

Consolidated Balance Sheets

	December 31,	
(In thousands, except number of shares authorized and outstanding in line description)	2004	2003
Assets:		
Investments:		
Fixed maturities—at market (amortized cost—\$1,260,836 and \$1,192,418)	\$1,304,080	\$1,245,753
Equity securities—at market (cost \$21,529 and \$19,184)	24,993	21,375
Total investments	1,329,073	1,267,128
Cash and cash equivalents	112,052	125,042
Accrued investment income	16,732	16,772
Agents' balances and premiums receivable, net of allowances for doubtful accounts of \$11,524 and \$7,902	264,978	254,026
Prepaid reinsurance premiums	12,858	42,089
Recoverables from reinsurers	20,202	31,481
Deferred policy acquisition costs	68,454	50,858
Current and deferred income taxes	12,656	8,890
Prepaid expenses, deferred charges and other assets	32,658	31,178
Goodwill	75,275	75,275
Total assets	\$1,944,938	\$1,902,739
Liabilities and Shareholders' Equity		
Unpaid losses and loss adjustment expenses	\$ 659,272	\$ 713,543
Unearned premiums	387,917	371,716
Payable to reinsurers	3,953	36,055
Long-term debt (fair value \$198,010 at December 31, 2004)	199,305	195,500
Commissions payable	25,257	23,073
Accounts payable, accrued expenses and other liabilities	121,813	107,482
Total liabilities	1,397,517	1,447,369
Shareholders' Equity		
Common stock, no par value—50,000,000 shares authorized 20,670,878 and 20,483,958 shares issued and outstanding	20,671	20,484
Additional paid-in capital	329,994	324,787
Retained earnings	166,710	74,856
Unearned compensation (restricted stock)	(314)	(1,000)
Unrealized gain, net	30,360	36,243
Total shareholders' equity	547,421	455,370
Total liabilities and shareholders' equity	\$1,944,938	\$1,902,739

See Notes to Consolidated Financial Statements