SELECTIVE INSURANCE GROUP, INC.
FIRST QUARTER 2010 INVESTOR PACKET
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For release at 4:15 p.m. (ET) on April 28, 2010

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Selective Insurance Group Reports First Quarter 2010 Earnings

Branchville, NJ – April 28, 2010 – Selective Insurance Group, Inc. (NASDAQ: SIGI) today reported its financial results for the first quarter ended March 31, 2010. Net income for the quarter was $0.11 per diluted share and operating income[i] for the quarter was $0.12 per diluted share. Net investment income, after tax, increased 77% to $26.8 million compared to first quarter 2009.

"Our catastrophe losses were approximately $24 million, or $0.38 per diluted share -- the highest we have seen in a single quarter in more than 20 years," said Chairman, President and Chief Executive Officer Gregory E. Murphy. "Three snow storms in February and two severe rain and wind storms in March impacted key states in our footprint in the Northeast and Mid-Atlantic. Every day, but especially at times like this, we know that our quick, efficient and caring response is critical to helping our insureds restore their lives to normal after difficult times.

"The quarter's heavy catastrophe losses provide additional momentum for industry-wide commercial lines pricing to move higher," said Murphy. "Our Commercial Lines renewal pure price was up 3.4% due to the hard work of our agents and underwriters. I am pleased with our progress, particularly given the very competitive commercial lines marketplace.

"Commercial Lines policy retention remained solid and we increased our policy counts slightly," said Murphy. "Net premiums written were down 4% primarily due to continued economic pressure on audit return premiums while endorsements have stabilized. In addition, positive Commercial Lines claims trends led to $8 million of favorable prior year reserve development and $9 million companywide.

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"We continue to make solid progress in Personal Lines. Premiums were up 12% and retention and policy counts were higher year over year," said Murphy. "Catastrophe losses masked the improvement as our statutory combined ratio was flat at 107% compared to last year. Excluding catastrophe losses, the combined ratio was 96%, which reflects a positive combination of rate increases and underwriting improvements."

Selective's first quarter 2010 highlights, compared to first quarter 2009:

- Net income was up 145% to $5.8 million, or $0.11 per diluted share, compared to a loss of $12.9 million, or $0.25 loss per diluted share;
- Net realized losses on investments decreased $15.6 million, after tax. Non-cash other-than-temporary impairments were $5.4 million, after tax, compared to $17.6 million;
- Operating income[i] increased 149% to $6.6 million, or $0.12 per diluted share, compared to $2.7 million, or $0.05;
- Combined ratio: GAAP: 104.1% compared to 100.8%; Statutory: 102.8% compared to 100.2%;
- Total net premiums written (NPW) were down 2% to $368.1 million;
    - Commercial Lines NPW were down 4% to $311.9 million;
    - Personal Lines NPW were up 12% to $56.2 million;
- Catastrophe losses were $15.7 million, after tax, compared to $0.9 million; and
- Net investment income, after tax, increased 77% to $26.8 million.

Balance Sheet and Guidance

At March 31, 2010, Selective's assets were $5.3 billion, up 3% over year end 2009. Stockholders' equity was up 1% to $1.0 billion for the quarter and book value per share increased 1% to $18.97. Statutory surplus ended the quarter up at $994 million.

Selective's Board of Directors declared a $0.13 per share quarterly cash dividend on common stock payable June 1, 2010 to stockholders of record as of May 14, 2010.

Selective is maintaining the 2010 combined ratio guidance of 101.5%. The weighted average shares assumption of 54 million at year end remains the same.

The supplemental investor packet, including financial information that is not part of this press release, is available on the Investors' page of Selective's public website at www.selective.com. Selective's quarterly analyst conference call will be simulcast at 8:30 a.m. ET, on April 29, 2010 at www.selective.com. The webcast will be available for rebroadcast until the close of business on May 28, 2010.

About Selective Insurance Group, Inc.

Selective Insurance Group, Inc. is a holding company for seven property and casualty insurance companies rated "A+" (Superior) by A.M. Best. Through independent agents, the insurance companies offer primary and alternative market insurance for commercial and personal risks, and flood insurance underwritten by the National Flood Insurance Program. Selective maintains a website at www.selective.com.

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Forward-Looking Statements

In this press release, Selective and its management discuss and make statements based on currently available information regarding their intentions, beliefs, current expectations and projections regarding Selective's future operations and performance.

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, particularly changes in New Jersey automobile insurance laws and regulations;
- 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.

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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 and Corporate Governance sections of Selective's website, www.selective.com, or through the SEC's EDGAR Database at www.sec.gov (Selective EDGAR CIK No. 0000230557).

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[i]Operating income differs from net income by the exclusion of realized gains or losses on investments and the results of discontinued operations. It is used as an important financial measure by management, analysts and investors, because the realization of investment gains and losses on sales in any given period is largely discretionary as to timing. In addition, these 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. Operating income is not intended as a substitute for net income prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). A reconciliation of operating income to net income is provided in the GAAP Highlights and Reconciliation of Non-GAAP Measures to Comparable GAAP Measures. 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.

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Selective Insurance Group, Inc. (Nasdaq: SIGI) *
GAAP Highlights and Reconciliation of Non-GAAP Measures to Comparable GAAP Measures

(in thousands, except per share data)

3 months ended March 31:		**2010**	**2009**
Net premiums written	$	368,091	375,783
Net premiums earned		356,202	363,873
Net investment income earned		34,706	15,717
Net realized losses		(64)	(24,025)
Total revenues		393,112	356,846
Operating income		6,635	2,666
Net realized losses, net of tax		(42)	(15,616)
(Loss) income from discontinued operations, net of tax		(790)	73
Net income (loss)	$	5,803	(12,877)
Statutory combined ratio		102.8%	100.2%
Statutory combined ratio, excluding catastrophe losses		96.0%	99.8%
GAAP combined ratio		104.1%	100.8%
Operating income per diluted share	$	0.12	0.05
Net income (loss) per diluted share		0.11	(0.25)
Weighted average diluted shares		54,217	52,352
Book value per share	$	18.97	17.23

**All amounts included in this release exclude intercompany transactions.*

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Selective Insurance Group, Inc.
Selected Balance Sheet Data (unaudited)
($ in thousands, except per share amounts)

	March 31, 2010			March 31, 2009			December 31, 2009		
	Balance Sheet	Market Value	Unrealized/ Unrecognized Gain/(Loss)	Balance Sheet	Market Value	Unrecognized/ Unrealized Gain/(Loss)	Balance Sheet	Market Value	Unrecognized/ Unrealized Gain/(Loss)
Invested Assets:									
Corporate bonds[1]	$ 1,225,296	1,252,007	6,469	$ 1,053,477	1,047,586	(97,934)	$ 1,144,692	1,163,973	(13,031)
Gov't\ Municipal bonds	2,106,056	2,118,792	70,795	2,072,518	2,059,462	59,158	2,201,580	2,212,107	72,101
Total bonds	3,331,352	3,370,799	77,264	3,125,995	3,107,048	(38,776)	3,346,272	3,376,080	59,070
Equities	82,240	82,240	16,644	94,472	94,472	(5,226)	80,264	80,264	15,874
Short-term investments	282,131	282,131	-	271,277	271,277	-	213,848	213,848	-
Other investments	148,060	148,060	(24,032)	153,337	153,337	(16,192)	140,667	140,667	(25,774)
Total invested assets	3,843,783	3,883,230	69,876	3,645,081	3,626,134	(60,194)	3,781,051	3,810,859	49,170
Invested assets per $ of stockholders' equity	3.81			4.00			3.77		
Total assets	5,288,321			5,001,933			5,114,827		
Liabilities:									
Reserve for losses	2,405,829			2,273,947			2,342,919		
Reserve for loss expenses	406,402			390,890			402,880		
Unearned premium reserve	857,349			856,823			844,847		
Total liabilities	4,278,159			4,091,798			4,112,452		
Stockholders' equity	1,010,162			910,135			1,002,375		
Total debt to capitalization ratio	21.4%			23.1%			21.5%		
Adjusted total debt to capitalization ratio [2]	15.5%			16.7%			15.6%		
Book value per share	18.97			17.23			18.83		
Book value per share excluding unrealized gain or loss on bond portfolio	18.51			17.47			18.47		
NPW per insurance segment employee	777			783			766		
Statutory premiums to surplus ratio	1.4x			1.8x			1.5x		
Statutory surplus	993,981			849,985			981,955		

[1] Includes mortgage-backed and asset-backed securities.

[2] The adjusted debt to capitalization ratio reflects a reduction in debt for amounts held in an irrevocable trust for the benefit of senior note holders as well as an estimated equity treatment of 75% applied to our $100 million Junior Subordinated Notes issued September 25, 2006.

Selective Insurance Group, Inc.
Selected Income Statement Data (unaudited)
March 2010
($ in thousands, except per share amounts)

		THREE MONTHS ENDED MARCH 31,			
		2010		2009	
			Per diluted share		Per diluted share
Consolidated					
Revenue		$ 393,112		$ 356,846	
Operating income		6,635	0.12	2,666	0.05
Net realized losses, after tax		(42)	-	(15,616)	(0.30)
Income (loss) from continuing operations		6,593	0.12	(12,950)	(0.25)
(Loss) income on discontinued operations, after tax		(790)	(0.01)	73	-
Net income (loss)		5,803	0.11	(12,877)	(0.25)
Operating return on equity		**2.6%**		**1.2%**	
Insurance Operations					
Gross premiums written		433,078		436,441	
Net premiums written		368,091		375,783	
Net premiums earned		356,202		363,873	
Underwriting loss	- before tax	(14,605)		(2,963)	
	- after tax	(9,493)	(0.18)	(1,926)	(0.04)
GAAP combined ratio		**104.1%**		**100.8%**	
Commercial lines					
Net premiums earned		297,908		311,545	
GAAP combined ratio		**103.7%**		**100.1%**	
Personal lines					
Net premiums earned		58,294		52,328	
GAAP combined ratio		**106.2%**		**105.3%**	
Investments					
Net investment income	- before tax	34,706		15,717	
	- after tax	26,825	0.49	15,141	0.29
Effective tax rate		22.7%		3.7%	
Annual after-tax yield on investment portfolio		**2.8%**		**1.7%**	
Annual after-tax, after-interest expense yield		**2.3%**		**1.3%**	
Invested assets per $ of stockholders' equity		**3.81**		**4.00**	
Other expenses (net of other income)					
Interest expense	- before tax	(4,842)		(5,024)	
	- after tax	(3,147)	(0.06)	(3,266)	(0.06)
Other - after tax		$ (7,550)	(0.13)	$ (7,283)	(0.14)
Diluted weighted avg shares outstanding		54,217		52,352	

Selective Insurance Group, Inc. and Consolidated Subsidiaries

GAAP Investment Income
(unaudited)
($ in thousands)

	Year to Date March 2010	Year to Date March 2009	% Increase (Decrease)
Investment Income:			
Interest:			
Fixed Maturity Securities	$ 33,196	36,261	(8)
Short-term	100	612	(84)
Alternative Investments	3,895	(20,549)	119
Dividends	452	515	(12)
Changes in Fair Value	-	262	(100)
Miscellaneous	37	172	(78)
	37,680	17,273	118
Investment Expense	2,974	1,556	91
Net Investment Income Before Tax	34,706	15,717	121
Tax	7,881	576	1,268
Net Investment Income After Tax	**$ 26,825**	**15,141**	**77**
Net Investment Income per Share	**0.49**	**0.29**	**69**
Effective Tax Rate	22.7%	3.7%	
Average Yields:			
Fixed Maturity Securities			
Pre Tax	3.7%	4.3%	
After Tax	2.9%	3.4%	
Portfolio			
Pre Tax	3.6%	1.8%	
After Tax	2.8%	1.7%	

Net Realized Gains (Losses)	Year to Date March 2010	Year to Date March 2009
Fixed Maturities	(4,011)	(23,835)
Equity Securities	3,947	(190)
Total	(64)	(24,025)
Net of Tax	(42)	(15,616)

Selective Insurance Group, Inc.
2010 Statutory Results by Line of Business
March 2010 YTD (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 2010	Combined Ratio 2009	Underwriting Gain/(Loss)
Personal Lines:											
Homeowners	$ 18,280	19.1%	$ 20,493	19.8%	71.6%	7.4%	35.8%	0.0%	114.8%	130.2%	$ (2,236)
Auto	35,344	8.3%	34,320	4.5%	75.2%	10.2%	30.1%	0.0%	115.5%	100.6%	$ (5,640)
Other (including flood)	2,559	8.8%	3,481	46.8%	35.2%	(22.6)%	(50.9)%	0.0%	(38.3)%	33.4%	4,344
Total	**$ 56,182**	**11.6%**	**$ 58,294**	**11.4%**	**71.5%**	**7.3%**	**28.3%**	**0.0%**	**107.1%**	**107.0%**	**$ (3,531)**
Commercial Lines:											
Fire/IM	$ 50,139	(0.2)%	$ 50,336	3.0%	67.3%	3.3%	37.9%	(0.1)%	108.4%	101.0%	$ (4,156)
Workers compensation	72,183	0.0%	64,641	(8.1)%	73.5%	15.7%	24.5%	3.0%	116.7%	92.5%	(12,647)
General liability	89,534	(10.3)%	85,221	(9.6)%	42.5%	17.1%	33.5%	(0.3)%	92.8%	104.4%	4,670
Auto	75,485	(5.5)%	74,316	(2.0)%	54.7%	7.4%	29.0%	(0.2)%	90.9%	96.1%	6,442
BOP	17,144	4.7%	16,286	7.1%	86.7%	13.5%	33.8%	0.0%	134.0%	117.8%	(5,835)
Bonds	4,696	8.2%	4,603	(0.4)%	22.2%	8.1%	62.2%	0.0%	92.5%	87.4%	288
Other	2,727	2.8%	2,505	5.3%	4.7%	0.3%	42.6%	0.0%	47.6%	41.8%	1,217
Total	**$ 311,908**	**(4.2)%**	**$ 297,908**	**(4.4)%**	**58.4%**	**11.5%**	**31.5%**	**0.5%**	**101.9%**	**99.1%**	**$ (10,022)**
Grand Total	**$ 368,091**	**(2.0)%**	**$ 356,202**	**(2.1)%**	**60.4%**	**10.9%**	**31.1%**	**0.4%**	**102.8%**	**100.2%**	**$ (13,553)**

Note: Some amounts may not foot due to rounding.

	2010	2009
Losses Paid	$ 182,223	$ 195,792
LAE Paid	36,094	36,685
Total Paid	$ 218,317	$ 232,477

SELECTIVE INSURANCE GROUP, INC. **CONSOLIDATED BALANCE SHEETS** ($ in thousands, except share amounts)		**Unaudited March 31, 2010**	December 31, 2009
ASSETS			
Investments:			
Fixed maturity securities, held-to-maturity – at carry value			
(fair value: $1,660,791 – 2010; $1,740,211 – 2009)	$	**1,621,344**	1,710,403
Fixed maturity securities, available-for-sale – at fair value			
(amortized cost: $1,679,509 – 2010; $1,616,456 – 2009)		**1,710,008**	1,635,869
Equity securities, available-for-sale – at fair value			
(cost of: $65,596 – 2010; $64,390 – 2009)		**82,240**	80,264
Short-term investments (at cost which approximates fair value)		**282,131**	213,848
Other investments		**148,060**	140,667
Total investments		**3,843,783**	3,781,051
Cash		**143**	811
Interest and dividends due or accrued		**35,378**	34,651
Premiums receivable, net of allowance for uncollectible			
accounts of: $5,803 – 2010; $5,880 – 2009		**457,120**	446,577
Reinsurance recoverable on paid losses and loss expenses		**5,814**	4,408
Reinsurance recoverable on unpaid losses and loss expenses		**302,118**	271,610
Prepaid reinsurance premiums		**106,135**	105,522
Current federal income tax		**10,390**	17,662
Deferred federal income tax		**115,228**	111,038
Property and Equipment – at cost, net of accumulated			
depreciation and amortization of: $144,198 – 2010; $141,251 – 2009		**44,153**	46,287
Deferred policy acquisition costs		**217,577**	218,601
Goodwill		**7,849**	7,849
Other assets		**142,633**	68,760
Total assets	$	**5,288,321**	5,114,827
LIABILITIES AND STOCKHOLDERS' EQUITY			
Liabilities:			
Reserve for losses	$	**2,405,829**	2,342,919
Reserve for loss expenses		**406,402**	402,880
Unearned premiums		**857,349**	844,847
Notes payable		**274,612**	274,606
Commissions payable		**31,328**	49,237
Accrued salaries and benefits		**98,148**	103,802
Other liabilities		**204,491**	94,161
Total liabilities	$	**4,278,159**	4,112,452
Stockholders' Equity:			
Preferred stock of $0 par value per share:			
Authorized shares 5,000,000; no shares issued or outstanding	$	-	-
Common stock of $2 par value per share			
Authorized shares: 360,000,000			
Issued: 95,928,007 – 2010; 95,822,959 – 2009		**191,856**	191,646
Additional paid-in capital		**235,610**	231,933
Retained earnings		**1,137,704**	1,138,978
Accumulated other comprehensive loss		**(5,773)**	(12,460)
Treasury stock – at cost (shares: 42,676,272 – 2010; 42,578,779 – 2009)		**(549,235)**	(547,722)
Total stockholders' equity		**1,010,162**	1,002,375
Commitments and contingencies			
Total liabilities and stockholders' equity	$	**5,288,321**	5,114,827

SELECTIVE INSURANCE GROUP, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

($ in thousands, except per share amounts)		Quarters ended March 31, 2010	2009
Revenues:			
Net premiums written	$	**368,091**	375,783
Net increase in unearned premiums and prepaid reinsurance premiums		**(11,889)**	(11,910)
Net premiums earned		**356,202**	363,873
Net investment income earned		**34,706**	15,717
Net realized (losses) gains:			
Net realized investment gains		**8,176**	3,075
Other-than-temporary impairments		**(6,073)**	(27,100)
Other-than-temporary impairments on fixed maturity securities recognized in other comprehensive income		**(2,167)**	-
Total net realized losses		**(64)**	(24,025)
Other income		**2,268**	1,281
Total revenues		**393,112**	356,846
Expenses:			
Losses incurred		**215,570**	209,089
Loss expenses incurred		**38,573**	43,105
Policy acquisition costs		**116,002**	113,106
Dividends to policyholders		**1,495**	465
Interest expense		**4,842**	5,024
Other expenses		**8,983**	7,040
Total expenses		**385,465**	377,829
Income (loss) from continuing operations, before federal income tax		**7,647**	(20,983)
Federal income tax expense (benefit):			
Current		**8,844**	5,875
Deferred		**(7,790)**	(13,908)
Total federal income tax expense (benefit)		**1,054**	(8,033)
Net income (loss) from continuing operations		**6,593**	(12,950)
Income from discontinued operations, net of tax of $(12) – 2009		**-**	73
Loss on disposal of discontinued operations, net of tax of $(426) – 2010		**(790)**	-
Total discontinued operations, net of tax		**(790)**	73
Net income (loss)	$	**5,803**	(12,877)
Earnings per share:			
Basic net income (loss) from continuing operations		**0.12**	(0.25)
Basic net loss from disposal of discontinued operations		**(0.01)**	-
Basic net income (loss)	$	**0.11**	(0.25)
Diluted net income (loss) from continuing operations		**0.12**	(0.25)
Diluted net loss from disposal of discontinued operations		**(0.01)**	-
Diluted net income (loss)	$	**0.11**	(0.25)
Dividends to stockholders	$	**0.13**	0.13

SELECTIVE INSURANCE GROUP, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

($ in thousands, except per share amounts)	Quarters ended March 31, 2010		2009	
Common stock:				
Beginning of year	$ **191,646**		190,527	
Dividend reinvestment plan (shares: 25,759 – 2010; 36,670 – 2009)	**51**		73	
Stock purchase and compensation plans (shares: 79,289 – 2010; 75,867 – 2009)	**159**		152	
End of period	**191,856**		190,752	
Additional paid-in capital:				
Beginning of year	**231,933**		217,195	
Dividend reinvestment plan	**368**		373	
Stock purchase and compensation plans	**3,309**		4,267	
End of period	**235,610**		221,835	
Retained earnings:				
Beginning of year	**1,138,978**		1,128,149	
Net income (loss)	**5,803**	**5,803**	(12,877)	(12,877)
Cash dividends to stockholders ($0.13 per share – 2010; $0.13 per share – 2009)	**(7,077)**		(6,937)	
End of period	**1,137,704**		1,108,335	
Accumulated other comprehensive loss:				
Beginning of year	**(12,460)**		(100,666)	
Other comprehensive income (loss), increase (decrease) in:				
Unrealized gains on investment securities:				
Non-credit portion of other-than-temporary impairment losses recognized in other comprehensive income, net of deferred income tax effect of $797	**1,478**		-	
Other net unrealized gains on investment securities, net of deferred income tax effect of $2,467 – 2010; $20,152 – 2009	**4,583**		37,425	
Total unrealized gains on investment securities	**6,061**	**6,061**	37,425	37,425
Defined benefit pension plans, net of deferred income tax effect of: $337 – 2010; $(97) – 2009	**626**	**626**	(179)	(179)
End of period	**(5,773)**		(63,420)	
Comprehensive income		**12,490**		24,369
Treasury stock:				
Beginning of year	**(547,722)**		(544,712)	
Acquisition of treasury stock (shares: 97,493 – 2010; 169,382 – 2009)	**(1,513)**		(2,655)	
End of period	**(549,235)**		(547,367)	
Total stockholders' equity	$ **1,010,162**		$ 910,135	

SELECTIVE INSURANCE GROUP, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOW

($ in thousands)	Quarters ended March 31, 2010	2009
Operating Activities		
Net Income (Loss)	$ **5,803**	(12,877)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	**7,451**	6,788
Loss on disposal of discontinued operations	**790**	-
Stock-based compensation expense	**6,169**	3,238
Undistributed (income) losses of equity method investments	**(3,895)**	20,549
Net realized losses	**64**	24,025
Postretirement life curtailment benefit	**-**	(4,217)
Unrealized gain on trading securities	**-**	(262)
Deferred tax benefit	**(7,790)**	(13,739)
Changes in assets and liabilities:		
Increase in reserves for losses and loss expenses, net of reinsurance recoverable on unpaid losses and loss expenses	**35,924**	20,019
Increase in unearned premiums, net of prepaid reinsurance and advance premiums	**11,647**	11,497
Decrease in net federal income tax recoverable	**7,698**	23,844
Increase in premiums receivable	**(10,543)**	(2,343)
Decrease (increase) in deferred policy acquisition costs	**1,024**	(1,350)
(Increase) decrease in interest and dividends due or accrued	**(730)**	1,012
(Increase) decrease in reinsurance recoverable on paid losses and loss expenses	**(1,406)**	1,251
Decrease in accrued salaries and benefits	**(7,100)**	(16,211)
Decrease in accrued insurance expenses	**(17,187)**	(14,221)
Sale of trading securities	**-**	2,831
Other-net	**5,176**	5,086
Net adjustments	**27,292**	67,797
Net cash provided by operating activities	**33,095**	54,920
Investing Activities		
Purchase of fixed maturity securities, held-to-maturity	**-**	(50,408)
Purchase of fixed maturity securities, available-for-sale	**(142,067)**	(216,000)
Purchase of equity securities, available-for-sale	**(23,915)**	(60,100)
Purchase of other investments	**(7,714)**	(4,620)
Purchase of short-term investments	**(303,668)**	(601,637)
Sale of subsidiary	**844**	-
Sale of fixed maturity securities, available-for-sale	**39,632**	168,019
Sale of short-term investments	**235,386**	528,471
Redemption and maturities of fixed maturity securities, held-to-maturity	**80,963**	34,097
Redemption and maturities of fixed maturity securities, available-for-sale	**66,122**	51,666
Sale of equity securities, available-for-sale	**16,419**	86,318
Proceeds from other investments	**13,337**	14,499
Purchase of property and equipment	**(866)**	(1,360)
Net cash used in investment activities	**(25,527)**	(51,055)
Financing Activities		
Dividends to stockholders	**(6,492)**	(6,955)
Acquisition of treasury stock	**(1,513)**	(2,655)
Net proceeds from stock purchase and compensation plans	**625**	885
Excess tax benefits from share-based payment arrangements	**(856)**	(1,152)
Net cash used in financing activities	**(8,236)**	(9,877)
Net decrease in cash and cash equivalents	**(668)**	(6,012)
Net decrease in cash and cash equivalents from discontinued operations	**-**	(3,343)
Net decrease in cash from continuing operations	**(668)**	(2,669)
Cash from continuing operations, beginning of year	**811**	3,606
Cash from continuing operations, end of period	$ **143**	937

Selective Insurance Group, Inc.
Combined Insurance Company Subsidiaries
Unaudited Statutory Balance Sheets
($ in thousands)

		Mar-31 2010	Dec-31 2009
ASSETS			
Bonds	$	3,274,435	3,289,336
Common stocks		82,240	80,264
Affiliated mortgage loan		39,255	39,408
Other investments		184,346	176,983
Short-term investments		233,639	165,957
Total investments		**3,813,915**	**3,751,948**
Cash on hand and in banks*		(33,944)	(29,110)
Interest and dividends due and accrued		35,538	34,808
Premiums receivable		454,016	443,223
Reinsurance recoverable on paid losses and expenses		5,814	4,408
Federal income tax recoverable		-	1,608
Deferred tax recoverable		122,627	119,377
EDP equipment		1,706	2,134
Equities and deposits in pools and associations		8,103	4,886
Receivable for sold securities		90,874	19,655
Other assets		29,538	29,747
Total assets	$	**4,528,187**	**4,382,684**
LIABILITIES			
Reserve for losses	$	2,105,423	2,072,376
Reinsurance payable on paid loss and loss expense		868	1,011
Reserve for loss expenses		402,040	399,457
Unearned premiums		751,214	739,325
Reserve for commissions payable		31,328	49,237
Ceded balances payable		13,008	9,856
Federal income tax payable		7,889	-
Premium and other taxes payable		23,005	22,283
Borrowed money		13,018	13,016
Reserve for dividends to policyholders		3,522	3,718
Reserves for unauthorized reinsurance		1,013	1,013
Payable for securities		99,694	-
Funds withheld on account of others		5,263	6,261
Accrued salaries and benefits		60,424	66,847
Other liabilities		16,497	16,329
Total liabilities		**3,534,206**	**3,400,729**
POLICYHOLDERS' SURPLUS			
Capital		28,325	28,325
Aggregate write-ins for special surplus funds		34,564	33,951
Paid in surplus		255,792	255,792
Unassigned surplus*		675,300	663,887
Total policyholders' surplus		993,981	981,955
Total liabilities and policyholders' surplus	$	**4,528,187**	**4,382,684**

* Prior year balances have been adjusted for $17K elimination entry

Selective Insurance Group, Inc.
Combined Insurance Company Subsidiaries
Unaudited Statutory Statements Of Income
($ in thousands)

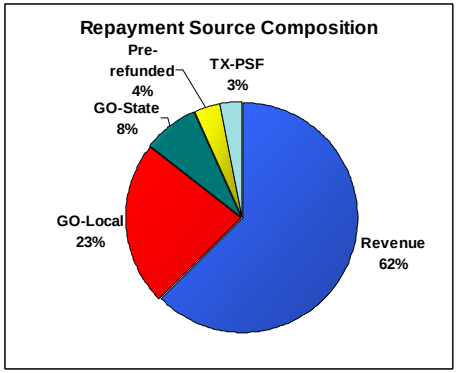
	Three Months Ended March			
UNDERWRITING	**2010**		**2009**	
Net premiums written	**$ 368,091**		**375,783**	
Net premiums earned	**356,202**		**363,873**	
Net losses paid	182,223		195,792	
Change in reserve for losses	33,047		13,062	
Net losses incurred	**215,270**	**60.4%**	**208,854**	**57.4%**
Net loss expenses paid	36,094		36,685	
Change in reserve for loss expenses	2,583		6,451	
Net loss expenses incurred	**38,677**	**10.9%**	**43,136**	**11.9%**
Net underwriting expenses incurred	**115,151**	**31.3%**	**115,813**	**30.8%**
Total deductions	369,098		367,803	
Statutory underwriting loss	**(12,896)**		**(3,930)**	
Net loss from premium balances charged off	(1,521)		(1,334)	
Finance charges and other income	2,359		1,266	
Total other income (expense)	**838**	**-0.2%**	**(68)**	**0.0%**
Policyholders' dividends incurred	(1,495)	**0.4%**	(465)	**0.1%**
Total underwriting loss	**(13,553)**	**102.8%**	**(4,463)**	**100.2%**
INVESTMENT				
Net investment income earned	33,201		26,054	
Net realized loss	(48)		(24,978)	
Total income (loss) before income tax	**19,600**		**(3,387)**	
Federal income tax expense	11,498		9,584	
Net income (loss)	**$ 8,102**		**(12,971)**	
Policyholders' Surplus				
Surplus, beginning of period	$ 981,955		884,431	
Net income (loss)	8,102		(12,971)	
Change in deferred tax	8,183		15,052	
Change in unrealized gains (losses)	7,118		(22,061)	
Dividends to stockholders	(12,003)		(12,003)	
Paid in surplus	-		20,000	
Change in non-admitted assets	13		(22,463)	
Change in additional admitted deferred tax	613		-	
Net change in surplus for period	**12,026**		**(34,446)**	
Surplus, end of period	**$ 993,981**		**849,985**	
Statutory underwriting loss:	$ (13,553)		(4,463)	
Adjustments under GAAP:				
Deferred policy acquisition costs	(1,024)		1,351	
Other, net	(28)		149	
GAAP underwriting loss	**$ (14,605)**		**(2,963)**	

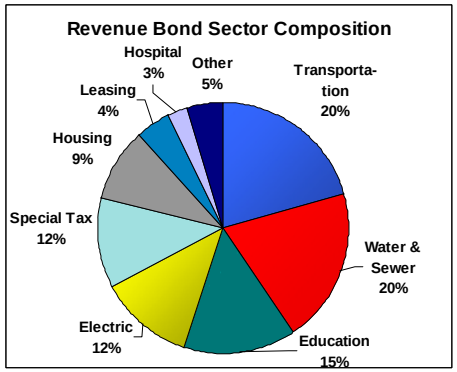
Note: Some amounts or ratios may not foot due to rounding

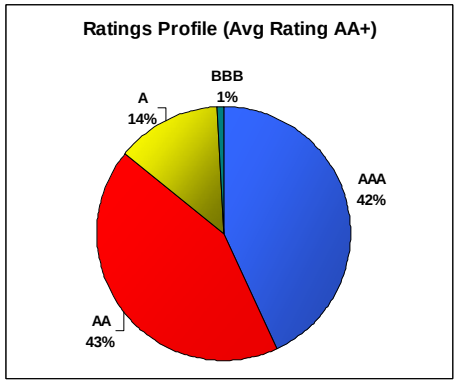
Selective Insurance Group, Inc. and Consolidated Subsidiaries
Alternative Investments
as of March 31, 2010
(unaudited)

Fund	Inception Year	Current Market Value	Cost	YTD Income	Remaining Commitment
Real Estate					
LEH RE II	2005	$ 8,955,780	$ 12,011,057	$ (425,571)	$ 4,020,851
GS Whitehall 2007	2007	$ 2,815,059	$ 14,250,000	$ (1,335,826)	$ 750,000
LEH RE III	2008	$ 3,220,091	$ 6,227,933	$ (103,434)	$ 8,772,067
Total - Real Estate		**$ 14,990,930**	**$ 32,488,990**	**$ (1,864,831)**	**$ 13,542,918**
Mezzanine Financing					
GS Mezz III	2003	$ 3,308,178	$ 2,403,021	$ (217,374)	$ 5,637,326
LEH Euro Mezz	2004	$ 3,210,766	$ 1,597,522	$ (31,373)	$ -
GS Mezz 2006	2006	$ 6,712,809	$ 9,224,574	$ 978,460	$ 5,228,783
GS Mezz V	2007	$ 9,010,574	$ 8,145,280	$ 206,844	$ 15,252,669
Total - Mezz. Financing		**$ 22,242,327**	**$ 21,370,397**	**$ 936,557**	**$ 26,118,778**
Distressed Debt					
Varde LP	1997	$ -	$ -	$ -	$ -
Varde VIII	2006	$ 11,890,778	$ 10,000,000	$ 113,653	$ -
GS Distressed Opp III	2007	$ 8,074,255	$ 10,000,056	$ 650,389	$ 4,610,862
Total - Distressed Debt		**$ 19,965,033**	**$ 20,000,056**	**$ 764,042**	**$ 4,610,862**
Private Equity					
Prospector	1997	$ 1,411,451	$ 1,404,405	$ 6,601	$ -
Trilantic Capital Partners III	2004	$ 6,954,240	$ 3,439,266	$ (90,914)	$ 1,036,212
NB Co-Invest	2006	$ 7,914,089	$ 8,080,716	$ 391,858	$ 4,285,602
GS PEP Asia	2007	$ 1,551,237	$ 1,863,306	$ 17,749	$ 5,133,767
Trilantic Capital Partners IV	2007	$ 4,808,219	$ 4,907,808	$ 383,162	$ 6,176,933
Total - Private Equity		**$ 22,639,236**	**$ 19,695,501**	**$ 708,456**	**$ 16,632,514**
Private Equity, Secondary Market					
NB SOF	2005	$ 7,503,504	$ 6,382,035	$ 363,612	$ 899,494
GS Vintage IV	2007	$ 11,565,290	$ 14,057,667	$ 299,971	$ 5,585,550
NB SOF II	2008	$ 2,978,451	$ 2,401,264	$ 305,224	$ 9,323,752
GS Vintage V	2008	$ 2,390,181	$ 2,506,952	$ 50,354	$ 7,399,931
Total - Pvt. Eq. Sec. Mkt.		**$ 24,437,426**	**$ 25,347,918**	**$ 1,019,161**	**$ 23,208,727**
Energy/Power Generation					
ArcLight I	2002	$ 1,546,954	$ 1,546,954	$ 421,227	$ 1,655,505
ArcLight II	2003	$ 7,231,954	$ 1,639,149	$ 217,487	$ 2,295,492
ArcLight III	2006	$ 12,892,724	$ 11,816,880	$ 438,921	$ 2,037,794
Quintana Energy	2006	$ 6,705,221	$ 7,558,234	$ 181,360	$ 2,441,766
ArcLight IV	2007	$ 6,369,135	$ 5,712,041	$ 807,175	$ 3,886,081
Total - Energy/Power Generation		**$ 34,745,988**	**$ 28,273,258**	**$ 2,066,170**	**$ 12,316,638**
Venture Capital					
Venture V	2001	$ 6,039,893	$ 6,295,895	$ 265,667	$ 1,800,000
Total - Venture Capital		**$ 6,039,893**	**$ 6,295,895**	**$ 265,667**	**$ 1,800,000**
TOTAL - ALTERNATIVE INVESTMENTS		**$ 145,060,833**	**$ 153,472,015**	**$ 3,895,222**	**$ 98,230,437**

Selective Insurance Group, Inc. and Consolidated Subsidiaries
Municipal Bond Portfolio
State and Repayment Source Composition
March 31, 2010
($s in thousands)
(unaudited)







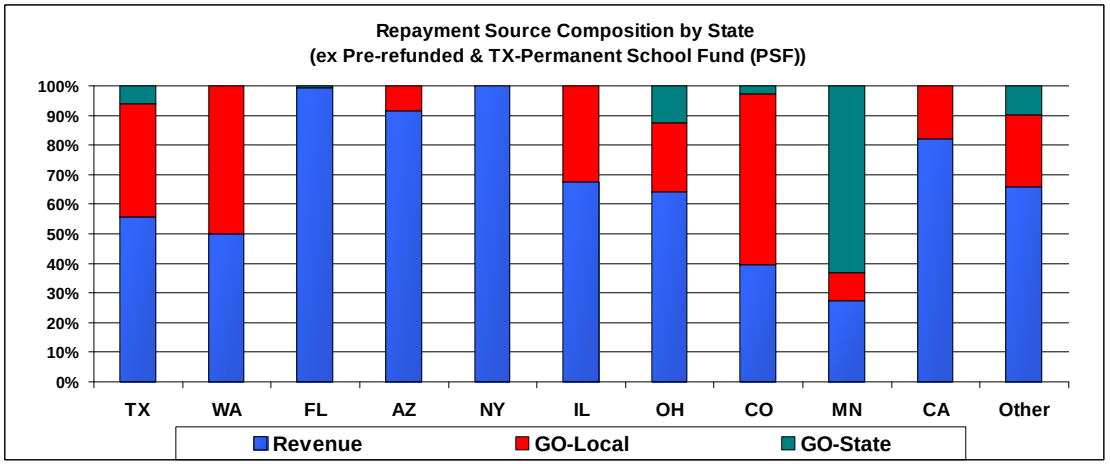
Muni Portfolio Value, Rating and Exposure Statistics

Value and Overall Portfolio Rating:

Market Value = $1,574,910 ; Unrealized/Unrecognized Gain/(Loss) = $59,462; Average Rating= AA+
Held to Maturity(HTM) 74%; Available for Sale(AFS) 26%

Exposure:

46.7% of the Fixed Income Portfolio; 40.6% of the Total Portfolio; 155.9% of GAAP Equity



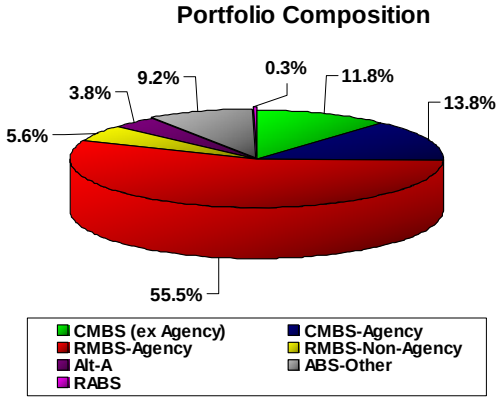
Repayment Source Composition by State %s
Market Values

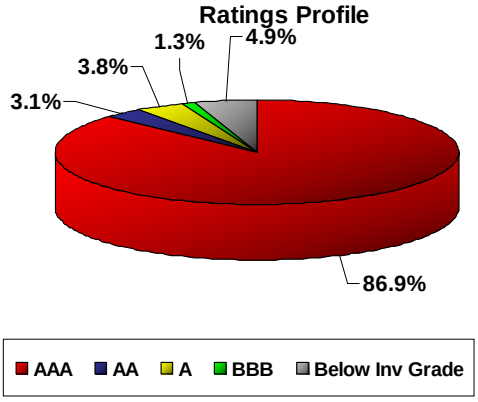
State	Revenue	% of State	General Obligation (GO)-Local	% of State	General Obligation (GO)-State	% of State	Pre-refunded	% of State	TX - Permanent School Fund (PSF)	% of State	Total	% of Total
TX	83,275	56%	57,167	38%	9,156	6%	-	0%	-	0%	149,598	9%
TX-PSF	-	0%	-	0%	-	0%	-	0%	47,712	100%	47,712	3%
WA	47,318	50%	47,473	50%	-	0%	-	0%	-	0%	94,791	6%
FL	88,442	99%	-	0%	524	1%	-	0%	-	0%	88,966	6%
AZ	72,967	92%	6,774	8%	-	0%	-	0%	-	0%	79,740	5%
NY	70,444	100%	-	0%	-	0%	-	0%	-	0%	70,444	4%
IL	43,714	67%	21,117	33%	-	0%	-	0%	-	0%	64,831	4%
OH	38,427	64%	13,844	23%	7,474	13%	-	0%	-	0%	59,745	4%
CO	22,648	39%	33,189	58%	1,646	3%	-	0%	-	0%	57,483	4%
MN	15,355	27%	5,395	10%	35,493	63%	-	0%	-	0%	56,243	4%
CA	44,255	82%	9,744	18%	-	0%	-	0%	-	0%	53,999	3%
Pre-refunded	-	0%	-	0%	-	0%	58,635	100%	-	0%	58,635	4%
Other	456,945	66%	168,096	24%	67,681	10%	-	0%	-	0%	692,723	44%
Grand Total	**983,791**	**62%**	**362,798**	**23%**	**121,974**	**8%**	**58,635**	**4%**	**47,712**	**3%**	**1,574,910**	**100%**

Selective Insurance Group, Inc. and Consolidated Subsidiaries
Structured Securities
March 31, 2010

($ in thousands)

(unaudited)





- **Market Value = $617,924 ; Unrealized Gain/(Loss) = ($14,463)**
- **Held to Maturity (HTM) 41%; Available for Sale (AFS) 59%**
- **Structured Security Portfolio Average Rating = AA+**
- **Structured Securities = 15.9% of the Total Portfolio**

Ratings Migration [(1)]
March 31, 2010

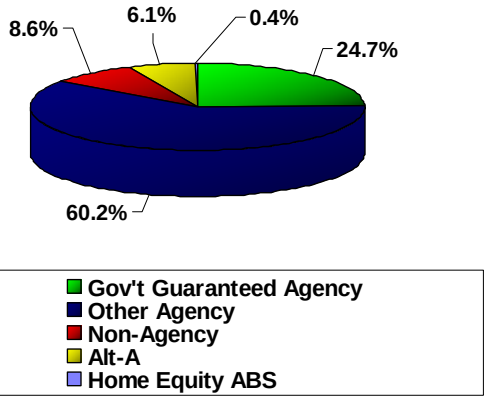
Original Rating		Current Rating					Downgraded	
Rating	Amount	AAA	AA	A	BBB	Below Inv Grade	$	%
AAA	**596,474**	514,652	13,710	14,970	15,887	37,255	81,822	**13.7%**
AA	**31,323**	5,000	7,000	3,000	240	16,083	19,323	**61.7%**
A	**13,355**			10,000		3,355	3,355	**25.1%**
BBB	**25,152**					25,152	25,152	**100.0%**
Below Inv Grade	**5,000**					5,000	-	**0.0%**
Total Par Value	**671,304**	**519,652**	**20,710**	**27,970**	**16,127**	**86,845**	**129,652**	**19.3%**

Note (1): Migration period is from the purchase date of each security to March 31, 2010

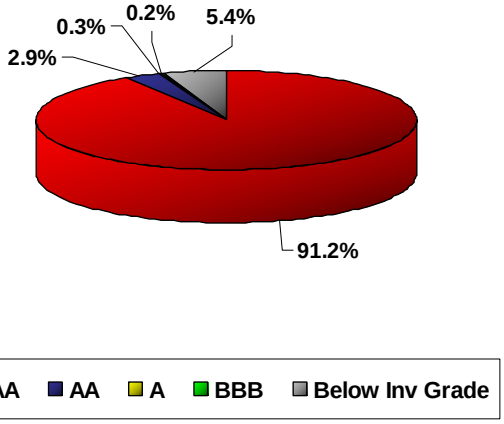
Selective Insurance Group, Inc. and Consolidated Subsidiaries
Residential Mortgage Backed (RMBS) and Residential ABS (RABS) Securities
March 31, 2010

($ in thousands)
(unaudited)

Portfolio Composition



Ratings Profile



- **Market Value = $404,435; Unrealized Gain/(Loss) = ($4,937)**
- **Held to Maturity (HTM) 34%; Available for Sale (AFS) 66%**
- **RMBS & RABS Portfolio Average Rating = AA+**
- **RMBS & RABS Securities = 10.4% of the Total Portfolio**

Ratings Migration [1]
March 31, 2010

Original Rating		Current Rating					Downgraded	
Rating	Amount	AAA	AA	A	BBB	Below Inv Grade	$	%
AAA	410,295	357,091	13,710	2,780	929	35,785	53,204	13.0%
AA	3,854				240	3,614	3,854	100.0%
A	3,355					3,355	3,355	100.0%
BBB	1,403					1,403	1,403	100.0%
Total Par Value	418,907	357,091	13,710	2,780	1,169	44,157	61,816	14.8%

Note (1): Migration period is from the purchase date of each security to March 31, 2010

Selective Insurance Group Inc. and Consolidated Subsidiaries
Residential Mortgage Backed Securities (RMBS) and Residential ABS (RABS) - by Vintage Year
March 31, 2010

($ in thousands)
(unaudited)

Market Value

Vintage Yr	AAA	AA	A	BBB	Below Investment Grade	Total	% of Total RMBS & RABS	*% of Total Fixed Income Portfolio*	*% of Total GAAP Equity*
1983	$ 7	$ -	$ -	$ -	$ -	$ 7	0%	0%	0%
2002	43,094	-	-	758	973	44,825	11%	1%	4%
2003	37,617	-	-	-	606	38,223	9%	1%	4%
2004	51,444	2,918	-	-	-	54,361	13%	2%	5%
2005	28,153	8,892	1,302	-	673	39,020	10%	1%	4%
2006	29,009	-	-	-	17,930	46,939	12%	1%	5%
2007	5,225	-	-	-	1,715	6,940	2%	0%	1%
2008	36,696	-	-	-	-	36,696	9%	1%	4%
2009	137,424	-	-	-	-	137,424	34%	5%	13%
Total RMBS & RABS-Market Value	**$ 368,668**	**$ 11,809**	**$ 1,302**	**$ 758**	**$ 21,898**	**$ 404,435**	**100%**	**12%**	**40%**
% of Total RMBS & RABS	***91%***	***3%***	***1%***	***0%***	***5%***	***100%***			
% of Total Fixed Income Portfolio	***11%***	***0%***	***0%***	***0%***	***1%***	***12%***			
% of Total GAAP Equity	***37%***	***1%***	***0%***	***0%***	***2%***	***40%***			
Weighted Average Market Price	***103.2***	***86.1***	***46.8***	***64.8***	***49.6***	***96.5***			

Unrealized/Unrecognized Gain/(Loss)

Vintage Yr	AAA	AA	A	BBB	Below Investment Grade	Total
1983	$ -	$ -	$ -	$ -	$ -	$ -
2002	1,677	-	-	(418)	(373)	887
2003	1,049	-	-	-	(1,321)	(272)
2004	895	(321)	-	-	-	574
2005	(1,011)	(1,498)	(1,469)	-	(612)	(4,591)
2006	97	-	-	-	(2,536)	(2,439)
2007	81	-	-	-	(2,732)	(2,652)
2008	1,157	-	-	-	-	1,157
2009	2,398	-	-	-	-	2,398
Total RMBS & RABS - Unrealized/Unrecognized	**$ 6,343**	**$ (1,820)**	**$ (1,469)**	**$ (418)**	**$ (7,574)**	**$ (4,937)**

Note: Some amounts may not foot due to rounding.

Selective Insurance Group Inc. and Consolidated Subsidiaries
Residential Mortgage Backed Securities (RMBS) and Residential ABS (RABS) - by Type
March 31, 2010

($ in thousands)
(unaudited)

Market Value

RMBS Type	AAA	AA	A	BBB	Below Investment Grade	Total	% of Total RMBS & RABS	*% of Total Fixed Income Portfolio*	*% of Total GAAP Equity*
Gov't Guaranteed Agency	$ 99,763	$ -	$ -	$ -	$ -	$ 99,763	25%	3%	10%
Other Agency	243,346	-	-	-	-	243,346	60%	7%	24%
Total Agency	*343,110*	-	-	-	-	***343,110***	85%	10%	34%
Alt-A	13,098	1,216	-	-	9,048	***23,362***	6%	1%	2%
Alt-A CDO	-	-	-	-	1,590	***1,590***	0%	0%	0%
Home Equity ABS	-	-	-	664	973	***1,637***	0%	0%	0%
Non-Agency & Other Prime	12,461	10,594	1,302	94	10,286	***34,736***	9%	1%	4%
Total RMBS & RABS-Market Value	**$ 368,668**	**$ 11,809**	**$ 1,302**	**$ 758**	**$ 21,898**	**$ 404,435**	**100%**	**12%**	**40%**
% of Total RMBS & RABS	***91%***	***3%***	***1%***	***0%***	***5%***	***100%***			
% of Total Fixed Income Portfolio	***11%***	***0%***	***0%***	***0%***	***1%***	***12%***			
% of Total GAAP Equity	***37%***	***1%***	***0%***	***0%***	***2%***	***40%***			
Weighted Average Market Price	***103.2***	***86.1***	***46.8***	***64.8***	***49.6***	***96.5***			

Unrealized/Unrecognized Gain/(Loss)

RMBS Type	AAA	AA	A	BBB	Below Investment Grade	Total
Gov't Guaranteed Agency	$ 2,171	$ -	$ -	$ -	$ -	$ 2,171
Other Agency	8,361	-	-	-	-	8,361
Total Agency	*10,532*	-	-	-	-	***10,532***
Alt-A	(1,857)	(179)	-	-	-	***(2,036)***
Alt-A CDO	-	-	-	-	88	***88***
Home Equity ABS	-	-	-	(271)	(373)	***(644)***
Non-Agency & Other Prime	(2,332)	(1,640)	(1,469)	(146)	(7,289)	***(12,877)***
Total RMBS & RABS - Unrealized/Unrecognized	**$ 6,343**	**$ (1,820)**	**$ (1,469)**	**$ (418)**	**$ (7,574)**	**$ (4,937)**

Note: Some amounts may not foot due to rounding.

Selective Insurance Group, Inc. and Consolidated Subsidiaries
ALT-A by Vintage Year
March 31, 2010
($ in thousands)
(unaudited)

Market Value

Vintage Yr	ALT-A Fixed-15	Alt-A Fixed-30	Alt-A Hybrid ARM	Alt-A CDO	Total	% of Total Alt A	*% of Total Fixed Income Portfolio*	*% of Total GAAP Equity*
2002	$ 4,171	$ -	$ -	$ -	$ 4,171	17%	0%	0%
2003	-	1,493	415	-	1,908	8%	0%	0%
2004	-	1,144	1,342	-	2,486	10%	0%	0%
2005	-	2,849	2,899	-	5,748	23%	0%	1%
2006	-	6,522	2,526	1,590	10,638	42%	1%	1%
Total ALT-A, Market Value	**$ 4,171**	**$ 12,009**	**$ 7,182**	**$ 1,590**	**$ 24,952**	**100%**	**1%**	**2%**
% of Total ALT-A	***17%***	***48%***	***29%***	***6%***	***100%***			
% of Total Fixed Income Portfolio	***0%***	***1%***	***0%***	***0%***	***1%***			
% of Total GAAP Equity	***0%***	***1%***	***1%***	***0%***	***2%***			
Weighted Average Market Price	***97.4***	***74.3***	***69.9***	***18.0***	***63.1***			

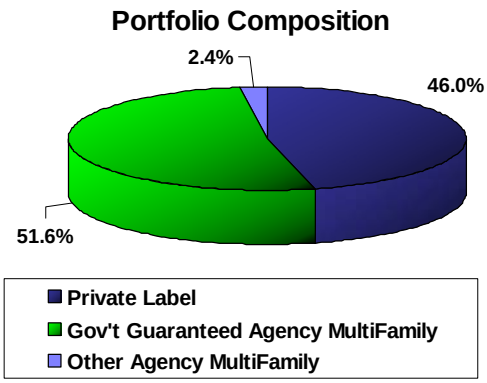
Unrealized/Unrecognized Gain/(Loss)

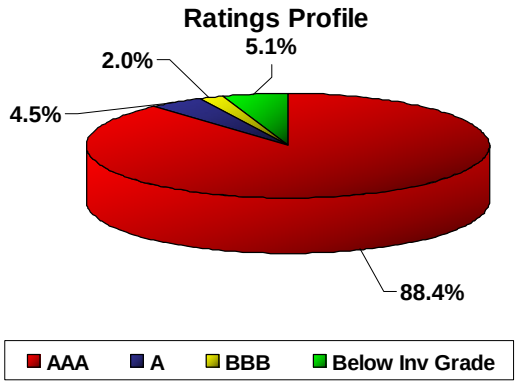
Vintage Yr	ALT-A Fixed-15	Alt-A Fixed-30	Alt-A Hybrid ARM	Alt-A CDO	Total
2002	$ (110)	$ -	$ -	$ -	$ (110)
2003	-	(261)	(44)	-	(304)
2004	-	9	(212)	-	(204)
2005	-	(394)	(1,024)	-	(1,418)
2006	-	-	-	88	88
Total ALT-A, Unrealized/Unrecognized	**$ (110)**	**$ (646)**	**$ (1,280)**	**$ 88**	**$ (1,948)**
% of Total ALT-A	***6%***	***33%***	***66%***	***-4%***	***100%***

Note: Some amounts may not foot due to rounding.

Selective Insurance Group, Inc. and Consolidated Subsidiaries
Commercial Mortgage Backed (CMBS) Securities
March 31, 2010

($ in thousands)
(unaudited)





- **Market Value = $158,312; Unrealized Gain/(Loss) = ($9,095)**
- **Held to Maturity (HTM) 55%; Available for Sale (AFS) 45%**
- **CMBS Portfolio Average Rating = AA+**
- **CMBS Securities = 4.1% of the Total Portfolio**

Ratings Migration [1]
March 31, 2010

Original Rating		Current Rating					Downgraded	
Rating	Amount	AAA	AA	A	BBB	Below Inv Grade	$	%
AAA	159,326	129,947		9,362	9,713	10,304	29,379	18.4%
AA	8,635	5,000				3,635	3,635	42.1%
A	-						-	0.0%
BBB	17,000				-	17,000	17,000	100.0%
Below Inv Grade	5,000					5,000	-	0.0%
Total Par Value	189,961	134,947	-	9,362	9,713	35,939	50,014	26.3%

Note (1): Migration period is from the purchase date of each security to March 31, 2010

Selective Insurance Group Inc. and Consolidated Subsidiaries
Commercial Mortgage Backed Securities (CMBS) - by Vintage Year
March 31, 2010
($ in thousands)
(unaudited)

Market Value

Vintage Yr	AAA	A	BBB	Below Investment Grade	Total	% of Total CMBS	*% of Total Fixed Income Portfolio*	*% of Total GAAP Equity*
1996	$ 887	$ -	$ -	$ -	$ 887	1%	0%	0%
1999	3,182	-	-	-	3,182	2%	0%	0%
2000	18,320	-	-	-	18,320	12%	1%	2%
2001	8,866	-	-	-	8,866	6%	0%	1%
2002	2,299	-	-	-	2,299	1%	0%	0%
2003	1,957	-	-	-	1,957	1%	0%	0%
2004	9,811	-	-	-	9,811	6%	0%	1%
2005	14,018	3,752	-	1,514	19,284	12%	1%	2%
2006	54,474	-	3,108	645	58,227	37%	2%	6%
2007	15,902	3,369	-	6,003	25,274	16%	1%	3%
2009	10,204	-	-	-	10,204	6%	0%	1%
Total CMBS-Market Value	**$ 139,921**	**$ 7,121**	**$ 3,108**	**$ 8,162**	**$ 158,312**	**100%**	**5%**	**16%**
% of Total CMBS	***88%***	***5%***	***2%***	***5%***	***100%***			
% of Total Fixed Income Portfolio	***4%***	***0%***	***1%***	***0%***	***5%***			
% of Total GAAP Equity	***14%***	***1%***	***0%***	***1%***	***16%***			
Weighted Average Market Price	***103.7***	***76.1***	***32.0***	***22.7***	***83.3***			

Unrealized/Unrecognized Gain/(Loss)

Vintage Yr	AAA	A	BBB	Below Investment Grade	Total
1996	$ (37)	$ -	$ -	$ -	$ (37)
1999	153	-	-	-	153
2000	335	-	-	-	335
2001	199	-	-	-	199
2002	67	-	-	-	67
2003	100	-	-	-	100
2004	312	-	-	-	312
2005	(72)	(611)	-	(3,340)	(4,023)
2006	938	-	(2,754)	(877)	(2,693)
2007	97	(1,631)	-	(2,179)	(3,713)
2009	204	-	-	-	204
Total CMBS-Unrealized/Unrecognized	**$ 2,296**	**$ (2,242)**	**$ (2,754)**	**$ (6,396)**	**$ (9,095)**

Selective Insurance Group Inc. and Consolidated Subsidiaries
Commercial Mortgage Backed Securities (CMBS) - by Type
March 31, 2010
($ in thousands)
(unaudited)

Market Value

CMBS Type	AAA	A	BBB	Below Investment Grade	Total	% of Total CMBS	*% of Total Fixed Income Portfolio*	*% of Total GAAP Equity*
Gov't Guaranteed Agency MultiFamily	$ 81,736	$ -	$ -	$ -	$ 81,736	52%	2%	8%
Other Agency MultiFamily	3,736	-	-	-	3,736	2%	1%	1%
Total Agency	85,472	-	-	-	85,472	54%	3%	9%
Conduit	10,853	-	-	-	10,853	7%	1%	1%
Fusion [1]	35,276	3,369	-	1,723	40,369	25%	1%	4%
Lease-Backed	3,182	-	-	-	3,182	2%	0%	0%
Re-Securitization	-	3,752	3,108	813	7,673	5%	0%	1%
Single Borrower - Multiple Properties	5,137	-	-	5,626	10,763	7%	0%	1%
Total CMBS-Market Value	**$ 139,921**	**$ 7,121**	**$ 3,108**	**$ 8,162**	**$ 158,312**	**100%**	**5%**	**16%**
% of Total CMBS	***88%***	***5%***	***2%***	***5%***	***100%***			
% of Total Fixed Income Portfolio	***4%***	***0%***	***1%***	***0%***	***5%***			
% of Total GAAP Equity	***14%***	***1%***	***0%***	***1%***	***16%***			
Weighted Average Market Price	***103.7***	***76.1***	***32.0***	***22.7***	***83.3***			

Unrealized/Unrecognized Gain/(Loss)

CMBS Type	AAA	A	BBB	Below Investment Grade	Total
Gov't Guaranteed Agency MultiFamily	$ 1,089	$ -	$ -	$ -	$ 1,089
Other Agency MultiFamily	69	-	-	-	69
Total Agency	1,157	-	-	-	1,157
Conduit	296	-	-	-	296
Fusion [1]	558	(1,631)	-	(1,513)	(2,586)
Lease-Backed	153	-	-	-	153
Re-Securitization	-	(611)	(2,754)	(3,509)	(6,873)
Single Borrower - Multiple Properties	132	-	-	(1,374)	(1,243)
Total CMBS-Unrealized/Unrecognized	**$ 2,296**	**$ (2,242)**	**$ (2,754)**	**$ (6,396)**	**$ (9,095)**

[1] Fusion means a CMBS composed of large and small loans.
Note: Some amounts may not foot due to rounding.

Selective Insurance Group, Inc. and Consolidated Subsidiaries
Credit Quality of Available-for-Sale Securities
March 31, 2010

($ in millions)

(unaudited)

	March 31, 2010		
	Fair Value	Unrealized Gain (Loss)	Credit Quality
AFS Portfolio:			
U.S. government obligations[1]	$ 416.8	3.7	AAA
State and municipal obligations	402.9	17.1	AA+
Corporate securities	525.1	16.6	A+
Mortgage-backed securities	337.8	(7.6)	AA+
Asset-backed securities ("ABS")[2]	27.4	0.7	AA+
Total AFS portfolio	$ 1,710.0	30.5	AA+
State and Municipal Obligations:			
Government obligations	$ 254.1	9.1	AAA
Special revenue obligations	148.8	8.0	AA+
Total state and municipal obligations	$ 402.9	17.1	AA+
Corporate Securities:			
Financial	$ 94.7	3.2	AA-
Industrials	57.3	2.5	A
Utilities	22.0	1.0	BBB+
Consumer discretion	44.2	1.6	A
Consumer staples	63.6	1.9	A-
Health care	100.3	2.0	AA-
Materials	21.1	1.2	A-
Energy	50.6	1.5	AA-
Information technology	23.7	0.1	A+
Telecommunications services	20.1	0.6	A
Other	27.5	1.0	A
Total corporate securities	$ 525.1	16.6	A+
Mortgage-backed securities:			
Gov't Guaranteed Agency CMBS	$ 70.6	0.8	AAA
Gov't Guaranteed Agency RMBS	95.5	1.9	AAA
Other Agency RMBS	118.9	3.3	AAA
Non-agency RMBS	29.4	(11.5)	A-
Alternative-A ("Alt-A") RMBS	23.4	(2.1)	A-
Total MBS	$ 337.8	(7.6)	AA+

[1] U.S. Government includes coporate securities fully guaranteed by the FDIC.

[2] Our ABS portfolio does not include Alt-A or Sub-prime securities.

Selective Insurance Group, Inc. and Consolidated Subsidiaries
Credit Quality of Held-to-Maturity Securities
March 31, 2010

($ in millions)

(unaudited)

	Fair Value	Carry Value	Unrecognized Holding Gain (Loss)[1]	Unrealized Gain (Loss) in Accumulated Other Comprehensive Income[2]	Total Unrealized / Unrecognized Gain (Loss)	Credit Quality
HTM Fixed Maturity Portfolio:						
U.S. government obligations	$ 127.0	124.7	2.3	5.4	7.7	AAA
State and municipal obligations	1,172.0	1,161.6	10.4	31.9	42.3	AA
Corporate securities	109.0	98.9	10.1	(5.8)	4.3	A-
Mortgage-backed securities	221.8	209.1	12.7	(18.5)	(5.8)	AA+
Asset-backed securities	31.0	27.0	4.0	(5.7)	(1.7)	A+
Total HTM portfolio	$ 1,660.8	1,621.3	39.5	7.3	46.8	AA+
State and Municipal Obligations:						
Government obligations	$ 300.3	299.2	1.1	13.7	14.8	AA+
Special revenue obligations	871.7	862.4	9.3	18.2	27.5	AA
Total state and municipal obligations	$ 1,172.0	1,161.6	10.4	31.9	42.3	AA
Corporate Securities:						
Financial	$ 36.6	32.0	4.6	(3.8)	0.8	A
Industrials	29.3	25.7	3.6	(1.9)	1.7	A-
Utilities	16.6	16.3	0.3	(0.1)	0.2	A-
Consumer discretion	6.3	6.0	0.3	-	0.3	BBB+
Consumer staples	14.6	13.8	0.8	0.4	1.2	AA-
Materials	2.1	1.9	0.2	(0.1)	0.1	BBB-
Energy	3.5	3.2	0.3	(0.3)	-	BB+
Total corporate securities	$ 109.0	98.9	10.1	(5.8)	4.3	A-
Mortgage-backed securities:						
Gov't guaranteed agency CMBS	$ 11.1	10.8	0.3	-	0.3	AAA
Other agency CMBS	3.7	3.7	-	-	-	AAA
Non-agency CMBS	72.8	63.5	9.3	(19.6)	(10.3)	AA+
Gov't guaranteed agency RMBS	4.3	4.0	0.3	-	0.3	AAA
Other agency RMBS	124.5	121.4	3.1	2.1	5.2	AAA
Non-agency RMBS	5.4	5.7	(0.3)	(1.0)	(1.3)	AAA
Total mortgage-backed securities	$ 221.8	209.1	12.7	(18.5)	(5.8)	AA+
Asset-backed securities:						
ABS	$ 28.5	25.1	3.4	(4.8)	(1.4)	AA
Alt-A ABS	1.6	1.0	0.6	(0.5)	0.1	CC
Sub-prime ABS[3]	0.9	0.9	-	(0.4)	(0.4)	CC
Total ABS	$ 31.0	27.0	4.0	(5.7)	(1.7)	A+

[1] Unrecognized holding gains (losses) are equal to the fair value less the carry value of the security

[2] Unrealized gains (losses) are equal to the fair value less the amortized costs of securities transferred from AFS to HTM at the date of transfer, adjusted for subsequent amortization into income

[3] We define sub-prime exposure as exposure to direct and indirect investments in non-agency residential mortgages with average FICO® scores below 650.