

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	986,988,738		986,988,738	961,096,243
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	39,293,702		39,293,702	41,765,190
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	7,929,516		7,929,516	7,971,352
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....(31,445,158)), cash equivalents (\$.....4,799,950) and short-term investments (\$.....24,150,869).....	(2,494,339)		(2,494,339)	5,668,912
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....	430,405		430,405	
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	1,032,148,022	0	1,032,148,022	1,016,501,697
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	9,538,832		9,538,832	10,218,690
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	44,734,196	2,730,391	42,003,805	45,692,409
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	340,209,507		340,209,507	309,464,026
15.3 Accrued retrospective premiums.....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	760,630		760,630	288,654
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	2,196,074
18.2 Net deferred tax asset.....	52,185,908	6,251,392	45,934,516	43,788,086
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	8,800,015		8,800,015	8,937,912
21. Furniture and equipment, including health care delivery assets (\$.....0).....	7,522,010	7,522,010	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	400,339		400,339	910,593
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	12,067,708	12,028,088	39,620	71,638
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	1,508,367,167	28,531,881	1,479,835,286	1,438,069,779
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	1,508,367,167	28,531,881	1,479,835,286	1,438,069,779

DETAILS OF WRITE-INS

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Combined write-ins for Assets Line 25.....	12,067,708	12,028,088	39,620	71,638
2502.....			0	
2503.....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	12,067,708	12,028,088	39,620	71,638

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....96,821,176).....	325,018,978	328,200,801
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....	132,151,686	132,879,858
4. Commissions payable, contingent commissions and other similar charges.....	27,744,320	23,342,739
5. Other expenses (excluding taxes, licenses and fees).....	16,108,537	17,181,954
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	2,883,050	4,888,340
7.1 Current federal and foreign income taxes (including \$.....(43,004) on realized capital gains (losses)).....	3,082,473	
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....2,050,594 and including warranty reserves of \$.....0).....	458,036,303	415,481,206
10. Advance premium.....		
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	(75,063)	41,597
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....	10,953,804	9,821,861
15. Remittances and items not allocated.....	9,682,086	8,930,339
16. Provision for reinsurance.....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....	20,229	23,236
19. Payable to parent, subsidiaries and affiliates.....	5,476,176	9,566,211
20. Derivatives.....		
21. Payable for securities.....	8,003,416	1,500
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	4,032,331	4,587,791
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	1,003,118,326	954,947,433
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	1,003,118,326	954,947,433
29. Aggregate write-ins for special surplus funds.....	2,401,193	2,533,314
30. Common capital stock.....	5,375,000	5,375,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	363,059,472	362,643,987
35. Unassigned funds (surplus).....	105,881,295	112,570,045
36. Less treasury stock, at cost:		
36.10.000 shares common (value included in Line 30 \$.....0).....		
36.20.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36).....	476,716,960	483,122,346
38. Totals.....	1,479,835,286	1,438,069,779

DETAILS OF WRITE-INS

2501. Combined write-ins for Liabilities Line 25.....	4,032,331	4,587,791
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	4,032,331	4,587,791
2901. Combined write-ins for Liabilities Line 29.....	2,401,193	2,533,314
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	2,401,193	2,533,314
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

Statement for March 31, 2011 of the **Infinity Property & Casualty Insurance Group**
STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$.....283,113,607).....	240,398,251	213,252,145	911,108,211
1.2 Assumed..... (written \$.....1,967).....	1,663	3,803	14,623
1.3 Ceded..... (written \$.....1,579,011).....	1,418,448	1,189,628	5,204,082
1.4 Net..... (written \$.....281,536,563).....	238,981,466	212,066,320	905,918,752
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....149,642,376):			
2.1 Direct.....	148,858,053	120,338,005	504,507,205
2.2 Assumed.....	(1,364,516)	12,181	(966,776)
2.3 Ceded.....	885,182	1,881,151	2,545,207
2.4 Net.....	146,608,355	118,469,035	500,995,222
3. Loss adjustment expenses incurred.....	32,337,777	28,170,577	105,621,152
4. Other underwriting expenses incurred.....	79,961,911	69,250,343	273,074,847
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	258,908,043	215,889,955	879,691,221
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	(19,926,577)	(3,823,635)	26,227,531
INVESTMENT INCOME			
9. Net investment income earned.....	8,867,730	10,443,165	40,057,621
10. Net realized capital gains (losses) less capital gains tax of \$.....(43,004).....	3,113,662	1,466,647	14,634,572
11. Net investment gain (loss) (Lines 9 + 10).....	11,981,392	11,909,812	54,692,193
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....2,571 amount charged off \$.....4,902,472).....	(4,899,901)	(2,606,221)	(10,414,641)
13. Finance and service charges not included in premiums.....	15,039,173	11,995,728	53,586,542
14. Aggregate write-ins for miscellaneous income.....	4,838,316	3,581,715	14,589,311
15. Total other income (Lines 12 through 14).....	14,977,588	12,971,222	57,761,212
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	7,032,403	21,057,399	138,680,936
17. Dividends to policyholders.....			
18. Net income after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	7,032,403	21,057,399	138,680,936
19. Federal and foreign income taxes incurred.....	3,127,551	9,002,585	41,811,088
20. Net income (Line 18 minus Line 19) (to Line 22).....	3,904,852	12,054,814	96,869,848
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	483,122,346	473,872,727	473,872,727
22. Net income (from Line 20).....	3,904,852	12,054,814	96,869,848
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....269,285.....	500,101	1,500,088	3,124,925
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	3,094,954	(1,856,862)	(2,073,201)
27. Change in nonadmitted assets.....	(1,820,778)	5,733,250	9,306,344
28. Change in provision for reinsurance.....			
29. Change in surplus notes.....			
30. Surplus (contributed to) withdrawn from protected cells.....			
31. Cumulative effect of changes in accounting principles.....			
32. Capital changes:			
32.1 Paid in.....			500,000
32.2 Transferred from surplus (Stock Dividend).....			
32.3 Transferred to surplus.....			
33. Surplus adjustments:			
33.1 Paid in.....	415,485	436,504	1,521,703
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....	(12,500,000)	(25,000,000)	(100,000,000)
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	(6,405,386)	(7,132,206)	9,249,619
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	476,716,960	466,740,521	483,122,346
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401. Combined write-ins for Statement of Income Line 14.....	4,838,316	3,581,715	14,589,311
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	4,838,316	3,581,715	14,589,311
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	254,503,793	219,971,648	902,485,919
2. Net investment income.....	11,167,550	10,593,031	44,393,842
3. Miscellaneous income.....	14,977,588	12,971,222	57,761,212
4. Total (Lines 1 through 3).....	280,648,931	243,535,901	1,004,640,973
5. Benefit and loss related payments.....	150,262,154	123,181,275	513,682,171
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	111,704,030	96,972,654	387,080,766
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(2,194,000)	5,247,000	49,297,586
10. Total (Lines 5 through 9).....	259,772,184	225,400,929	950,060,523
11. Net cash from operations (Line 4 minus Line 10).....	20,876,747	18,134,972	54,580,450
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	105,731,168	80,364,825	443,674,441
12.2 Stocks.....	4,877,349		3,448,979
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....	8,001,916		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	118,610,433	80,364,825	447,123,420
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	131,768,563	98,644,413	429,153,676
13.2 Stocks.....			192
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....	430,405	12,275,739	17,300,093
13.7 Total investments acquired (Lines 13.1 to 13.6).....	132,198,968	110,920,152	446,453,961
14. Net increase (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(13,588,535)	(30,555,327)	669,459
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....	415,485	436,504	2,021,703
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....	12,500,000	25,000,000	100,000,000
16.6 Other cash provided (applied).....	(3,366,948)	104,227	7,023,134
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(15,451,463)	(24,459,269)	(90,955,163)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(8,163,251)	(36,879,624)	(35,705,254)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	5,668,912	41,374,166	41,374,166
19.2 End of period (Line 18 plus Line 19.1).....	(2,494,339)	4,494,542	5,668,912
Note: Supplemental disclosures of cash flow information for non-cash transactions:			
20.0001 Surplus contributed in settlement of inter company payable balance.....	415,484	436,504	2,021,704
20.0002 Securities transferred as dividends/return of capital distribution.....		12,558,230	50,549,199
20.0003 Securities acquired in paid in kind interest payment.....		14,745	14,745
20.0004 Securities acquired from bankruptcy distribution.....			192