2019 Annual Report Letter

ORI's Actively Managed Business Is on Course

Old Republic is benefiting from a substantial turnaround and redirecting its consolidated business since the Great Recession.

Pretax operating earnings, excluding our RFIG run-off segment, reached an all-time high of $655.9 million. Including the run-off business, pretax operating earnings grew to $686.2 million, edging above the prior record in 2005. Here is what makes this particularly significant. Our active run-off operations accounted for nearly 40% of earnings in that earlier year, compared to just 4% in 2019. In addition, retaining net income earned since then has further bolstered our balance sheet.

Several Changes in Our Senior Executives

Last October, some changes were announced in ORI's senior executive ranks.

Craig R. Smiddy was appointed Chief Executive Officer and joined our Board and the Executive Committee. He now is the fifth CEO in the Company's 96-year history. Craig succeeds Al Zucaro, who held that post for the 29 preceding years.

Stephen J. Oberst was named Executive Vice President, joining Craig in ORI's Office of the Chief Executive Officer (OCEO). Stephen is a long serving executive who most recently led our important general insurance risk management and alternative markets operations.

The following experienced executives continue as members of the OCEO with Craig and Stephen:

- Charles S. Boone, Senior Vice President – Investments
- W. Todd Gray, Senior Vice President and Treasurer
- John R. Heitkamp, Jr., Senior Vice President, Secretary and General Counsel
- Karl W. Mueller, Senior Vice President and Chief Financial Officer
- Rande K. Yeager, Executive Chairman of the Old Republic Title Companies

This team has the expertise to conservatively manage Old Republic's fortress balance sheet in the years ahead.

2019: Comparative Financial Performance Per Share

We want to be clear and transparent in how we measure our financial performance. That means we report both the overall and per share financial performance of our basic insurance business by *excluding* both realized and unrealized gains or losses from our investment portfolio. The gains or losses result from 1) highly discretionary and randomly occurring actual transactions, or 2) the price volatility of securities market prices, over which we have no control.

On this basis, we reported diluted **net operating earnings per share** of $1.84 in 2019, slightly lower than $1.86 for 2018. Here is some perspective. For the five years (2013 to 2017) following the 2012 run-off decision, we reported average annual operating earnings per share of $1.19. Since 2013, net operating income per share has risen 47%.

Shareholders' equity per share gained nearly 16% to $19.98 from year-end 2018. This mostly reflected accumulated earnings, unrealized securities gains or losses, and paying cash dividends. Much of last year's gain stemmed from 1) earnings retained in the business, and 2) a significant rise in the market valuation of our investment portfolio. Since year-end 2013, shareholders' equity per share has risen 36%. That improvement happened on top of our steady increase in cash dividends. In total, this was $6.56 per share, including special cash dividends of $1.00 per share in both 2019 and 2017.

The other way we gauge our financial performance per share is to calculate a total return based on our reported results, then compare the result to the stock market's valuation of them. We call this our **total book value return**. That represents the combination of the annual change in book value per share, plus the cash dividend. This grew by 26.4% in 2019 due to the factors just mentioned. Market value-wise, the combination of the change in the year-over-year price of ORI's common shares, and the regular and special cash dividend we paid, resulted in a 17.8% **total market return** for 2019.

The chart at the end of this letter spans the 52 years since ORI's emergence as a publicly held insurance holding company. It shows those total returns versus three economic growth and market indicators. This illustrates how our long-term performance compares very favorably with those benchmarks. For the many reasons highlighted in this letter, we're confident that the long-term strategy for our diversified insurance business will continue this competitive, value-creating financial performance in the long run.

Consolidated Operations of the Business

The table on the next page shows an array of operating data arranged in 11 sections. We believe the information in sections A to G and at J highlights the most meaningful indicators of the basic segmented and consolidated operating results of our business. They underscore the performance of two factors:

- Underwriting operations dedicated to providing long-term, reliably consistent insurance services to meet the needs of a variety of businesses, individuals, and public institutions
- Solid investment management of the combined capital and underwriting cash flows provided by insurance and related services operations

Sources of Consolidated Income (Loss) ($ in millions, except share data)

	2019	2018	2017	2016	2015	2014
A. Net premiums, fees, and other income:						
General insurance	**3,432.4**	$3,277.1	$3,110.8	$2,936.3	$2,894.7	$2,735.6
Title insurance	**2,489.2**	2,336.1	2,287.2	2,206.6	2,045.3	1,759.2
Corporate and other	**13.4**	14.6	18.8	20.1	19.4	60.7
Other income	**132.6**	121.6	102.2	107.3	106.7	101.6
Subtotal	**6,067.6**	5,749.5	5,519.1	5,270.5	5,066.2	4,657.3
RFIG run-off business	**59.2**	75.9	122.9	170.0	219.9	255.4
Consolidated	**$6,126.8**	$5,825.5	$5,642.0	$5,440.5	$5,286.1	$4,912.7
B. Underwriting and related services income (loss):						
General insurance	**$84.9**	$91.2	$84.3	$65.5	$70.8	$(23.9)
Title insurance	**193.4**	185.1	206.7	181.7	140.3	77.5
Corporate and other	**(15.5)**	(21.9)	(28.4)	(17.5)	(21.8)	(19.2)
Subtotal	**262.8**	254.3	262.6	229.7	189.4	34.4
RFIG run-off business	**12.7**	29.7	(95.2)	46.6	4.3	(17.1)
Consolidated	**$275.6**	$284.0	$167.3	$276.3	$193.7	$17.2
C. Consolidated underwriting ratio:						
Claim ratio	**42.9%**	43.1%	44.7%	44.0%	47.5%	52.3%
Expense ratio	**52.2**	51.6	52.0	50.6	48.5	47.1
Composite ratio	**95.1%**	94.7%	96.7%	94.6%	96.0%	99.4%
D. Net investment income:						
General insurance	**$356.4**	$341.0	$318.9	$312.1	$312.1	$278.8
Title insurance	**41.4**	38.8	37.3	36.2	34.0	29.9
Corporate and other	**35.1**	31.7	31.4	15.4	17.2	9.2
Subtotal	**433.0**	411.7	387.7	363.8	363.5	317.9
RFIG run-off business	**17.6**	20.1	21.7	23.2	25.1	27.5
Consolidated	**$450.7**	$431.8	$409.4	$387.0	$388.6	$345.5
E. Interest and other charges:						
General insurance	**$71.1**	$68.3	$62.9	$57.6	$46.6	$33.5
Title insurance	**4.1**	4.6	6.9	7.6	7.5	7.8
Corporate and other (a)	**(35.2)**	(30.6)	(6.9)	(15.0)	(12.2)	(15.7)
Subtotal	**40.0**	42.2	63.0	50.2	41.9	25.6
RFIG run-off business	**-**	-	-	-	-	-
Consolidated	**$40.0**	$42.2	$63.0	$50.2	$41.9	$25.6
F. Segmented and consolidated pretax income (loss) excluding all investment gains (losses):						
General insurance	**$370.2**	$363.9	$340.3	$319.9	$336.4	$221.3
Title insurance	**230.8**	219.3	237.1	210.2	166.8	99.5
Corporate and other	**54.8**	40.4	9.9	13.0	7.6	5.7
Subtotal	**655.9**	623.8	587.3	543.3	511.0	326.7
RFIG run-off business	**30.3**	49.9	(73.5)	69.8	29.4	10.3
Consolidated	**686.2**	673.7	513.8	613.1	540.4	337.1
Income taxes (credits) on above	**132.0**	117.2	195.7	193.5	177.7	104.3
G. Net income (loss) excluding investment gains (losses)	**554.2**	556.4	318.0	419.6	362.7	232.7
H. Consolidated pretax investment gains (losses):						
Realized from actual transactions	**36.6**	58.2	211.6	72.8	91.3	272.3
Unrealized from changes in fair value of equity securities	**599.5**	(293.8)	-	-	-	-
Total	**636.1**	(235.6)	211.6	72.8	91.3	272.3
Income tax (credit) on above	**133.8**	(49.6)	(30.8)	25.5	31.9	95.3
Net of tax investment gains (losses)	**502.2**	(185.9)	242.4	47.3	59.3	177.0
I. Net income (loss)	**$1,056.4**	$370.5	$560.5	$466.9	$422.1	$409.7
J. Consolidated operating cash flow (deficit)	**$936.2**	$760.5	$452.8	$637.3	$688.2	$(181.2)
K. Net income (loss) per diluted share:						
Net income (loss) excluding investment gains (losses)	**$1.84**	$1.86	$1.11	$1.46	$1.28	$0.84
Realized investments gains (losses)	**0.10**	0.15	0.81	0.16	0.20	0.60
Unrealized investment gains (losses)	**1.57**	(0.77)	-	-	-	-
Net income (loss)	**3.51**	$1.24	$1.92	$1.62	$1.48	$1.44
Cash dividends per share (b)	**$1.80**	$0.78	$1.76	$0.75	$0.74	$0.73
Ending book value per share	**$19.98**	$17.23	$17.72	$17.16	$14.98	$15.15
Closing stock market price per share	**$22.37**	$20.57	$21.38	$19.00	$18.63	$14.63

(a) Includes consolidation/elimination entries. / (b) 2019 and 2017 include special cash dividends of $1.00 per share.

2019 consolidated and related services revenues for Old Republic's actively managed insurance business reflected 5.5% year-over-year growth of premiums, fees, and miscellaneous other revenues. This compares to nominal gross domestic product (GDP) growth of about 4% in 2019. For the five years through 2018, our operating revenues were adversely affected by the declining run-off business, however, they still rose an average 3.4%.

As the next table shows, consolidated results from underwriting and related services reflected slightly lower performance, as margins were compressed.

Underwriting and Related Services Margin as % of Premiums, Fees, and Other Operating Revenues:

	2019	2018	2017	2016	2015	2014
Underwriting/Services Margins:						
General insurance	2.5%	2.8%	2.7%	2.2%	2.4%	(0.8)%
Title insurance	7.8	7.9	9.0	8.2	6.9	4.4
Total actively managed business	4.3	4.4	4.8	4.4	3.7	0.7
RFIG Run-Off business	21.5	39.1	N/M	27.4	2.0	(6.7)
Consolidated total with run-off business	4.5%	4.9%	3.0%	5.1%	3.7%	0.4%

General Insurance growth of premiums and other income of 4.9% came mostly from our primary markets: commercial automobile (trucking), national accounts, and executive indemnity insurance. The main contributors to this expansion were the cumulative effects of ongoing premium rate increases for most coverages and products, along with new business production. As the next table shows, claim ratios have seen a consistent downward trend during the past several years. The improvement came from slightly lower estimates of current accident years' claim provisions, and from the lessening impacts of developments of prior years' reserve estimates.

Effect on reported claim ratios of prior years' reserve developments on calendar year reported claim ratios:

Calendar Years	Reported Claim Ratio	Effect of Prior Periods' (Favorable)/ Unfavorable Claim Reserves Development	Claim Ratio Excluding Prior Periods' Claim Reserves Development
2014	77.9%	3.9%	74.0%
2015	74.1	1.5	72.6
2016	73.0	0.3	72.7
2017	71.8	0.7	71.1
2018	72.2	-	72.2
2019	71.8%	0.4%	71.4%

Annual claim ratios and the trends they display may not be particularly meaningful indicators of future outcomes for ORI's liability-oriented mix of business and its relatively long claim payment patterns. Absent significant economic and insurance industry dislocations in the foreseeable future, management's targets are for annually reported claim ratio averages in the high 60% to low 70% range, and assuming the current mix of coverages, overall expense ratio averages between 23% and 25%, with resulting composite underwriting ratio averages between 90% to 95%.

Each year's expense ratio typically reflects ongoing product mix dynamics, plus the variability of sales and general expenses among various coverages. The combination of reported claim and expense ratios is shown in the next table.

Underwriting ratios:

	2019	2018	2017	2016	2015	2014
Claim ratio	71.8%	72.2%	71.8%	73.0%	74.1%	77.9%
Expense ratio	25.7	25.0	25.5	24.8	23.5	22.9
Composite underwriting ratio	97.5%	97.2%	97.3%	97.8%	97.6%	100.8%

We're comfortable with and optimistic about the continued progress of our General Insurance segment. Our long-term strategy aims to increase the top line at a much faster clip than the nominal GDP over five- to 10-year cycles. We should be able to do this through the organic growth of our business, selective acquisitions, and new products or delivery methods.

2019 Title Insurance premiums and fees saw growth of 6.6%. That reflected a continued low interest rate environment in a favorable real estate market, coupled with a stable market share position. Claim costs trended higher, as favorable development of prior years' claim reserve estimates edged down. Operating expenses remained generally aligned with revenues.

The following tables show 1) the composite title insurance underwriting ratios for the past several years, and 2) the effect of prior years' claim reserve developments on individual calendar years' reported claim ratios:

Underwriting ratios:

	2019	2018	2017	2016	2015	2014
Claim ratio	2.7%	2.1%	0.9%	3.8%	4.9%	5.2%
Expense ratio	89.5	90.0	90.0	87.9	88.3	90.4
Composite underwriting ratio	92.2%	92.1%	90.9%	91.7%	93.2%	95.6%

Effect on reported claim ratios of prior years' reserve developments on calendar year reported claim ratios:

Calendar Years	Reported Claim Ratio	Effect of Prior Periods' (Favorable)/ Unfavorable Claim Reserves Development	Claim Ratio Excluding Prior Periods' Claim Reserves Development
2014	5.2%	(0.8)%	6.0%
2015	4.9	(0.6)	5.5
2016	3.8	(1.1)	4.9
2017	0.9	(3.3)	4.2
2018	2.1	(2.0)	4.1
2019	2.7%	(1.3)%	4.0%

The title insurance business model is based on mitigating and preventing losses rather than assuming significant underwriting risks. The latter is controlled at the front end of a transaction. This happens through extensive searches of historical real estate transfers, and the efforts of professionals trained in real estate law. Expenses incurred to achieve these objectives are booked when a title insurance policy and related services are first provided. As a result, upfront costs are much higher in title compared with other types of insurance but, for those reasons, claim costs are lower.

The Title Segment provides a very good fit with our General Insurance Segment. Both share these critical enterprise risk management factors: a cyclical industry, tax planning considerations, and capital allocation processes. Most importantly, Title is firmly tied to ORI's culture. Our commitment is to do things right in any market environment. At the same time, we're always looking for new ways to gain market share from organic growth and expand our North American footprint.

The RFIG Run-Off Segment is now largely represented by mortgage guaranty coverages. In 2019, it once again showed profitable underwriting performance. We still expect its profitability to decline as premium revenues drop in tandem with the anticipated reduction of insurance risk in-force. At the end of 2019, the business had total capital of about $483 million. Much of this was redundant, given the scope of its declining risk exposures. Beginning in 2020 we will, with necessary regulatory approval, gradually reduce that capital balance. Those funds will be directed to alternative capital utilization within ORI's holding company system.

Additionally, we continue to have several economically sound options for running off this business. One is the possibility of selling the RMIC enterprise to a qualified buyer. The attraction is the benefit from a very fine operating infrastructure capable of supporting a re-activation of the business. Another option is simply running off the book of business through extinction, and/or reinsuring any remaining in-force block to effect a final de-capitalization of RMIC. These possibilities will be enabled by a loyal, capable cadre of intellectual capital providers, who have seen us through both the perilous and better times that affected the business.

Consolidated investment income grew 4.4% compared with 5.5% in 2018. At year-end 2019, approximately 72% of the fair-valued investment portfolio of $14.3 billion was allocated to fixed-maturity and short-term investments. The remaining 28% was in equities. On a cost basis—which doesn't account for unrealized gains or losses—the allocation was 76% and 24%, respectively.

Our total investment portfolio stems from three sources:

- Funds obtained from our debt holders, which are directed to our insurance subsidiaries' capital and reinvested in bonds and stocks
- Shareholders' paid-in capital and retained earnings balances, which are largely committed to our insurance subsidiaries to support their underwriting exposures and growth prospects
- Cumulative cash flows produced by our insurance subsidiaries' underwriting/services operations that, after meeting current operating liquidity needs, are similarly invested

That said, we estimate approximately 44% of the total bond, stock, and cash equivalent investments came from the combination of tangible shareholders' equity and outstanding debt. The remaining 56% was attributable to underwriting/services operations. This simplified mathematical analysis leads to an allocation of annual investment income to each of the three sources. It also provides a practical understanding of the nature of our basic operating income. On this basis, the next table shows that, on average, approximately 76% of consolidated pretax operating earnings was generated by our underwriting/services functions. The other 24% came from the investment of debt and tangible shareholders' capital:

	($ in millions)					
	2019	2018	2017	2016	2015	2014
Attributed sources of consolidated pretax operating income:						
Underwriting/services income	$275.6	$284.0	$167.3	$276.3	$193.7	$17.2
Attributed net investment income to underwriting/services	252.4	220.2	229.3	216.7	229.3	203.8
Total	528.0	504.2	396.6	493.0	423.0	221.0
Attributed net investment income to shareholders' equity and outstanding debt	198.3	211.6	180.1	170.3	159.3	141.7
Less: Other expenses (largely interest on debt)	(40.0)	(42.2)	(63.0)	(50.2)	(41.9)	(25.6)
Total	158.2	169.4	117.1	120.1	117.4	116.1
Consolidated pretax operating income	$686.2	$673.7	$513.8	$613.1	$540.4	$337.1

The next table shows 1) the relationship between income from interest and dividends, 2) the contribution each made as a percent of net investment income, and 3) the latter's proportion to each of underwriting/services and consolidated pretax operating income:

	($ in millions)					
	2019	2018	2017	2016	2015	2014
Net investment income from:						
Interest	$310.5	$309.0	$298.6	$298.7	$297.3	$296.8
Dividends	141.3	124.0	110.9	88.2	91.0	49.3
Other (mostly net investment expense)	(1.1)	(1.2)	(0.1)	0.1	0.3	(0.7)
Net investment income	$450.7	$431.8	$409.4	$387.0	$388.6	$345.5
Year-over-year % change	4.4%	5.5%	5.8%	(0.4)%	12.5%	8.4%
Percentage of net investment income from:						
Interest	68.9%	71.4%	72.9%	77.2%	76.5%	85.9%
Dividends	31.4%	28.7%	27.1%	22.8%	23.4%	14.3%
Net investment income as a percentage of:						
Underwriting/services income	163.5%	152.0%	244.7%	140.1%	200.6%	*
Consolidated pretax operating income	65.7%	64.1%	79.7%	63.1%	71.9%	102.5%

**Not meaningful as 2014 underwriting/services income was negligible.*

The size of our fixed-maturity security portfolio has not changed significantly over the past seven years. It's been relatively fixed as a basic anchor for our insurance subsidiaries' obligations to policyholders and their beneficiaries. The maturities are stratified and conservatively matched to the expected timing of paying those obligations in the future.

Since 2013, most of our investable funds have been directed toward purchasing high-quality common shares of U.S. companies (limited to fewer than 100 issues at year-end 2019). We favor those with long-term records of reasonable earnings growth and steadily increasing dividends. This has been the major reason why dividends from equity securities have been the source of investment income growth in recent years.

Realized gains from actual transactions always provide a welcome addition to overall results. However, our investment management process has been, and remains focused on, assembling a quality portfolio that produces reliably consistent and growing streams of current income. In addition, we perform regular stress tests of the equities portfolio. The purpose is to gain reasonable assurance that periodic downdrafts in market prices—as typically occur in economic depressions or recessions—would not seriously undermine our financial strength and the long-term continuity and prospects of our insurance underwriting business. Since 2013, realized gains in the investment portfolio have averaged about $123.8 million per year, and represented 23.5% of their combination with net investment income. During the same period, net unrealized investment gains from all sources have averaged approximately $99.1 million per year.

We keep enterprise-wide risk management objectives in mind when structuring the overall securities portfolio. Our principal aim is twofold. First, to ensure solid funding of our insurance subsidiaries' long-term obligations to assureds and other beneficiaries. Second, to ensure both the growth and long-term stability of our subsidiaries' capital accounts. For these reasons, the portfolio contains no significant exposures to collateralized debt obligations (CDOs), derivatives, hybrid, hedge-fund, private-equity securities with limited liquidity, or other securities whose values are largely based on non-regulated financial instruments.

We consider our all-weather investment portfolio to be of high quality and marketability. It is structured to be responsible in meeting the liquidity needs of the business as insurance underwriting and other obligations come due.

Evaluating 2019's Performance in View of Our Long-Term Business Strategy

Our long-term strategy is designed to create value for all our stakeholders in a thoughtful, balanced manner. At year-end 2012, with the RFIG segment firmly established in run-off mode, we redirected our strategic course. We anchored ORI's future to two other segments: General and Title insurance. In so doing, we retained our long-term focus on meeting the insurance and related needs of the key sectors we serve in the North American economy:

1. Commercial transportation by truck and air
2. Housing and related financial fields, as well as commercial and public construction and all types of habitats
3. Manufacturing by medium-sized and giant businesses
4. Energy production and delivery
5. Telecommunications and other technological means of communications and information analysis and delivery
6. Public and private health care in its many facets
7. Higher education

This means we touch over 50% of North America's economic activity. The insurance underwriting and related services we offer in all these sectors are necessary and often mandated. Our customers provide products and services that are relevant to the economy and society. We assist them with our broad and deep competencies as insurance risk takers and managers. In return, they enable the continued organic growth that's the linchpin of our long-term business strategy.

One important way we achieve this strategy is through the conservative, long-term management of Old Republic's balance sheet. That's because maintaining a strong financial position allows us to offer these benefits of sustainable value-creation to the Company's stakeholder groups:

- Supports our operating subsidiaries' ongoing risk taking and resulting obligations to policyholders and buyers of related services
- Enables our insurance subsidiaries to address and remain resilient in the face of recurring market challenges to pricing integrity and underwriting standards, and to say "no" to existing or new business with poor prospects of sustainable profitability
- Allows us to minimize debt leverage to better ensure control of our destiny
- Enables us to retain enough liquidity to address unforeseen contingencies
- Provides for the reliably consistent distribution of a portion of our earnings through regular and possibly growing cash dividends to all shareholders

These factors illustrated our continued ability to meet those strategic objectives:

- The balance sheet is solid
- We have a strong, high-quality, permanent capital base
- Our people have significant intellectual capital and are dedicated to our mission
- We have strong business retention rates from a loyal and growing customer base

Over the decades, our management approach has emphasized two ideas for our people. First, to encourage them to remain alert to the dynamics of a highly competitive insurance marketplace. Second, to keep their gaze fixed on the insurance underwriting lessons of the past, allowing them to appreciate current realities and what these portend. As can be seen on the final two pages, the results of this focus speak for themselves by benefiting our many stakeholders in the long run.

Respectfully submitted on behalf of the Board of Directors,

Craig R. Smiddy
President and Chief Executive Officer
Chicago, Illinois
March 2, 2020

Aldo C. Zucaro *
Chairman of the Board
Chicago, Illinois
March 2, 2020

** Mr. Zucaro is co-signing this year's letter since he served as Chief Executive Officer for the first nine months of 2019.*

Old Republic's clear **Purpose** is included in our mission statement:

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, shareholders, and other important stakeholders place in us.

Our ***Lodestar*** embodies the Company's mission by binding organization, purpose, and long-term strategy into a coordinated whole.

Old Republic International Corporation

By the Numbers: Blending Purpose, Governance and Strategy to Create Long-Term Financial Value

The next chart shows how we've succeeded in combining purpose, governance, and strategy to benefit all stakeholders. The information is shown for the 52 years ending in 2019. We chose 1968 as the starting year because it gave rise to the Company's ultimate transformation from Old Republic Life Insurance Company to the Old Republic International Corporation insurance holding company in 1969.

We measure ORI's total book and market returns against three benchmarks: 1) the year-over-year and compounded annual changes in the nominal gross domestic product (GDP), 2) the annual and compounded returns of the S&P 500 Index, and 3) the annual and compounded returns of the S&P Insurance Index. A retrospective review and analysis of the data yields two significant observations about the 10-year comparisons:

- Old Republic's stock performance fell short in 1980–1989. We believe this was due to accelerated diversification, as we acquired companies in exchange for our common stock and formed new joint underwriting ventures. Together, these transactions caused temporary dilutions of book value and earnings per share. However, most of these additions ultimately became solid contributors to our consolidated performance.
- Our performance fell a bit short in 2010–2019 because of the adverse impact of the Great Recession on Old Republic's investment in the financial indemnity segment. This business has been in run-off operating mode since 2012.

As the following table shows, Old Republic's annual and compounded *total book value return* exceeded those of the three benchmarks in eight of 13 comparisons (61%). In addition, our annual and compounded *total market return* outperformed the three benchmarks in 10 of 13 comparisons (77%). Collectively, Old Republic did better than the benchmarks 69% of the time.

	Old Republic		Selected benchmarks		
Period	Total book return	Total market return	GDP Index	S&P 500 total market return	S&P Insurance total market return
Ten years:					
1970–1979	17.6%	16.2%	9.9%	5.9%	
1980–1989	15.9	12.6	7.9	17.6	
1990–1999	12.7	13.1	5.5	18.2	15.3%*
2000–2009	9.5	7.4	4.1	-1.0	-3.7
2010–2019	7.7%	14.8%	4.0%	13.6%	12.4%
2019 only	26.4%	17.8%	4.0%	31.5%	29.4%
52 years 1968–2019	12.8%	12.4%	6.4%	10.2%	7.7%**

* This index was not available before 1990 / **30 years only

OLD REPUBLIC INTERNATIONAL CORPORATION
Total Returns Compared to Nominal GDP and Selected S&P Indices' Returns

	Old Republic International Corporation (1)					Nominal Gross Domestic Product (GDP) (2)	S&P 500 Index (3)	S&P Insurance Index (3)
Year	Year End Book Value	Year End Market Price	Annual Cash Dividend Declared	Total Book Value Annual & Compounded Return	Total Market Annual & Compounded Return	Total Annual & Compounded Return	Total Annual & Compounded Return	Total Annual & Compounded Return
1968	$0.280	$0.472	$0.007	18.2%	41.8%	9.4%	11.0%	
1969	0.312	0.336	0.010	15.1%	-26.6%	8.2%	-8.4%	
1970	0.360	0.528	0.012	19.2%	60.7%	5.5%	3.9%	
1971	0.472	0.840	0.014	34.9%	61.7%	8.5%	14.3%	
1972	0.480	1.240	0.016	5.1%	49.5%	9.8%	19.0%	
1973	0.472	0.456	0.018	2.2%	-61.7%	11.4%	-14.7%	
1974	0.376	0.408	0.020	-16.1%	-6.1%	8.4%	-26.5%	
1975	0.288	0.440	0.020	-18.1%	12.7%	9.0%	37.2%	
1976	0.560	0.624	0.011	98.3%	44.4%	11.2%	23.9%	
1977	0.792	0.792	0.022	45.3%	30.4%	11.1%	-7.2%	
1978	0.976	0.976	0.033	27.4%	27.4%	13.0%	6.6%	
1979	1.080	1.112	0.052	16.0%	19.3%	11.7%	18.6%	
10 Year Compound Annual Growth Rate				**17.6%**	**16.2%**	**9.9%**	**5.9%**	
1980	1.224	0.888	0.054	18.3%	-15.3%	8.8%	32.5%	
1981	1.392	1.144	0.054	18.1%	34.9%	12.2%	-4.9%	
1982	1.648	1.456	0.056	22.4%	32.2%	4.3%	21.5%	
1983	1.888	2.353	0.058	18.1%	65.6%	8.7%	22.6%	
1984	2.208	2.039	0.059	20.1%	-11.0%	11.1%	6.3%	
1985	2.304	3.014	0.062	7.1%	51.3%	7.5%	31.7%	
1986	2.528	2.316	0.065	12.5%	-21.5%	5.5%	18.7%	
1987	2.952	1.861	0.068	19.5%	-17.2%	6.0%	5.3%	
1988	3.152	2.345	0.071	9.2%	30.0%	7.9%	16.6%	
1989	3.544	2.604	0.076	14.8%	14.2%	7.7%	31.7%	
10 Year Compound Annual Growth Rate				**15.9%**	**12.6%**	**7.9%**	**17.6%**	
1990	3.920	2.465	0.081	12.9%	-2.3%	5.7%	-3.2%	-13.5%
1991	4.456	4.207	0.086	15.9%	75.0%	3.3%	30.4%	29.3%
1992	5.072	5.896	0.094	15.3%	42.7%	5.9%	7.6%	18.4%
1993	5.744	5.363	0.102	15.3%	-7.4%	5.2%	10.1%	5.2%
1994	6.112	5.037	0.111	8.3%	-4.0%	6.3%	1.3%	-0.3%
1995	7.248	8.415	0.121	20.6%	70.1%	4.8%	37.5%	41.0%
1996	7.768	9.511	0.148	9.2%	15.1%	5.7%	22.9%	23.5%
1997	8.312	13.222	0.178	9.3%	41.2%	6.2%	33.3%	46.4%
1998	9.216	12.000	0.206	13.4%	-7.8%	5.7%	28.5%	9.7%
1999	9.590	7.267	0.262	6.9%	-37.5%	6.3%	21.0%	7.4%
10 Year Compound Annual Growth Rate				**12.7%**	**13.1%**	**5.5%**	**18.2%**	**15.3%**
2000	11.000	17.066	0.294	17.8%	142.1%	6.5%	-9.1%	34.9%
2001	12.480	14.938	0.314	16.3%	-10.6%	3.2%	-11.9%	-12.4%
2002	13.960	14.934	0.336	14.6%	2.0%	3.4%	-22.1%	-20.7%
2003	15.650	20.288	0.890 *	18.5%	42.4%	4.8%	28.7%	21.0%
2004	16.940	20.240	0.403	10.8%	1.9%	6.6%	10.9%	7.2%
2005	17.530	21.008	1.312 *	11.2%	10.5%	6.7%	4.9%	14.1%
2006	18.910	23.280	0.590	11.2%	13.9%	6.0%	15.8%	10.9%
2007	19.710	15.410	0.630	7.6%	-31.5%	4.6%	5.6%	-6.3%
2008	15.910	11.920	0.670	-15.9%	-18.0%	1.8%	-37.0%	-58.1%
2009	16.490	10.040	0.680	7.9%	-10.1%	-1.8%	26.4%	13.9%
10 Year Compound Growth Rate				**9.5%**	**7.4%**	**4.1%**	**-1.0%**	**-3.7%**
2010	16.160	13.630	0.690	2.2%	43.4%	3.8%	15.1%	15.8%
2011	14.760	8.920	0.700	-4.3%	-27.2%	3.7%	2.1%	-8.3%
2012	14.030	10.650	0.710	-0.1%	23.4%	4.2%	16.0%	19.1%
2013	14.640	17.270	0.720	9.5%	70.7%	3.6%	32.4%	46.7%
2014	15.150	14.630	0.730	8.5%	-11.2%	4.4%	13.7%	8.3%
2015	14.980	18.630	0.740	3.8%	33.4%	4.0%	1.4%	2.3%
2016	17.160	19.000	0.750	19.6%	6.2%	2.7%	12.0%	17.6%
2017	17.720	21.380	1.760 *	13.5%	16.9%	4.2%	21.8%	16.2%
2018	17.230	20.570	0.780	1.6%	4.8%	5.5%	-4.4%	-11.2%
2019	$19.980	$22.370	1.800 *	26.4%	17.8%	4.0%	31.5%	29.4%
10 Year Compound Annual Growth Rate				**7.7%**	**14.8%**	**4.0%**	**13.6%**	**12.4%**
52 Year Compound Annual Growth Rate				**12.8%**	**12.4%**	**6.4%**	**10.2%**	**7.7%**

Note: (*) Includes special year-end cash dividends of $1.000, $1.000, $0.800, and $0.534 per share at September 2019, December 31, 2017, 2005, and 2003, respectively.

Sources: (1) Old Republic Database
(2) Nominal Gross Domestic Product from Federal Reserve Bank St. Louis, with 2018 estimate.
(3) Standard & Poor's Indices from S&P Global Market Intelligence LLC. Data for years 1989 and prior is not available for the S&P Insurance Index. Accordingly, the rate for 1990–2019 is for 30 years only.