MARKEL GROUP

NEWS RELEASE

Markel Group reports 2026 second quarter and six-months results

2026-07-29

RICHMOND, Va., July 29, 2026 /PRNewswire/ -- Markel Group Inc. (NYSE: MKL) today reported its financial results for the second quarter of 2026. The Company also announced today it filed its Form 10-Q for the quarter ended June 30, 2026 with the Securities and Exchange Commission.

"In the first half of 2026, our insurance underwriting improved, our businesses generated strong cash flow, and we continued to allocate capital with discipline, including ongoing share repurchases funded from net earnings," said Tom Gayner, Chief Executive Officer. "Also, our diversified array of businesses generated nearly $1 billion of adjusted operating income. For the balance of 2026, the improvement of our insurance operations should continue."

Highlights of our 2026 second quarter and six-months results:

- Operating revenues were $4.0 billion in the quarter and $7.6 billion year to date, both of which are consistent with the comparable periods of 2025.
- Operating income, which includes market movements in our equity portfolio, was $1.6 billion in the quarter and $1.3 billion year to date.
- Adjusted operating income, which excludes market movements in our equity portfolio, was $436 million for the quarter compared to $578 million in the second quarter of 2025. Adjusted operating income was $934 million year to date compared to $1.1 billion in the first half of 2025.
- Share repurchases were $237 million in the quarter and $371 million year to date.
- For Markel Insurance, our cornerstone business:
    - Underwriting gross premium volume increased by 10% for both the quarter and year to date when excluding the impact of the sale of the renewal rights of our Global Reinsurance division in 2025 and the

transition of our Hagerty business to a fronting arrangement in 2026.

- Adjusted operating income increased 40% for the quarter to $376 million, due to improved underwriting profitability and higher net investment income, reflecting the continued progress on our reorganization and refocused strategy, which began last year.
- The combined ratio for the quarter was 93%, which includes two points of losses related to the Middle East conflict and a two point unfavorable impact from our exited Global Reinsurance division.

The following table presents summary consolidated financial data.

(dollars in thousands)	Quarter Ended June 30, 2026	Quarter Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Operating revenues	$ 4,018,437	$ 4,022,543	$ 7,569,042	$ 7,570,719
Operating income	$ 1,560,345	$ 1,107,340	$ 1,287,016	$ 1,389,864
Add: Amortization of acquired intangible assets	43,301	51,213	86,814	98,155
Less: Net investment gains	1,167,525	580,223	439,963	431,152
Adjusted operating income[1]	$ 436,121	$ 578,330	$ 933,867	$ 1,056,867
Comprehensive income to shareholders	$ 1,101,325	$ 867,511	$ 760,895	$ 1,215,181

[1] See "Non-GAAP Financial Measures" for additional information on this non-GAAP measure.

Markel Insurance Segment

(dollars in thousands)	Quarter Ended June 30, 2026	Quarter Ended June 30, 2025	Quarter % Change	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025	Six Months % Change
Gross premium volume:						
Underwriting	$ 2,387,090	$ 2,808,823	(15) %	$ 4,602,663	$ 5,602,229	(18) %
Adjusted underwriting[1]	$ 2,402,318	$ 2,183,041	10 %	$ 4,595,311	$ 4,179,593	10 %
Fronting	$ 1,282,026	$ 1,293,649	(1) %	$ 1,869,448	$ 1,671,794	12 %
Operating revenues:						
Earned premiums	$ 1,992,361	$ 2,063,622	(3) %	$ 3,961,700	$ 4,080,161	(3) %
Net investment income	231,223	207,728	11 %	460,842	415,245	11 %
Services and other revenues	10,330	8,283	25 %	13,057	10,903	20 %
Operating revenues	$ 2,233,914	$ 2,279,633	(2) %	$ 4,435,599	$ 4,506,309	(2) %
Adjusted operating income:						
Underwriting profit	$ 142,119	$ 63,200	125 %	$ 284,368	$ 143,362	98 %
Net investment income	231,223	207,728	11 %	460,842	415,245	11 %
Services and other income	3,148	(1,173)	NM[2]	770	(6,737)	NM[2]
Adjusted operating income	$ 376,490	$ 269,755	40 %	$ 745,980	$ 551,870	35 %
Combined ratio	93 %	97 %		93 %	96 %	

[1] See "Non-GAAP Financial Measures" for additional information on this non-GAAP measure.
[2] NM - Not meaningful.

Industrial Segment

(dollars in thousands)	Quarter Ended June 30, 2026	2025	% Change	Six Months Ended June 30, 2026	2025	% Change
Operating revenues	$ 1,038,068	$ 1,015,715	2 %	$ 1,921,126	$ 1,845,289	4 %
Adjusted operating income	$ 75,434	$ 103,513	(27) %	$ 124,720	$ 162,277	(23) %

Financial Segment

(dollars in thousands)	Quarter Ended June 30, 2026	2025	% Change	Six Months Ended June 30, 2026	2025	% Change
Operating revenues	$ 171,348	$ 172,852	(1) %	$ 332,878	$ 351,333	(5) %
Adjusted operating income (loss)	$ (148,940)	$ 78,422	NM[1]	$ (112,735)	$ 158,033	NM[1]

[1] NM - Not meaningful.

Consumer and Other Segment

(dollars in thousands)	Quarter Ended June 30, 2026	2025	% Change	Six Months Ended June 30, 2026	2025	% Change
Operating revenues	$ 551,974	$ 529,226	4 %	$ 832,471	$ 817,012	2 %
Adjusted operating income	$ 122,146	$ 101,523	20 %	$ 161,901	$ 133,911	21 %

* * * * * * * *

A copy of our Form 10-Q is available on our website at **mklgroup.com**, under Investor Relations-Financials, or on the SEC website at **www.sec.gov**. Readers are urged to review the Form 10-Q for a more complete discussion of our financial performance. Our quarterly conference call, which will involve discussion of our financial results and business developments and may include forward-looking information, will be held Thursday, July 30, 2026, beginning at 9:30 a.m. (Eastern Time). Investors, analysts, and the general public may listen to the call via live webcast at **ir.mklgroup.com**. The call may be accessed telephonically by dialing +1 (833) 461-5787 in the U.S., or +44 808 196 8935 internationally, and providing Meeting ID: 332 635 047. A replay of the call will be available on our website approximately one hour after the conclusion of the call. Any person needing additional information can contact Markel Group's Investor Relations Department at **IR@markel.com**.

Supplemental Financial Information

Markel Group manages the business and assesses performance using a variety of performance metrics, each reflecting a different time horizon and serving a different purpose, rather than relying upon a single metric.

Short-term Performance Metrics

In analyzing our current period performance, we believe adjusted operating income is the best metric to assess the performance of our operating businesses. Adjusted operating income excludes the market value movement in our equity portfolio and amortization of acquired intangible assets.

The following table summarizes adjusted operating income by segment.

(dollars in thousands)	Quarter Ended June 30, 2026	Quarter Ended June 30, 2025	% Change	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025	% Change
Markel Insurance	$ 376,490	$ 269,755	40 %	$ 745,980	$ 551,870	35 %
Industrial	75,434	103,513	(27) %	124,720	162,277	(23) %
Financial	(148,940)	78,422	NM[1]	(112,735)	158,033	NM[1]
Consumer and Other	122,146	101,523	20 %	161,901	133,911	21 %
Corporate and eliminations	10,991	25,117	(56) %	14,001	50,776	(72) %
Adjusted operating income[2]	$ 436,121	$ 578,330	(25) %	$ 933,867	$ 1,056,867	(12) %

(1) NM - Not meaningful.
(2) See "Non-GAAP Financial Measures" for additional information on this non-GAAP measure.

Long-term Performance Metrics

We believe our financial performance is most meaningfully measured over longer periods of time, which helps mitigate the effects of short-term volatility and better aligns with the long-term perspective we apply to operating our businesses, making capital allocation decisions, and determining executive compensation.

The following tables present a long-term view of our performance over multiple time periods. These metrics drive the growth in intrinsic value per share.

(dollars in thousands)	Twelve Months Ended June 30, 2026	2025	2024	2023	2022
Operating revenues	$ 15,511,556	$ 14,988,029	$ 14,746,975	$ 13,888,418	$ 11,980,034
Operating income	$ 3,092,004	$ 3,356,660	$ 2,950,634	$ 2,847,678	$ 201,819
Add: Amortization of acquired intangible assets	173,666	191,105	180,314	176,028	172,829
Add: Impairment of goodwill	—	—	—	80,000	—

Less: Net investment gains (losses)	1,084,892	1,466,107	1,439,228	1,174,399	(1,136,132)
Adjusted operating income[1]	$ 2,180,778	$ 2,081,658	$ 1,691,720	$ 1,929,307	$ 1,510,780

(1) See "Non-GAAP Financial Measures" for additional information on this non-GAAP measure.

	Five-Year Period From		Five-Year
(dollars in thousands, except per share data)	Q3 2021 - Q2 2026	Q3 2016 - Q2 2021	Compound Annual Growth Rate
Average operating income[1]	$ 2,489,759	$ 1,239,056	15 %
Average operating income per share[2]	$ 188.94	$ 88.99	16 %
Average adjusted operating income[1] [3]	$ 1,878,849	$ 805,208	18 %
Average shareholders' equity[4]	$ 15,585,105	$ 10,275,658	9 %
Average debt[4]	$ 4,204,538	$ 3,195,020	6 %

(in thousands)	June 30, 2026	June 30, 2021	% Change
Shares outstanding	12,409	13,734	(10) %

(1) Represents the average of the five trailing-twelve-month periods.
(2) Represents average operating income divided by the average of the quarterly weighted average diluted shares outstanding.
(3) See "Non-GAAP Financial Measures" for additional information on this non-GAAP measure.
(4) Represents the average of quarter-end balances in the trailing five-year period.

Non-GAAP Financial Measures

Markel Group utilizes certain non-GAAP measures that we believe enhance the understanding of our performance. These measures should not be viewed as a substitute for measures determined in accordance with U.S. GAAP.

Consolidated Adjusted Operating Income

Consolidated adjusted operating income, which excludes net investment gains and losses, amortization of acquired intangible assets, and impairment of goodwill, is a non-GAAP financial measure. We believe adjusted operating income is generally an accurate representation of the operating performance of our businesses in our periodic results. Net investment gains and losses are predominantly derived from our investments in publicly traded equity securities and typically include significant unrealized gains and losses from market value movements. We believe that net investment gains and losses, whether realized from sales or unrealized from market value movements, are distortive in understanding the short-term operating performance of our businesses. We do not view amortization of intangible assets and impairment of goodwill, which arise from purchase accounting for acquisitions, as ongoing costs of operating our businesses, and therefore exclude those amounts from our adjusted operating income metric.

The following table reconciles average operating income to average adjusted operating income for the last two trailing-five-year periods.

(dollars in thousands)	Five-Year Period From Q3 2021 - Q2 2026	Five-Year Period From Q3 2016 - Q2 2021
Average operating income	$ 2,489,759	$ 1,239,056
Add: Average amortization of acquired intangible assets	178,788	123,598
Add: Average impairment of goodwill and acquired intangible assets	16,000	43,584
Less: Average net investment gains	805,699	601,031
Average adjusted operating income	$ 1,878,848	$ 805,208

Adjusted Underwriting Gross Premium Volume

Adjusted underwriting gross premium volume is a non-GAAP measure that excludes underwriting gross premium volume from the Global Reinsurance division and our business with Hagerty for both periods. In August 2025, Markel Insurance sold the renewal rights for contracts written through its Global Reinsurance division, and the division entered into run-off, which resulted in a significant decline in underwriting gross premium volume. Beginning on January 1, 2026, Markel Insurance's business written on behalf of Hagerty transitioned from being an underwriting product to a fronting arrangement, which resulted in a change in the presentation of the related gross premium volume and therefore, a significant decline in underwriting gross premium volume. We believe adjusted underwriting gross premium volume is a meaningful measure when comparing underwriting gross premium volume from period-to-period as it adjusts for the impact of these significant contractual restructuring changes within the Markel Insurance segment.

The following table reconciles underwriting gross premium volume to adjusted underwriting gross premium volume.

(dollars in thousands)	Quarter Ended June 30, 2026	Quarter Ended June 30, 2025	Quarter Ended June 30, % Change	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025	Six Months Ended June 30, % Change
Underwriting gross premium volume	$ 2,387,090	$ 2,808,823	(15) %	$ 4,602,663	$ 5,602,229	(18) %
Less: Global Reinsurance division underwriting gross premium volume	(15,228)	321,676		7,352	898,603	
Less: Hagerty underwriting gross premium volume	—	304,106		—	524,033	
Adjusted underwriting gross premium volume	$ 2,402,318	$ 2,183,041	10 %	$ 4,595,311	$ 4,179,593	10 %

About Markel Group

Markel Group Inc. is a diverse family of companies that includes everything from insurance to bakery equipment, building supplies, houseplants, and more. The leadership teams of these businesses operate with a high degree of independence, while at the same time living the values that we call the Markel Style. Our specialty insurance business sits at the core of our company. Through decades of sound underwriting, the Markel Insurance team has provided the capital base from which we built a system of businesses and investments that collectively increase Markel Group's durability and adaptability. It's a system that provides diverse income streams, access to a wide range of investment opportunities, and the ability to efficiently move capital to the best ideas across the company. Most importantly though, this system enables each of our businesses to advance our shared goal of helping our customers, associates, and shareholders win over the long term. Visit **mklgroup.com** to learn more.

Cautionary Statement

Certain of the statements in this release may be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, as amended. Statements that are not historical facts, including statements about our beliefs, plans or expectations, are forward-looking statements. These statements are based on our current plans, estimates, and expectations. There are risks and uncertainties that could cause actual results to differ materially from those expressed in or suggested by such statements. Factors that may cause actual results to differ are often presented with the forward-looking statements themselves. Additional factors that could cause actual results to differ from those predicted are set forth in our Annual Report on Form 10-K for the year ended December 31, 2025, including under "Business Overview," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Safe Harbor and Cautionary Statement," and "Quantitative and Qualitative Disclosures About Market Risk," and in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, including under "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Safe Harbor and Cautionary Statement," "Quantitative and Qualitative Disclosures About Market Risk," and "Risk Factors." We assume no obligation to update this release (including any forward-looking statements) as a result of new information, developments, or otherwise. This release speaks only as of the date issued.

View original content to download multimedia:**https://www.prnewswire.com/news-releases/markel-group-reports-2026-second-quarter-and-six-months-results-302838279.html**

SOURCE Markel Group