ATLAS FINANCIAL HOLDINGS, INC.

Nasdaq: AFH

2016 Fourth Quarter Conference Call March 14, 2017

Safe Harbor

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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.

Corporate Headquarters	Elk Grove Village, IL (Chicago suburb)	
Core Target Markets	Taxi / Limo / Livery / Paratransit	
NASDAQ: AFH	**At 12/31/2016**	**At 12/31/2015**
Cash and Investments	$224.8 million	$233.3 million
Total Assets	$423.6 million	$411.3 million
Total Atlas Shareholders' Equity	$127.3 million	$129.6 million
Common Shares Outstanding (includes Restricted Share Units)	12,045,519	12,045,519
Book Value Per Outstanding Common Share	$10.54	$10.15

2016 Year end Overview

2016 Year End Financial and Operating Information

Gross Written Premium

- Gross Written Premium generated by the Company for the full year ended December 31, 2016 grew by 7.6% to $225.1 million

Strengthened Reserves

- After the impact of taxes and of preferred share adjustments related to acquisition agreements, the impact on net income will be approximately $17 million for the fourth quarter and year ended December 31, 2016.
- The Company performed a comprehensive review of its reserves as a result of changing loss payment trends identified through year-end actuarial work, and ultimately decided that it was appropriate to strengthen reserves at this time.

Michigan Related Issues

Indicators

- "No fault" or "PIP" state
- Atlas began seeing significantly increased severity payments and demand amounts in 2016 related to prior years.
- Causal issues such as materially higher unemployment and strong hospital lobby, etc. generated significant claims which resulted in settlements in 2016.
- Demand amounts in 2016 increased 75% compared to prior years.
- Average severity for personal injury protection ("PIP") coverage, which is mandatory in Michigan, paid in 2016 increased by 115% as compared to 2015.
- Attorney represented claims more than doubled year over year to 64% of total Michigan claims.

Current Status

- Approximately 630 Michigan Claims remain open, out of total pending of nearly 11,000 for all states (strengthening is expected to address future liabilities).
- Positive trends are emerging in other areas of Atlas' business based on increased use of analytics.

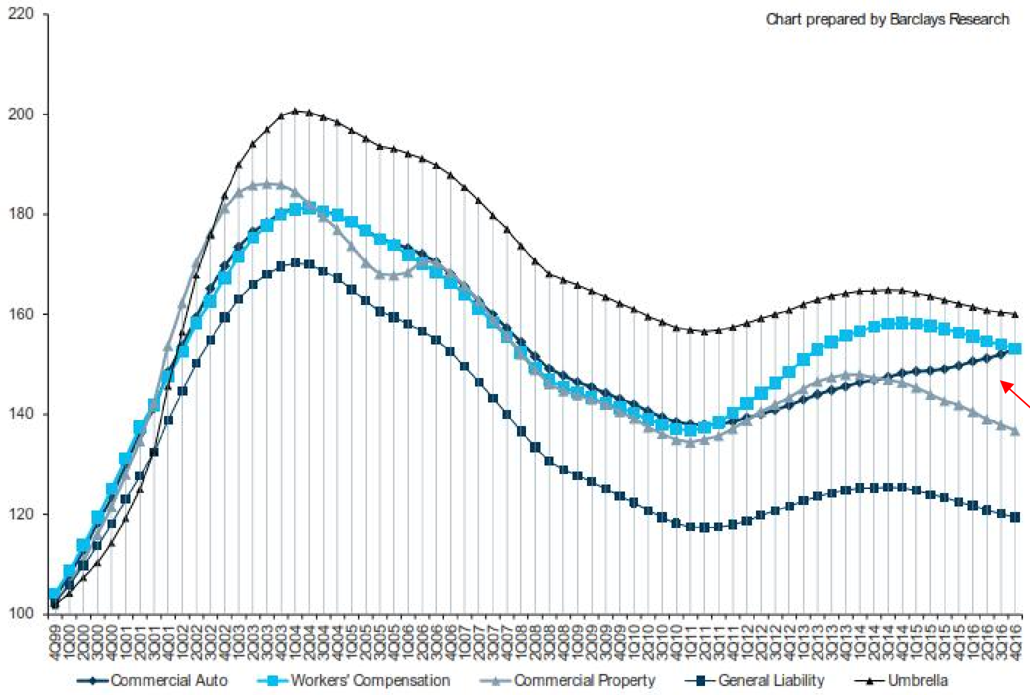
No indicators of new market entry and Company continues to expect price leadership to optimize return on deployed capital via underwriting

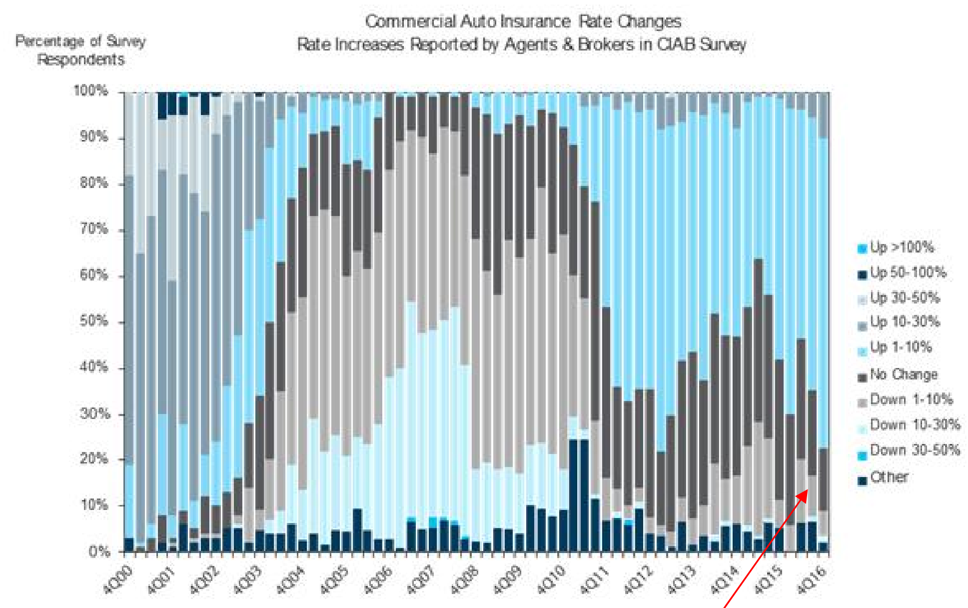
Reserve Analysis

What we believed last year	What happened in 2016	What we expect going forward

• Continued positive trends on small claims
• Improved severity on largest claims
  ✓ Use of predictive analytics deployed throughout the year would lead to improving results, with full impact in 2017/18
  ✓ Targeted approach to early resolution
• Worse than average result in MI
  ✓ Attacked with rate
  ✓ Focused claim efforts
  ✓ Close dialogue with local counsel
• Reserves at low end of range with expectation that positive trends would result in migration to midpoint over time
	• Small claim severities trended up, consistent with commercial auto but worse than Atlas' experience as of 12/31/15
	• Severity did improve on larger claims and ALAE reductions started to be observed
	• MI deteriorated much more than expected (especially in second half of 2016)
		• Small claim severities will be monitored to evaluate impact of industry trend
		  ✓ Predictive models in both underwriting and claims are being updated to reflect inflation
		• Continued improvement on larger losses should result in favorable development
		• Michigan exposure will continue to be reduced and losses will be contained within strengthened reserves

Commercial Auto Insurance
Competitive Landscape



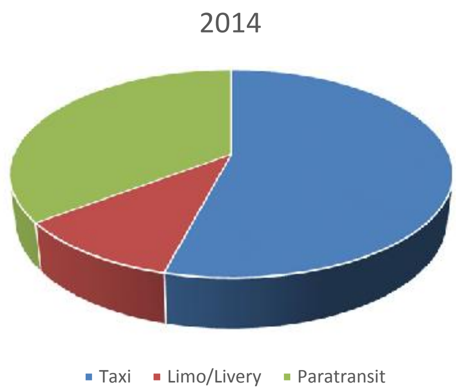


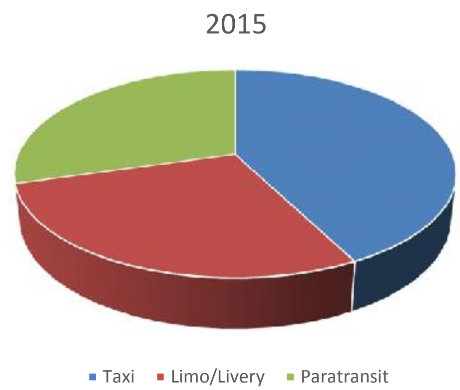
Source: The Council of Insurance Agents & Brokers. Chart prepared by Barclays Research.

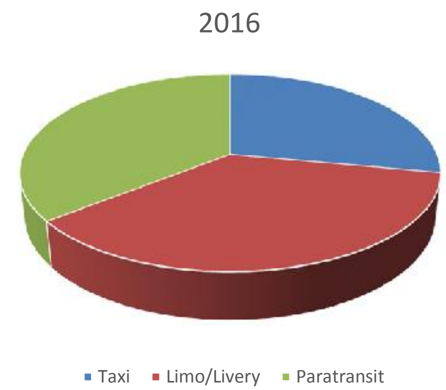
Commercial Auto is the only large segment with rate changes trending up

Rate increases "retrenching" as result of industry reserve strengthening

Atlas Business Mix







Taxi Grew 36%

Limo/Livery Grew 362%

Paratransit Grew 44%

Taxi Shrunk 29%

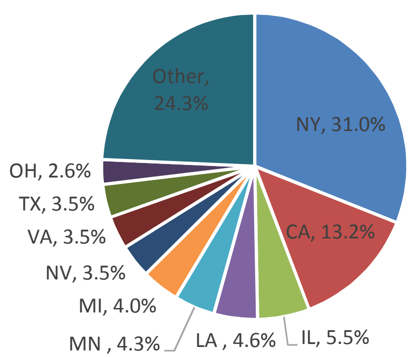
Limo/Livery Grew 39%

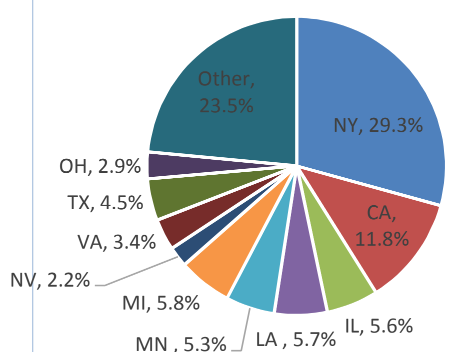
Paratransit Grew 30%

Geographic Diversification

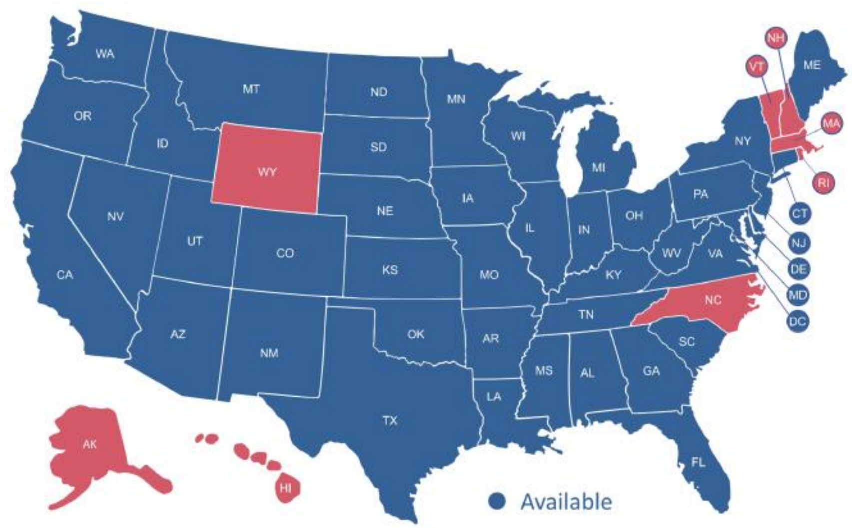
Gross premium written by state (in $000)

	Year Ended December 31, 2016			Year Ended December 31, 2015		
New York	$	69,737	31.0%	$	61,331	29.3%
California		29,784	13.2%		24,592	11.8%
Illinois		12,398	5.5%		11,741	5.6%
Louisiana		10,337	4.6%		11,884	5.7%
Minnesota		9,542	4.3%		11,178	5.3%
Michigan		9,002	4.0%		12,178	5.8%
Nevada		7,966	3.5%		4,536	2.2%
Virginia		7,940	3.5%		7,134	3.4%
Texas		7,881	3.5%		9,462	4.5%
Ohio		5,942	2.6%		6,124	2.9%
Other		54,566	24.3%		49,126	23.5%
Total	$	225,095	100.0%	$	209,286	100.0%





Nationwide market share is estimated at approximately 10%, with proportionate share forecast at 20%



Premium Analysis

Taxi premium down approximately 29% in 2016	▪ Began to abate and turn positive in Q1 2017 ▪ TNC companies incentivizing drivers to try their service, many start with “ride share” without Commercial Insurance
Strong growth from Limo and paratransit	▪ Limo and paratransit still show strong growth at 38.8% and 30.4% yr/yr, respectively from 2015 to 2016 ▪ Both Limo and Para increased average per vehicle pricing yr/yr

Expectations:

Taxi growth will be flat to low single digit %

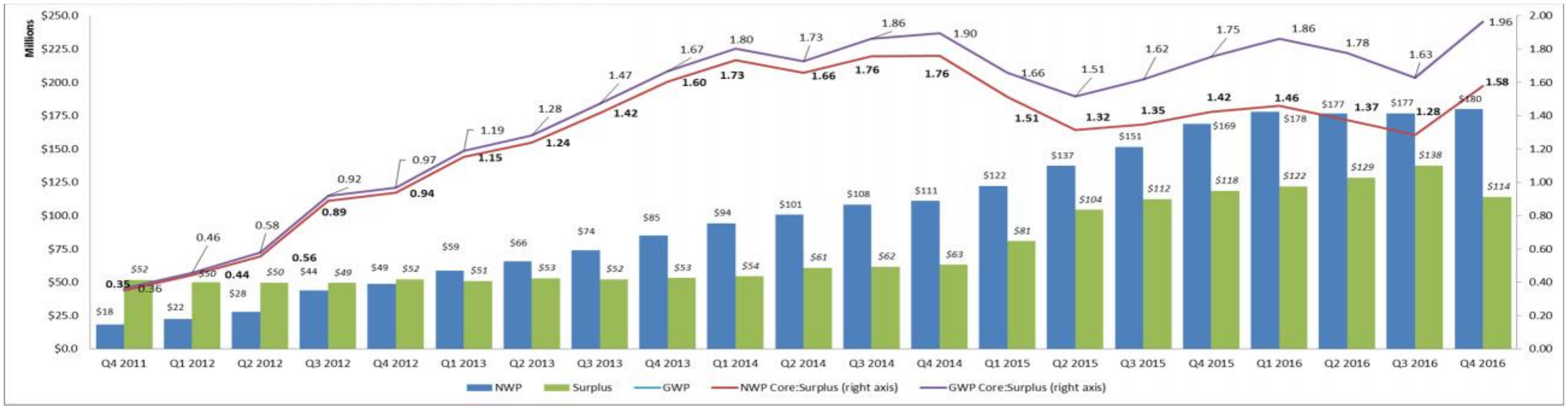
Commercial drivers who migrated to TNCs will pursue commercial insurance

Hit ratio for new and renewal business will increase as a result of implementation of targeted predictive analytics

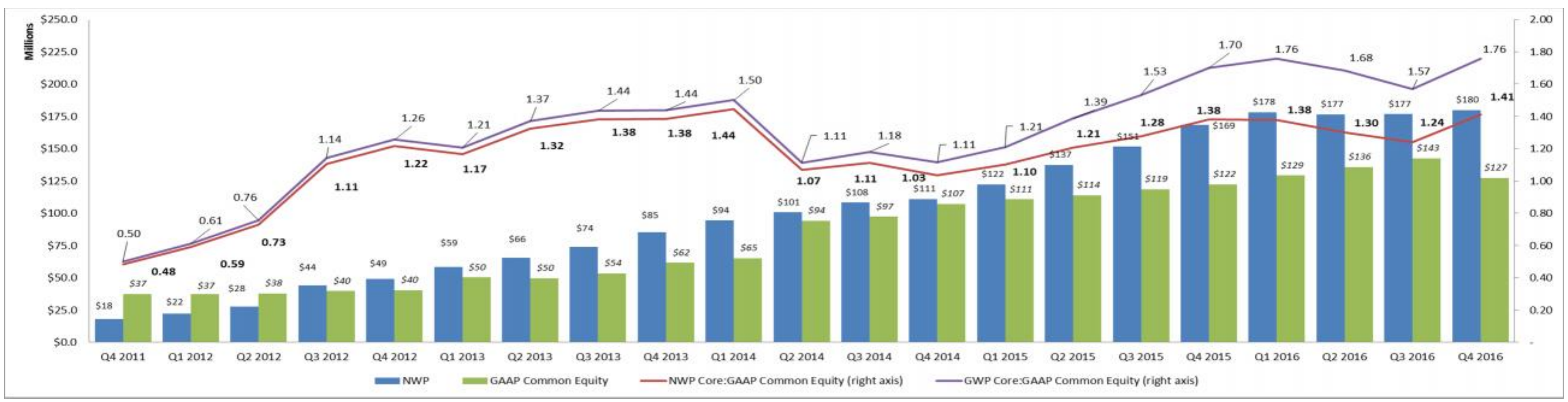
Operating Leverage (Actual through Q4 2016)

Continue to hold sufficient capital on hand to self-fund profitable growth in the foreseeable future

STATUTORY Version



GAAP Version



Financial Highlights

2016 Q4 Financial and Operating Highlights

Quarterly Premiums Affected by Rate Decisions / Shift in Market Dynamics

- In-force premium at December 31, 2016 increased 6.6% to $224.6 million, compared to $210.6 million
- Gross written premiums decreased 0.8% to $52.0 million
- Decrease was primarily due to a reduction in the Company's excess taxi and traditional taxi business - this impact began to abate Q3 2016
- Trends positive to date in Q1 2017

Underwriting Performance

- Underwriting loss was $25.0 million compared to Underwriting Income of $4.9 million for the same period of the prior year.
- Loss was primarily due to claims reserve strengthening related to prior accident years.
- Combined Ratio[1] ("CR") was 156.5%

(1) Ratios are computed as a percentage of net premium earned.

Book Value

- Book value per share improved to $10.54, a YoY increase of 3.8%

2017 Financial Expectations

- ✓ Relative stability regarding target market with continued growth
- ✓ Emphasis remains on underwriting profit as priority
  - Gross Written Premiums expected to improve year over year based on current trends
- ✓ Expense ratio is a range of 24.5% to 26.5%
- ✓ Exceed P&C industry Return on Equity ("ROE") by 500 – 1,000 bps

2016 Q4 Financial and Underwriting Results

Premium Results

GPW decreased by 0.8% to $52.0 million
- Overall premium shifted toward limo / paratransit during period
- Decrease the result of reductions in the Company’s taxi and non-core lines of business

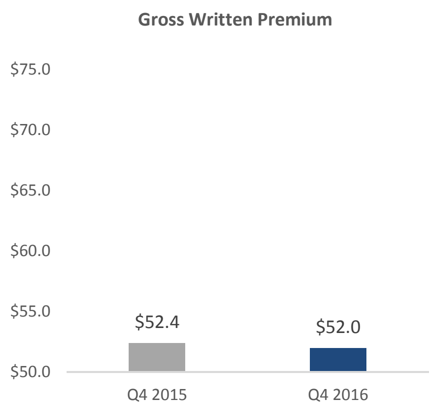
Underwriting Results

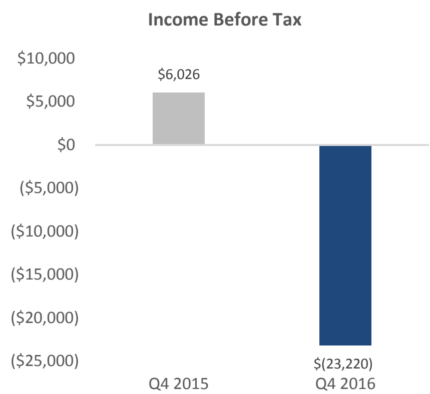
Combined ratio increased to 156.5% as compared to 88.2% for the prior year period(1)

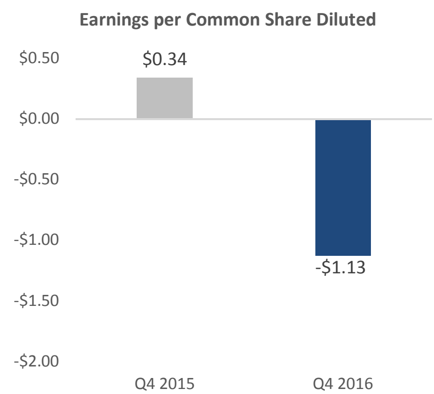
Book Value Growth

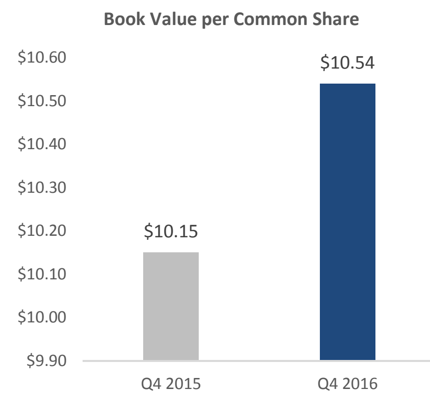
Atlas has increased book value year over year
- $10.54 at 12/31/2016, $10.15 at 12/31/2015

$ in millions except per share data









(1) Q4 2016 combined ratio includes 72.9% impact from previously announced claims reserves strengthening related to prior accident years.

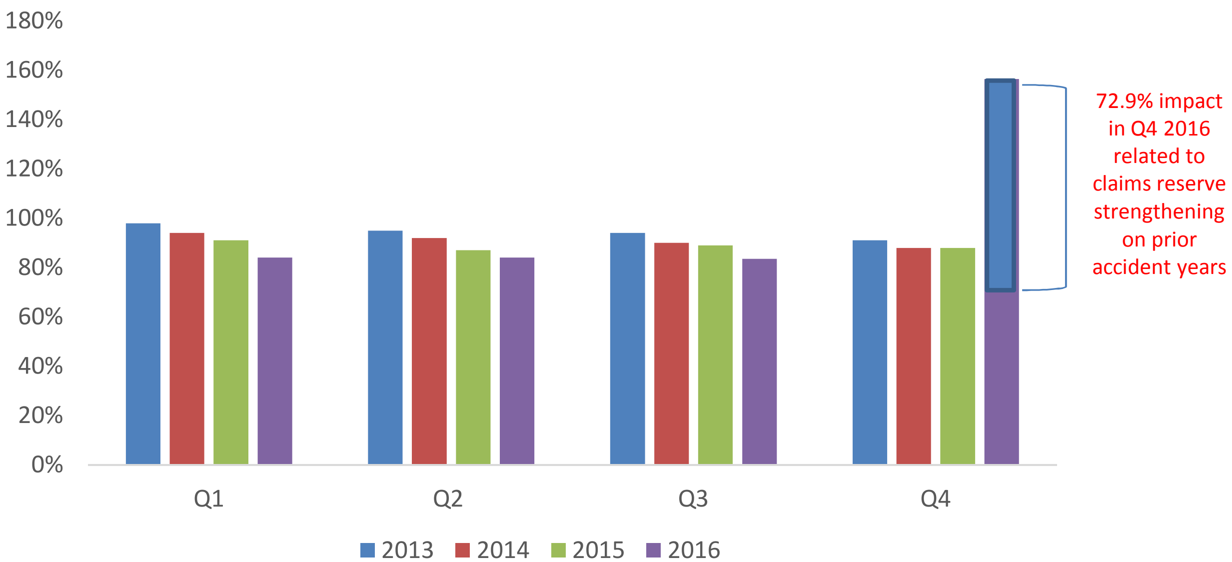
Combined Ratio Analysis

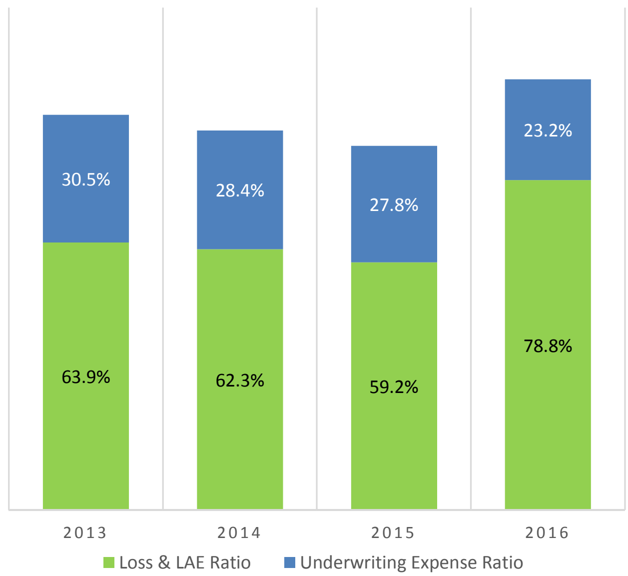
The table below details the comparisons of each component of the Company's combined ratio for the periods indicated (after accounting for the effect of quota share reinsurance):

	Three Month Periods Ended		Year Ended	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Loss Ratio:				
Current accident year	62.8 %	55.9 %	59.7 %	59.1 %
Prior accident years	72.9 %	5.0 %	19.1 %	0.1 %
Loss ratio	135.7 %	60.9 %	78.8 %	59.2 %
Underwriting Expense Ratio:				
Acquisition cost ratio	13.0 %	11.0 %	11.0 %	12.2 %
Other underwriting expense ratio	15.9 %	15.3 %	15.9 %	14.4 %
Underwriting expense ratio before expenses related to acquisitions and stock purchase agreements and stock based compensation expenses	28.9 %	26.3 %	26.9 %	26.6 %
Expenses (recovered) incurred related to stock purchase agreement ratio	(9.0) %	— %	(3.7) %	1.3 %
Share based compensation expense ratio	0.9 %	1.0 %	0.9 %	1.1 %
Underwriting expense ratio	20.8 %	27.3 %	24.1 %	29.0 %
Total combined ratio	156.5 %	88.2 %	102.9 %	88.2 %

Consistent Quarterly Year/Year Margin Improvement Since 2013 U.S. IPO

Combined Operating Ratio





	Three Month Periods Ended Dec. 31, 2016	Three Month Periods Ended Dec. 31, 2015
Loss ratio	135.7%[(1)]	60.9%
Underwriting expense ratio	20.8%	27.3%
Combined Operating Ratio	**156.5%**	**88.2%**

(1) Includes 19.1% impact for the full year 2016 related to claims reserves strengthening related to prior accident years

For 2016, 19.1% related to claims reserves strengthening on prior accident years: and 3.7% of favorable impact on expenses related to stock purchase agreements.

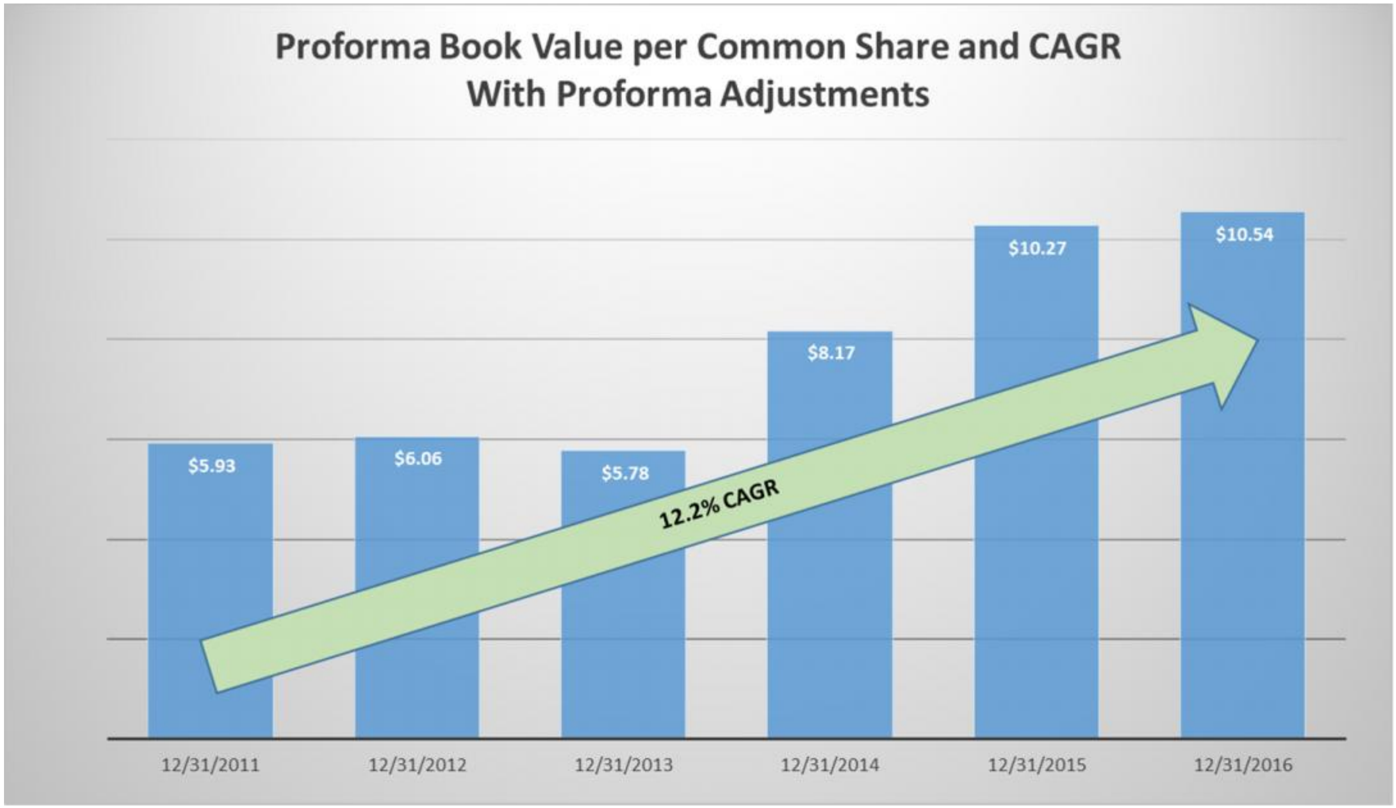
Detailed Impact of Changes to Book Value per Common Share

As of: (in '000s, except for shares and per share data)	December 31, 2016	December 31, 2015
Atlas shareholders' equity	$ 127,342	$ 129,622
Less: Preferred stock in equity	-	6,941
Less: Accumulated dividends on preferred stock	333	460
Common equity	$ 127,009	$ 122,221
Participative shares:		
Common shares outstanding	12,023,295	12,015,888
Restricted stock units (RSUs)	22,224	29,631
Total participative shares	12,045,519	12,045,519
Book value per participative share outstanding	$ 10.54	$ 10.15

Book value per common share of $10.54 increased by $0.39 relative to December 31, 2015 as follows:

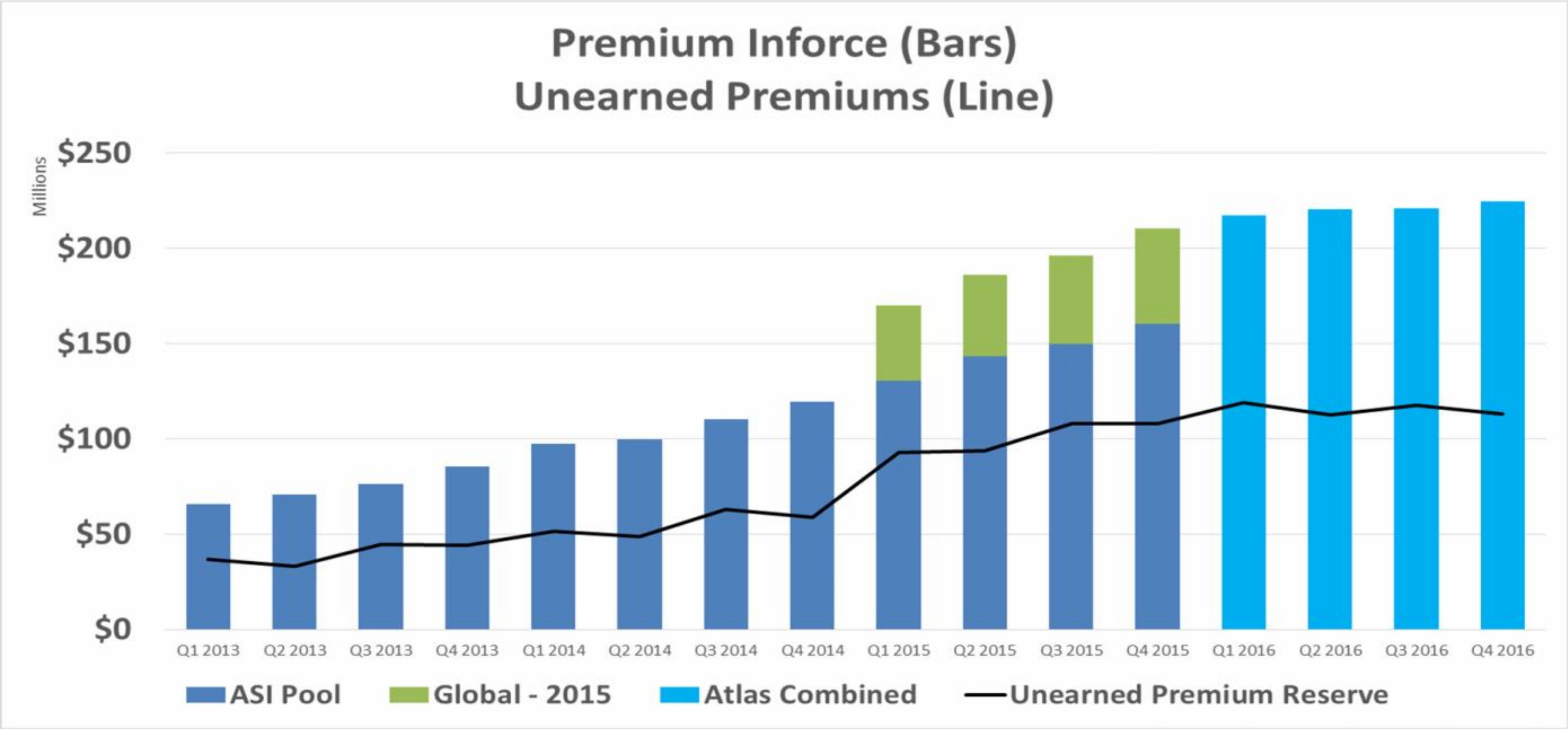
($0.38)	decrease related to net income after tax and before items indicated below;
$0.07	increase related to the change in net realized investment gains after tax;
($0.02)	decrease related to the preferred share dividend liquidation;
$0.07	increase related to the change in unrealized gains/losses after tax;
$0.13	increase related to share based compensation; and
$0.52	increase related to expenses recovered pursuant to stock purchase agreements.
$0.39	***total increase from December 31, 2015 book value per common share***

Impact of Reserve Strengthening on Book Value
Proforma Allocation Back to Applicable Year



Written Premium: In-force

At December 31, 2016, in-force premium was $224.6 million and the Company's gross unearned premium reserve was $113.2 million.



Strong Balance Sheet with Availability of Capital to Support Growth

- Attractive investment leverage
- Credit Facility:
  - $5 million one-year revolver, LIBOR + 2.75% ($3.9 million drawn)
  - $30 million five-year draw facility, LIBOR + 4.5% ($15.5 million drawn)

($ in millions)	December 31,2016	December 31, 2015
Cash and Investments	$224.8	$233.3
Total Assets	$423.6	$411.3
Claim Reserves (Gross of Reinsurance) [(1)]	$139.0	$127.0
Unearned Premiums	$113.2	$108.2
Atlas Shareholders' Equity	$127.3	$129.6

Adverse development protection in-force

(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.

Investment Portfolio

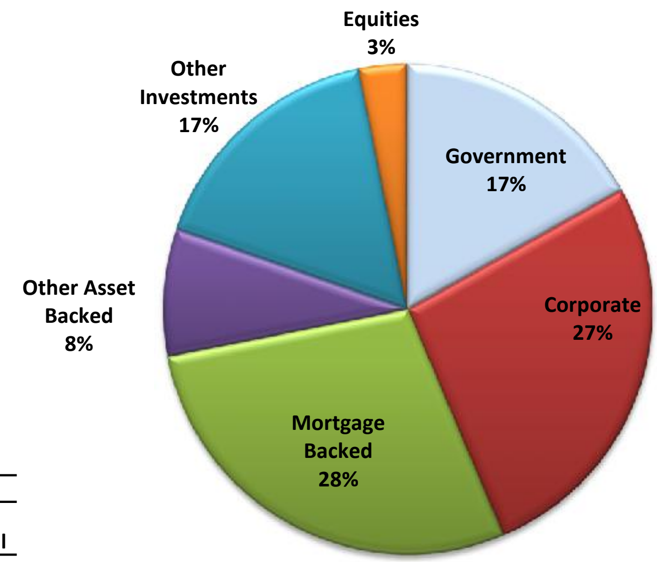
Conservative Investment Approach

- 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 (3.4 years)

Investment Portfolio

- As of December 31, 2016, total cash and invested assets were $224.8 million, of which fixed income consisted of 69.7%
- Predominantly corporate and government bonds
- Average S&P rating of AA
- 28.5% AAA
- 84.6% A or better

Investment Portfolio (12/31/2016) (1)



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

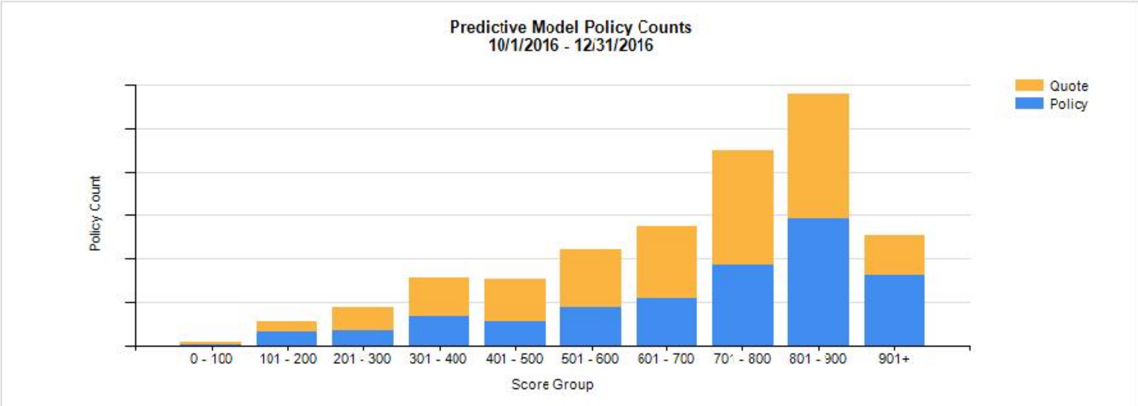
	December 31, 2016		December 31, 2015	
	Amount	% of Total	Amount[1]	% of Total
AAA/Aaa[1]	$ 44,521	28.5 %	$ 44,110	24.0 %
AA/Aa[1]	64,324	41.1 %	83,116	45.2 %
A/A	23,427	15.0 %	28,765	15.7 %
BBB/Baa	22,886	14.6 %	26,512	14.4 %
BB	1,114	0.7 %	1,270	0.7 %
B	215	0.1 %	—	— %
Total Fixed Income Securities	$ 156,487	100.0 %	$ 183,773	100.0 %

(1) In 2016, our external investment portfolio manager switched rating agencies for U.S. Treasury, agency and mortgage backed securities from Fitch or Moody's 'AAA' to S&P 'AA.' As a result, we have restated fair values of these fixed income securities as of December 31, 2015 using the S&P rating for comparative purposes.

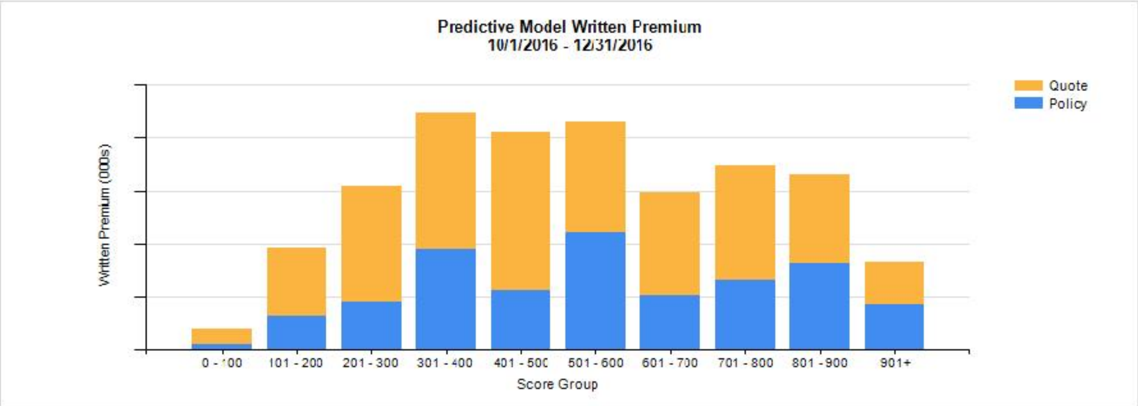
Conclusion & Outlook

Written Premium: Rate Activity

Incremental Benefit of Predictive Analytics
Pricing & Underwriting

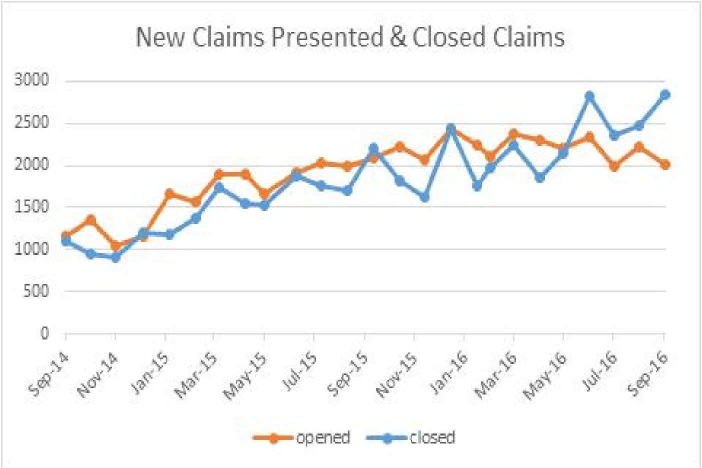


Use of model increases hit ratios on better than average accounts with use of credit that maintains better than average L/R



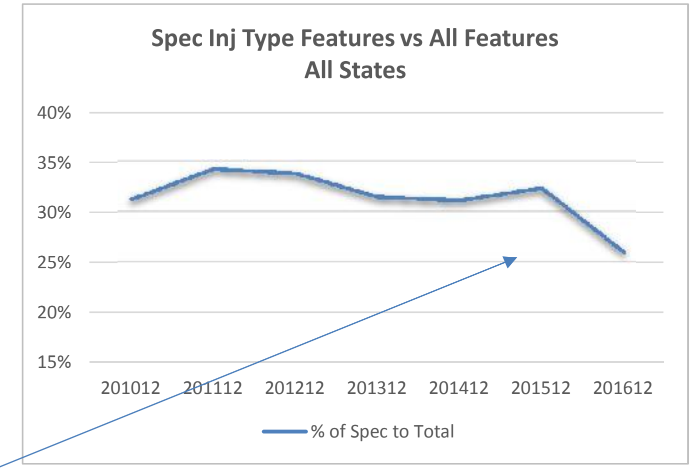
Expectation is that 2017 premium will include lift from application of model via POS equal to a weighted average adjusted application of actual premium and expected L/R distribution for business written in late 2016.

Incremental Benefit of Predictive Analytics Claims



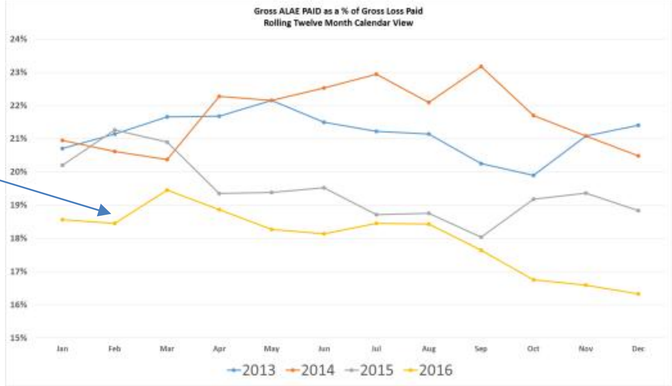
Initiatives targeting faster settlement of liability claims, including use of predictive analytics in claims resulted in closure of more claims than opened in 2016

Year end 2016 claim inventory was lower than 2015, despite growth in overall premium



Larger, potentially severe claims were prioritized

Allocated Loss Adjustment Expense ("ALAE") as a percentage of paid claim amounts reduced year over year



Outlook for 2017

Core Goal: Across market cycles, our objective is to exceed industry ROE by 500 to 1,000 bps

Favorable Outlook

- Goal is to maximize ROE potential in the current cycle
  - Strong operating margins
  - Efficient and scalable capital structure
  - Operating leverage

Remain proactive to changing market dynamics

- Mobile app dispatch
- More cars carrying people / items
- In-vehicle technology

Company has implemented measures to manage its operating leverage to match that of its business, with the objective of self-funding

- $30 Million Line of credit from Fifth Third Bank
- Quota share reinsurance

Emphasis on underwriting margin versus top-line growth

- Quarterly shifting of business from traditional taxi premiums to black car / TNCs
- Reduced average vehicles per policy expected due to larger percentage of owner operators
- $400 to $450 million in written premium is proportionate share
- Continued market share expansion in existing states

ATLAS FINANCIAL HOLDINGS, INC.

Nasdaq: AFH

For Additional Information

At the Company:

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

Investor Relations:
The Equity Group Inc.

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

Operating Activities: Underwriting

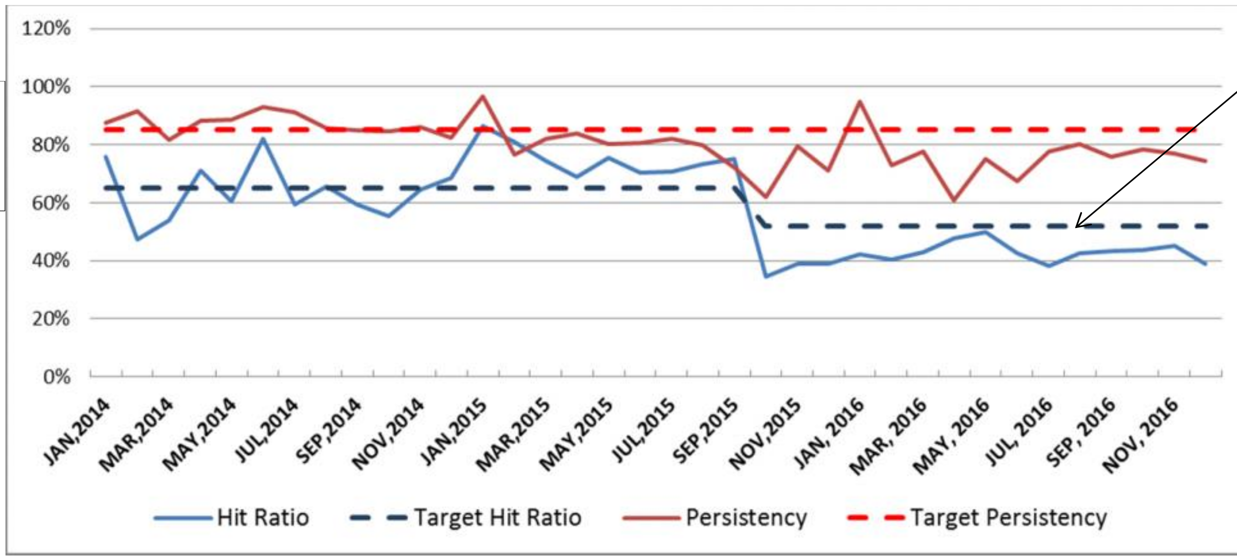
(commercial business only: excludes Global Liberty)

Mid single digit rate increases are now being pursued for profitable renewals and desirable new accounts.

Less deviation from predictive model (1-4 unit accounts quoted directly via POS using predictive analytics).

Hit ratios are strongest in most desired score bands.

Target of 85% based on current market conditions.



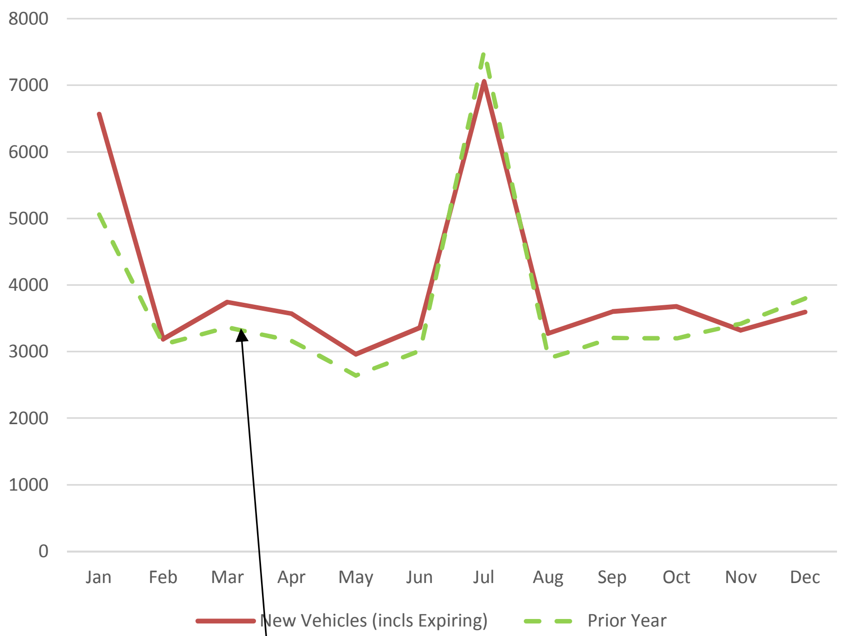
Current target of 52%. Market conditions continue to show support for mid single digit rate increases (magnitude varies by geography.

Note: From Q4 '15 forward, data is compiled from the newly launched Atlas Xpress (Duck Creek) policy system. The basis for hit ratio now includes additional submission information (not just commercial auto accounts that are quoted)

Operating Activities: Underwriting

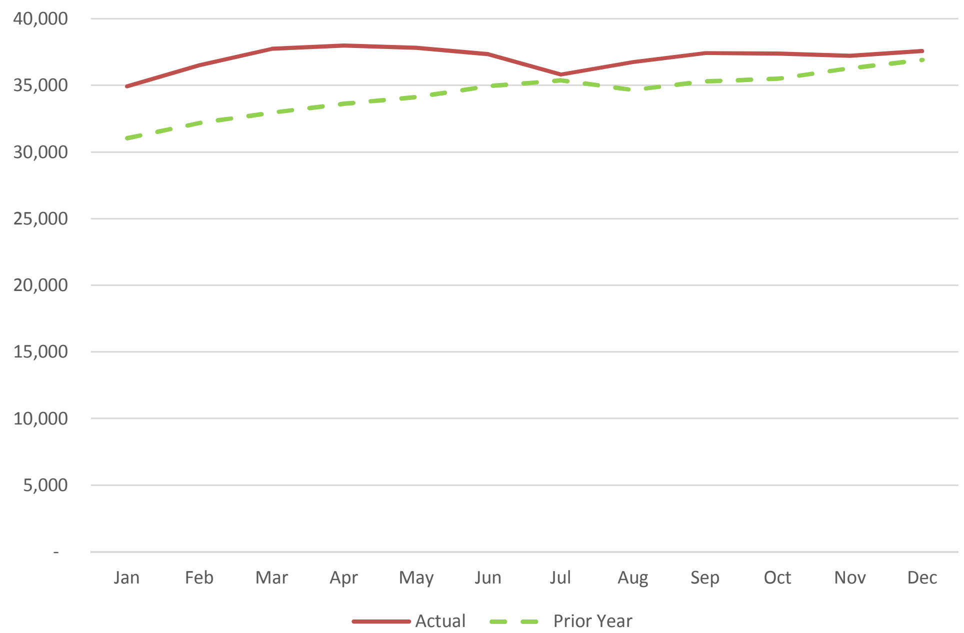
(commercial business only: excludes Global Liberty)

New Business Submissions (Monthly Vehicles Submitted)

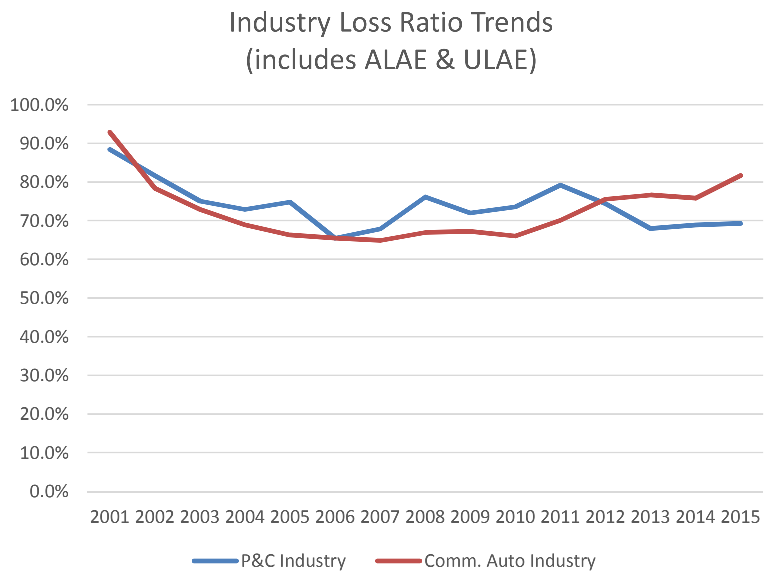


Primary gap relates to lost Taxi business

Vehicles In Force



Atlas Financial Comparison with Industry Pre and Post Adjustment



Atlas Adjusted Results

Three Year Average: AFH 59.0% vs. Comm'l Auto 68.3%
930 bps better

Five Year Average: AFH 67.8% vs. Comm'l Auto 69.9%
210 bps better

(1) - Adj refers to the 2016 claims reserve strengthening

Source of industry data: 2015 Statutory Filings compiled by SNL Financial