



*Our **Mission** is to provide quality insurance security and related services to businesses, individuals and public institutions, and be a dependable long-term steward of the trust that policyholders and other important stakeholders place in us.*

## ***Business Update***

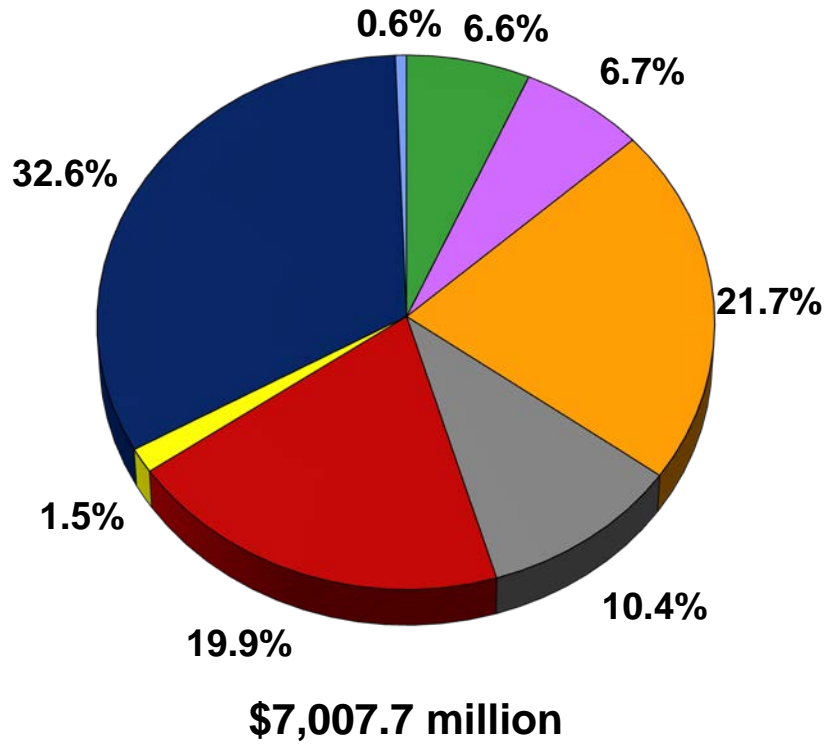
**May 2018**

*Old Republic ranks among the nation's 50 largest publicly held insurance organizations.*

Exchange/Ticker	NYSE: ORI
Share price (at 05/07/18)	\$20.25
Shares outstanding*	302.1 million
Market capitalization	\$6.12 billion
Annual dividend per share	\$0.78 Yield: 3.6%
Shareholders' equity*	\$5.04 billion
Total capitalization*	\$6.02 billion
Book value per share*	\$16.82

\*As of March 31, 2018

**Gross Premiums & Fees Written  
 Fiscal Year Ended March 31, 2018**



Commercial Auto (Trucking)	Workers' Compensation	Property	General Liability
Other Specialty Coverages	RFIG (MI & CCI)	Title (Premiums & Fees)	Other

**ORI's Lodestar: Strategic Governance On Behalf Of All Important Stakeholders**

**Our Community:  
The Public Interest**

We're an insurance business vested with the public interest. All is done right, within the law, and with integrity.

**Our Capital Providers:  
Shareholders & Debt Holders**

Capital is the lifeblood of a financial institution. It is the source and continuity of the enterprise.

**Our Customers:  
Policyholders & Buyers of Services**

Good things happen when customers' legitimate needs are fulfilled by our people.

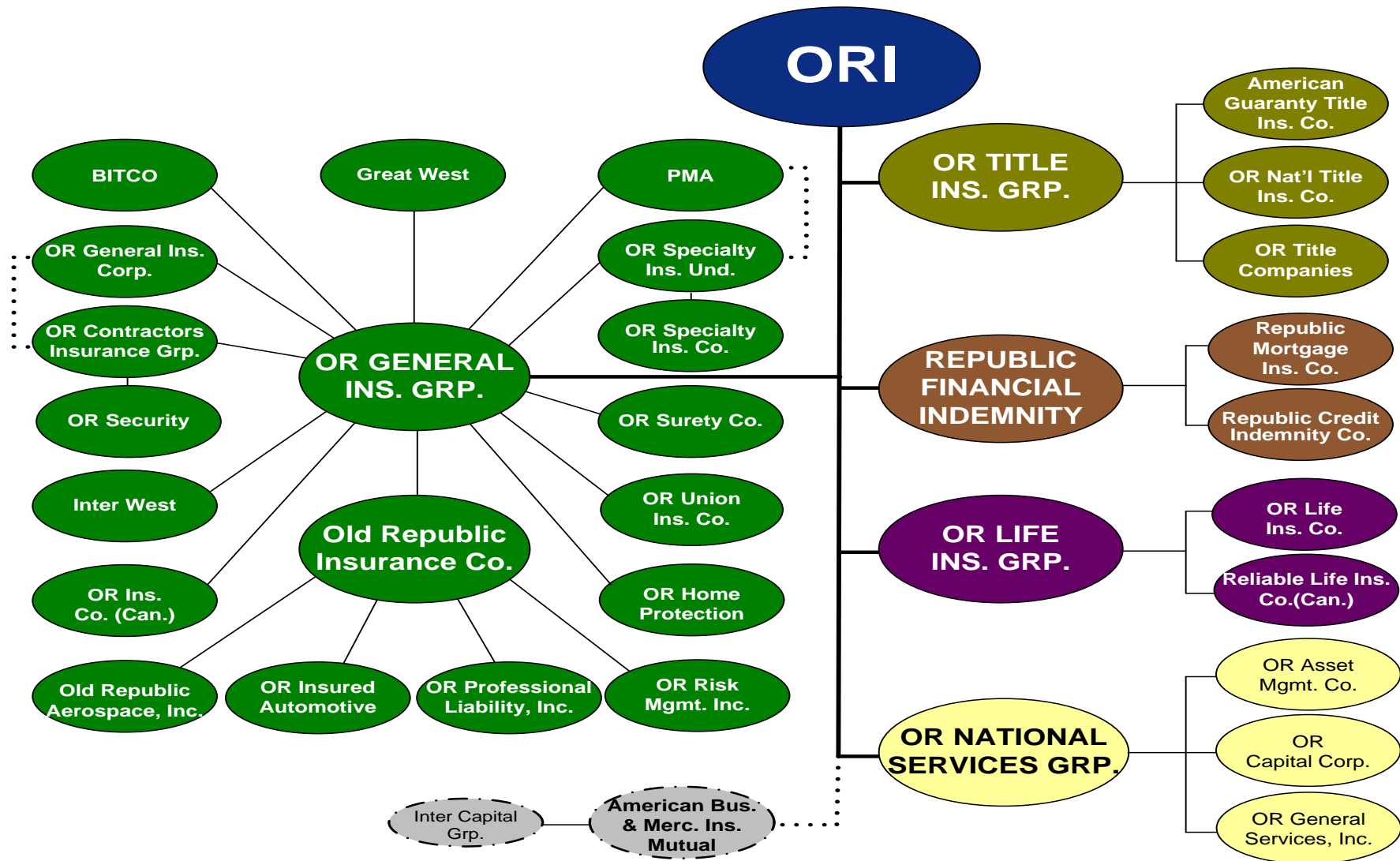
**Our People: Intellectual Capital Providers**

Our people's intellectual talent, know-how, and honorable work put capital to efficient use.



*Our **MISSION** is to Provide Quality Insurance Security and Related Services to Businesses, Individuals, and Public Institutions and Be a Dependable Long-Term Steward of the Trust that Policyholders and Other Important Stakeholders Place in Us.*

**Basic Organization of Key Insurance Operations (as of December 31, 2017)**



..... Reinsurance or affiliated company relationships.

- Advance our Long-Term Mission
- Our continuing business segments are well positioned
  - Growth prospects focused on core business segments:
    - General Insurance
    - Title Insurance
- In all that we do, we need to emphasize accountability to policyholders and shareholders alike.

- Emphasize corporate objectives through organic growth and targeted acquisition initiatives.

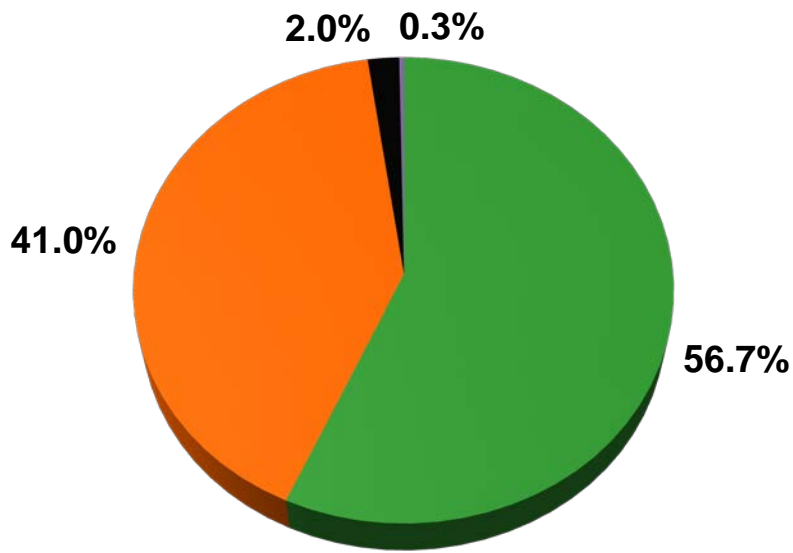
	Current Long-Term Objectives	Actual As of March 31, 2018*	Actual as of December 31,*				
			2017	2016	2015	2014	2013
General Insurance	82.5%	76.5%	76.5%	78.0%	78.2%	78.0%	82.2%
Title Insurance	15.0%	13.4%	13.3%	13.9%	13.7%	13.6%	13.7%
RFIG Run-off	0.0%	7.9%	7.6%	6.5%	5.3%	4.4%	-0.3%
Life & Accident Insurance	1.0%	0.8%	0.8%	1.1%	1.2%	1.7%	2.1%
Other	1.5%	1.4%	1.8%	0.5%	1.6%	2.3%	2.3%
		<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

\* Percentages are inclusive of all capital instruments.

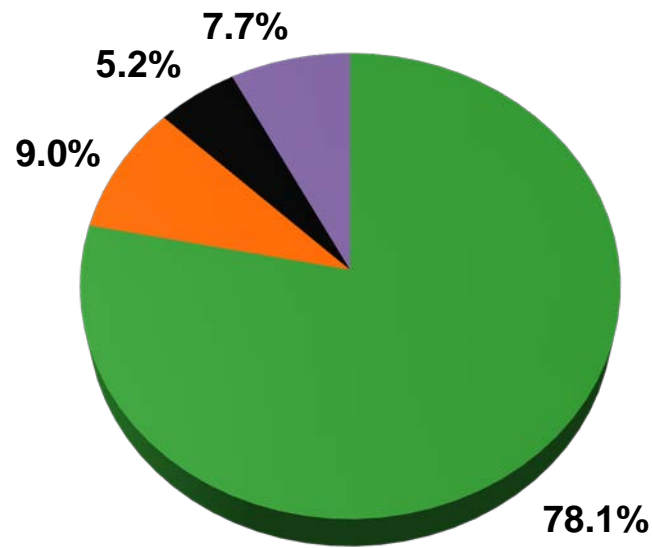
**ORI Segment Contributions (\$ in Millions)**

**Fiscal Year Ended March 31, 2018**

**Net Premiums & Fees Earned**



**Investment Income**





# OLD REPUBLIC GENERAL INSURANCE GROUP

---



## *BUSINESS UPDATE*

May 2018

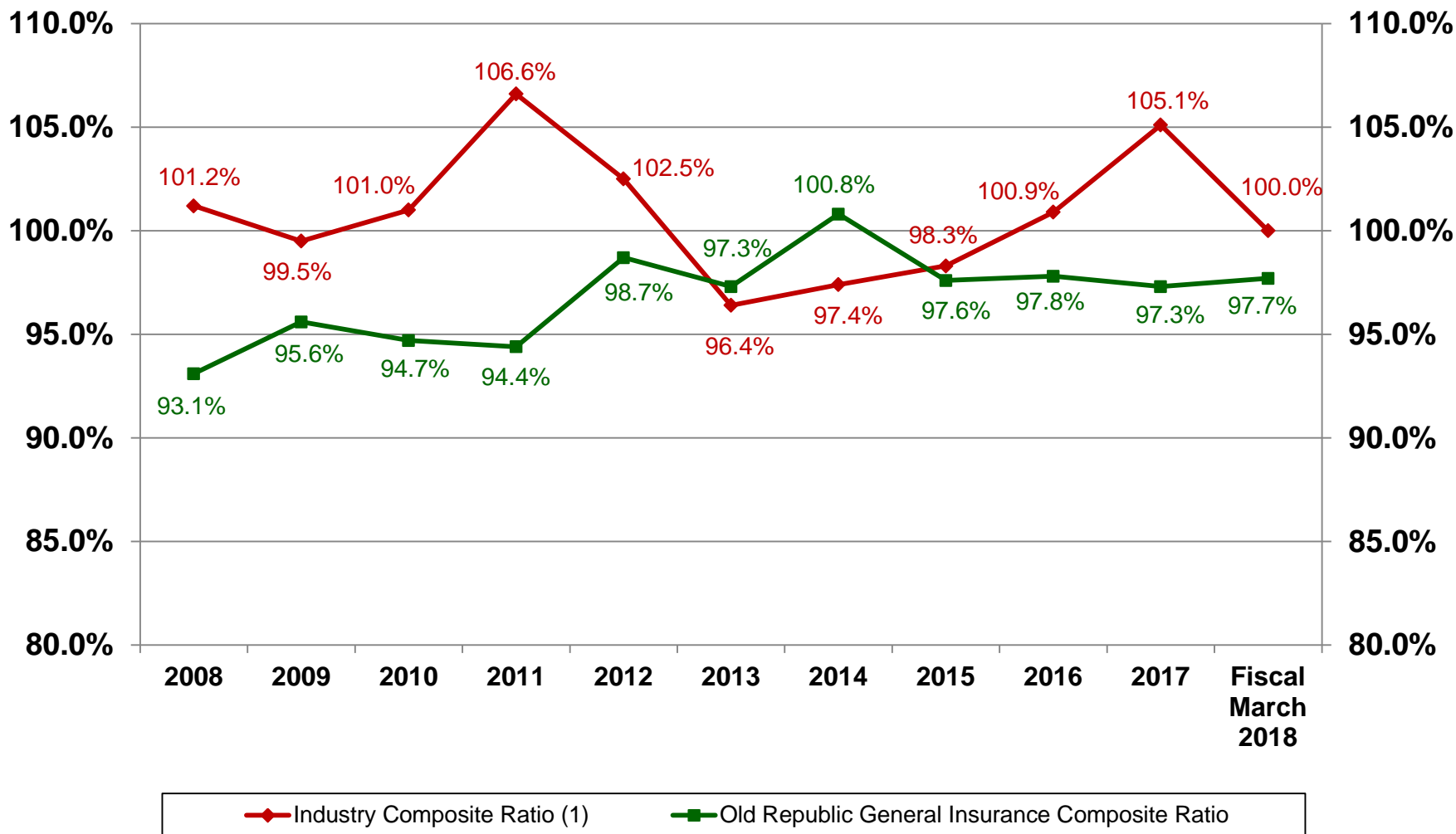
*Old Republic ranks among the nation's 50 largest publicly held insurance organizations.*





# OLD REPUBLIC GENERAL INSURANCE GROUP

## Underwriting Performance: Bested Industry in 8 of the past 10 years

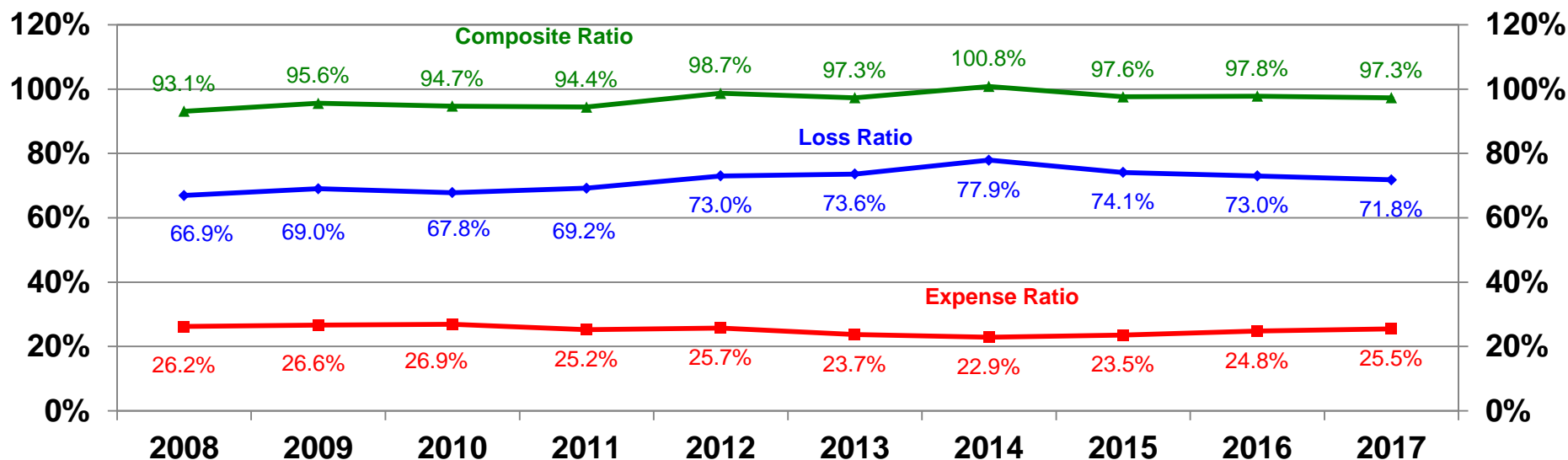


(1) Source: A.M. Best; March 2018 estimated; 2008-2010 restated to reflect A.M. Best's exclusion of mortgage and financial guaranty segments.



# OLD REPUBLIC GENERAL INSURANCE GROUP

## Financial Performance (\$ in Millions)



### Years Ended December 31,

	2013	2014	2015	2016	2017
Gross Premiums Written	\$ 3,395.4	\$ 3,809.8	\$ 4,035.1	\$ 4,172.2	\$ 4,517.2
Net Premiums Earned	2,513.7	2,735.6	2,894.7	2,936.3	3,110.8
Net Investment Income	249.6	278.8	312.1	312.1	318.9
Pretax Operating Income	\$ 288.3	\$ 221.3	\$ 336.4	\$ 319.9	\$ 340.3



## *BUSINESS UPDATE*

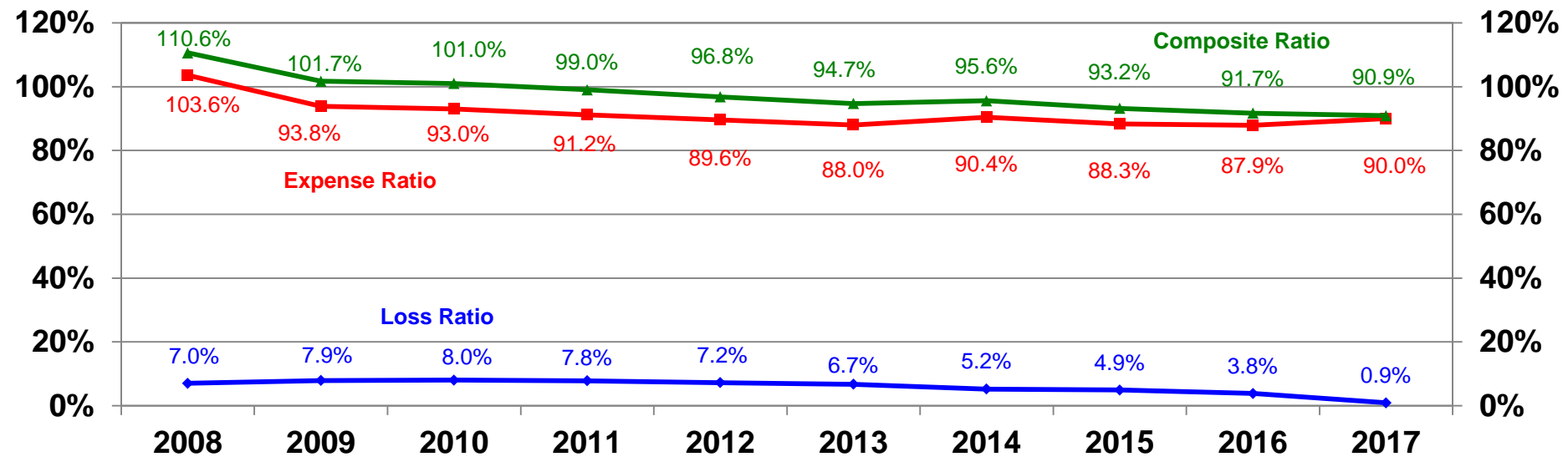
**May 2018**

*Old Republic ranks among the nation's 50 largest publicly held insurance organizations.*



# OLD REPUBLIC TITLE INSURANCE GROUP

## Financial Performance (\$ in Millions)

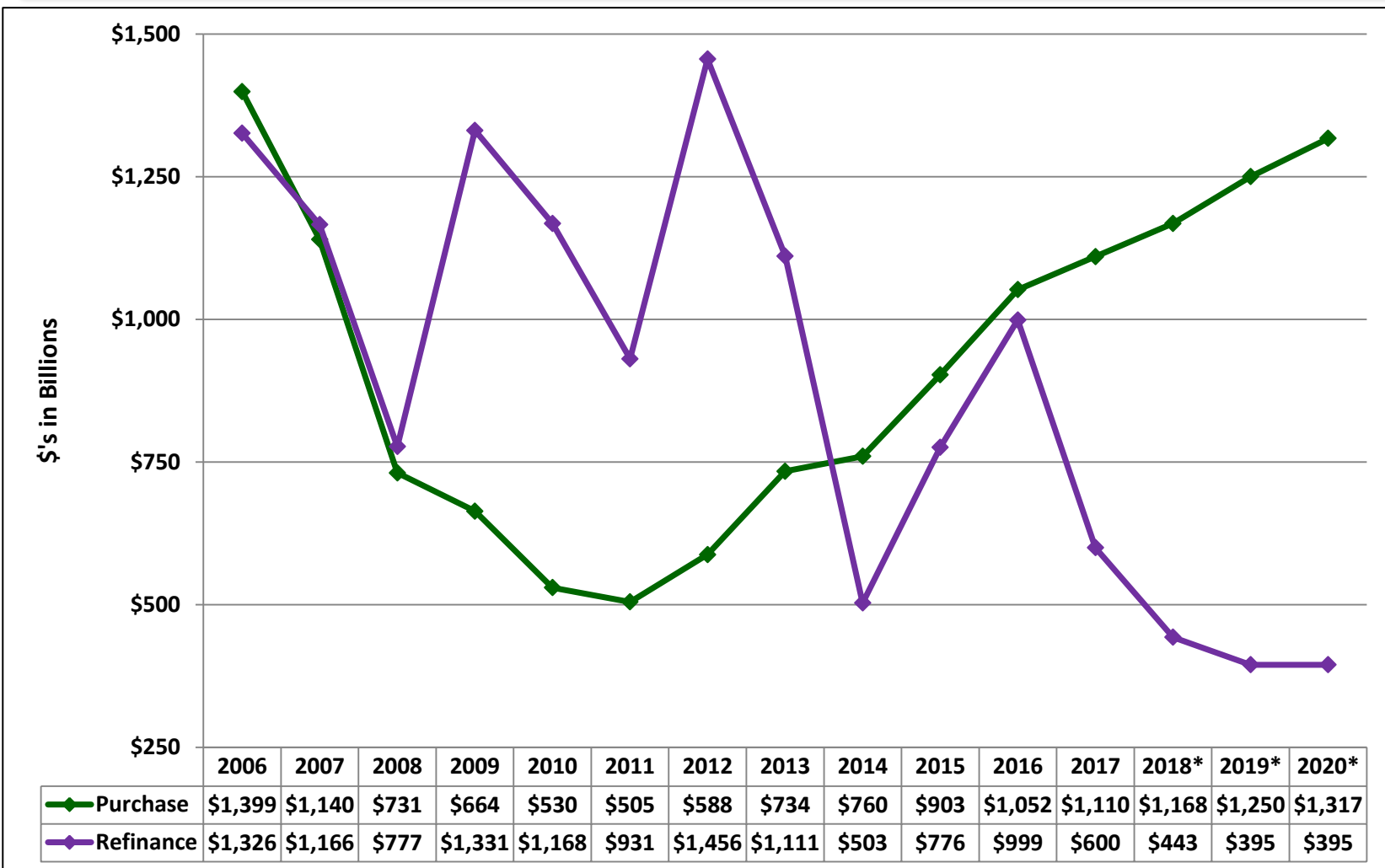


	Years Ended December 31,				
	2013	2014	2015	2016	2017
<b>Net Premiums &amp; Fees Earned</b>	\$ 1,996.1	\$ 1,759.2	\$ 2,045.3	\$ 2,206.6	\$ 2,287.2
<b>Net Investment Income</b>	26.6	29.9	34.0	36.2	37.3
<b>Pretax Operating Income</b>	<u>\$ 124.3</u>	<u>\$ 99.5</u>	<u>\$ 166.8</u>	<u>\$ 210.2</u>	<u>\$ 237.1</u>
<b>Pretax Operating Margin</b>	<u>6.1%</u>	<u>5.6%</u>	<u>8.0%</u>	<u>9.4%</u>	<u>10.2%</u>



# OLD REPUBLIC TITLE INSURANCE GROUP

## Industry Mortgage Originations: 1-4 Family Total per MBA (\$ in Billions)



Avg 30 Year Mortgage Rate	6.4%	6.3%	6.0%	5.0%	4.7%	4.5%	3.7%	4.0%	4.2%	3.9%	3.6%	3.9%	4.9%	5.4%	5.4%
---------------------------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------

\* 2018-20 are MBA estimates as of 04/24/2018.

➤ Trends in Our Marketplace:

- Legislative
- Interest rates increasing, but still favorable by historical standards
- Improving economy, employment figures and consumer confidence
- Premiums and fees expected to show modest growth with increased purchases transactions offsetting the drop-off in refinance activity
- Tightening housing inventories / prices

➤ Expansion and Growth Opportunities

➤ Strategies and Expectations

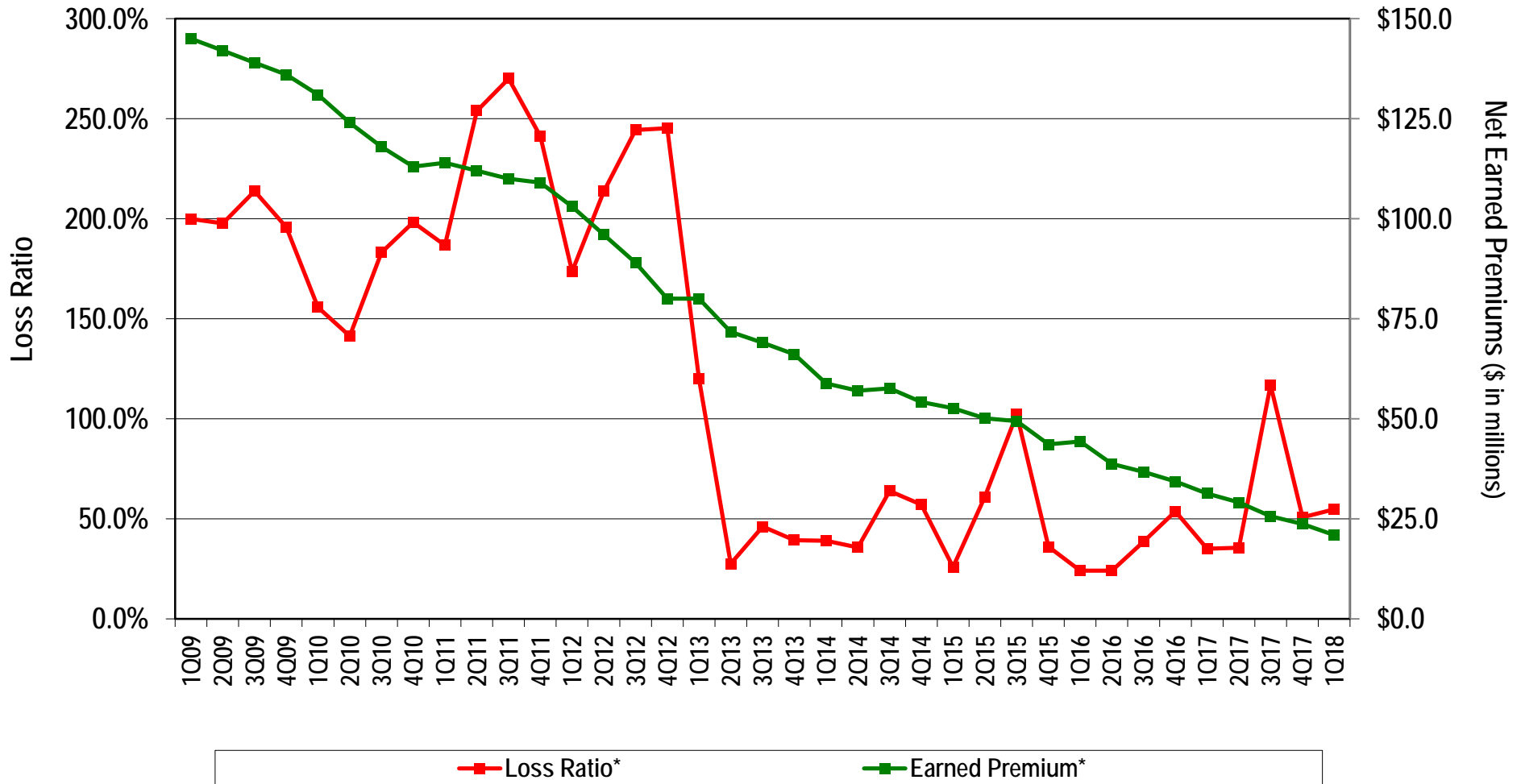


## BUSINESS UPDATE

May 2018

*Old Republic ranks among the nation's 50 largest publicly held insurance organizations.*

## Quarterly Operating Trends



\* The net earned premium and loss ratio trends reflected above for 3Q09 and 1Q10-4Q10 have been adjusted to exclude the non-recurring benefits attributable to the termination of certain captive insurance agreements.



## *Run-off continues into its 7<sup>th</sup> year*

*Run-off began in August 2011*

*Operated under NCDOI Supervision January 2012 through December 2017*

*GAAP Basis / \$'s in millions*

Year	Cash & Invested Assets	Claim Reserves	Shareholder's Equity	Pretax Operating Inc (loss)	Insurance Policies	In-force Risk	Avg FTE's
2011	\$ 1,732	\$ 1,699	\$ 17	\$ (677)	453,765	\$ 15,671	348
2012	1,793	1,981	(81)	(430)	368,456	12,852	170
2013	1,665	1,741	(36)	126	289,091	10,333	122
2014	958	772	185	121	229,772	8,566	105
2015	824	583	235	90	181,566	6,867	96
2016	733	381	320	105	143,095	5,368	87
2017	624	248	412	49	112,060	4,193	79
1Q17	\$ 685	\$ 341	\$ 335	\$ 19	134,936	\$ 5,081	81
1Q18	604	225	413	11	106,213	3,966	77
<b>% Change 1Q17 - 1Q18</b>	<b>-12%</b>	<b>-34%</b>	<b>23%</b>	<b>-42%</b>	<b>-21%</b>	<b>-22%</b>	<b>-5%</b>



# *BUSINESS UPDATE*

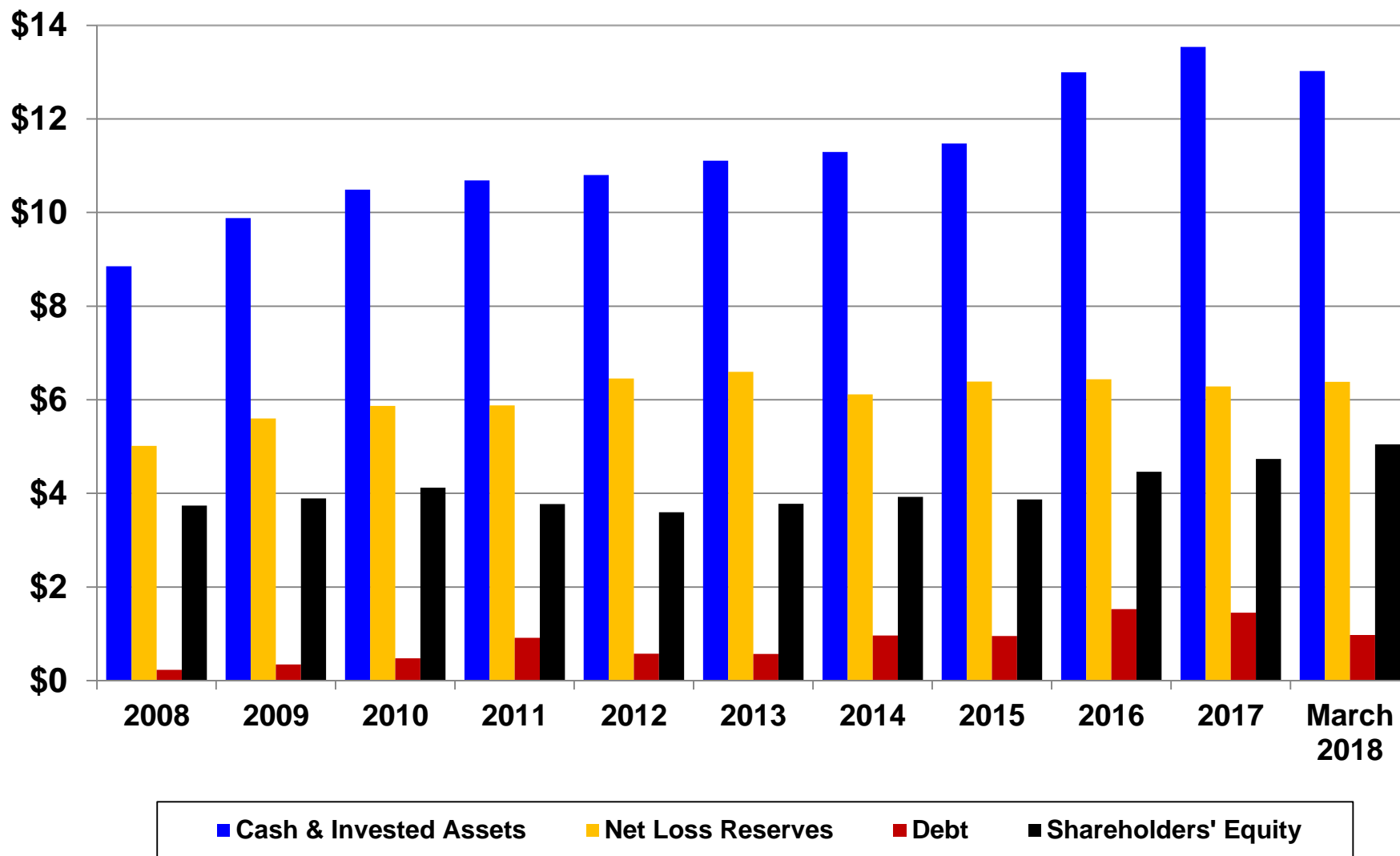
**ORI FINANCIAL CONDITION**

**May 2018**

*Old Republic ranks among the nation's 50 largest publicly held insurance organizations.*

- High quality, liquid investment portfolio
- Minimal intangible assets: 1.0% of total assets / 3.6% of shareholders' equity
- Minimal correlation of assets with insurance risk exposures
- Strong claim reserve position
- Reasonable debt leverage ratios at March 31, 2018:
  - Debt to equity – 19.3%
  - Debt to total capitalization – 16.2%
- Parent company liquidity/Decades-long history of dividend payments

*Investments, Debt, and Shareholders' Equity (\$ in Billions)*



Most Recent Ratings Assigned by:

	<u>A.M. Best</u>	<u>Moody's</u>	<u>Standard &amp; Poor's</u>
<b>General Insurance:</b>			
– BITCO Insurance Companies (2)	A+	A2	A+
– Great West Casualty Company	A+	A2	A+
– Old Republic General Insurance Corporation	A	A2	A+
– Old Republic Insurance Company	A+	A2	A+
– Old Republic Surety Company	A	*	A+
– PMA Insurance Companies (3)	A	A2	*
<b>Old Republic National Title Insurance</b>	A	A2	A
<hr/>			
<b>Old Republic International Corporation</b>			
– Long-Term Debt	*	Baa2	BBB+
Outlook	*	Stable	Stable

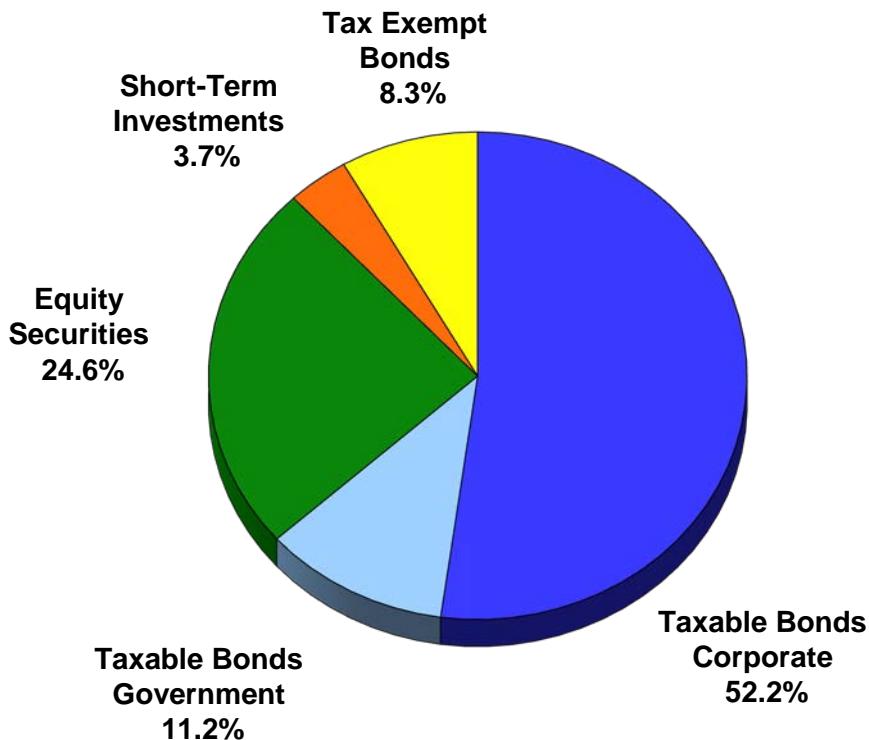
\* No ratings sought or available

*Rating determinations made by rating agencies are subject to change from time to time. While the Company attempts to show accurate information, it cannot assure the timeliness of ratings referred to herein and assumes no obligation to monitor the ratings actions of any rating agency. Please refer to the Company's website for its most current rating determinations.*

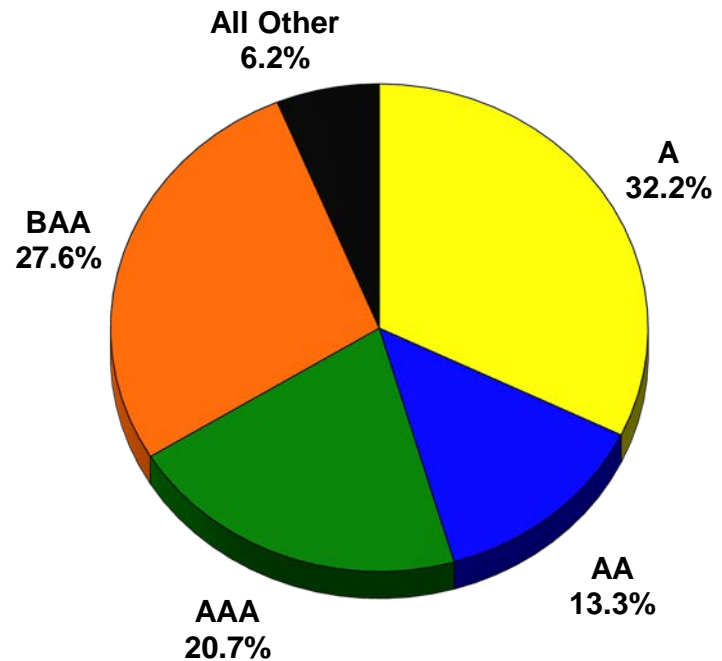
**Investments: Funding Liabilities & Protecting Capital**

as of March 31, 2018

**Investment Portfolio Composition**



**Credit Quality Distribution of Fixed-Maturity Securities**

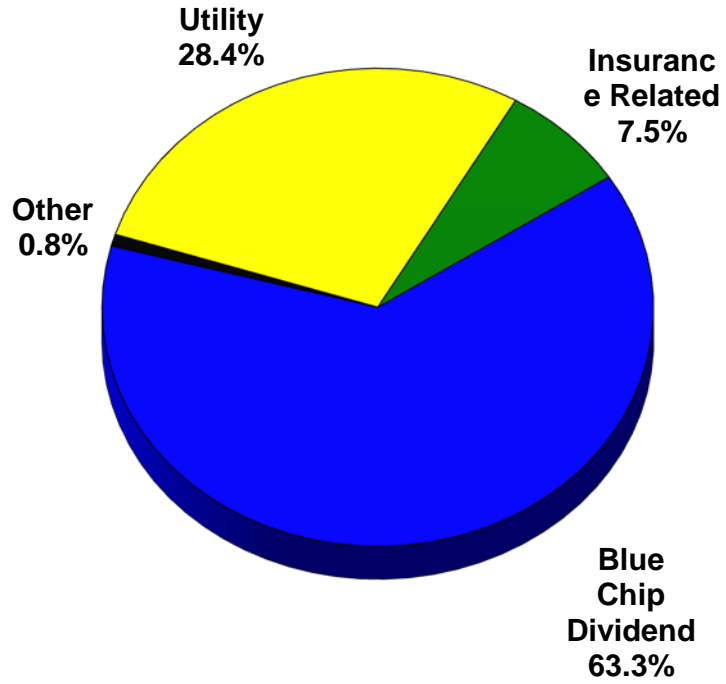


**Average Quality Rating: A**  
**Average Maturity: 4.7 years**

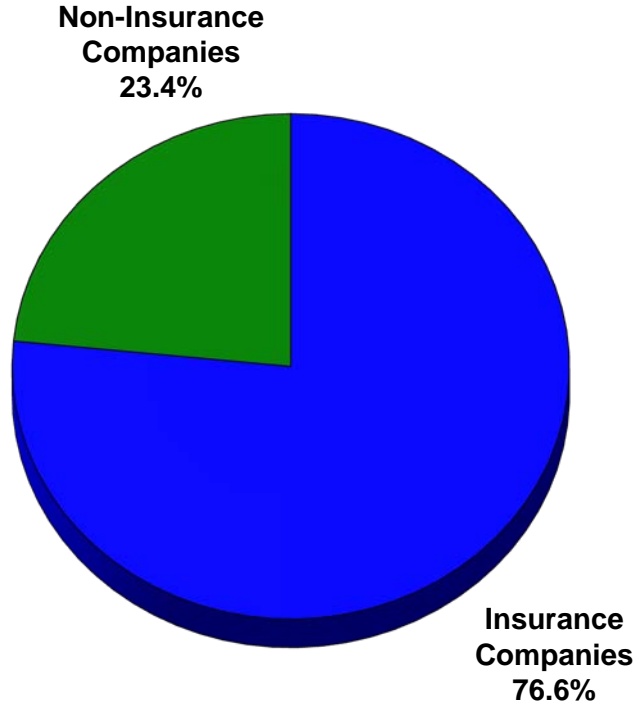
*Investments: Stock Portfolio Allocations*

as of March 31, 2018

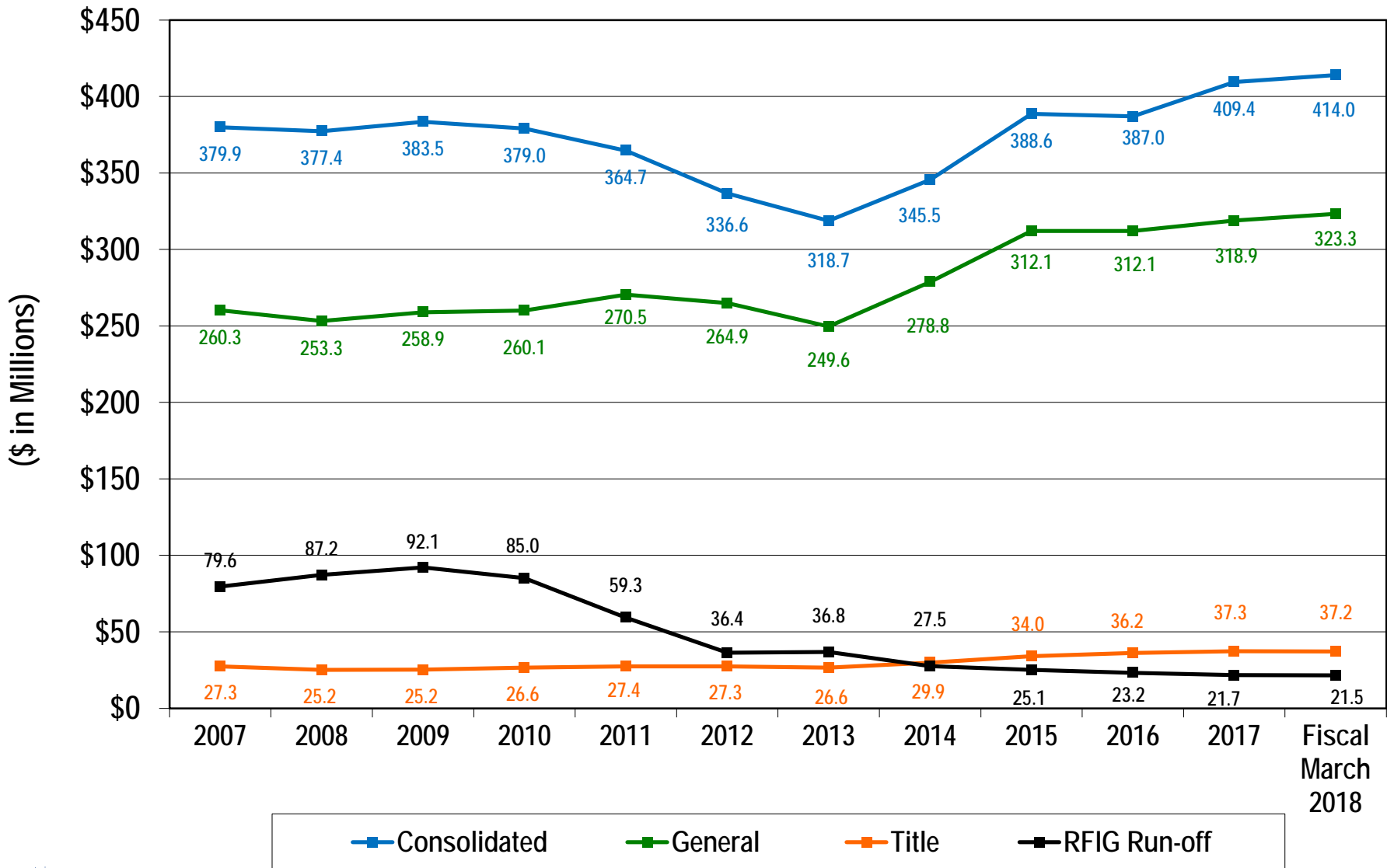
**Stock Portfolio Composition**



**Stock Portfolio Distribution**



## Net Investment Income Trends







# *BUSINESS UPDATE*

**ORI SUMMARY**

**May 2018**

*Old Republic ranks among the nation's 50 largest publicly held insurance organizations.*

- Balance sheet strength / stable financial ratings
- Managing for the long run
- Value creation
  - Uninterrupted dividend payments since 1942
  - 37th consecutive year of annual dividend increases
  - Total returns on book and market values

**Old Republic's Long Run Performance:  
Market Total Return vs. S & P 500**

