

Markel Reports Third Quarter And Nine-Months Results

10/27/2020

RICHMOND, Va., Oct. 27, 2020 /PRNewswire/ -- Markel Corporation (NYSE:MKL) today reported its financial results for the third quarter and first nine months of 2020. The Company also announced today it has filed its Form 10-Q for the quarter ended September 30, 2020 with the Securities and Exchange Commission.

The following tables present summary financial data for both the quarters and nine months ended September 30, 2020 and 2019.

	Quarter Ended September 30,		Nine Months Ended September 30,	
<u>(in thousands, except per share amounts)</u>	2020	2019	2020	2019
Earned premiums	\$ 1,394,428	\$ 1,300,032	\$ 4,085,311	\$ 3,703,470
Markel Ventures operating revenues	\$ 824,132	\$ 496,243	\$ 2,013,492	\$ 1,568,443
Net investment gains (losses)	\$ 539,302	\$ 32,144	\$ (230,896)	\$ 1,069,988
Comprehensive income to shareholders	\$ 520,089	\$ 250,069	\$ 259,673	\$ 1,605,644
Diluted net income (loss) per common share	\$ 31.03	\$ 13.95	\$ (3.76)	\$ 92.84
Combined Ratio	97%	94%	101%	95%
<u>(in thousands, except per share amounts)</u>	September 30, 2020	December 31, 2019		
Book value per common share outstanding	\$ 819.71	\$ 802.59		

Highlights of results from the quarter and nine months:

- The combined ratio for the third quarter of 2020 included \$48.9 million, or three points, of underwriting losses attributed to the COVID-19 pandemic and \$101.0 million, or seven points, of underwriting losses from Hurricanes Laura, Sally and Isaias, as well as the derecho in Iowa and wildfires in the western United States (2020 Catastrophes). The combined ratio for the third quarter of 2019 included \$42.6 million, or three points, of underwriting losses from Hurricane Dorian and Typhoon Faxai (2019 Catastrophes).
- The combined ratio for the first nine months of 2020 included \$373.9 million, or nine points, of underwriting losses attributed to the COVID-19 pandemic and \$101.0 million, or two points, of underwriting losses from the 2020 Catastrophes. The combined ratio for the first nine months of 2019 included \$42.6 million, or one point, of underwriting losses from the 2019 Catastrophes.
- Net investment gains (losses) in 2020 for the quarter and nine months reflect the impacts of significant volatility in the equity markets due in part to economic uncertainty associated with the COVID-19 pandemic.
- The operating results of our Markel Ventures operations in 2020 reflect contributions from our recent acquisitions of Lansing Building Products and VSC Fire & Security in the second quarter of 2020 and fourth quarter of 2019, respectively.
- Comprehensive income to shareholders in 2020 for the quarter and nine months reflects the contribution of net income and loss, respectively, as well as increases in net unrealized gains on our fixed maturity portfolio.

"We delivered solid operating results for the quarter by maintaining our focus on managing and executing on factors within our control. Our insurance operations produced an underwriting profit, despite catastrophe losses and increases to reserves related to the COVID-19 pandemic, reflecting the strong underlying performance of our business. Our Markel Ventures operations delivered significant profit, demonstrating the valuable products and services we provide, and our investment portfolio also saw gains amid volatile market conditions," commented Thomas S. Gayner and Richard R. Whitt, Co-Chief Executive Officers. "We thank our employees, trading partners and customers, all of whom have performed remarkably well given the challenges and uncertainties of the pandemic."

A copy of the Company's Form 10-Q is available on its website at www.markel.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, October 28, 2020, 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. Any person needing additional information can contact Markel's Investor Relations Department at investorrelations@markel.com. A replay of the call also will be available from approximately one hour after the conclusion of the call until Monday, November 9, 2020.

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.

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