

Heritage Insurance Holdings, Inc. Obtains Regulatory Approval to Acquire Narragansett Bay Insurance Company and Sets Closing Date for Acquisition

CLEARWATER, Fla., Nov. 27, 2017 /PRNewswire/ -- Heritage Insurance Holdings, Inc. (NYSE:HRTG) ("Heritage" or the "Company"), a property and casualty insurance holding company, today announced that it has secured regulatory approval from the Insurance Division of the Rhode Island Department of Business Regulation to proceed with its acquisition of NBIC Holdings, Inc., the parent company of Narragansett Bay Insurance Company ("NBIC"). Heritage has set the closing date for the transaction as of the close of business on November 30, 2017. The combined entity will be a leading super regional personal lines carrier, with a presence in 12 states and over \$900 million of gross premiums written. The transaction is expected to be immediately accretive to earnings per share and return on average equity.

Bruce Lucas, the Company's Chairman and CEO, said, "I am very excited to close the acquisition of NBIC. The acquisition represents a significant step forward for Heritage as we continue to diversify our top line growth and geographic diversification. Upon closing, Heritage will have over \$900 million in gross written premiums spread across twelve states. This is a major milestone in our evolution from a Florida insurer to a super regional insurer with approximately two-thirds of our total insured value outside of Florida. NBIC is a seasoned company with a strong track record and talented management team, and will be a important asset for the Company as we continue our growth. We look forward to working with NBIC's employees and agents as we continue to continue to build a best in class super regional insurer."

About Heritage

Heritage Insurance Holdings, Inc. is a property and casualty insurance holding company headquartered in Clearwater, Florida. Its subsidiaries, Heritage Property & Casualty Insurance Company and Zephyr Insurance Company, write personal and commercial residential premium through a large network of experienced agents in Florida, Hawaii, North Carolina, South Carolina, Georgia and Alabama. Heritage Insurance Holdings, Inc. is led by a seasoned senior management team with an average of 30 years of insurance industry experience.

About Narragansett Bay Insurance Company

Narragansett Bay Insurance Company is a property and casualty insurance carrier headquartered in Pawtucket, Rhode Island. NBIC writes personal residential premium through a large network of experienced agents in Rhode Island, New York, Connecticut, Massachusetts, and New Jersey.

Forward-Looking Statements

Statements in this press release that are not historical facts are forward-looking statements that are subject to certain risks and uncertainties that could cause actual events and results to differ materially from those discussed herein. Without limiting the generality of the foregoing, words such as "may," "will," "expect," "believe," "anticipate," "intend," "could," "would," "estimate," "or" "continue" or the other negative variations thereof or comparable terminology are intended to identify forward-looking statements. Forward-looking statements, including, without limitation, statements about the proposed acquisition by Heritage, the expected closing date of the acquisition, the potential benefits of the proposed acquisition, and the anticipated synergies from the acquisition, relate to Heritage's current expectations, beliefs, projections and similar expressions concerning matters that are not historical facts and are not guarantees of future performance. The risks and uncertainties that could cause our actual results to differ from those expressed or implied herein include, without limitation: the success of the Company's marketing initiatives; inflation and other changes in economic conditions (including changes in interest rates and financial markets); the impact of new federal and state regulations that affect the property and casualty insurance market; the costs of reinsurance and the collectability of reinsurance; assessments charged by various governmental agencies; pricing competition and other initiatives by competitors; our ability to obtain regulatory approval for requested rate changes, and the timing thereof; legislative and regulatory developments; the outcome of litigation pending against us, including the terms of any settlements; risks related to the nature of our business; dependence on investment income and the composition of our investment portfolio; the adequacy of our liability for losses and loss adjustment expense; our ability to build and maintain relationships with insurance agents; claims experience; ratings by industry services; catastrophe losses; reliance on key personnel; weather conditions (including the severity and frequency of storms, hurricanes, tornadoes and hail); changes in loss trends; acts of war and terrorist activities; court decisions and trends in litigation; and other matters described from time to time by us in our filings with the Securities and Exchange Commission, including, but not limited to, the Company's Annual Report on Form 10-K for the year ended December 31, 2016 filed with the Securities and Exchange Commission on March 15, 2017. The Company undertakes no obligations to update, change or revise any forward-looking statement, whether as a result of new information, additional or subsequent developments or otherwise .

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