



Record surplus growth from a successful recovery in the investment markets, a merger and improved underwriting results, highlighted Wisconsin Mutual Insurance Company's financial story for 2009. The Company posted net income before

Federal Taxes of \$7,784,787 returning to the profit levels averaged in the 2002 to 2007 period. The year ended with a combined ratio of 93.3% and surplus growth of 18% (\$6,289,454) resulting in yearend equity surpassing the \$50 million milestone with an average rate of return of 16.0% per year over the past 10 years. Wisconsin Mutual's AM Best financial strength rating remained at A- with a stable outlook as all our financial ratios improved over the year.

Hamburg/Stark town mutual merged into Wisconsin Mutual on 9/30/09 providing benefits for the policyholders of both Companies. Admitted assets rose from \$87.7 million in 2008 to \$97.9 million in 2009, surplus from \$42.6 million to \$50.2 million and direct written premiums from \$55.5 million to \$59.4 million strong underwriting profits. Outside of a major hail storm in July, claim frequency and severity was down for the year. With the strong financial performance in 2009 Wisconsin Mutual's premium to surplus ratio hit a record 107.7.

Minimal premium growth in 2006, 2007 and 2008 along with absorbing Hamburg/Stark's high expense ratio caused the incurred expense ratio (loss expense and other operating expense) to rise to 33.6% from 30.4% in 2008. Though higher than previous years this ratio is still the industry leader. Managed premium growth in 2010 along with Company expense efficiencies

Admitted assets, surplus and key financial ratios along with agency contingent commissions reached record levels in 2009 while income and employee profit sharing returned to levels averaged in the 2002 to 2007 period. With the contributions of our dedicated employees and agents, continued reserve strength,

Daniel A. Keyes

President

Our 107th Annual Report

For the Year Ended

(7.0%). Hamburg/Stark contributed \$3.2 million to assets, \$1.5 million



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A Non-Assessable Mutual Company
Organized in 1903

WISCONSIN MUTUAL INSURANCE COMPANY
Statement of Financial Condition **December 31, 2009**

ASSETS

	2009	2008
Bonds (Amortized).....	\$84,917,010	\$79,831,642
Stocks (Market).....	746,153	1,450,702
Real Estate & Mortgages on Real Estate.....	1,676,696	1,662,844
Cash, Bank Deposits & Other Invested Assets.....	4,543,551	36,410
Reinsurance Recoverable.....	467,803	518,099
Accrued Interest & Dividends.....	686,003	702,416
Tax Receivable(Including Deferred Tax Asset).....	1,995,162	2,088,163
Premiums Receivable.....	2,859,228	1,336,428
Other Assets.....	49,461	72,357
Total Assets.....	\$97,941,067	\$87,699,060

RESERVES AND LIABILITIES

Reserves for Unpaid Claims.....	\$21,467,620	\$23,774,098
Reserves for Loss Adjusting Expenses.....	4,604,529	4,055,973
Other Accrued Expenses.....	535,058	258,832
Accrued Taxes, Licenses and Fees.....	625,273	357,400
Reserves for Unearned Premiums.....	16,626,559	14,174,762
Ceded Reinsurance Balances Payable.....	1,022,709	673,083
Advance Premiums.....	874,869	690,671
Commissions Payable & Contingent Commissions...	1,862,025	1,041,295
Other Liabilities.....	77,599	77,599
Total Reserves and Liabilities.....	\$47,691,113	\$45,103,713

SURPLUS TO POLICYHOLDERS

Unassigned Surplus Funds.....	\$50,249,956	\$42,595,347
Total Surplus, Reserves and Liabilities.....	\$97,941,069	\$87,699,060

PREMIUMS, LOSSES , OTHER INCOME

Direct Premiums Written.....	\$59,350,051	\$55,476,701
Losses Incurred.....	31,560,626	37,366,037
Net Investment Income.....	3,545,208	(1,806,772)
Operating Income Before Federal Taxes.....	3,890,352	2,393,196
Increase to Surplus (Decrease).....	7,784,787	923,497
Combined Ratio.....	6,289,464	(472,424)
	93.3%	103.5%