, future efficiencies, and other financial and operating information. When used in this discussion, the words “may,” “believes,” “intends,” “seeks,” “anticipates,” “plans,” “estimates,” “expects,” “should,” “assumes,” “continues,” “potential,” “could,” “will,” “future” and the negative of these or similar terms and phrases are intended to identify forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties, inherent risks and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent our management’s beliefs and assumptions only as of the date of this presentation. Our actual future results may be materially different from what we expect due to factors largely outside our control, including the occurrence of severe weather conditions and other catastrophes, the cyclical nature of the insurance industry, future actions by regulators, our ability to obtain reinsurance coverage at reasonable rates and the effects of competition. These and other risks and uncertainties associated with our business are described under the heading “Risk Factors” in our most recently filed Annual Report on Form 10-K, which should be read in conjunction with this presentation. The company and subsidiaries operate in a dynamic business environment, and therefore the risks identified are not meant to be exhaustive. Risk factors change and new risks emerge frequently. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.



Continuing Efforts to Mitigate Impact of Florida AOB Claims

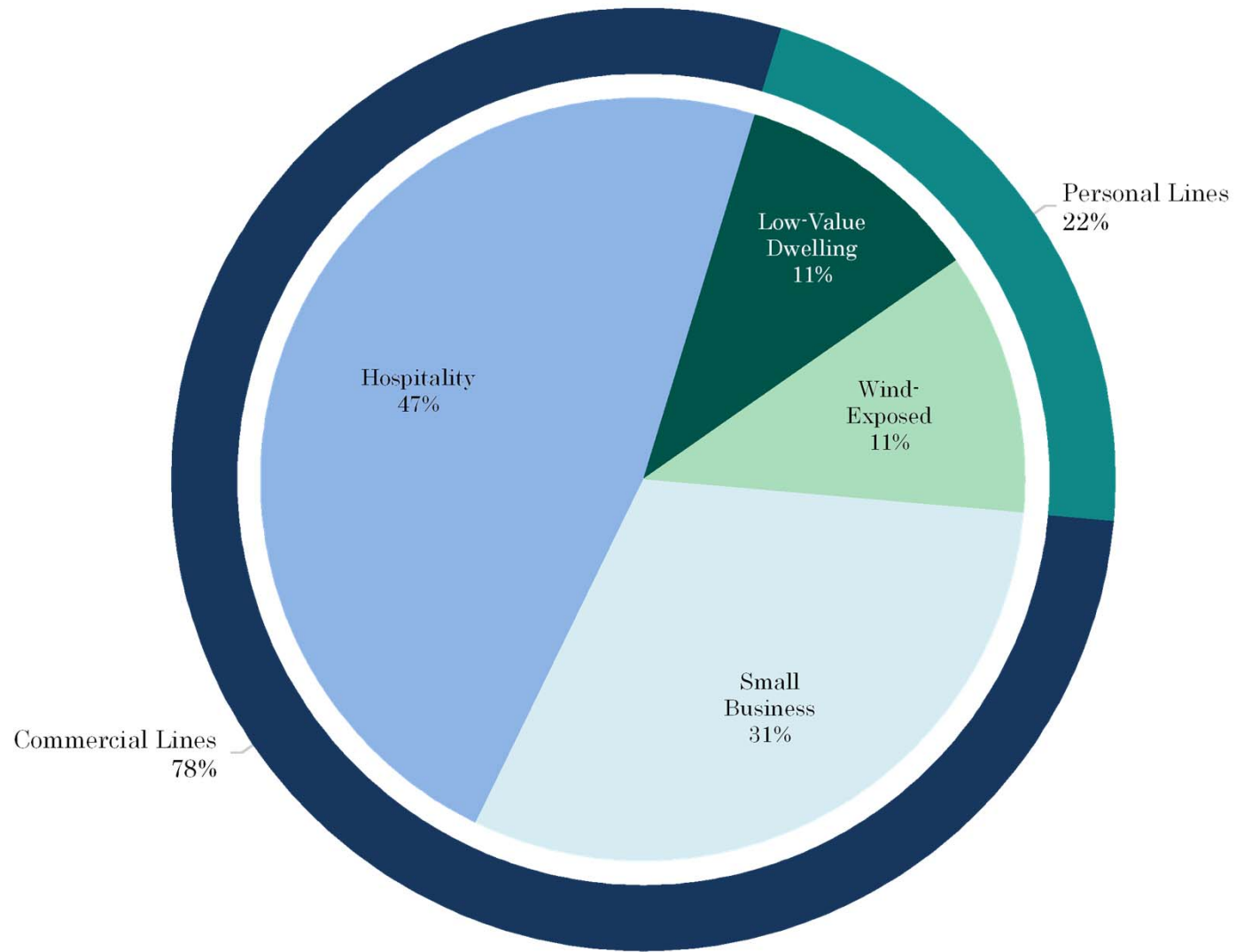
Maintaining Focus on Growing Profitable Core Lines of Business

Achieving Additional Expense Efficiencies Across Organization

Balance Sheet Remains Well Positioned to Support Companies

2017: Drive Toward Positive Bottom Line Results

BUSINESS MIX: GROSS WRITTEN PREMIUM FOR Q2 2017



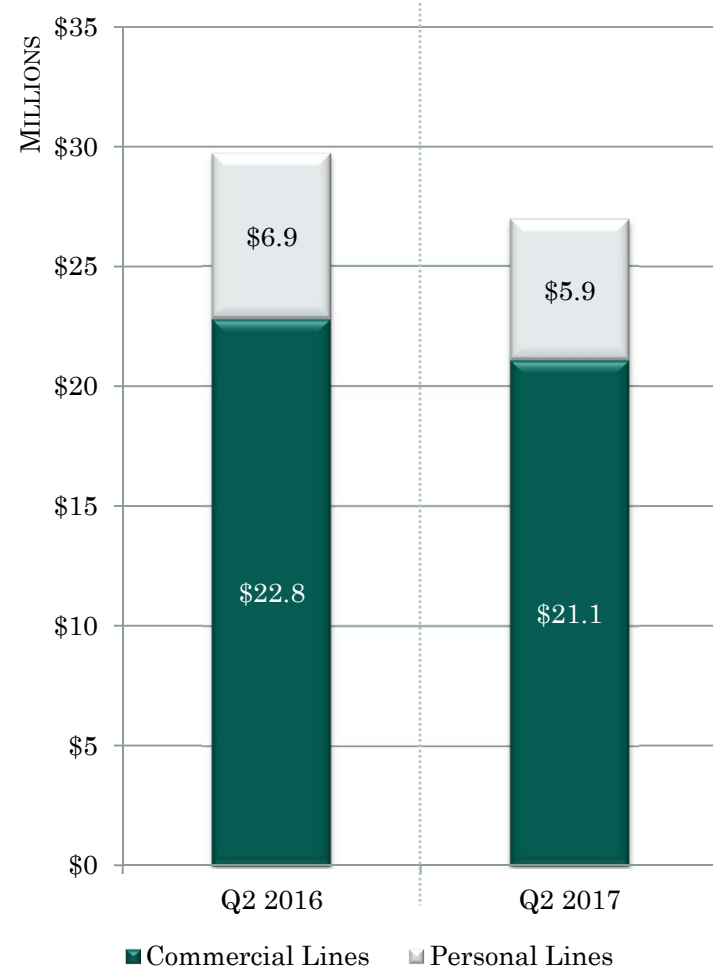
Q2 2017 RESULTS OVERVIEW



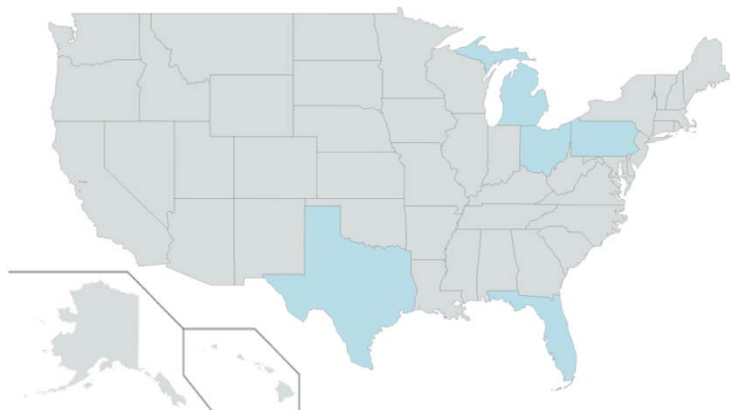
Significant Net Earned Premium growth:

- Net earned premium was \$24.5 million for Q2 2017, up 13% over the same period in 2016
 - Total gross written premium was \$27.0 million for Q2 2017, down 9.2% for the same period
- GWP decline was planned, and was offset by:
 - Strong commercial lines performance in hospitality & security guard accounts
- Continuing Expense Ratio improvement
 - Almost 500 basis point reduction quarter over quarter, from 48.0% in Q2 2016 to 43.4% in Q2 2017
 - Efforts to streamline expenses across the organization
 - Expect continued improvement as earned premiums ramp up

GROSS WRITTEN PREMIUM

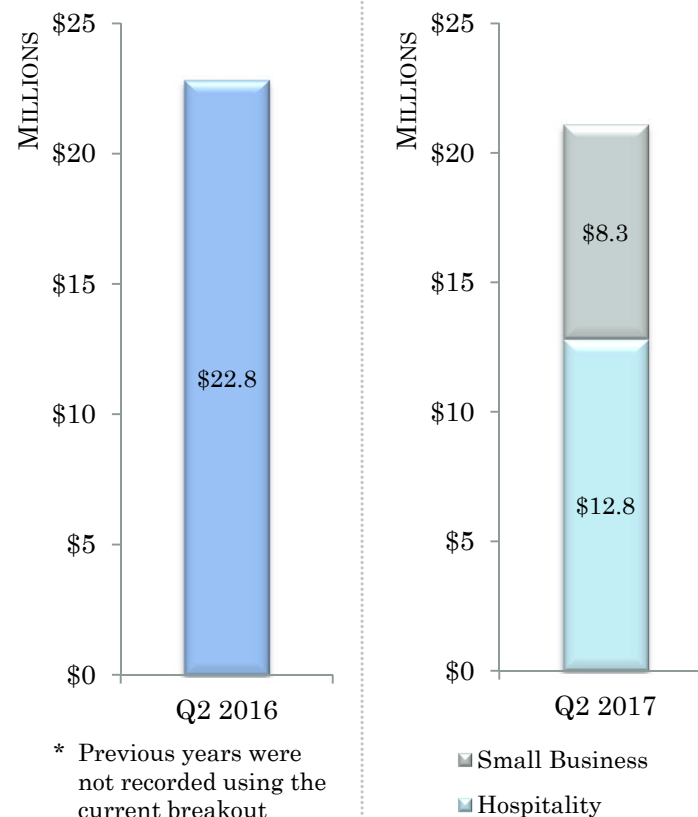


COMMERCIAL LINES OVERVIEW



As of June 30, 2017 Top Five States	GROSS WRITTEN PREMIUM \$ in thousands	
Florida	\$10,447	24.4%
Michigan	9,340	21.8%
Pennsylvania	4,509	10.5%
Texas	2,380	5.6%
Ohio	2,182	5.1%
All Other	13,892	32.6%
Total	\$ 42,750	100.0%

GROSS WRITTEN PREMIUM

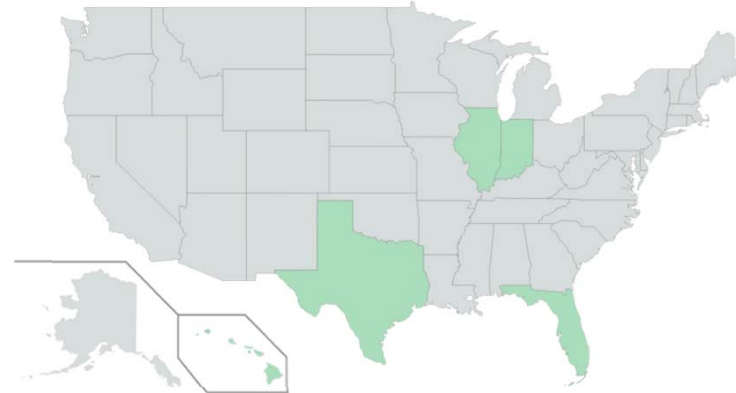
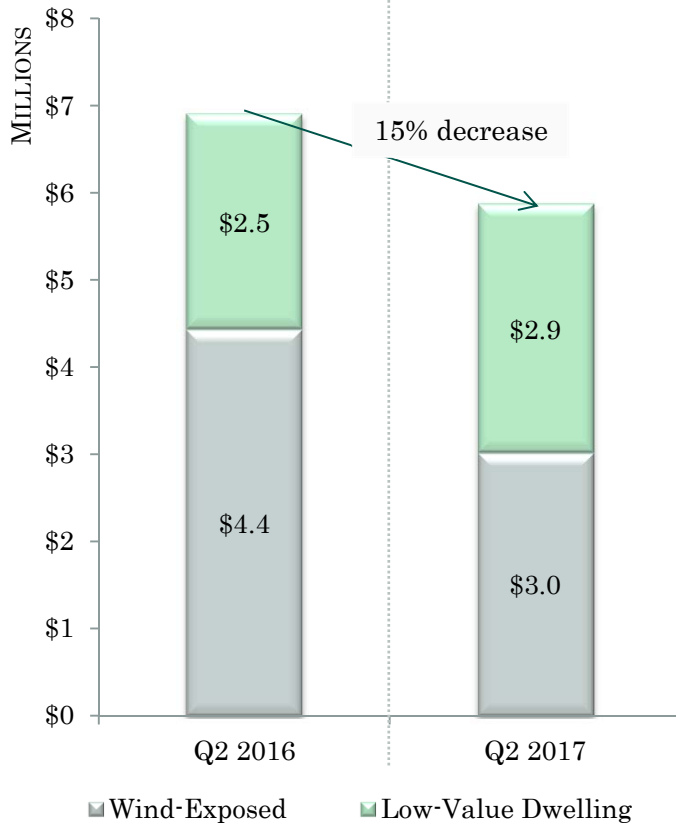


- Gross written premiums were up roughly 2% for the 6 month period ended June 30, 2017 compared to the same period in 2016
- Seek leading position in our specialized niche markets – example: liquor liability
- Writing commercial lines in all 50 states

PERSONAL LINES OVERVIEW



GROSS WRITTEN PREMIUM



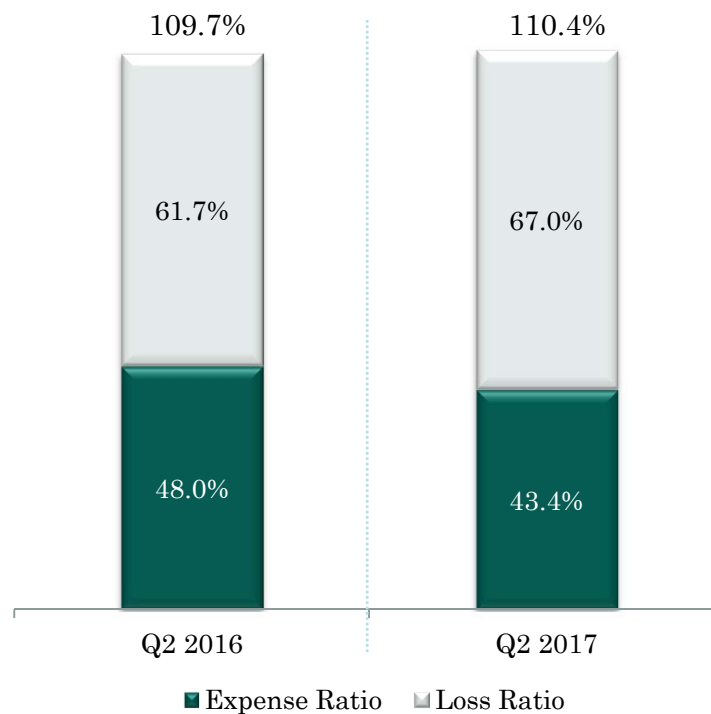
GROSS WRITTEN PREMIUM		As of June 30, 2017	
\$ in thousands		Top Five States	
Texas	\$ 3,891	36.3%	
Florida	2,613	24.4%	
Hawaii	2,264	21.1%	
Indiana	1,341	12.5%	
Illinois	357	3.3%	
All Other	239	2.4%	
Total	\$ 10,705	100.0%	

- Gross written premium in wind-exposed business was down 33% quarter over quarter
 - Planned decrease in wind-exposed homeowners, specifically Florida homeowners
- Ramping up efforts to reduce exposure & and non-renew business overall



RESULTS OVERVIEW: COMBINED RATIO

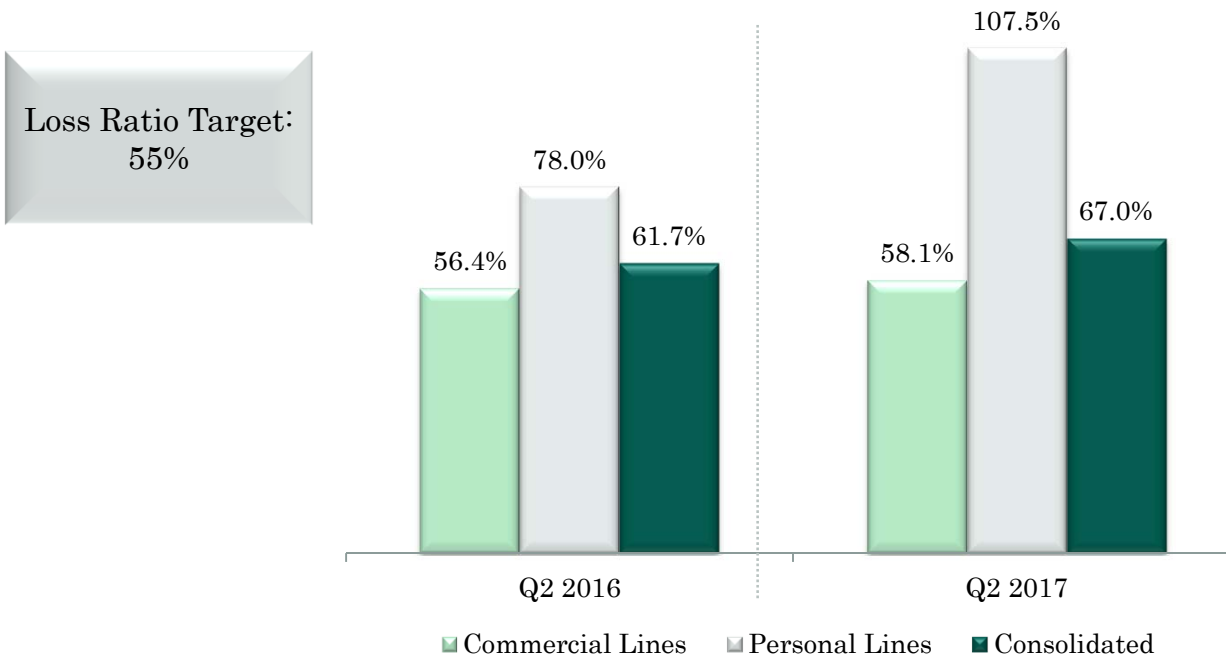
- Initiatives to mitigate Florida homeowners exposure expected to generate positive results
- Continued focus on core commercial lines will help drive overall combined ratio improvement as well
 - 78% of total premiums in Q2 were from our core commercial business
 - Focus on more profitable personal lines such as low value dwelling products





RESULTS OVERVIEW: Q2 2017 LOSS RATIO

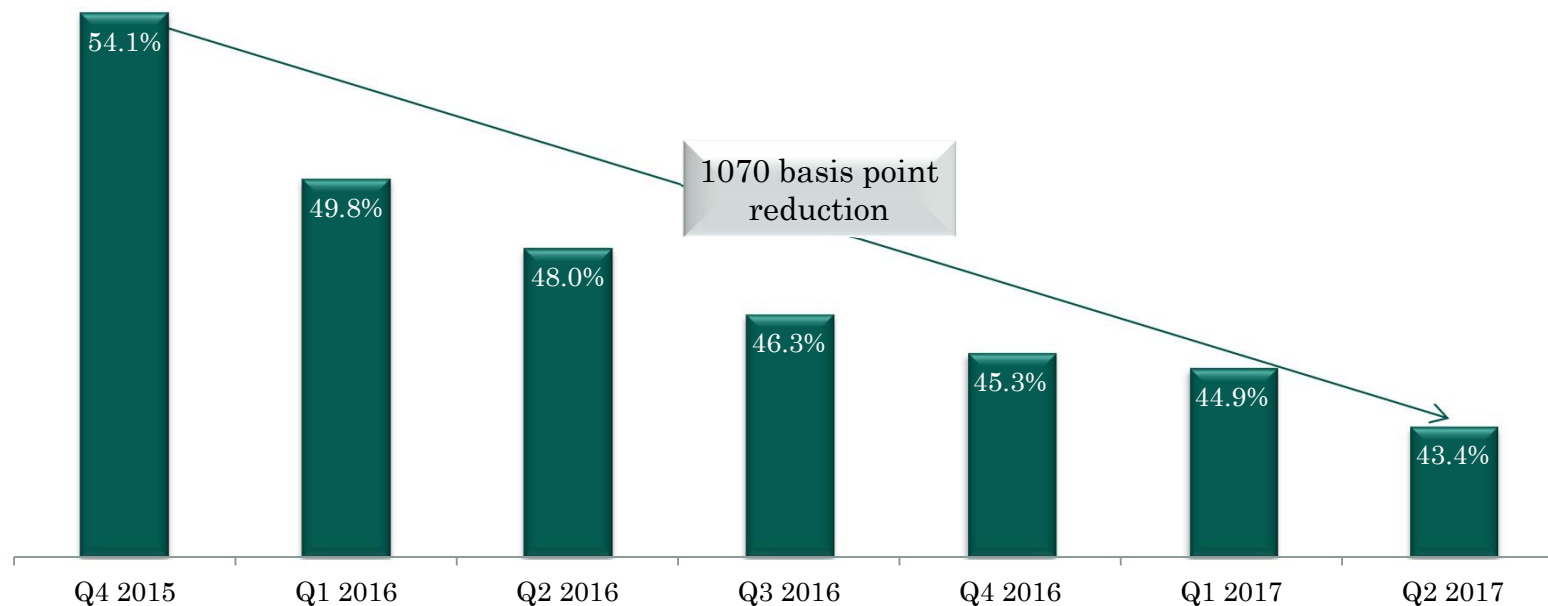
- With planned reduction in Florida homeowners, loss ratio improvement is expected.
- Shifting away from wind-exposed business and focusing on low value dwelling premium (which runs at significantly improved loss ratios).
- Each renewal period has provided additional opportunities to re-underwrite, modify pricing and adapt claims strategies.





RESULTS OVERVIEW: EXPENSE RATIO

- Total expense ratio of 43.4% in Q2 2017
- Sequential expense ratio improvement quarter to quarter
 - Versus 48.0% in Q2 2016
 - Versus 46.3% in Q3 2016
 - Versus 45.3% in Q4 2016
 - Versus 44.9% in Q1 2017
- 1070 basis point improvement overall since Q4 2015
- Continuing downward trend reflects commitment to streamlining expenses on all levels



Q2 2017 INCOME STATEMENT



- Company reported a net loss of \$1.1 million, or \$0.14 per share for Q2 2017
- \$1.20 per share for valuation allowance against deferred tax assets not reflected in book value
- \$8.64 per share, or \$66.0 million, of shareholders' equity

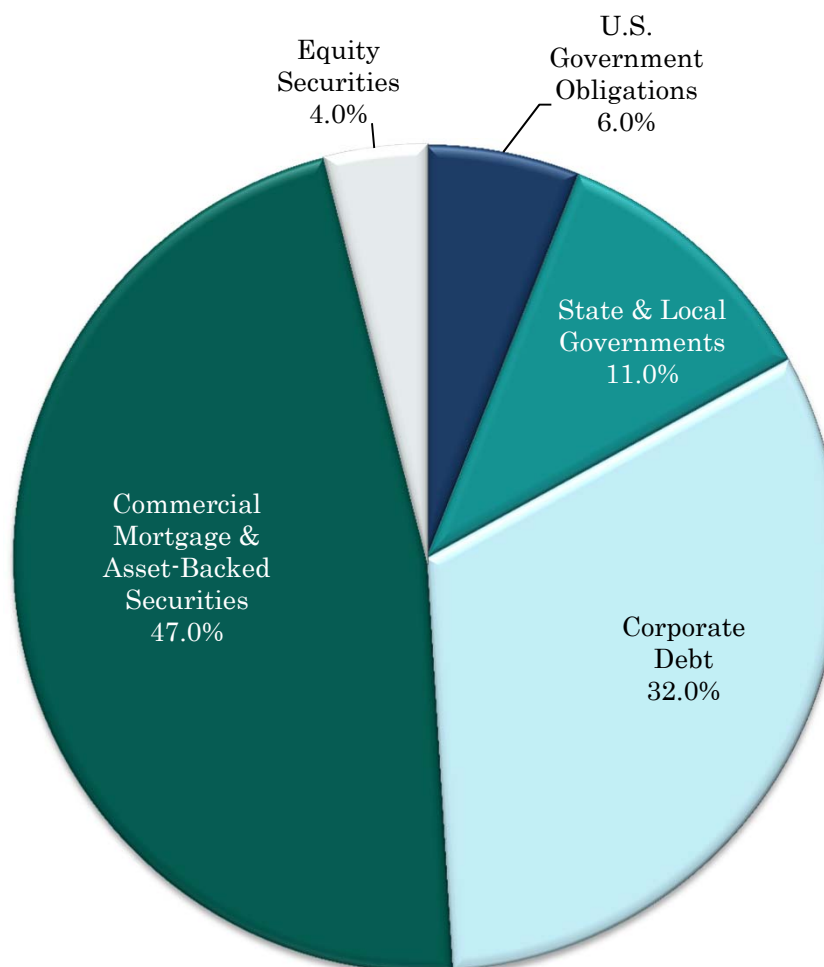
(\$ in thousands, except per share data and ratios)	Three Months Ended June 30,	
	2017	2016
Gross Written Premium	\$26,981	\$29,725
Net Written Premium	23,082	26,176
Net Earned Premium	24,497	21,675
Net Income (Loss)	(1,067)	(513)
EPS, Basic and Diluted	\$(0.14)	\$(0.07)
Adjusted Operating Income (Loss)	(2,098)	(1,639)
Adjusted Operating Income (Loss) per share	\$(0.28)	\$(0.22)

CONSERVATIVE INVESTMENT STRATEGY



- Investment philosophy is to maintain a highly liquid portfolio of investment-grade fixed income securities
- Total cash & investment securities of \$147.1M at June 30, 2017:
 - Average duration: 3.1 years
 - Average tax-equivalent yield: ~2.3%
 - Average credit quality: AA

PORTFOLIO ALLOCATION



FIXED INCOME PORTFOLIO CREDIT RATING

\$ in thousands	June 30, 2017	
	Fair Value	% of Total
AAA	\$ 33,520	28.8%
AA	45,491	39.1%
A	22,635	19.5%
BBB	13,635	11.7%
BB	995	0.9%
TOTAL FIXED INCOME INVESTMENTS	\$ 116,276	100.0%



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APPENDIX



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FINANCIAL RESULTS: CHI CONSOLIDATED BALANCE SHEET



SUMMARY BALANCE SHEET		
\$ in thousands	June 30, 2017	December 31, 2016
Cash and invested assets	\$ 147,052	\$ 141,023
Reinsurance recoverables	12,475	7,498
Goodwill and intangible assets	997	1,007
Total assets	\$ 211,403	\$ 203,701
Unpaid losses and loss adjustment expenses	66,917	54,651
Unearned premiums	54,979	58,126
Senior debt	16,375	17,750
Total Liabilities	\$ 145,436	\$ 135,907
Total Shareholders' Equity	\$ 65,967	\$ 67,794

SUMMARY FINANCIAL STATEMENTS: INCOME STATEMENT



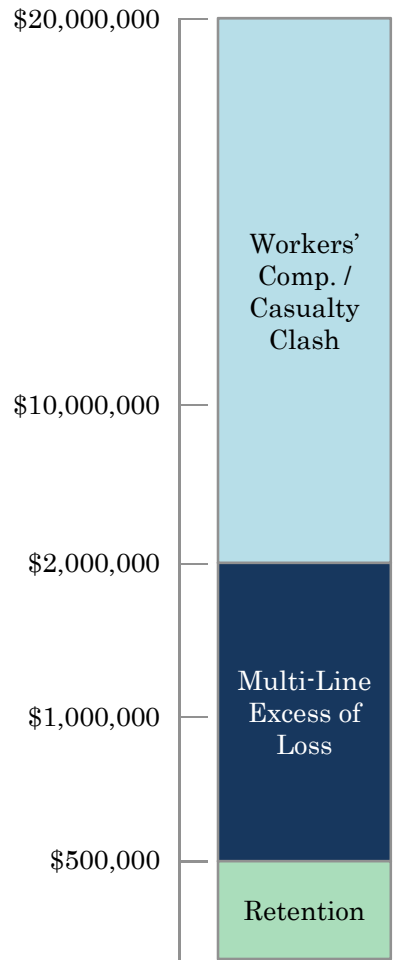
OPERATING RESULTS \$ in thousands, except per share data	Three Months Ended June 30,	
	2017	2016
Gross Written Premiums	26,981	29,725
Ceded Written Premiums	3,899	3,549
Net Written Premiums	23,082	26,176
Net Earned Premiums	24,497	21,675
Net investment income	663	528
Net realized investment gains	0	541
Other gains	750	0
Other income	372	283
Total revenue	26,282	23,027
Losses and loss adjustment expenses, net	16,674	13,541
Policy acquisition costs	6,428	6,014
Operating expenses	4,370	4,536
Interest expense	219	143
Total expenses	27,691	24,234
Income (loss) before equity earnings and income taxes	(1,409)	(1,207)
Equity earnings (losses) of affiliates, net of tax	60	71
Income tax (benefit) expense	(282)	(623)
Net income (loss)	(1,067)	(513)
Earnings (loss) per common share, basic and diluted	(0.14)	(0.07)
Weighted average common shares outstanding, basic and diluted	7,633,069	7,594,862

REINSURANCE: PRUDENT RISK MANAGEMENT TO PROTECT CAPITAL

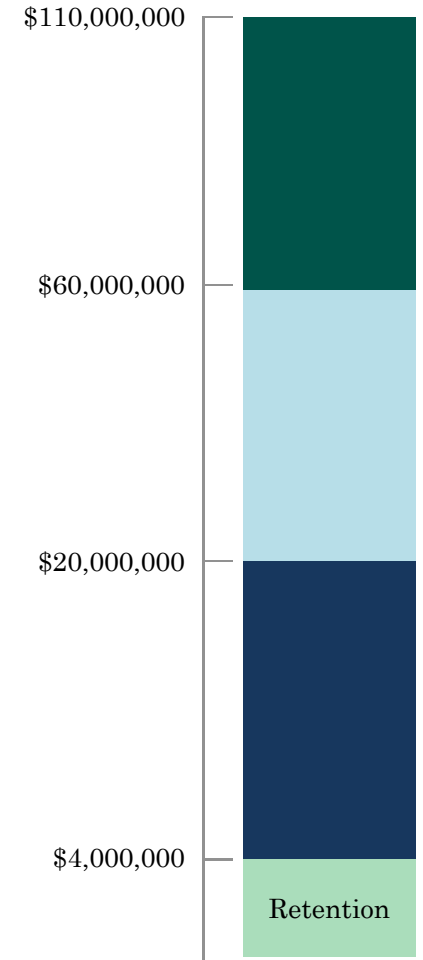


- Retain first \$500,000 of each specific loss/risk
 - Reinsurance coverage in excess of \$500,000 up to policy limits
- Catastrophe (CAT) reinsurance program provides \$110M of protection
 - All providers are rated minimum A-
 - Corresponds to the estimated 1-in-200 year probable maximum loss (PML)
 - Net retention of \$5M for first event
 - Following reinstatement, net retention of \$1M for each of the next two subsequent events
- Equipment Breakdown Reinsurance Treaty
 - 100% Quota Share through Hartford Steam Boiler (A+)
 - \$25M in coverage

CIC / WPIC
 Specific Loss Reinsurance Treaties
 Effective 01/01/2017 to 01/01/2018



CIC / WPIC
 Property-CAT Reinsurance Treaties
 All layers 06/01/2017 to 06/01/2018

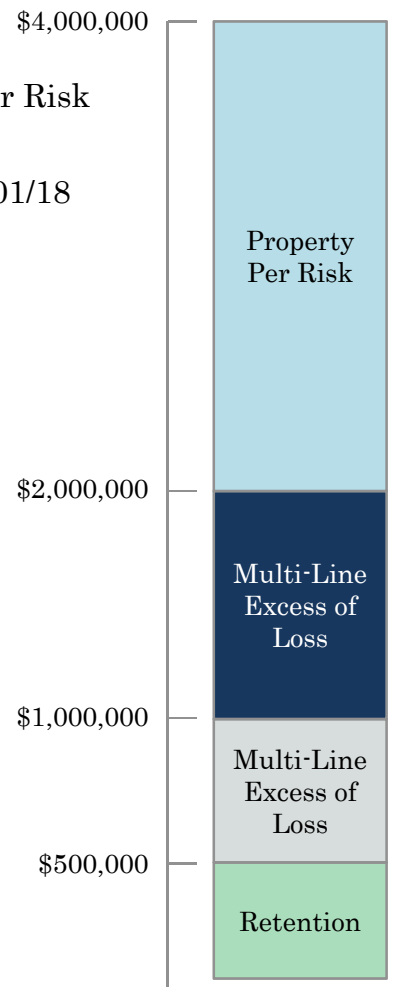


REINSURANCE: PRUDENT RISK MANAGEMENT TO PROTECT CAPITAL



Commercial Property Per Risk Reinsurance Treaty

Effective 01/01/17 to 01/01/18



Homeowners Property Per Risk Reinsurance Treaty

Effective 11/01/14 to 01/01/18



ORGANIZATION STRUCTURE: CORPORATE OVERVIEW

