



### Key Statistics

Nasdaq . . . . . NATL  
 A.M. Best rating . . . . . "A" (Excellent)  
 Employees . . . . . 494  
 Fiscal year ends . . . . . December  
 Website . . . . . www.natl.com

### Stock Information

Recent price\* . . . . . \$21.35  
 52-week low-high . . . . . \$16.06 - \$23.00  
 Market capitalization\* . . . . . \$413.3MM  
 Dividend (Yield)\* . . . . . \$0.32 (1.5%)  
 TTM diluted EPS . . . . . \$2.10  
 TTM P\*/E . . . . . 10.2x  
 \*At November 8, 2010

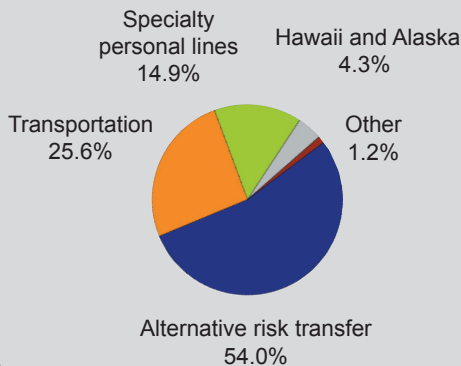
### 2009 Annual Results

Net earnings from operations . . . \$38.1MM  
 Combined ratio . . . . . 84.8%  
 Premium growth . . . . . (9.3%)  
 Return on equity . . . . . 19.1%

### 2010 YTD Results

Net earnings from operations . . . \$23.4MM  
 Combined ratio . . . . . 91.9%  
 Premium growth . . . . . 19.1%  
 Return on equity . . . . . 12.5%

### 2010 YTD Premium Mix



National Interstate Corporation is a leading specialty property and casualty insurance holding company with a niche orientation and focus on the transportation industry. Founded in 1989, the Company has had an uninterrupted record of profitability in every year since 1990, its first full year of operation.

The Company focuses on niche insurance markets, offering insurance products designed to meet unique needs of targeted insurance buyers. These markets often possess barriers of entry, such as being too small, too remote, or too difficult to attract, or sustain competitors. National Interstate offers property and casualty insurance that can be grouped into the following business components: alternative risk transfer, also known as captive programs, primarily for transportation companies; transportation, primarily passenger, truck, and moving and storage companies; specialty personal lines primarily for recreational vehicles and small commercial vehicle accounts; and, transportation and general commercial insurance in Hawaii and Alaska.

National Interstate seeks to grow opportunistically through new product offerings that address a specialized need in the respective market and by enhancing coverages, distribution and product design for its existing products. This strategy has proven to be successful for the Company. National Interstate's diverse product structure continues to provide the Company with growth opportunities across all phases of the commercial insurance cycle. The Company's focus on profitability has helped it consistently achieve its return on equity (ROE) objective of 15%+ inflation. For 2009 the Company achieved a ROE of 19.1%, which exceeded its annual ROE goal and compared favorably to the general trend in the insurance industry.

The Company completed the acquisition of Vanliner Insurance Company effective July 1, 2010. Vanliner, a market leader in providing insurance for the moving and storage industry, received a rating upgrade to "A" (Excellent) by A.M. Best Company following the closing. The Company views the Vanliner acquisition as a complement to its existing insurance products and an extension of its successful specialty niche business model.

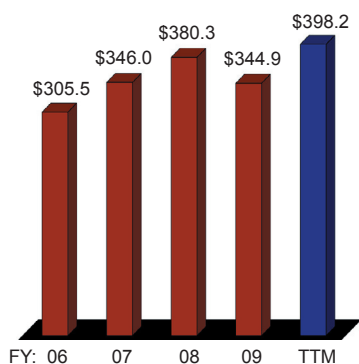
### Proven Business Model

- Niche product focus.
- Each of the Company's 30+ products is headed by a product manager responsible for achieving that product's planned growth and profitability.
- Claims managed by the Company's claims professionals.
- Disciplined underwriting.
- High-quality investments.
- Effective use of reinsurance.

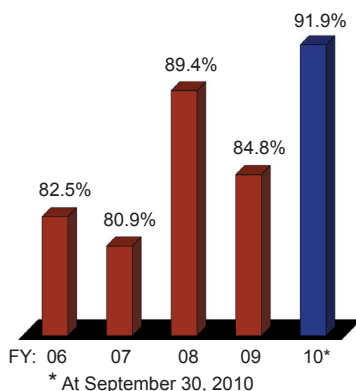
### Strong Track Record

- Outstanding and consistent record of value creation, return on equity and profitable growth.
- Underwriting profit in 19 of the 21 years in business.
- Since its inception, the Company has consistently outperformed the property and casualty industry.
- Strong balance sheet and capital ratios.
- Increased quarterly dividend each year since going public in 2005.

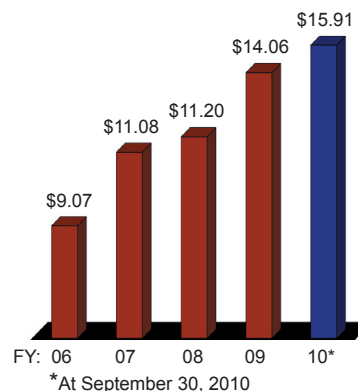
**Gross Premiums Written**  
(in millions)



**Combined Ratio**



**Book Value per Share**



**Return on Equity**

