

Markel Reports First Quarter 2018 Results

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RICHMOND, Va., April 24, 2018 /PRNewswire/ -- Markel Corporation (NYSE: MKL) reported book value per common share outstanding of \$671.05 at March 31, 2018, down 2% from \$683.55 at December 31, 2017. Comprehensive loss to shareholders was \$174.8 million for the first quarter of 2018 compared to comprehensive income of \$223.2 million for the first quarter of 2017. The combined ratio was 90% for the first quarter of 2018 compared to 100% for the first quarter of 2017. Diluted net loss per share was \$4.25 for the quarter ended March 31, 2018 compared to diluted net income per share of \$3.90 for the first quarter of 2017.

Net loss to shareholders was unfavorably impacted by the adoption of ASU No. 2016-01, Financial Instruments: Recognition and Measurement of Financial Assets and Liabilities, effective January 1, 2018. As required by the new accounting standard, the Company recognized a pre-tax loss of \$122.1 million (\$101.3 million net of taxes) as a result of the decline in the fair value of its equity securities since December 31, 2017. Prior to the adoption of ASU No. 2016-01, changes in the fair value of the Company's equity securities were included in other comprehensive income on an after-tax basis.

Additionally, net loss to shareholders for the quarter ended March 31, 2018 included a pre-tax foreign currency loss of \$22.1 million (\$17.5 million net of taxes) and a non-recurring tax expense of \$99.5 million.

Richard R. Whitt and Thomas S. Gayner, Co-Chief Executive Officers, commented, "Our underwriting results for the quarter were solid and reflect profitable growth from recent acquisitions as well as our continued focus on underwriting discipline. Comprehensive loss to shareholders and book value per share were impacted by declines in both our fixed income and equity portfolios, driven by an increase in interest rates and unfavorable movements in the equity markets during the period. However, we continue to maintain a long-term focus with our investment strategy. Contributions from our Markel Ventures operations reflect both organic growth and the recent acquisition

of Costa Farms."

The Company also announced today it has filed its Form 10-Q for the quarter ended March 31, 2018 with the Securities and Exchange Commission. A copy of the Form 10-Q is available on the Company's website at www.markelcorp.com or on the SEC website at 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 Wednesday, April 25, 2018, beginning at 9:30 a.m. (Eastern Time). Any person interested in listening to the call should contact Markel's Investor Relations Department at 804-747-0136. Investors, analysts and the general public also may listen to the call free over the Internet through the Company's website, www.markelcorp.com. A replay of the call also will be available from approximately one hour after the conclusion of the call until Monday, May 7, 2018.

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.markelcorp.com.

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