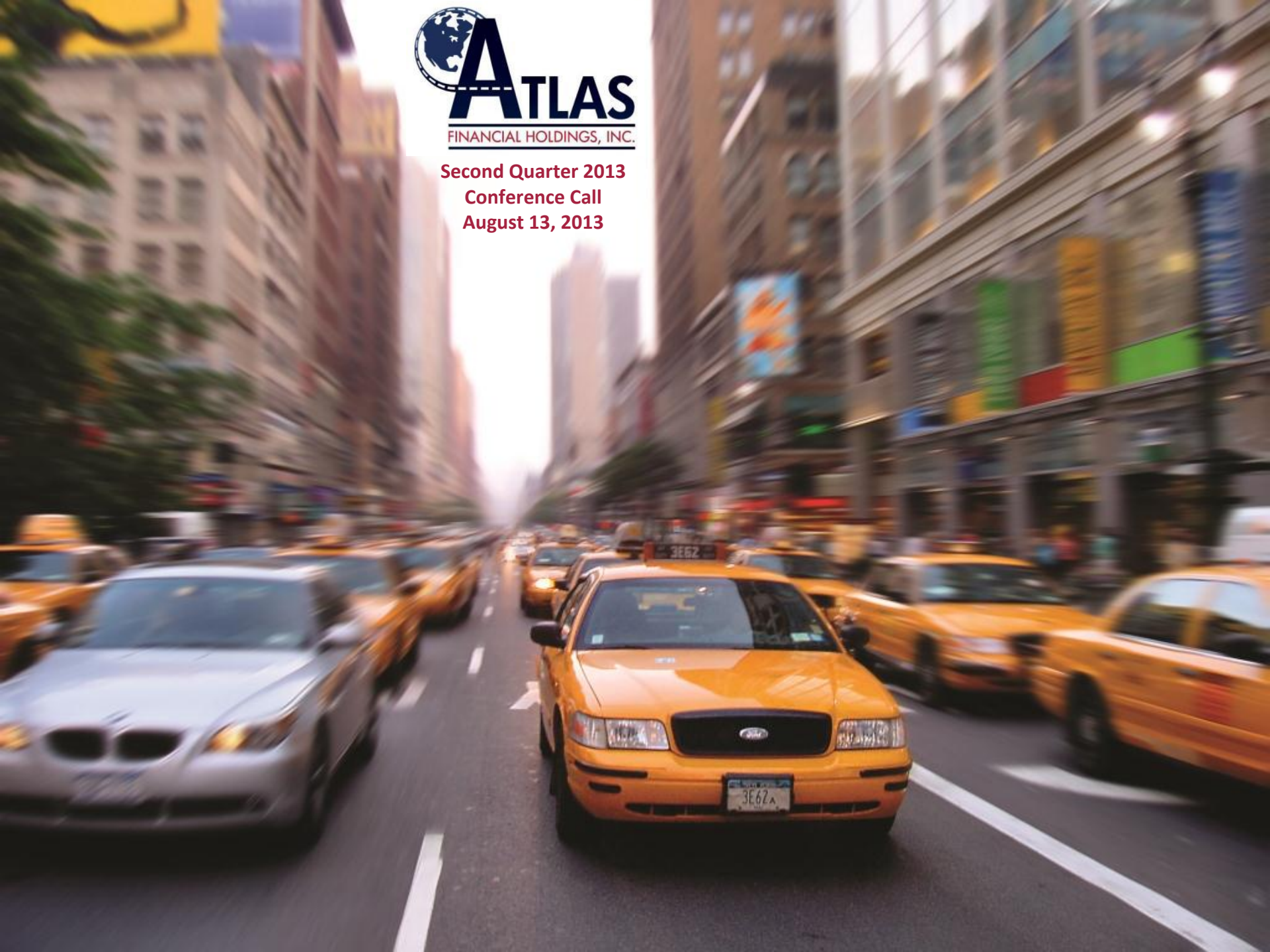




**Second Quarter 2013
Conference Call
August 13, 2013**



Safe Harbor

Statements in this presentation, including the information set forth as to the future financial or operating performance of Atlas Financial Holdings, Inc., American Country Insurance Company, American Service Insurance Company and/or Gateway Insurance Company (collectively, “Atlas”), that are not current or historical factual statements may constitute “forward looking” information within the meaning of securities laws. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Atlas, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this presentation, such statements may include, among other terms, such words as “may,” “will,” “expect,” “believe,” “plan,” “anticipate,” “intend,” “estimate” and other similar terminology. These statements reflect current expectations, estimates and projections regarding future events and operating performance and speak only as to the date of this presentation. Readers should not place undue importance on forward looking statements and should not rely upon this information as of any other date. These forward looking statements involve a number of risks and uncertainties. Some of the factors facing Atlas that could cause actual results to differ materially from those expressed in or underlying such forward looking statements include: (i) market fluctuations, changes in interest rates or the need to generate liquidity; (ii) access to capital; (iii) recognition of future tax benefits on realized and unrealized investment losses; (iv) managing expansion effectively; (v) conditions affecting the industries in which we operate; (vi) competition from industry participants; (vii) attracting and retaining independent agents and brokers; (viii) comprehensive industry regulation; (ix) our holding company structure; (x) our ratings with A.M. Best; (xi) new claim and coverage issues; (xii) claims payments and related expenses; (xiii) reinsurance arrangements; (xiv) credit risk; (xv) our ability to retain key personnel; (xvi) our ability to replace or remove management or Directors; (xvii) future sales of common shares; (xviii) public company challenges; and (xix) failure to effectively execute our business plan. The foregoing list of factors is not exhaustive. See also “Risk Factors” listed in the Company’s most recent registration statement filed with the SEC. Many of these issues can affect Atlas’ actual results and could cause the actual results to differ materially from those expressed or implied in any forward looking statements made by, or on behalf of, Atlas. Readers are cautioned that forward looking statements are not guarantees of future performance, and should not place undue reliance on them. In formulating the forward looking statements contained in this presentation, it has been assumed that business and economic conditions affecting Atlas will continue substantially in the ordinary course. These assumptions, although considered reasonable at the time of preparation, may prove to be incorrect.

When discussing our business operations, we may use certain terms of art which are not defined under U.S. GAAP. In the event of any unintentional difference between presentation materials and our GAAP results, investors should rely on the financial information in our public filings.

Atlas Snapshot

(at 6/30/2013 unless otherwise noted)

NASDAQ: AFH	
Corporate Headquarters	Elk Grove Village, IL (Chicago suburb)
Subsidiaries / Brands	American Country American Service Gateway (including Alano)
Core Target Markets	Taxi / Limo / Paratransit
Cash and Investments	\$145.0M
Total Assets	\$217.6M
Total Shareholders' Equity	\$69.6M
Shares Outstanding	8,166,891
Book Value Per Share	\$6.07



2013 Second Quarter Highlights

Continued Improvement in Underwriting Results

- Combined ratio improved by 16.5 percentage points year-over-year to 95.0%
- Underwriting results improved by \$1.7 million

Geographic Expansion / Core Growth

- Gross premium written increased by 79.2%, which included an increase of 90.6% in core commercial auto business
- Actively distributed core products in 40 states plus D.C. during the three month period ended June 30, 2013
- Increasing geographic diversification
 - 46.7% from top five states for the three months ended June 30, 2013, compared to 63.8% in the prior year period

Strength in Agent Network / Pricing

- Continued return of business from independent agent network
- Pricing trends remain favorable

Integration of Gateway Insurance Continuing as Planned

- Majority of Gateway's operations now completely integrated with Atlas platform
- New state licenses obtained in acquisition beginning to benefit company

Subsequent Event – Re-purchase of Preferred Stock

Book Value per Ordinary Share			
(in '000s, except for shares and per share data)	June 30, 2013	December 31, 2012	Pro Forma, Post Preferred Stock Buy-Back
Shareholders' Equity	\$69,582	\$59,864	\$53,382
Preferred stock in equity	\$20,000	\$18,000	\$2,000
Accumulated dividends on preferred stock	\$45	\$1,620	\$45
Common equity	\$49,537	\$40,244	\$51,337
Shares outstanding	8,166,891	6,144,395	8,166,891
Book value per common share outstanding	\$6.07	\$6.55	\$6.29

Liquidation amount of \$18.0 million and were purchased by Atlas for \$16.2 million

- \$7.5 million of the purchase price paid in cash
- Additional cash from the exercise of outstanding Atlas warrants will also be paid to the current holder of Atlas' preferred stock eligible for redemption.
- Any remaining unpaid portion of the \$16.2 million purchase price will be owed by January 13, 2014, other than an amount up to \$1 million, which will be owed by April 30, 2014.

Transaction simplifies capital structure / immediately accretive

- Eliminates potential future dilution
- Eliminates dividend payments

On a pro forma basis, the redemption of the preferred shares would have resulted in diluted earnings per ordinary share for the three month period ended June 30, 2013 of \$0.40 and book value per share of \$6.29, had the transaction occurred this quarter.

Atlas' Core Focus – “Light” Commercial Auto

90.6% Growth in Core Commercial Lines in Q2 2013

Target Market

- Taxi, limousine, livery and non-emergency paratransit
- Owner-operated and small operation fleets
 - 1-10 vehicles
- Insured to minimum required policy limits



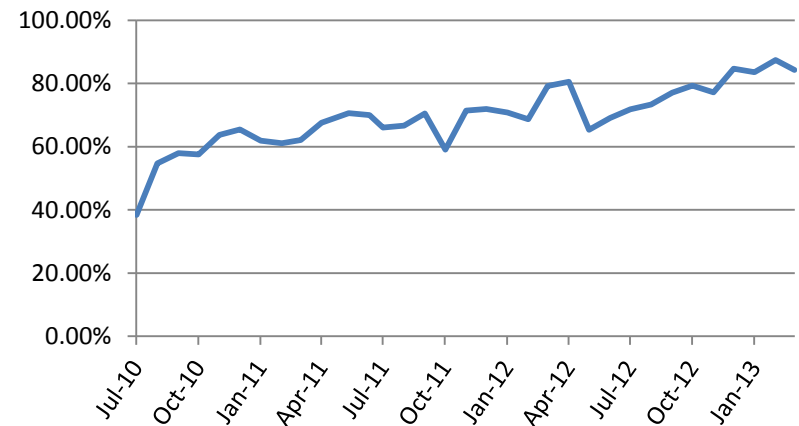
Agent Returns Improving with Each Quarter

- Strong brand recognition and market presence
- Long-standing distribution relationships
- Underwriting expertise, loss data and technology
- Specialized claims handling

Renewal Business Continues Positive Trend

- Greater percentage of growing book

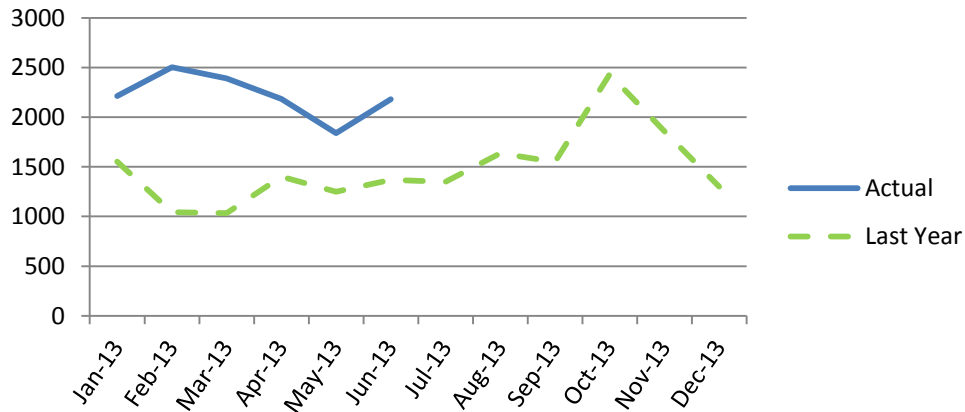
Target Level Renewal Retention



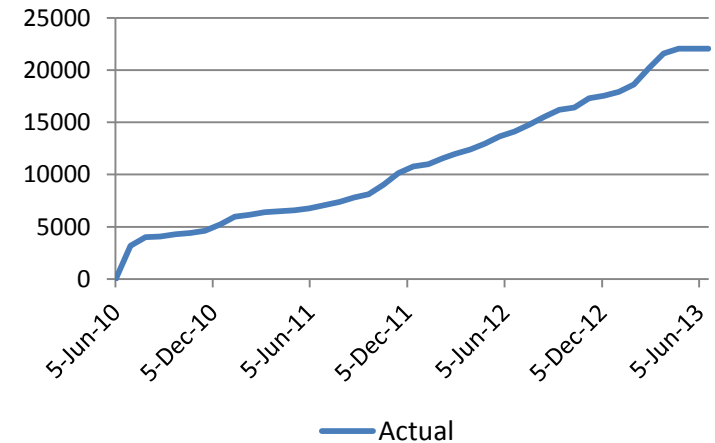
Operating Activities: Underwriting

(commercial business only)

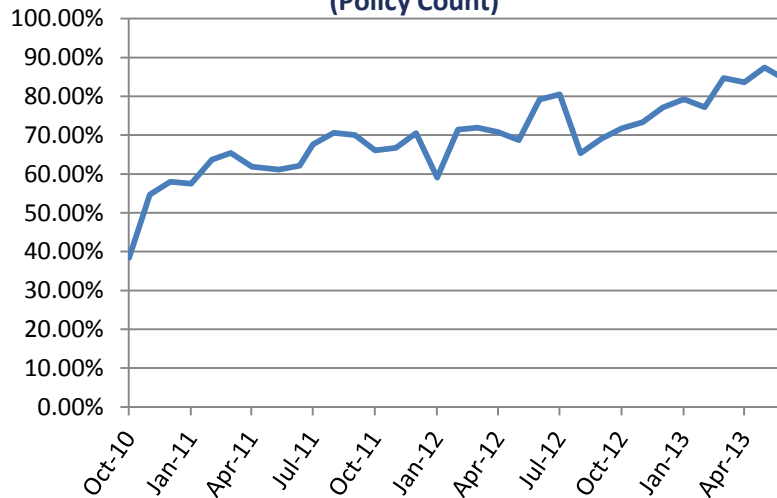
New Business Submissions
(Monthly Vehicles Submitted)



New Business Submissions
(Car Years Annualized)



Renewal Retention
(Policy Count)

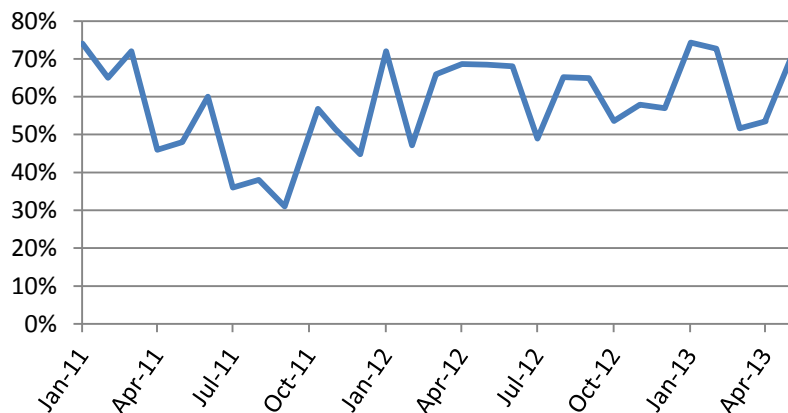


Target of 85%
based on current
market conditions

Operating Activities: Underwriting

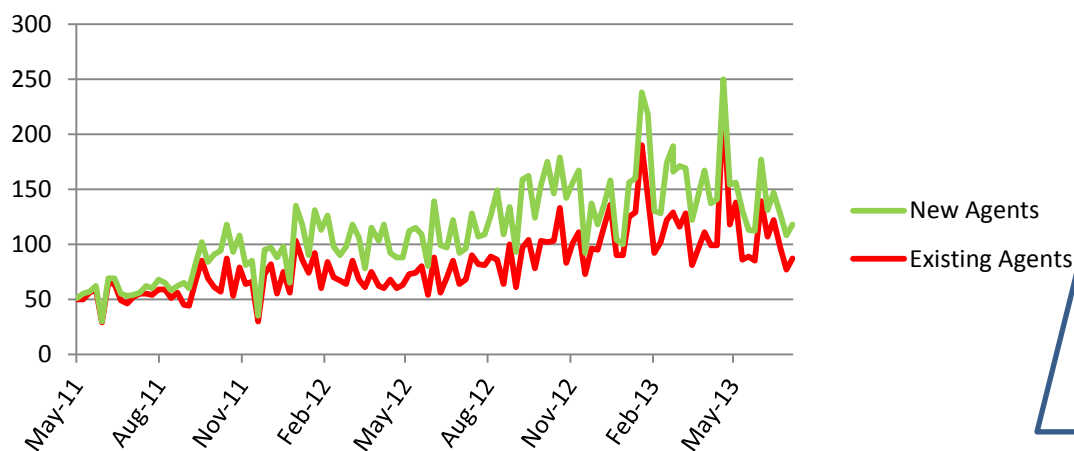
(commercial business only)

Bound/Application Ratio



Current target of 60%. January was higher due primarily to “pre sold” Chicago owner operators. Marginal firming of market conditions may support a higher ratio later in the year.

Application Count by Agent Category



Continuing incremental volume from new and existing agents with continuing volume related to “book rolls” from other markets

-
- Available

- ✓ Large enough to generate \$1 to \$5 million in core premium within first 18 months
- ✓ Competitive strength of Atlas' value proposition
- ✓ Favorable insurance environment

Geographic Diversification



Gross premium written by state (in '000s)

		Three Month Periods Ended				Six Month Periods Ended						
		June 30, 2013		June 30, 2012		June 30, 2013		June 30, 2012				
Michigan	\$	2,052	12.4%	\$	1,833	19.8%	\$	4,112	10.6%	\$	3,724	17.7%
New York		1,951	11.8%		817	8.8%		4,446	11.4%		2,333	11.1%
Minnesota		1,429	8.6%		1,139	12.3%		2,261	5.8%		1,595	7.6%
Illinois		1,156	7.0%		1,448	15.7%		7,978	20.5%		7,012	33.4%
Texas		1,147	6.9%		655	7.1%		1,966	5.1%		856	4.1%
Louisiana		987	6.0%		296	3.2%		1,608	4.1%		303	1.4%
Ohio		697	4.2%		237	2.6%		1,356	3.5%		337	1.6%
South Carolina		659	4.0%		186	2.0%		888	2.3%		252	1.2%
Georgia		654	3.9%		107	1.2%		1,889	4.9%		602	2.9%
California		562	3.4%		—	—%		1,585	4.1%		—	—%
Nevada		547	3.3%		478	5.2%		543	1.4%		478	2.3%
Other		4,721	28.5%		2,046	22.1%		10,284	26.3%		3,503	16.7%
Total	\$	16,562	100.0%	\$	9,242	100.0%	\$	38,916	100.0%	\$	20,995	100.0%

Steady Rate Increases In Commercial Auto

	Small Accounts	Medium Accounts	Large Accounts	Average
Second Quarter 2013	4.6%	4.7%	3.8%	4.3%
First Quarter 2013	5.2%	5.3%	4.9%	5.2%
Fourth Quarter 2012	5.5%	5.1%	4.4%	5.0%
Third Quarter 2012	3.7%	4.5%	3.5%	3.9%
Second Quarter 2012	4.3%	4.9%	3.7%	4.3%
Fourth Quarter 2011	3.1%	3.5%	1.6%	2.7%
High (2001,Q4)	20.8%	31.7%	33%	28.5%
Low (2007,Q3)	-10% (2008, Q1)	-15%	-15.9%	-13.3%

Majority of Atlas' Target Market are
Individual Entrepreneurs and Small
Fleet Operators

Source: The Council of Insurance Agents & Brokers

Financial Highlights



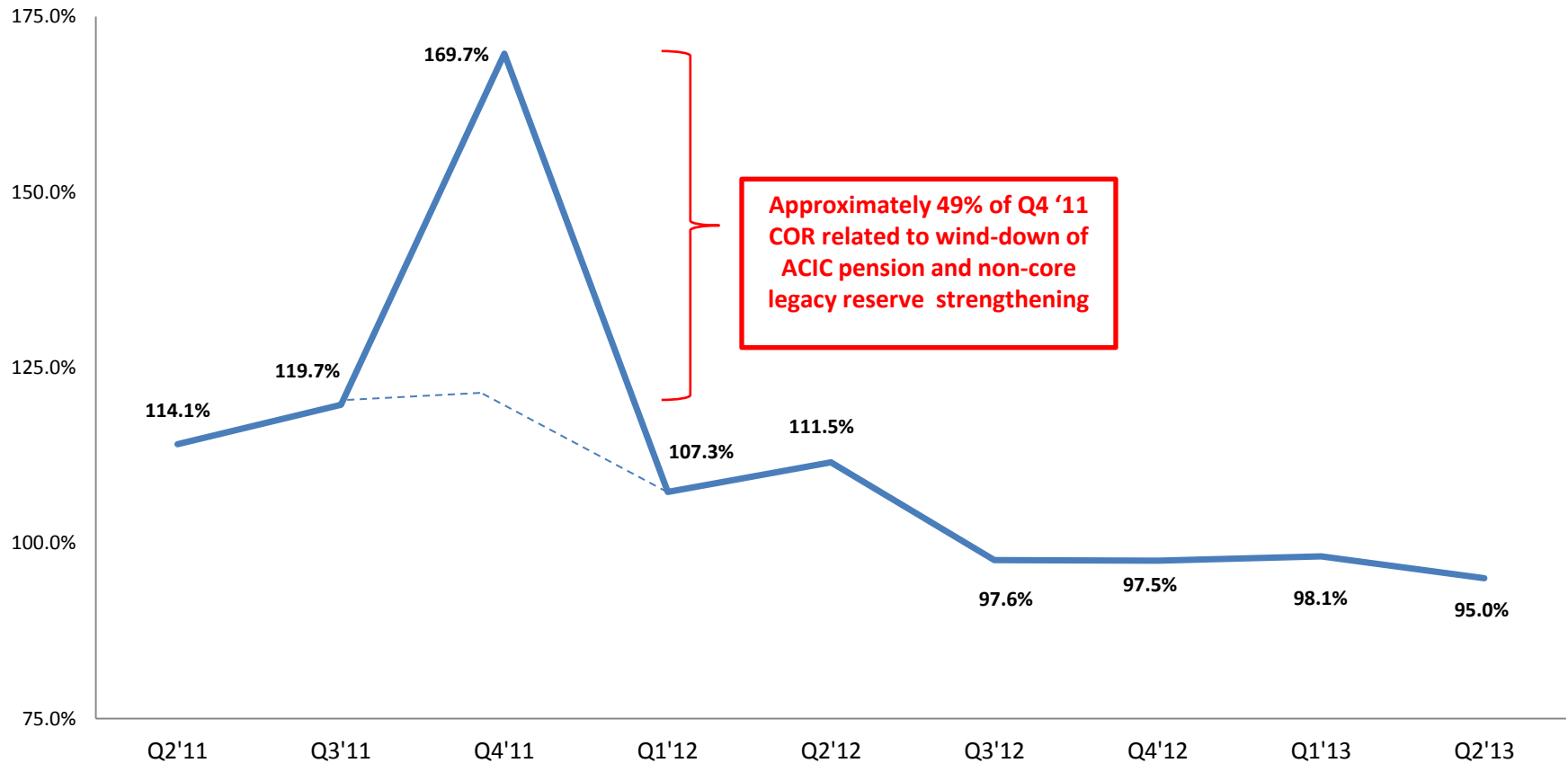
Q2 2013 Financial Results

- Gross premium written increased by 79.2% to \$16.6 million
- Underwriting results improved by \$1.7 million
- Net income was \$1.7 million, compared to \$130,000 in Q2 2012
- Basic and diluted earnings per common share were \$0.18 and \$0.16, respectively, net of accounting treatment for preferred shares

	06/30/2013	06/30/2012
Loss Ratio	64.6%	71.6%
Acquisition Cost Ratio	13.1%	18.5%
Other Underwriting Expenses	17.3%	21.4%
Combined Ratio	95.0%	111.5%
Return on equity (annualized)	9.7%	0.9%
Return on common equity (annualized)	11.8%	(0.8%)
Operating income / (loss) per common share	\$0.12	(\$0.03)
Diluted earnings / (loss) per common share	\$0.16	(\$0.01)
Book Value per common share	\$6.07	\$6.15

Considerable Financial Improvement Since 2010 Realignment – Focus on Core

Combined Operating Ratio (“COR”) *(in %)*



Strong Balance Sheet

- Attractive investment leverage
- Debt-free balance sheet
- 2013 includes acquisition of Gateway / completion of U.S. IPO

(\$ in thousands)	June 30, 2013	December 31, 2012
Cash and Investments	\$145,040	\$120,824
Total Investments	\$119,782	\$100,912
Total Assets	\$217,553	\$163,067
Claim Reserves (Gross) ^{(1) (2)}	\$105,221	\$70,067
Total Shareholders' Equity	\$69,582	\$59,864

(1) Atlas' purchase of American Country and American Service included \$10 million limit of adverse development protection (90% quota share after \$1 million) based on reserves as of September 30, 2010, which has not been utilized.

(2) Gateway Acquisition included \$2 million of adverse development protection

**\$942,000 of Investment Income and Realized Gains,
Representing a 2.6% Annual Yield for the Company's Shareholders**

Investment Portfolio

Conservative Investment Approach

- Emphasize preservation of capital, market liquidity to support payment of liabilities and diversification of risk
- Investment duration re-positioned to match core commercial auto reserve liabilities

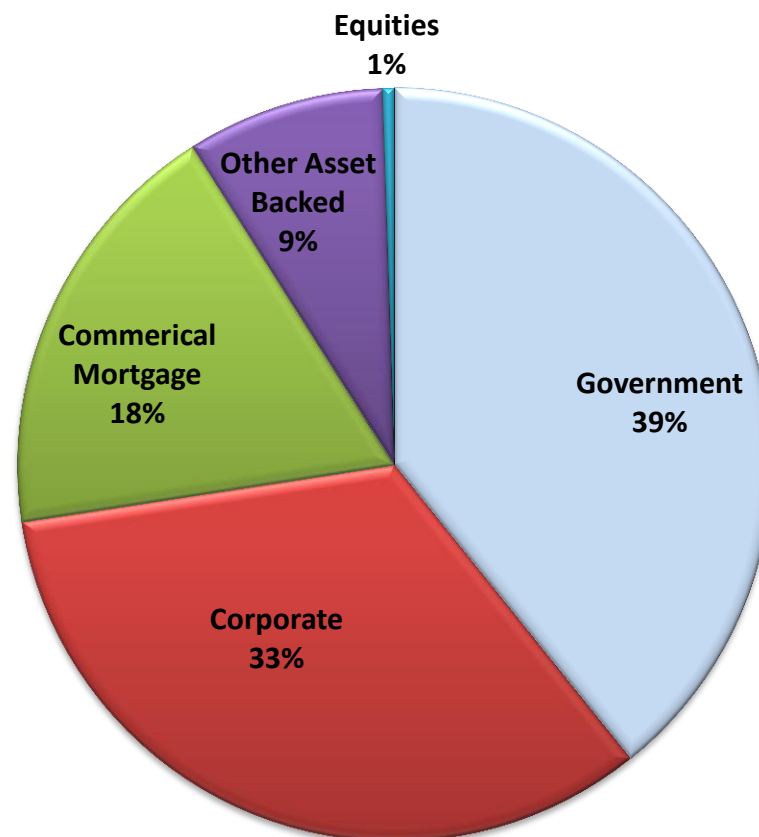
Substantial Investment Portfolio

- As of June 30, 2013, total investments equaled \$119.8 million, of which \$117.7 are fixed income
- Predominantly corporate and government bonds
- Average duration of 3.8 years
- Average S&P rating of AA

Credit ratings of fixed income securities portfolio (in '000s)

As of:	June 30, 2013		December 31, 2012	
	Amount	% of Total	Amount	% of Total
AAA/Aaa	\$ 71,247	61 %	\$ 58,765	60 %
AA/Aa	12,128	10 %	7,569	8 %
A/A	23,260	20 %	19,894	20 %
BBB/Baa	11,097	9 %	11,617	12 %
Total Securities	\$ 117,732	100 %	\$ 97,845	100 %

Investment Portfolio (6/30/2013) ⁽¹⁾



(1) American Country Insurance Company, American Service Insurance Company, Inc. and Gateway Insurance Company



Nasdaq: AFH
August 13, 2013

For Additional Information

At the Company:

Scott Wollney
Chief Executive Officer
swollney@atlas-fin.com
847-700-8600

Investor Relations Counsel:

The Equity Group Inc.

Adam Prior
Senior Vice President
APrior@equityny.com
212-836-9606

Terry Downs
Associate
TDowns@equityny.com
212-836-9615