

Key Statistics

Nasdaq	NATL
A.M. Best Rating	"A" (Excellent)
Employees	524
Fiscal year ends	December
Website	http://invest.natl.com

Stock Information

Recent price*	\$26.05
52-week low-high	\$19.59—\$27.37
Market capitalization	\$506.5MM
Dividend (Yield)*	\$0.36 (1.4%)
TTM diluted EPS	\$1.49
TTM P*/E	17.48x

*at November 1, 2011

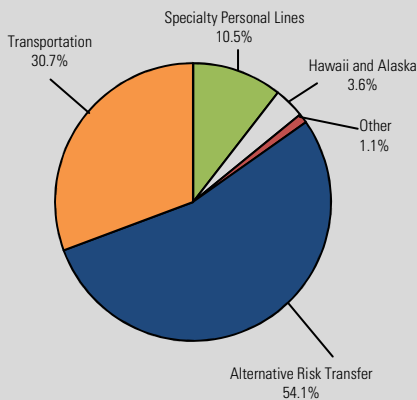
2011 YTD Results

Net earnings from operations	\$23.8MM
Combined ratio	95.2%
Premium growth	23.6%
Return on equity	9.7%

2011 Third-Quarter Results

Net earnings from operations	5.9MM
Combined ratio	98.8%
Premium growth	3.7%

2011 YTD Premium Mix



National Interstate Corporation (NATL) 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's insurance subsidiaries, including the three primary insurers, National Interstate Insurance Company, Vanliner Insurance Company, and Triumphant Casualty Company, are rated "A" (Excellent) by A.M. Best Company.

Focusing on niche markets, the company offers 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 (ART), 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 through new product offerings that address a specialized need in the respective market, by enhancing coverages, distribution, and product design for its existing products, and through strategic acquisitions. While growing, the Company has maintained strong underwriting and investment discipline to ensure sustained profitability. This profitable growth strategy has been successful and the Company is a recognized leader in its insurance markets as a result. The Company seeks to achieve a return on shareholders' equity of 15% plus inflation.

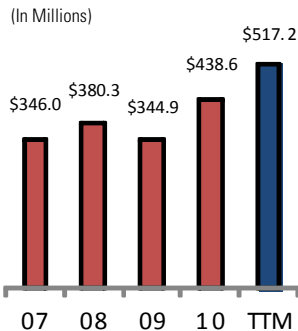
Proven Business Model

- * Niche product focus
- * Product managers responsible for growth and profitability
- * Claims managed by the Company's claims professionals
- * Disciplined underwriting
- * High-quality investments
- * Effective use of reinsurance

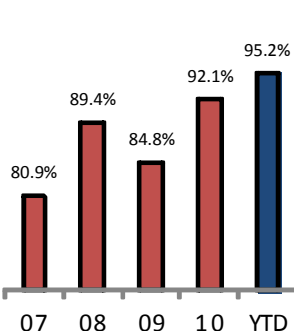
Strong Track Record

- * Outstanding and consistent record of value creation for shareholders
- * 21 consecutive years of profitability
- * Outperform industry since inception
- * Strong balance sheet and capital ratios
- * Quarterly dividend increased each year since IPO

Gross Premiums Written



Combined Ratio



Book Value per Share



Return on Equity

