

## Markel Reports 2021 First Quarter Results

4/28/2021

RICHMOND, Va., April 28, 2021 /PRNewswire/ -- Markel Corporation (NYSE:MKL) today reported its financial results for the first quarter of 2021. The Company also announced today it has filed its Form 10-Q for the quarter ended March 31, 2021 with the Securities and Exchange Commission.

The following tables present summary financial data for the quarters ended March 31, 2021 and 2020.

	Three Months Ended March 31,	
	2021	2020
<u>(dollars in thousands, except per share amounts)</u>		
Earned premiums	\$ 1,497,695	\$ 1,330,709
Markel Ventures operating revenues	\$ 706,602	\$ 511,221
Net investment gains (losses)	\$ 526,871	\$ (1,681,441)
Comprehensive income (loss) to shareholders	\$ 358,997	\$ (1,352,809)
Diluted net income (loss) per common share	\$ 42.02	\$ (100.60)
Combined Ratio	94 %	118 %
<u>(in thousands, except per share amounts)</u>		
	March 31, 2021	December 31, 2020
Book value per common share outstanding	\$ 913.33	\$ 885.72
Common shares outstanding	13,765	13,783

Highlights of results from the quarter include:

- Earned premiums grew 13% in 2021, reflecting continued growth in gross premium volume from new business and more favorable rates.
- The combined ratio for the first quarter of 2021 was 94%, which included \$64.3 million, or four points, of net losses and loss adjustment expenses from Winter Storm Uri and \$18.6 million, or one point, of net losses and

loss adjustment expenses resulting from an increase in our estimate of ultimate losses and loss adjustment expenses attributed to COVID-19. The combined ratio for the first quarter of 2020 included \$325.0 million, or 24 points, of net losses and loss adjustment expenses attributed to COVID-19. Excluding these losses attributed to Winter Storm Uri and COVID-19, the 2021 combined ratio reflected meaningful improvement in both our current accident year loss ratio and our expense ratio compared to the first quarter of last year.

- Net investment gains in 2021 reflected an increase in the fair value of our equity portfolio driven by favorable market value movement. Net investment losses in 2020 reflected a decline in the fair value of our equity portfolio at the onset of the COVID-19 pandemic.
- Operating revenues from our Markel Ventures operations in the first quarter of 2021 included significant contributions from Lansing Building Products, which was acquired in the second quarter of 2020.
- Comprehensive income to shareholders for the first quarter of 2021 reflects the contribution of net income, partially offset by decreases in net unrealized gains on our fixed maturity portfolio resulting from increases in interest rates.

"Our first quarter results reflected strong, profitable growth across our underwriting operations globally, as we executed on our strategic plans to drive market leadership in key insurance product lines, while maintaining our focus on increasing operational efficiencies. Our Markel Ventures companies continue to navigate the current environment well with a solid start to the year, and we also continued to see positive momentum in our investment operations as we actively and prudently manage our investment portfolios with the goal of generating superior returns over the long-term," said Thomas S. Gayner and Richard R. Whitt, Co-Chief Executive Officers. "We are very pleased with our positive start to 2021 and we are optimistic about steadily building on our performance across all three operating engines as the year progresses."

We believe our financial performance is most meaningfully measured over longer periods of time, which tends to mitigate the effects of short-term volatility and also aligns with the longer-term perspective we apply to operating our businesses. We generally use five-year periods to measure ourselves. Over the five-year period ended March 31, 2021, the compound annual growth in book value per common share outstanding was 9%. Over the five-year period ended March 31, 2021, our share price increased at a compound annual rate of 5%.

A copy of the Company's Form 10-Q is available on our website at [www.markel.com](http://www.markel.com) or on the SEC website at [www.sec.gov](http://www.sec.gov). Readers are urged to review the Form 10-Q for a more complete discussion of the Company's financial performance. The Company's quarterly conference call, which will involve discussion of the Company's financial results and business developments and may include forward-looking information, will be held Thursday, April 29, 2021, beginning at 9:30 a.m. (Eastern Time). Investors, analysts and the general public may listen to the call free over the Internet through the Company's website, [www.markel.com/investor-relations](http://www.markel.com/investor-relations). Any person needing additional information can contact Markel's Investor Relations Department at [IR@markel.com](mailto:IR@markel.com). A replay of the call also will be available from approximately one hour after the conclusion of the call until Friday, May 7, 2021.

## About Markel Corporation

Markel Corporation is a diverse financial holding company serving a variety of niche markets. The Company's principal business markets and underwrites specialty insurance products. In each of the Company's businesses, it seeks to provide quality products and excellent customer service so that it can be a market leader. The financial goals of the Company are to earn consistent underwriting and operating profits and superior investment returns to build shareholder value. Visit Markel Corporation on the web at [www.markel.com](http://www.markel.com).

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