

Markel Group reports 2026 third quarter and nine-months results

2026-10-28

RICHMOND, Va., Oct. 28, 2026 /PRNewswire/ -- Markel Group Inc. (NYSE: MKL) today reported its financial results for the third quarter of 2026. The Company also announced today it filed its Form 10-Q for the quarter ended September 30, 2026 with the Securities and Exchange Commission.

"We build Markel to relentlessly compound value over the long-term, by serving our customers and policyholders, owning businesses with staying power, underwriting with discipline, and reinvesting patiently through cycles," said Tom Gayner, Chairman and Chief Executive Officer. "Our third quarter results demonstrate we continue to do exactly that. Markel Insurance increased profitability, our Industrial, Financial, and Consumer and Other businesses delivered strong returns, and we continued to deploy capital where we believe it creates the most long-term value."

Highlights of our 2026 third quarter and nine-months results:

- Operating revenues increased 6% for the quarter and 2% year to date.
- Operating income, which includes market movements in our equity portfolio, was \$383 million in the quarter and \$1.7 billion year to date.
- Adjusted operating income, which excludes market movements in our equity portfolio, increased 14% to \$707 million for the quarter compared to \$621 million in the third quarter of 2025. Adjusted operating income was \$1.6 billion year to date, down 2% compared to \$1.7 billion in the first nine months of 2025.
- Share repurchases were \$315 million in the quarter and \$685 million year to date.
- For Markel Insurance:
 - Adjusted underwriting gross premium volume increased by 9% for the quarter and 10% year to date, which excludes the impact of our exited Global Reinsurance division in 2025 and the transition of our Hagerty business to a fronting arrangement in 2026.

- Adjusted operating income increased 19% year to date to \$1.2 billion, due to improved underwriting profitability and higher net investment income.
- The combined ratio for the quarter was 92%, which includes a three point unfavorable impact from our exited Global Reinsurance division.
- The Industrial segment delivered 13% revenue growth, including 10% organic growth, and a 29% increase in adjusted operating income for the quarter. Adjusted operating income in our Financial segment increased 30%.

The following table presents summary consolidated financial data.

(dollars in thousands)	Quarter Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Operating revenues	\$ 4,158,203	\$ 3,934,549	\$ 11,727,245	\$ 11,505,268
Operating income	\$ 383,232	\$ 1,009,842	\$ 1,670,248	\$ 2,399,706
Add: Amortization of acquired intangible assets	43,256	44,061	130,070	142,216
Less: Net investment gains (losses)	(280,909)	432,886	159,054	864,038
Adjusted operating income ⁽¹⁾	\$ 707,397	\$ 621,017	\$ 1,641,264	\$ 1,677,884
Comprehensive income (loss) to shareholders	\$ (156,334)	\$ 793,126	\$ 604,561	\$ 2,008,307

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

Markel Insurance Segment

(dollars in thousands)	Quarter Ended September 30,			Nine Months Ended September 30,		
	2026	2025	% Change	2026	2025	% Change
Gross premium volume:						
Underwriting	\$ 2,486,250	\$ 2,720,406	(9) %	\$ 7,088,913	\$ 8,322,635	(15) %
Adjusted underwriting ⁽¹⁾	\$ 2,482,498	\$ 2,269,006	9 %	\$ 7,077,809	\$ 6,448,598	10 %
Fronting	\$ 419,040	\$ 166,705	151 %	\$ 2,288,488	\$ 1,838,499	24 %
Operating revenues:						
Earned premiums	\$ 2,190,244	\$ 2,127,648	3 %	\$ 6,151,944	\$ 6,207,809	(1) %
Net investment income	233,569	223,409	5 %	694,411	638,654	9 %
Services and other revenues	20,095	47,349	(58) %	33,152	58,252	(43) %
Operating revenues	\$ 2,443,908	\$ 2,398,406	2 %	\$ 6,879,507	\$ 6,904,715	0 %
Adjusted operating income:						
Underwriting profit	\$ 178,254	\$ 155,479	15 %	\$ 462,622	\$ 298,841	55 %
Net investment income	233,569	223,409	5 %	694,411	638,654	9 %
Services and other income	9,074	49,587	(82) %	9,844	42,850	(77) %
Adjusted operating income	\$ 420,897	\$ 428,475	(2) %	\$ 1,166,877	\$ 980,345	19 %
Combined ratio	92 %	93 %		92 %	95 %	

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

Industrial Segment

(dollars in thousands)	Quarter Ended September 30,			Nine Months Ended September 30,		
	2026	2025	% Change	2026	2025	% Change
Operating revenues	\$ 1,181,602	\$ 1,049,961	13 %	\$ 3,102,728	\$ 2,895,250	7 %
Adjusted operating income	\$ 131,142	\$ 101,302	29 %	\$ 255,862	\$ 263,579	(3) %

Financial Segment

(dollars in thousands)	Quarter Ended September 30,			Nine Months Ended September 30,		
	2026	2025	% Change	2026	2025	% Change
Operating revenues	\$ 182,032	\$ 161,501	13 %	\$ 514,910	\$ 512,834	0 %
Adjusted operating income (loss)	\$ 80,074	\$ 61,407	30 %	\$ (32,661)	\$ 219,440	NM ⁽¹⁾

⁽¹⁾ NM - Not meaningful.

Consumer and Other Segment

(dollars in thousands)	Quarter Ended September 30,			Nine Months Ended September 30,		
	2026	2025	% Change	2026	2025	% Change
Operating revenues	\$ 296,309	\$ 291,414	2 %	\$ 1,128,780	\$ 1,108,426	2 %
Adjusted operating income	\$ 31,221	\$ 17,372	80 %	\$ 193,122	\$ 151,283	28 %

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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, October 29, 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: 576 810 349. 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 September 30,			Nine Months Ended September 30,		
	2026	2025	% Change	2026	2025	% Change
Markel Insurance	\$ 420,897	\$ 428,475	(2) %	\$ 1,166,877	\$ 980,345	19 %
Industrial	131,142	101,302	29 %	255,862	263,579	(3) %
Financial	80,074	61,407	30 %	(32,661)	219,440	NM ⁽¹⁾
Consumer and Other	31,221	17,372	80 %	193,122	151,283	28 %
Corporate and eliminations	44,063	12,461	254 %	58,064	63,237	(8) %
Adjusted operating income ⁽²⁾	\$ 707,397	\$ 621,017	14 %	\$ 1,641,264	\$ 1,677,884	(2) %

⁽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 September 30,				
	2026	2025	2024	2023	2022

Operating revenues	\$ 15,735,210	\$ 15,228,844	\$ 14,799,606	\$ 14,181,893	\$ 12,614,475
Operating income	\$ 2,465,394	\$ 2,995,176	\$ 4,249,150	\$ 2,853,560	\$ 27,059
Add: Amortization of acquired intangible assets	172,861	188,707	179,228	180,155	176,979
Add: Impairment of goodwill	—	—	—	80,000	—
Less: Net investment gains (losses)	371,097	981,463	2,622,675	1,189,965	(1,391,782)
Adjusted operating income ⁽¹⁾	<u>\$ 2,267,158</u>	<u>\$ 2,202,420</u>	<u>\$ 1,805,703</u>	<u>\$ 1,923,750</u>	<u>\$ 1,595,820</u>

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

(dollars in thousands, except per share data)	Five-Year Period From		Five-Year Compound Annual Growth Rate
	Q4 2021 - Q3 2026	Q4 2016 - Q3 2021	
Average operating income ⁽¹⁾	\$ 2,518,068	\$ 1,256,867	15 %
Average operating income per share ⁽²⁾	\$ 192.06	\$ 90.37	16 %
Average adjusted operating income ^{(1) (3)}	\$ 1,958,970	\$ 838,120	19 %
Average shareholders' equity ⁽⁴⁾	\$ 15,809,632	\$ 10,550,132	8 %
Average debt ⁽⁴⁾	\$ 4,209,113	\$ 3,278,967	5 %
(in thousands)	September 30, 2026	September 30, 2021	% Change
Shares outstanding	12,250	13,685	(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	
	Q4 2021 - Q3 2026	Q4 2016 - Q3 2021
Average operating income	\$ 2,518,068	\$ 1,256,867
Add: Average amortization of acquired intangible assets	179,586	128,050
Add: Average impairment of goodwill and acquired intangible assets	16,000	43,583
Less: Average net investment gains	754,684	590,381
Average adjusted operating income	\$ 1,958,970	\$ 838,120

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 September 30,			Nine Months Ended September 30,		
	2026	2025	% Change	2026	2025	% Change
Underwriting gross premium volume	\$ 2,486,250	\$ 2,720,406	(9) %	\$ 7,088,913	\$ 8,322,635	(15) %
Less: Global Reinsurance division underwriting gross premium volume	3,752	166,770		11,104	1,065,374	
Less: Hagerty underwriting gross premium volume	—	284,630		—	808,663	
Adjusted underwriting gross premium volume	\$ 2,482,498	\$ 2,269,006	9 %	\$ 7,077,809	\$ 6,448,598	10 %

Organic Revenue Growth

Organic revenue growth is a non-GAAP measure. We believe organic revenue growth is a meaningful measure as it provides growth in comparable revenues from period-to-period by adjusting for the impact of acquisitions and dispositions. For acquisitions and dispositions, the calculation of organic revenue growth excludes the revenue of the business from the two periods being compared unless our consolidated results include a full period of revenue from the business for both periods. The following table reconciles revenue growth to organic revenue growth for our Industrial segment.

	Quarter Ended September 30, 2026
Revenue growth	12.5 %
Impact of inorganic activity	(2.1) %
Organic revenue growth	10.4 %

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 September 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.

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