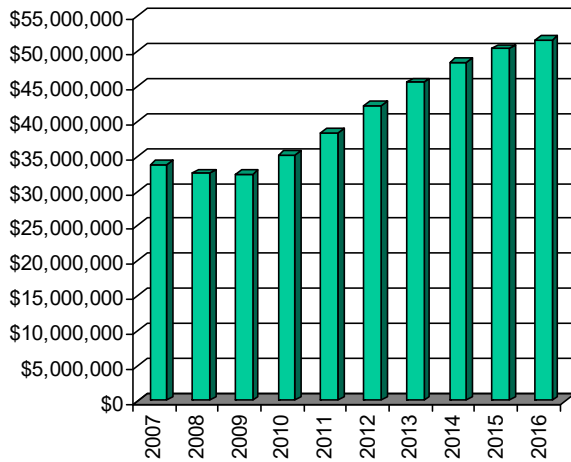
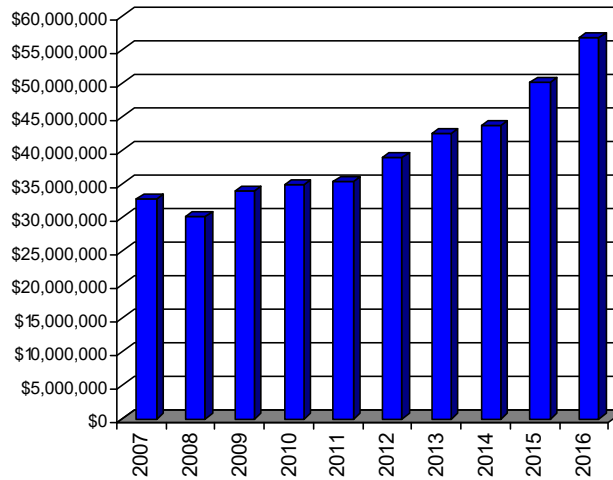


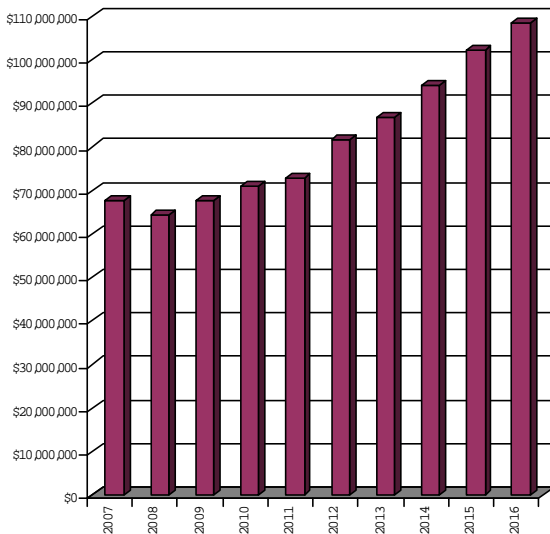
GMIC GROSS WRITTEN PREMIUM



GMIC SURPLUS



GMIC ASSETS



BEST'S POLICY HOLDERS RATING

A

(EXCELLENT)
SIZE V

OFFICERS

Richard R. Smith President-Treasurer
 Thomas A. Galle Senior Vice-President
 Donald W. Sturm Executive Vice-President
 Ronald R. Vermillion Vice-President
 James R. Weninger Vice-President
 Brian A. Breest Ass't Vice-President
 Steven A. Havey Ass't Vice-President

DIRECTORS

Richard R. Smith Chairman of the Board
 President-Treasurer
 Thomas J. Albiero Director
 David R. Begalke Director
 Teresa S. Charewicz Corp. Secretary/Director
 Dean E. Gunderson Director
 David B. Kern Director
 Kevin P. O'Meara Director
 Donald W. Sturm Director
 Mel A. Wifler Director

163rd ANNUAL REPORT

GERMANTOWN MUTUAL INSURANCE COMPANY

W209 N11845 Insurance Place
 PO Box 1020
 Germantown, Wisconsin
 53022-8220
 Phone: (262) 251-6680
www.gmic.com

A NON-ASSESSABLE MUTUAL COMPANY

KEEPING THE PUBLIC TRUST
 SINCE 1854

1854 — 2017

2016 was another good year. Your company finished the year at a combined ratio of 89.1% and grew 2.4%. Our assets went up 6.2% and our surplus increased 13.1%

A great job by all our employees and agents. The company did this in a very challenging bond rate environment.

2017 has started out well but as always, we will try and run the company as a steady, conservative and compassionate one.

I want to again thank all of our agents and employees for the job they did.

Thanks!



Richard R. Smith
Chairman, President & Treasurer



Germantown Mutual Insurance Company



FINANCIAL STATEMENT - December 31, 2016

	2016	2015	2014
ASSETS			
Cash	1,938,845	2,792,945	1,749,874
U. S. Government Bonds	22,692,371	23,707,601	25,042,064
Other Bonds	60,229,856	53,299,041	45,126,819
Stocks	9,671,783	8,829,079	9,161,011
Real Estate	1,848,724	1,923,476	1,999,350
Premiums Receivable	8,428,296	8,279,981	7,887,956
Recoverable from Reinsurers	66,448	226,029	333,881
Other Assets	<u>3,649,903</u>	<u>3,138,643</u>	<u>2,804,793</u>
 Total Assets	 <u>108,526,226</u>	 <u>102,196,795</u>	 <u>94,105,748</u>
 LIABILITIES			
Reserve for Unearned Premiums	22,333,623	21,907,306	21,047,166
Reserve for Losses & Adjustment Expense	22,777,592	23,660,511	22,921,231
Other Liabilities	6,682,902	6,456,946	6,414,210
 SURPLUS to POLICYHOLDERS	 <u>56,732,109</u>	 <u>50,172,032</u>	 <u>43,723,141</u>
 Total Liabilities and Surplus	 <u>108,526,226</u>	 <u>102,196,795</u>	 <u>94,105,748</u>
 Total Gross Premiums Written	 51,638,355	 50,411,988	 48,395,967
Losses Incurred	23,839,612	21,478,633	28,168,462
Underwriting Gain or (Loss)	5,072,790	6,872,524	(2,040,863)
Net Investment Gain or (Loss)	2,797,801	2,291,500	4,127,887
Increase or (Decrease) to Surplus	6,560,077	6,448,891	1,157,007