



SELECTIVE[®]

**FINANCIAL SUPPLEMENT
SECOND QUARTER 2017**

Forward-Looking Statements

Certain statements in this report, including information incorporated by reference, are “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995 (“PSLRA”). The PSLRA provides a safe harbor under the Securities Act of 1933 and the Securities Exchange Act of 1934 for forward-looking statements. These statements relate to our intentions, beliefs, projections, estimations, or forecasts of future events or our future financial performance and involve known and unknown risks, uncertainties, and other factors that may cause our or our industry’s actual results, levels of activity, or performance to be materially different from those expressed or implied by the forward-looking statements. In some cases, you can identify forward-looking statements by use of words such as “may,” “will,” “could,” “would,” “should,” “expect,” “plan,” “anticipate,” “target,” “project,” “intend,” “believe,” “estimate,” “predict,” “potential,” “pro forma,” “seek,” “likely,” or “continue” or other comparable terminology. These statements are only predictions, and we can give no assurance that such expectations will prove to be correct. We undertake no obligation, other than as may be required under the federal securities laws, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Factors that could cause our actual results to differ materially from those projected, forecasted, or estimated by us in forward-looking statements, include, but are not limited to:

- difficult conditions in global capital markets and the economy;
- deterioration in the public debt and equity markets and private investment marketplace that could lead to investment losses and fluctuations in interest rates;
- ratings downgrades could affect investment values and, therefore, statutory surplus;
- the adequacy of our loss reserves and loss expense reserves;
- the frequency and severity of natural and man-made catastrophic events, including, but not limited to, hurricanes, tornadoes, windstorms, earthquakes, hail, terrorism, explosions, severe winter weather, floods, and fires;
- adverse market, governmental, regulatory, legal, or judicial conditions or actions;
- the concentration of our business in the Eastern Region;
- the cost and availability of reinsurance;
- our ability to collect on reinsurance and the solvency of our reinsurers;
- uncertainties related to insurance premium rate increases and business retention;
- changes in insurance regulations that impact our ability to write and/or cease writing insurance policies in one or more states;
- recent federal financial regulatory reform provisions that could pose certain risks to our operations;
- our ability to maintain favorable ratings from rating agencies, including A.M. Best, Standard & Poor’s, Moody’s and Fitch;
- our entry into new markets and businesses; and
- other risks and uncertainties we identify in filings with the United States Securities and Exchange Commission, including, but not limited to, our Annual Report on Form 10-K and other periodic reports.

These risk factors may not be exhaustive. We operate in a continually changing business environment, and new risk factors emerge from time-to-time. We can neither predict such new risk factors nor can we assess the impact, if any, of such new risk factors on our businesses or the extent to which any factor or combination of factors may cause actual results to differ materially from those expressed or implied in any forward-looking statements in this report. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this report might not occur.

Selective’s SEC filings can be accessed through the Investors page of Selective’s website, www.Selective.com, or through the SEC’s EDGAR Database at www.sec.gov (Selective EDGAR CIK No. 0000230557).

Selective Insurance Group, Inc. & Consolidated Subsidiaries

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Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED FINANCIAL HIGHLIGHTS

(Unaudited)

	Quarter ended					Year-to-date	
	June 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	June 30, 2016	June 30, 2017	June 30, 2016
<i>(\$ and shares in millions, except per share data)</i>							
For Period Ended							
Net premiums written	\$ 613.8	598.7	515.0	578.8	578.1	1,212.5	1,143.5
Change in net premiums written, from comparable prior year period.....	6 %	6	9	6	9	6	9
Underwriting income, before-tax	\$ 30.3	49.2	35.2	32.0	43.8	79.5	84.7
Net investment income earned, before-tax	41.4	37.4	35.4	33.4	31.2	78.8	62.0
Net realized investment gains (losses), before-tax	1.7	(1.0)	(7.7)	3.7	1.8	0.7	(0.9)
Net income	\$ 41.4	50.4	39.4	38.5	43.6	91.9	80.6
Operating income*	40.3	51.1	44.4	36.1	42.5	91.4	81.2
At Period End							
Total assets	7,528.2	7,404.1	7,355.8	7,363.2	7,189.6	7,528.2	7,189.6
Total invested assets	5,503.0	5,460.8	5,364.9	5,368.4	5,266.5	5,503.0	5,266.5
Stockholders' equity	1,652.6	1,592.6	1,531.4	1,574.9	1,552.7	1,652.6	1,552.7
Shares outstanding	58.4	58.2	58.0	57.9	57.8	58.4	57.8
Per Share and Share Data							
Net income per diluted share.....	\$ 0.70	0.85	0.67	0.66	0.74	1.55	1.38
Operating income per diluted share*	0.68	0.86	0.75	0.62	0.72	1.54	1.39
Weighted average diluted shares outstanding.....	59.2	59.1	58.9	58.7	58.6	59.2	58.6
Book value per share	\$ 28.32	27.34	26.42	27.22	26.86	28.32	26.86
Dividends paid per share	0.16	0.16	0.16	0.15	0.15	0.32	0.30
Financial Ratios							
Loss and loss expense ratio	60.2 %	56.6	58.4	58.3	56.1	58.4	56.5
Underwriting expense ratio	34.2	34.6	35.2	35.7	35.4	34.4	35.2
Dividends to policyholders ratio.....	0.3	-	-	0.1	0.3	0.2	0.3
GAAP combined ratio	94.7 %	91.2	93.6	94.1	91.8	93.0	92.0
Annualized ROE	10.2	12.9	10.1	9.8	11.5	11.5	10.9
Annualized operating ROE*	9.9	13.1	11.4	9.2	11.2	11.5	11.0
Debt to total capitalization	21.0	21.6	22.3	21.2	20.0	21.0	20.0
Net premiums written to policyholders' surplus	1.4 x	1.4x	1.4x	1.4x	1.4x	1.4x	1.4x
Invested assets per dollar of stockholders' equity	\$ 3.33	3.43	3.50	3.41	3.39	3.33	3.39

* Non-GAAP measure. Refer to Page 13 for definition.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	Quarter ended					Year-to-date	
	June 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	June 30, 2016	June 30, 2017	June 30, 2016
<i>(\$ and shares in millions)</i>							
Revenues							
Net premiums earned	\$ 568.0	560.9	552.8	542.4	531.9	1,128.9	1,054.4
Net investment income earned.....	41.4	37.4	35.4	33.4	31.2	78.8	62.0
Net realized investment gains (losses).....	3.0	2.4	(3.7)	4.0	2.3	5.4	3.2
Other-than-temporary impairments	(1.2)	(3.5)	(4.0)	(0.3)	(0.5)	(4.7)	(4.1)
Other income	3.3	3.2	1.9	2.2	3.9	6.5	4.8
Total revenues	614.5	600.5	582.4	581.7	568.7	1,215.0	1,120.2
Expenses							
Losses and loss expenses incurred	341.6	317.5	322.9	316.3	298.5	659.0	595.6
Policy acquisition costs	196.8	196.2	196.0	193.8	190.7	393.1	374.0
Interest expense	6.1	6.1	5.8	5.7	5.6	12.2	11.2
Other expenses	11.1	13.1	7.3	10.4	11.6	24.2	25.2
Total expenses	555.6	532.9	532.0	526.2	506.4	1,088.5	1,006.0
Income before federal income tax.....	58.9	67.6	50.3	55.4	62.3	126.5	114.2
Federal income tax expense	17.5	17.1	11.0	16.9	18.7	34.6	33.6
Net income	\$ 41.4	50.4	39.4	38.5	43.6	91.9	80.6
Exclude: Net realized investment (gains) losses, after tax	(1.1)	0.7	5.0	(2.4)	(1.1)	(0.4)	0.6
Operating income *	\$ 40.3	51.1	44.4	36.1	42.5	91.4	81.2
Weighted average shares outstanding (diluted)	59.2	59.1	58.9	58.7	58.6	59.2	58.6
Net income per share (diluted)	\$ 0.70	0.85	0.67	0.66	0.74	1.55	1.38
Operating income per share (diluted) *	\$ 0.68	0.86	0.75	0.62	0.72	1.54	1.39

* Non-GAAP measure. Refer to Page 13 for definition.

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED BALANCE SHEETS

(Unaudited)

<i>(\$ in millions, except per share data)</i>	June 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	June 30, 2016
ASSETS					
Investments					
Fixed income securities, held-to-maturity, at carrying value	\$ 72.5	84.8	101.6	130.5	160.3
Fixed income securities, available-for-sale, at fair value	5,018.7	4,867.0	4,792.5	4,832.5	4,671.8
Equity securities, available-for-sale, at fair value	161.7	154.9	146.8	147.3	152.9
Short-term investments	133.7	247.2	221.7	169.6	205.5
Other investments	116.4	106.8	102.4	88.5	76.1
Total investments	5,503.0	5,460.8	5,364.9	5,368.4	5,266.5
Cash	8.6	0.5	0.5	1.5	1.5
Interest and dividends due or accrued	40.2	40.2	40.2	39.9	39.9
Premiums receivable, net of allowance	764.3	707.7	681.6	711.6	706.6
Reinsurance recoverable, net of allowance	601.9	580.4	621.5	640.0	592.4
Prepaid reinsurance premiums	151.9	145.4	146.3	152.0	145.5
Current federal income tax	-	-	2.5	-	-
Deferred federal income tax	60.4	72.2	84.8	41.7	47.7
Property and equipment, net of accumulated depreciation and amortization	66.3	68.5	69.6	69.8	68.6
Deferred policy acquisition costs	234.9	227.6	222.6	235.9	228.6
Goodwill	7.8	7.8	7.8	7.8	7.8
Other assets	88.8	92.9	113.5	94.6	84.5
Total assets	\$ 7,528.2	7,404.1	7,355.8	7,363.2	7,189.6
LIABILITIES AND STOCKHOLDERS' EQUITY					
Liabilities					
Reserve for losses and loss expenses	\$ 3,731.2	3,679.5	3,691.7	3,686.6	3,590.2
Unearned premiums	1,352.1	1,299.8	1,262.8	1,306.3	1,263.5
Short-term debt	-	-	-	45.0	60.0
Long-term debt	438.9	438.8	438.7	378.6	328.4
Current federal income tax	2.1	11.6	-	6.5	8.7
Accrued salaries and benefits	103.2	96.3	132.9	103.6	118.7
Other liabilities	248.2	285.6	298.4	261.8	267.4
Total liabilities	\$ 5,875.6	5,811.5	5,824.5	5,788.3	5,636.9
Stockholder's Equity					
Preferred stock of \$0 par value per share	\$ -	-	-	-	-
Common stock of \$2 par value per share	204.3	204.1	203.2	203.0	202.9
Additional paid-in capital	360.0	354.2	347.3	342.8	340.1
Retained earnings	1,641.8	1,609.9	1,568.9	1,538.9	1,509.2
Accumulated other comprehensive income (loss).....	24.5	2.1	(16.0)	62.2	72.0
Treasury stock, at cost	(578.0)	(577.7)	(572.1)	(572.1)	(571.5)
Total stockholders' equity	\$ 1,652.6	1,592.6	1,531.4	1,574.9	1,552.7
Commitments and contingencies					
Total liabilities and stockholders' equity	\$ 7,528.2	7,404.1	7,355.8	7,363.2	7,189.6

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

FINANCIAL METRICS

(Unaudited)

	Quarter ended					Year-to-date	
	June 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	June 30, 2016	June 30, 2017	June 30, 2016
<i>(\$ and shares in millions, except per share data)</i>							
Book value per share							
Stockholders' equity	\$ 1,652.6	1,592.6	1,531.4	1,574.9	1,552.7	1,652.6	1,552.7
Common shares issued and outstanding, at period end	58.4	58.2	58.0	57.9	57.8	58.4	57.8
Book value per share	\$ 28.32	27.34	26.42	27.22	26.86	28.32	26.86
Book value per share excluding unrealized gain (loss) on fixed income securities	27.25	26.65	25.98	25.53	25.00	27.25	25.00
Financial results (after-tax)							
Underwriting income.....	19.7	32.0	22.9	20.8	28.5	51.7	55.1
Net investment income	30.3	27.5	26.4	24.9	23.5	57.8	47.1
Interest expense.....	(4.0)	(4.0)	(3.8)	(3.7)	(3.7)	(7.9)	(7.3)
Other expense.....	(5.8)	(4.4)	(1.1)	(5.9)	(5.9)	(10.1)	(13.6)
Net realized gains (losses)	1.1	(0.7)	(5.0)	2.4	1.1	0.4	(0.6)
Total after-tax net income	41.4	50.4	39.4	38.5	43.6	91.9	80.6
Return on average equity							
Insurance segments.....	4.9 %	8.2	5.9	5.3	7.5	6.5	7.5
Net investment income	7.5	7.0	6.8	6.4	6.2	7.3	6.4
Interest expense.....	(1.0)	(1.0)	(1.0)	(0.9)	(1.0)	(1.0)	(1.0)
Other expense.....	(1.5)	(1.1)	(0.3)	(1.6)	(1.5)	(1.3)	(1.9)
Net realized gains (losses), net of tax at 35%	0.3	(0.2)	(1.3)	0.6	0.3	-	(0.1)
Annualized ROE	10.2	12.9	10.1	9.8	11.5	11.5	10.9
Exclude: Net realized (gains) losses, net of tax at 35%	(0.3)	0.2	1.3	(0.6)	(0.3)	-	0.1
Annualized Operating ROE*	9.9 %	13.1	11.4	9.2	11.2	11.5	11.0
Debt and total capitalization							
Notes payable:							
1.61% Borrowings from FHLBNY	\$ 25.0	25.0	25.0	25.0	-	25.0	-
1.56% Borrowings from FHLBNY	25.0	25.0	25.0	25.0	-	25.0	-
3.03% Borrowings from FHLBI	60.0	60.0	60.0	-	-	60.0	-
0.63% Borrowings from FHLBI	-	-	-	-	15.0	-	15.0
1.25% Borrowings from FHLBI	-	-	-	45.0	45.0	-	45.0
7.25% Senior notes	49.7	49.7	49.6	49.6	49.6	49.7	49.6
6.70% Senior notes	99.0	99.0	99.0	98.9	98.9	99.0	98.9
5.875% Senior notes	180.2	180.2	180.1	180.0	179.9	180.2	179.9
Total debt	438.9	438.8	438.7	423.6	388.4	438.9	388.4
Stockholders' equity	1,652.6	1,592.6	1,531.4	1,574.9	1,552.7	1,652.6	1,552.7
Total capitalization	\$ 2,091.5	2,031.4	1,970.1	1,998.5	1,941.1	2,091.5	1,941.1
Ratio of debt to total capitalization	21.0 %	21.6	22.3	21.2	20.0	21.0	20.0
Policyholders' surplus	\$ 1,653.2	1,622.3	1,583.8	1,551.2	1,506.5	1,653.2	1,506.5

* Non-GAAP measure. Refer to Page 13 for definition.

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED INSURANCE OPERATIONS STATEMENT OF OPERATIONS

(Unaudited)

(\$ in millions)	Quarter ended					Year-to-date	
	June 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	June 30, 2016	June 30, 2017	June 30, 2016
Underwriting results							
Net premiums written	\$ 613.8	598.7	515.0	578.8	578.1	1,212.5	1,143.5
Change in net premiums written, from comparable prior year period.....	6 %	6	9	6	9	6	9
Net premiums earned	\$ 568.0	560.9	552.8	542.4	531.9	1,128.9	1,054.4
Losses and loss expenses incurred	341.6	317.5	322.9	316.3	298.5	659.0	595.6
Net underwriting expenses incurred	194.2	194.3	194.8	193.6	188.1	388.5	370.8
Dividends to policyholders.....	1.9	(0.1)	(0.2)	0.5	1.6	1.8	3.3
GAAP underwriting gain.....	\$ 30.3	49.2	35.2	32.0	43.8	79.5	84.7
Catastrophe losses	\$ 29.3	12.2	26.6	10.4	8.4	41.5	22.8
(Favorable) prior years' casualty reserve development	(14.3)	(14.4)	(23.0)	(19.0)	(10.0)	(28.7)	(27.0)
Underwriting ratios							
Loss and loss expenses ratio	60.2 %	56.6	58.4	58.3	56.1	58.4	56.5
Underwriting Expense ratio	34.2	34.6	35.2	35.7	35.4	34.4	35.2
Dividends to policyholders ratio.....	0.3	-	-	0.1	0.3	0.2	0.3
Combined ratio	94.7 %	91.2	93.6	94.1	91.8	93.0	92.0
Catastrophe losses	5.2 pts	2.2	4.8	1.9	1.6	3.7	2.2
(Favorable) prior years' casualty reserve development	(2.5) pts	(2.6)	(4.2)	(3.5)	(1.9)	(2.5)	(2.6)
Combined ratio before catastrophes	89.5 %	89.0	88.8	92.2	90.2	89.3	89.8
Combined ratio before catastrophes and prior years' development	92.0	91.6	93.0	95.7	92.1	91.8	92.4
Other Statistics							
Non-catastrophe property losses	\$ 73.3	71.4	70.0	78.5	64.3	144.7	130.8
Non-catastrophe property losses	12.9 pts	12.7	12.7	14.5	12.1	12.8	12.4
Direct new business	\$ 136.1	124.7	123.8	125.4	130.5	260.8	248.1

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

STANDARD COMMERCIAL LINES STATEMENT OF OPERATIONS AND SUPPLEMENTAL DATA (Unaudited)

(\$ in millions)	Quarter ended					Year-to-date	
	June 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	June 30, 2016	June 30, 2017	June 30, 2016
Underwriting results							
Net premiums written	\$ 478.9	483.5	392.2	449.5	449.0	962.5	904.1
Change in net premiums written, from comparable prior year period.....	7 %	6	10	9	9	6	9
Net premiums earned	\$ 443.6	438.4	429.7	421.6	411.3	882.0	814.2
Losses and loss expenses incurred	252.9	241.6	230.3	238.2	221.6	494.4	445.0
Net underwriting expenses incurred	154.0	154.4	154.4	152.7	147.9	308.4	294.8
Dividends to policyholders.....	1.9	(0.1)	(0.2)	0.5	1.6	1.8	3.3
GAAP underwriting gain.....	\$ 34.8	42.5	45.2	30.1	40.2	77.3	71.1
Catastrophe losses	\$ 17.0	6.9	13.6	6.2	3.6	23.9	15.3
(Favorable) prior years' casualty reserve development	(17.3)	(16.4)	(28.5)	(19.0)	(12.0)	(33.7)	(30.0)
Underwriting ratios							
Loss and loss expenses ratio	57.1 %	55.1	53.6	56.5	53.9	56.0	54.7
Underwriting expense ratio.....	34.7	35.2	35.9	36.3	35.9	35.0	36.2
Dividends to policyholders ratio.....	0.4	-	-	0.1	0.4	0.2	0.4
Combined ratio	92.2 %	90.3	89.5	92.9	90.2	91.2	91.3
Catastrophe losses	3.8 pts	1.6	3.2	1.5	0.9	2.7	1.9
(Favorable) prior years' casualty reserve development	(3.9) pts	(3.7)	(6.6)	(4.5)	(2.9)	(3.8)	(3.7)
Combined ratio before catastrophes	88.4 %	88.7	86.3	91.4	89.3	88.5	89.4
Combined ratio before catastrophes and prior years' development	92.3	92.4	92.9	95.9	92.2	92.3	93.1
Other statistics							
Non-catastrophe property losses	\$ 48.2	49.8	45.6	51.6	41.6	98.0	85.2
Non-catastrophe property losses	10.9 pts	11.4	10.6	12.2	10.1	11.1	10.5
Direct new business	\$ 98.0	89.5	85.2	89.2	95.5	187.5	183.2
Renewal pure price increases	3.1 %	3.0	2.7	2.5	2.6	3.1	2.7
Retention	83 %	85	84	84	83	83	83

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

STANDARD PERSONAL LINES STATEMENT OF OPERATIONS AND SUPPLEMENTAL DATA (Unaudited)

(\$ in millions)	Quarter ended					Year-to-date	
	June 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	June 30, 2016	June 30, 2017	June 30, 2016
Underwriting results							
Net premiums written	\$ 78.1	64.7	68.1	76.2	75.6	142.8	137.5
Change in net premiums written, from comparable prior year period	3 %	4	3	(1)	(1)	4	(2)
Net premiums earned	\$ 71.7	71.2	70.9	68.7	70.8	142.9	141.0
Losses and loss expenses incurred	54.7	44.3	54.3	41.6	42.2	99.0	81.9
Net underwriting expenses incurred.....	22.7	21.8	23.2	22.8	22.5	44.5	44.4
GAAP underwriting (loss) gain	\$ (5.8)	5.1	(6.6)	4.3	6.1	(0.7)	14.7
Catastrophe losses	\$ 9.4	3.9	11.4	2.5	2.1	13.3	4.3
Unfavorable prior years' casualty reserve development	3.0	2.0	2.5	-	-	5.0	-
Underwriting ratios							
Loss and loss expenses ratio	76.3 %	62.2	76.5	60.5	59.6	69.3	58.1
Underwriting expense ratio	31.7	30.6	32.8	33.3	31.8	31.2	31.5
Combined ratio	108.0 %	92.8	109.3	93.8	91.4	100.5	89.6
Catastrophe losses	13.0 pts	5.5	16.0	3.6	3.0	9.3	3.1
Unfavorable prior years' casualty reserve development	4.2 pts	2.8	3.5	—	—	3.5	—
Combined ratio before catastrophes	95.0 %	87.3	93.3	90.2	88.4	91.2	86.5
Combined ratio before catastrophes and prior years' development	90.8	84.5	89.8	90.2	88.4	87.7	86.5
Other Statistics							
Non-catastrophe property losses	\$ 20.0	16.3	17.6	18.9	18.4	36.4	34.7
Non-catastrophe property losses	27.9 pts	22.9	24.8	27.6	25.9	25.4	24.6
Direct new business	\$ 13.2	11.4	10.7	12.0	9.6	24.6	17.0
Renewal pure price increases	2.6 %	2.7	4.1	4.7	5.2	2.7	5.1
Retention	84 %	84	84	83	83	84	82

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

EXCESS AND SURPLUS LINES STATEMENT OF OPERATIONS AND SUPPLEMENTAL DATA (Unaudited)

(\$ in millions)	Quarter ended					Year-to-date	
	June 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	June 30, 2016	June 30, 2017	June 30, 2016
Underwriting results							
Net premiums written	\$ 56.8	50.5	54.8	53.0	53.6	107.2	101.9
Change in net premiums written, from comparable prior year period.....	6 %	4	6	(2)	18	5	23
Net premiums earned	\$ 52.8	51.2	52.1	52.2	49.8	104.0	99.2
Losses and loss expenses incurred	34.0	31.6	38.3	36.5	34.6	65.6	68.7
Net underwriting expenses incurred.....	17.5	18.1	17.3	18.1	17.7	35.5	31.6
GAAP underwriting gain (loss)	\$ 1.3	1.6	(3.5)	(2.4)	(2.5)	2.9	(1.1)
Catastrophe losses	\$ 3.0	1.4	1.6	1.7	2.7	4.4	3.2
Unfavorable prior years' casualty reserve development	-	-	3.0	-	2.0	-	3.0
Underwriting ratios							
Loss and loss expenses ratio	64.4 %	61.7	73.5	69.9	69.5	63.0	69.3
Underwriting expense ratio	33.1	35.2	33.1	34.6	35.6	34.2	31.8
Combined ratio	97.5 %	96.9	106.6	104.5	105.1	97.2	101.1
Catastrophe losses	5.7 pts	2.7	3.1	3.3	5.4	4.2	3.2
Unfavorable prior years' casualty reserve development	- pts	-	5.8	-	4.0	-	3.0
Combined ratio before catastrophes.....	91.8 %	94.2	103.5	101.2	99.7	93.0	97.9
Combined ratio before catastrophes and prior years' development	91.8	94.2	97.7	101.2	95.7	93.0	94.9
Other Statistics							
Non-catastrophe property losses	\$ 5.1	5.3	6.8	7.9	4.4	10.4	10.8
Non-catastrophe property losses	9.7 pts	10.3	13.0	15.2	8.7	10.0	10.9
Direct new business	\$ 24.9	23.8	27.9	24.2	25.4	48.7	47.9
Price increases	3.7 %	7.1	4.6	5.8	4.3	5.6	4.1

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED INVESTMENT INCOME

(Unaudited)

(\$ in millions)	Quarter Ended					Year-to-date	
	June 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	June 30, 2016	June 30, 2017	June 30, 2016
Net Investment Income							
Fixed income securities							
Taxable	\$ 28.4	27.5	23.9	22.5	21.2	55.8	42.2
Tax-exempt	9.3	9.4	9.6	10.0	10.6	18.7	21.2
Total fixed income securities	37.7	36.9	33.5	32.5	31.8	74.6	63.4
Equity securities	1.4	1.5	1.4	1.5	2.2	2.9	4.4
Other investments	5.2	1.6	3.0	1.6	(0.6)	6.8	(1.7)
Short-term investments	0.4	0.3	0.2	0.2	0.1	0.6	0.3
Investment income	44.7	40.2	38.1	35.8	33.5	84.9	66.5
Investment expenses	(3.3)	(2.8)	(2.6)	(2.4)	(2.3)	(6.1)	(4.5)
Investment tax expense.....	(11.1)	(10.0)	(9.0)	(8.5)	(7.7)	(21.1)	(14.9)
Total net investment income, after-tax	\$ 30.3	27.5	26.4	24.9	23.5	57.8	47.1
Net realized capital gains (losses)							
Fixed income securities	\$ 2.6	2.0	(6.8)	2.2	0.4	4.6	0.9
Equity securities	0.3	-	3.1	1.9	2.0	0.4	2.3
Short term	-	-	-	-	-	-	-
Other investments	-	0.5	-	-	-	0.5	-
Gross gains (losses)	3.0	2.4	(3.7)	4.0	2.3	5.4	3.2
Other-than-temporary impairment losses	(1.2)	(3.5)	(4.0)	(0.3)	(0.5)	(4.7)	(4.1)
Total net realized capital gains (losses)	\$ 1.7	(1.0)	(7.7)	3.7	1.8	0.7	(0.9)
Change in unrealized gains (losses)	\$ 34.0	27.2	(110.0)	(16.7)	53.9	61.2	122.2
Average investment yields.....							
Fixed income securities, before-tax	3.0 %	3.0	2.7	2.6	2.6	3.0	2.7
Fixed income securities, after-tax	2.2	2.2	2.0	2.0	2.0	2.2	2.0
Total portfolio, before-tax	3.0 %	2.8	2.6	2.5	2.4	2.9	2.4
Total portfolio, after-tax	2.2	2.0	2.0	1.9	1.8	2.1	1.8
Effective tax rate on net investment income	26.9 %	26.6	25.5	25.4	24.6	26.8	24.0
New money purchase rates for fixed income securities, before-tax	3.0	3.1	3.0	2.9	3.5	3.1	3.0
New money purchase rates for fixed income securities, after-tax	2.2	2.1	2.1	2.0	2.4	2.1	2.1
Effective duration of fixed income portfolio including short term (in years)	3.7	3.6	3.8	3.7	3.7	3.7	3.7

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED COMPOSITION OF INVESTED ASSETS

(Unaudited)

(\$ in millions)	June 30, 2017		March 31, 2017		December 31, 2016		September 30, 2016		June 30, 2016	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Fixed income securities, at fair value	\$ 5,094.3	92.5 %	4,955.4	90.7	4,897.8	91.2	4,968.6	92.5	4,838.8	91.8
Equity securities, at fair value	161.7	2.9	154.9	2.8	146.8	2.7	147.3	2.7	152.9	2.9
Other investments	116.4	2.1	106.8	2.0	102.4	1.9	88.5	1.6	76.1	1.4
Short-term investments	133.7	2.4	247.2	4.5	221.7	4.1	169.6	3.2	205.5	3.9
Total investments	\$ 5,506.1	100.0 %	5,464.3	100.0	5,368.6	100.0	5,374.0	100.0	5,273.3	100.0
Fixed income portfolio, at carry value.....										
U.S. government obligations	\$ 68.0	1.3 %	88.3	1.8	77.3	1.6	89.9	1.8	96.2	2.0
Foreign government obligations	18.7	0.4	32.6	0.7	26.9	0.5	9.5	0.2	9.0	0.2
State and municipal	1,458.7	28.7	1,349.9	27.3	1,457.4	29.8	1,551.5	31.3	1,594.2	33.0
Corporate	1,840.1	36.1	1,850.2	37.4	2,020.3	41.3	2,219.7	44.7	2,061.9	42.7
Collateralized loan obligations ("CLOs") and other asset-backed securities ("ABS")	702.5	13.8	678.4	13.7	529.0	10.8	284.5	5.7	258.8	5.4
Residential mortgage-backed securities ("RMBS")	724.0	14.2	688.6	13.9	525.2	10.7	538.9	10.9	551.6	11.4
Commercial mortgage-backed securities ("CMBS")	279.2	5.5	263.8	5.3	258.0	5.3	269.1	5.4	260.4	5.4
Total fixed income securities.....	\$ 5,091.2	100.0 %	4,951.8	100.0	4,894.1	100.0	4,963.0	100.0	4,832.1	100.0
Weighted average credit quality										
Investment grade credit quality	\$ 4,944.2	97.1 %	4,807.3	97.0	4,747.7	96.9	4,805.6	96.7	4,755.6	98.3
Non-investment grade credit quality	150.1	2.9	148.1	3.0	150.0	3.1	163.1	3.3	83.3	1.7
Total fixed income securities, at fair value.....	\$ 5,094.3	100.0 %	4,955.4	100.0	4,897.9	100.0	4,968.6	100.0	4,838.9	100.0
Weighted average credit quality of fixed income portfolio.....	AA-		AA-		AA-		AA-		AA-	
Expected maturities of fixed income securities at carry value.....										
Due in one year or less	\$ 341.0	6.7 %	371.4	7.5	429.6	8.8	550.3	11.1	567.3	11.7
Due after one year through five years.....	2,124.7	41.7	2,026.9	40.9	2,179.1	44.5	2,466.0	49.7	2,491.1	51.6
Due after five years through 10 years	2,388.0	46.9	2,302.5	46.5	2,099.2	42.9	1,831.6	36.9	1,657.9	34.3
Due after 10 years	237.6	4.7	251.0	5.1	186.2	3.8	115.1	2.3	115.8	2.4
Total fixed income securities.....	\$ 5,091.2	100.0 %	4,951.8	100.0	4,894.1	100.0	4,963.0	100.0	4,832.1	100.0

Alternative investments

	June 30, 2017			
	Number of Funds	Original Commitment	Remaining Commitment	Current Market Value
Private equity	22	\$ 182.8	76.0	46.9
Private credit	12	126.0	57.4	29.9
Real assets	8	99.0	31.2	20.8
Total	42	\$ 407.8	164.7	97.7

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

Combined Insurance Company Subsidiaries Statutory Results by Line of Business Quarter Ended June 30, 2017 (Unaudited)

(\$ in thousands)	Net Premiums Written	Percent Change	Net Premiums Earned	Percent Change	Loss Ratio	LAE Ratio	Underwriting Expense Ratio	Dividends to Policyholders Ratio	Combined Ratio 2017	Combined Ratio 2016	Underwriting Gain/(Loss)
Standard Personal Lines:											
Homeowners	\$ 35,095	(2.5) %	\$ 32,467	(2.8) %	65.8	9.2	34.0	-	109.0	84.4	\$ (3,829)
Auto	41,071	8.2	37,663	5.0	67.7	10.8	33.0	-	111.5	104.3	(5,439)
Other (including flood)	1,941	19.2	1,542	0.7	87.9	(32.6)	(127.7)	-	(72.2)	(129.2)	3,162
Total	\$ 78,107	3.3	\$ 71,672	1.2	67.2	9.2	29.5	-	105.9	89.9	\$ (6,106)
Standard Commercial Lines:											
Commercial property	81,971	3.3	78,052	6.1	58.2	5.6	37.5	0.1	101.4	78.2	(2,572)
Workers compensation	81,354	2.9	79,460	5.6	33.0	16.2	26.9	2.2	78.3	87.7	16,744
General liability	158,721	9.1	141,503	9.5	30.0	14.7	33.7	-	78.4	83.5	24,763
Auto	119,063	9.3	108,316	9.5	71.6	11.3	31.1	0.1	114.1	107.0	(18,643)
Businessowners' policies	25,121	(0.6)	24,989	1.4	32.5	11.3	38.0	-	81.8	82.4	4,490
Bonds	8,363	22.2	6,986	23.3	(17.6)	6.3	53.2	-	41.9	74.6	3,323
Other	4,324	5.9	4,288	8.8	(0.2)	(0.1)	56.6	-	56.3	56.4	1,852
Total	\$ 478,917	6.7	\$ 443,594	7.9	44.8	12.1	33.3	0.4	90.6	88.6	\$ 29,957
E&S	\$ 56,790	6.0	\$ 52,764	5.9	51.5	12.8	32.7	-	97.0	102.7	\$ 251
Total Insurance Operations	\$ 613,814	6.2	\$ 568,030	6.8	48.2	11.8	32.8	0.3	93.1	90.1	\$ 24,102

Note: Amounts may not foot due to rounding.

	2017	2016
Losses Paid	\$ 253,507	\$ 241,720
LAE Paid	53,969	51,045
Total Paid	\$ 307,476	\$ 292,765

Selective Insurance Group, Inc. & Consolidated Subsidiaries

Combined Insurance Company Subsidiaries Statutory Results by Line of Business Year-to-Date Ended June 30, 2017 (Unaudited)

(\$ in thousands)	Net Premiums Written	Percent Change	Net Premiums Earned	Percent Change	Loss Ratio	LAE Ratio	Underwriting Expense Ratio	Dividends to Policyholders Ratio	Combined Ratio 2017	Combined Ratio 2016	Underwriting Gain/(Loss)
Standard Personal Lines:.....											
Homeowners	\$ 61,630	(1.5) %	\$ 65,167	(1.7) %	52.3	8.8	36.3	-	97.4	85.0	\$ 3,001
Auto	77,791	8.1	74,613	4.1	66.8	10.8	33.2	-	110.8	104.5	(9,114)
Other (including flood)	3,382	12.8	3,093	1.2	71.4	(28.5)	(137.7)	-	(94.9)	(136.1)	6,426
Total	\$ 142,803	3.8	\$ 142,873	1.3	60.2	9.1	30.5	-	99.8	90.1	\$ 313
Standard Commercial Lines:.....											
Commercial property	162,474	4.8	154,443	7.4	50.8	5.4	37.6	(0.2)	93.7	84.8	6,747
Workers compensation	173,194	1.6	158,786	5.0	44.0	14.9	26.4	1.6	86.9	84.3	16,989
General liability	313,858	8.2	281,487	9.4	31.0	11.0	33.9	(0.1)	75.8	83.4	57,058
Auto	236,449	8.9	215,445	10.9	67.7	10.9	31.4	(0.1)	109.9	106.0	(28,027)
Businessowners' policies	51,321	2.5	49,834	2.6	39.4	11.3	37.6	-	88.3	88.6	5,283
Bonds	16,154	26.5	13,484	21.2	(3.8)	6.4	52.6	-	55.2	77.8	4,638
Other	9,015	5.4	8,529	9.7	(0.2)	0.1	55.7	-	55.6	55.1	3,513
Total	\$ 962,465	6.5	\$ 882,008	8.3	45.4	10.6	33.3	0.2	89.5	89.1	\$ 66,201
E&S	\$ 107,250	5.3	\$ 104,003	4.8	48.6	14.6	33.3	-	96.5	100.6	\$ 2,598
Total Insurance Operations.....	\$ 1,212,518	6.0	\$ 1,128,884	7.1	47.6	10.6	33.0	0.2	91.4	90.4	\$ 69,111

Note: Amounts may not foot due to rounding.

	2017	2016
Losses Paid	\$ 495,486	\$ 452,393
LAE Paid	102,482	97,169
Total Paid	\$ 597,968	\$ 549,562

Selective Insurance Group, Inc. & Consolidated Subsidiaries

RECONCILIATION OF NET INCOME TO OPERATING INCOME AND CERTAIN OTHER NON-GAAP MEASURES

(Unaudited)

(\$ in millions, except per share data)	Quarter ended					Year-to-date	
	June 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	June 30, 2016	June 30, 2017	June 30, 2016
Reconciliation of net income to operating income							
Net income	\$ 41.4	50.4	39.4	38.5	43.6	91.9	80.6
Exclude: Net realized (gains) losses.....	(1.7)	1.0	7.7	(3.7)	(1.8)	(0.7)	0.9
Exclude: Tax on net realized (gains) losses	0.6	(0.4)	(2.7)	1.3	0.7	0.2	(0.3)
Operating income	\$ 40.3	51.1	44.4	36.1	42.5	91.4	81.2
Reconciliation of net income per diluted share to operating income per diluted share							
Net income per diluted share	\$ 0.70	0.85	0.67	0.66	0.74	1.55	1.38
Exclude: Net realized (gains) losses.....	(0.03)	0.02	0.13	(0.06)	(0.03)	(0.01)	0.02
Exclude: Tax on net realized (gains) losses.....	0.01	(0.01)	(0.05)	0.02	0.01	-	(0.01)
Operating income per diluted share	\$ 0.68	0.86	0.75	0.62	0.72	1.54	1.39
Reconciliation of annualized ROE to annualized operating ROE							
Annualized ROE.....	10.2 %	12.9	10.1	9.8	11.5	11.5	10.9
Exclude: Net realized (gains) losses.....	(0.4)	0.3	2.0	(0.9)	(0.5)	(0.1)	0.1
Exclude: Tax on net realized (gains) losses	0.1	(0.1)	(0.7)	0.3	0.2	0.1	-
Annualized operating ROE.....	9.9 %	13.1	11.4	9.2	11.2	11.5	11.0

Operating income, operating income per diluted share, and operating return on equity differ from net income, net income per diluted share, and return on equity, respectively, by the exclusion of after-tax net realized gains and losses on investments and the results of discontinued operations, if any. They are used as important financial measures by management, analysts, and investors, because the realization of net investment gains and losses in any given period is largely discretionary as to timing. In addition, these net realized investment gains and losses, as well as other-than-temporary investment impairments that are charged to earnings and the results of discontinued operations, could distort the analysis of trends. These operating measurements are not intended as a substitute for net income, earnings per share, or return on equity prepared in accordance with U.S. generally accepted accounting principles (GAAP). Reconciliations of net income, net income per diluted share, and return on equity to operating income, operating income per diluted share, and operating return on equity, respectively, are provided in the tables above. Statutory data is prepared in accordance with statutory accounting rules as defined by the National Association of Insurance Commissioners Accounting Practices and Procedures Manual and, therefore, is not reconciled to GAAP.

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

RATINGS AND CONTACT INFORMATION

Address:

40 Wantage Avenue
Branchville, NJ 07890

Corporate Website:

www.Selective.com

Investor Contact:

Rohan Pai
Senior Vice President
Investor Relations & Treasurer
Phone: 973-948-1364
Rohan.Pai@Selective.com

Media Contact:

Jamie M. Beal
Assistant Vice President
Director of Communications
Phone: 973-948-1234
Jamie.Beal@Selective.com

As of June 30, 2017

	A.M. Best	Standard & Poor's	Moody's	Fitch
<i>Financial Strength Ratings:</i>	A	A	A2	A+
<i>Long-Term Debt Credit Rating</i>	bbb+	BBB	Baa2	BBB+

REGISTRAR AND TRANSFER AGENT

Wells Fargo Shareowner Services
P.O. Box 64854
St. Paul, MN 55164
866-877-6351