



Old Republic Posts New Quarterly Earnings Record; Net Operating Income Per Share Up 22.4 Percent

July 25, 2001
 CHICAGO, July 25 (PRNewswire) - Old Republic International Corporation's (NYSE: ORI), consolidated net operating income for this year's second quarter grew by 24.0 percent when compared to results for the same period of 2000. On a diluted share basis, the increase was 22.4 percent. For the first half of 2001 the improvement in per share earnings was 29.1 percent.

Net Income and Net Operating Income
 Net income for the second quarter of 2001 totaled \$91.5 million, or 76 cents per share, vs. \$69.4 million, or 58 cents per share, for the year-to-date quarter. Net operating income, which excludes realized investment gains or losses, was \$86.0 million, or 71 cents per share, compared to \$69.4 million, or 58 cents per share in the same quarter of 2000.
 For this year's first half, net income was \$175.5 million, or \$1.46 per share, vs. \$124.7 million, or \$1.04 per share, for the first six months of 2000. Net operating income for the first half of 2001 was \$160.5 million, or \$1.33 per share, compared to \$124.1 million, or \$1.03 per share, in the year-to-date period.
 Second quarter and first half 2001 post tax operating results for Old Republic's Title Group were affected negatively by additional litigation-related charges of \$2.8 million and \$3.6 million, respectively, while consolidated results were enhanced by previously unrecognized tax settlement recoveries of \$2.9 million for these periods. Accordingly, the net effect of these charges and credits on the Corporation's consolidated net operating income was negligible.
 "Consolidated results for the second quarter reflected the extension of more positive trends in General Insurance underwriting performance, and further improvements in Mortgage Guaranty income from underwriting and investments," said Al Zucaro, Chairman and Chief Executive Officer. "Accelerated growth in premiums and fees from greater refinancing activity and a relatively strong housing market benefited our Title segment and consolidated results as well."

Consolidated Revenues
 Consolidated operating revenues in this year's second quarter totaled \$580.7 million, compared to \$502.1 million in the same quarter of 2000. Net premiums and fees were \$502.5 million in the second quarter vs. \$428.3 million in the year-to-date period. Consolidated net investment income was \$68.6 million for the second quarter of 2001, 2.3 percent higher when compared to the same period of the preceding year.
 For the first half of 2001, consolidated operating revenues were \$1.1 billion compared to \$994.4 million for the first six months of 2000. Net premiums and fees for the first six months of 2001 were \$958.8 million compared to \$847.7 million in the same year-to-date period. Consolidated net investment income for this year's first half was \$137.0 million, up by 1.5 percent.

General Insurance Group
 The Old Republic General Insurance Group, which markets and underwrites commercial property and liability insurance coverages, posted an increase of 26.6 percent in pretax operating income for this year's second quarter to \$36.3 million compared to the same period in 2000. Net premiums earned in the second quarter of 2001 rose by 16.4 percent to \$244.5 million, compared to \$210.0 million a year ago. The statutory composite underwriting ratio for this year's second quarter was 101.2 percent vs. 105.5 percent in the same quarter one year ago. All of the improvement in this ratio stemmed from lower claims.
 For the first six months of 2001, pretax operating income totaled \$71.5 million vs. \$50.5 million for the first six months of 2000, for an increase of 41.5 percent. Net premiums earned were \$476.5 million vs. \$420.7 million a year ago, and the composite underwriting ratio was 102.3 percent vs. 108.2 percent one year ago.

Mortgage Guaranty Group
 Old Republic's Mortgage Guaranty Group reported a further improvement in underwriting and related services income for the second quarter of 2001. Pretax mortgage guaranty operating income in the second quarter was \$65.6 million vs. \$58.2 million in the year-to-date quarter, an increase of 12.9 percent. Net premiums earned in the quarter were \$88.6 million, up 9.5 percent from \$80.8 million in the year-to-date quarter. The composite underwriting ratio in the second quarter was 43.4 percent, compared to 44.2 percent in the same quarter of 2000.
 For this year's first half, pretax mortgage guaranty operating income rose by 14.7 percent to \$127.2 million compared to \$110.9 million in the first six months of 2000. Net premiums earned totaled \$175.0 million, an increase of 7.9 percent from \$162.1 million earned in the first half of 2000. The composite underwriting ratio was 44.9 percent compared to 47.7 percent one year earlier. The improvement in the underwriting ratio for this year's first half stemmed from both lower claim and operating costs.

Title Insurance Group
 The Old Republic Title Group posted a substantial increase in pretax operating income to \$20.5 million in the second quarter of 2001 from \$13.2 million a year earlier. Premium and fee revenues rose by 27.2 percent to \$158.4 million in this year's second quarter, while operating expenses reflected a 21.4 percent increase.
 For the first half of the year, premium and fee revenues increased by 19.5 percent to \$282.1 million vs. \$236.0 million in 2000. First half pretax operating income was \$31.5 million up 9.9 percent from \$16.5 million in the same period last year. As interest rates charged for home mortgages have been reduced in recent quarters, lending activity for both refinancings and home purchases has been strong.

Life and Health Group
 Old Republic's life and health insurance operations, which represent approximately 2.5 percent of total revenues, benefited from higher travel accident profitability and lower term life claims experience in the first six months of this year. Premium revenues declined in this year's first half principally due to the lower sales volume in certain specialty products and term life insurance.

Cash, Invested Assets and Shareholders' Equity
 Cash and invested assets at June 30, 2001, totaled \$5.29 billion, or \$44.54 per share, vs. \$5.14 billion, or \$43.50 per share, at December 31, 2000, and \$4.87 billion, or \$41.05 per share, at June 30, 2000. Consolidated operating cash flow was positive at approximately \$127.0 million in the latest quarter and \$215.0 million for the first half of 2001. The investment portfolio reflects a current allocation of approximately 86 percent in fixed-income investments and 14 percent in equities. It contains 188 or no exposure in real estate investments, mortgage-backed securities, derivatives, junk bonds, private placements or mortgage loans.
 Common shareholders' equity was \$2.59 billion at June 30, 2001, vs. \$2.43 billion at December 31, 2000, and \$2.22 billion at June 30, 2000. Book value per share was \$21.83 at the end of this year's second quarter, vs. \$20.62 at year-end 2000, and \$18.99 at June 30, 2000.

Conference Call Information
 Old Republic has scheduled a conference call today at 2:00 p.m. Central Time to discuss its second quarter 2001 performance and review ongoing trends. To access the call, log on to www.oldrepublic.com 15 minutes before the call to download the necessary software. A replay of the call will be available through this website for 30 days.

About the Company
 Chicago-based Old Republic International Corporation is an insurance holding company whose subsidiaries market, underwrite and provide risk management services for a wide variety of coverages in the property and liability, mortgage guaranty, title and life and health insurance fields. One of the nation's 50 largest publicly owned insurance organizations, Old Republic has assets of approximately \$7.5 billion and capitalization of \$2.7 billion. Its current stock market capitalization is approximately \$3.4 billion.

Safe Harbor Statement
 Some of the statements made in this News Release, as well as statements made by the Company in periodic press releases, oral statements made by the Company's officials to analysts and shareholders in the course of presentations about the Company and conference calls following earnings releases, can constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, estimates subject to changes in circumstances, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among other things, changes in (i) general economic and business conditions; (ii) interest rate changes; (iii) competition and regulatory environment in which the Company operates; (iv) claims frequency and/or severity trends; (v) the number of new and renewal policy applications submitted by the Company's agents or produced directly by the Company's sales staff; and (vi) other factors noted from time to time in the Company's published reports and filings with the SEC.
 For the latest news releases and other corporate documents on Old Republic International, free of charge via fax, simply dial 1-800-PRO-INFO, follow the voice mail menu prompts and enter the company's ticker symbol ORI on any touch tone phone, or access FRB's web site at: www.frb.com.

Visit Old Republic at: www.oldrepublic.com

Old Republic International Corporation
 FINANCIAL HIGHLIGHTS

	Quarters Ended		% Change
	2001	2000	
NET INCOME:			
Total	\$91,561,710	\$69,419,819	31.9%
Per Share: Basic (a)	\$0.77	\$0.59	30.5%
Diluted	\$0.76	\$0.58	31.0%
Average number of common and equivalent shares outstanding			
Basic	118,783,068	118,007,337	
Diluted	120,354,542	118,863,932	
COMPOSITION OF EARNINGS PER SHARE:			
Basic Earnings:			
Net income, before items below	\$0.72	\$0.59	22.0%
Realized investment gains	0.05	--	
Net income	\$0.77	\$0.59	30.5%
Diluted Earnings:			
Net income, before items below	\$0.71	\$0.58	22.4%
Realized investment gains	0.05	--	
Net income	\$0.76	\$0.58	31.0%
BOOK VALUE PER SHARE			
(End of periods)(b):			
As Reported			
Amortized Cost Basis of Fixed Maturity Securities			
SEGMENT INFORMATION (\$ in Millions):			
Operating Revenues:			
General	\$294.0	\$259.8	13.2%
Mortgage Guaranty	108.7	95.8	13.4%
Title	144.3	130.8	10.7%
Life & Health	12.9	14.9	-13.8%
Other	0.7	0.6	
Consolidated Operating Revenues	580.7	502.1	15.7%
Realized Investment Gains	8.4	--	
Total Revenues	\$589.2	\$502.1	17.4%
Pre-Tax Operating Income (Loss):			
General	\$36.3	\$28.7	26.6%
Mortgage Guaranty	65.6	58.2	12.9%
Title	20.5	13.2	54.3%
Life & Health	1.2	1.1	-1.6%
Other	(3.0)	(3.4)	
Total	120.7	97.9	23.3%
Realized Investment Gains	8.4	--	
Revenues, Net of Expenses	129.2	97.9	32.0%
Income Taxes	38.0	29.0	31.0%
Net Income	\$91.5	\$69.4	31.9%
Underwriting Ratios:			
General (Statutory)	101.2%	105.5%	
Mortgage Guaranty (GRAP)	43.4%	44.2%	
Title (GAP)	90.8%	84.3%	
	Six Months Ended		
	2001	2000	% Change
NET INCOME:			
Total	\$175,529,245	\$124,782,528	40.7%
Per Share: Basic (a)	\$1.48	\$1.04	42.3%
Diluted	\$1.46	\$1.04	40.4%
Average number of common and equivalent shares outstanding			
Basic	118,774,400	119,460,759	
Diluted	120,309,880	120,085,273	
COMPOSITION OF EARNINGS PER SHARE:			
Basic Earnings:			
Net income, before items below	\$1.35	\$1.04	29.8%
Realized investment gains	0.13	--	
Net income	\$1.48	\$1.04	42.3%
Diluted Earnings:			
Net income, before items below	\$1.33	\$1.03	29.1%
Realized investment gains	0.13	0.01	
Net income	\$1.46	\$1.04	40.4%
BOOK VALUE PER SHARE			
(End of periods)(b):			
As Reported	\$21.83	\$18.99	15.0%
Amortized Cost Basis of Fixed Maturity Securities	\$21.68	\$19.16	13.2%
SEGMENT INFORMATION (\$ in Millions):			
Operating Revenues:			
General	\$575.1	\$519.6	10.7%
Mortgage Guaranty	214.1	191.5	11.8%
Title	293.8	248.3	18.3%
Life & Health	29.2	33.0	-11.5%
Other	1.3	1.8	
Consolidated Operating Revenues	1,113.7	994.4	12.0%

Realized Investment Gains	23.0	0.9	
Total Revenues	\$1,136.8	\$999.3	14.2%
Pre-Tax Operating Income (Loss):			
General	\$71.5	\$50.5	41.5%
Mortgage Guaranty	127.2	110.9	14.7%
Title	31.5	16.5	90.9%
Life & Health	2.7	2.1	28.7%
Other	(6.2)	(5.3)	
Total	226.7	174.7	29.7%
Realized Investment Gains	23.0	0.9	
Revenues, Net of Expenses	249.8	175.7	42.2%
Income Taxes	75.7	52.0	45.1%
Net Income	\$174.1	\$124.7	60.7%
Underwriting Ratios:			
General (Statutory)	102.3%	108.2%	
Mortgage Guaranty (GMAP)	44.9%	47.7%	
Title (GMAP)	93.0%	98.2%	

(a) Basic earnings per share are calculated after deduction of applicable

preferred dividend requirements of \$11,118 and \$22,236 for the quarter and six months ended June 30, 2001, respectively, and \$28,151 and \$56,303 for the quarter and six months ended June 30, 2000, respectively.

(b) "As Reported" in financial statements with certain fixed maturity

securities carried at market value; the "Amortized Cost" book value calculation includes all such securities at their currently amortized original cost.

Old Republic International Corporation
SUMMARY OF SEGMENT INFORMATION
(\$ in Millions)

Segment	Met Premiums & Fees		Net Investment Income
	Written	Earned	
Quarter Ended June 30, 2001			
General	\$270.3	\$244.5	\$44.4
Mortgage	87.1	88.6	15.7
Title	158.4	158.4	5.6
Life	9.1	10.9	1.9
Other	---	---	0.7
Total	\$525.1	\$502.5	\$68.6
Quarter Ended June 30, 2000			
General	\$215.2	\$210.0	\$44.7
Mortgage	82.0	80.8	13.2
Title	128.6	128.6	5.9
Life	9.5	12.8	2.1
Other	---	---	0.9
Total	\$431.4	\$428.3	\$67.0
Other Operating Revenues & Claims			
Segment	Income	Revenues	Benefits & Claims
Quarter Ended June 30, 2001			
General	\$4.9	\$294.0	\$180.9
Mortgage	4.3	108.7	14.2
Title	0.2	164.3	6.4
Life	---	12.9	6.3
Other	---	0.7	---
Total	\$9.6	\$580.7	\$208.0
Quarter Ended June 30, 2000			
General	\$5.0	\$259.8	\$164.0
Mortgage	1.7	95.8	11.8
Title	0.2	120.8	4.2
Life	---	14.9	6.5
Other	(0.3)	0.6	(0.2)
Total	\$6.6	\$502.1	\$186.5
Pre-tax Operating Income (Loss)			
Segment	Other Expenses	Total Expenses	Income (Loss)
Quarter Ended June 30, 2001			
General	\$76.6	\$257.6	\$36.3
Mortgage	28.7	42.0	65.6
Title	137.4	143.8	20.5
Life	5.2	11.6	1.2
Other	3.7	3.7	(3.0)
Total	\$251.9	\$459.9	\$120.7
Quarter Ended June 30, 2000			
General	\$67.0	\$231.1	\$28.7
Mortgage	25.7	37.6	58.2
Title	113.2	117.5	19.2
Life	7.2	13.7	1.1
Other	4.4	4.1	(3.4)
Total	\$227.6	\$404.1	\$97.9
Met Premiums & Fees			
Segment	Written	Earned	Net Investment Income
Six Months Ended June 30, 2001			
General	\$517.1	\$476.5	\$86.1
Mortgage	171.9	175.0	31.1
Title	282.1	282.1	11.3
Life	18.3	25.1	3.9
Other	---	---	1.3
Total	\$989.6	\$958.8	\$137.0
Six Months Ended June 30, 2000			
General	\$424.5	\$420.7	\$89.8
Mortgage	142.6	142.1	26.3
Title	236.0	236.0	11.9
Life	20.0	28.7	4.2
Other	---	---	2.5
Total	\$843.2	\$847.7	\$134.9
Other Operating Revenues & Claims			
Segment	Income	Revenues	Benefits & Claims
Six Months Ended June 30, 2001			
General	\$9.5	\$575.1	\$353.9
Mortgage	7.9	214.1	30.6
Title	0.3	293.8	11.1
Life	---	29.2	14.1
Other	---	1.3	---
Total	\$17.8	\$1,113.7	\$409.8
Six Months Ended June 30, 2000			
General	\$9.0	\$519.6	\$332.2
Mortgage	3.0	191.5	29.5
Title	0.3	248.3	7.9
Life	---	33.0	15.8
Other	(0.6)	1.8	(0.5)
Total	\$11.7	\$994.4	\$385.0
Pre-tax Operating Income (Loss)			
Segment	Other Expenses	Total Expenses	Income (Loss)
Six Months Ended June 30, 2001			
General	\$149.6	\$503.5	\$71.5
Mortgage	56.2	86.9	127.2
Title	251.1	262.3	31.5
Life	12.3	26.4	2.7
Other	7.6	7.6	(6.2)
Total	\$477.0	\$886.9	\$226.7
Six Months Ended June 30, 2000			
General	\$136.8	\$469.0	\$50.5
Mortgage	51.0	80.6	110.9
Title	223.8	231.8	16.5
Life	14.9	30.8	2.1
Other	7.8	7.2	(5.3)
Total	\$434.5	\$819.6	\$174.7
Met Premiums & Fees			
Segment	Written	Earned	Net Investment Income
Fiscal Year Ended June 30, 2001			
General	\$977.7	\$933.5	\$179.1
Mortgage	344.8	344.3	61.6
Title	540.1	540.1	23.4
Life	43.6	49.8	8.2
Other	---	---	3.5
Total	\$1,906.4	\$1,847.9	\$276.0
Fiscal Year Ended June 30, 2000			
General	\$856.7	\$852.0	\$180.7
Mortgage	311.9	311.4	50.1
Title	512.4	512.4	23.2
Life	50.8	52.6	8.6
Other	---	---	4.6
Total	\$1,732.0	\$1,728.6	\$267.4
Other Operating Revenues & Claims			
Segment	Income	Revenues	Benefits & Claims
Fiscal Year Ended June 30, 2001			
General	\$19.9	\$1,112.6	\$686.7
Mortgage	12.0	417.9	50.7

Title	0.5	564.1	20.7
Life	---	58.2	27.8
Other	(0.4)	3.1	---
Total	\$32.2	\$2,156.2	\$786.0
Fiscal Year Ended June 30, 2000			
General	\$17.5	\$1,050.3	\$715.4
Mortgage	6.7	369.1	60.8
Title	0.9	536.7	20.5
Life	---	61.3	27.9
Other	(1.4)	3.2	(0.8)
Total	\$23.8	\$2,020.0	\$824.0
Pre-tax			
Operating			
Segment	Other	Total	Income
	Expenses	Expenses	(Loss)
Fiscal Year Ended June 30, 2001			
General	\$287.9	\$974.7	\$137.9
Mortgage	110.8	161.5	256.4
Title	488.1	508.8	55.3
Life	24.4	52.2	6.0
Other	14.1	14.1	(10.9)
Total	\$925.4	\$1,711.5	\$444.7
Fiscal Year Ended June 30, 2000			
General	\$277.8	\$893.3	\$57.0
Mortgage	105.2	166.1	202.2
Title	485.8	506.4	30.2
Life	26.6	54.6	6.7
Other	12.0	11.2	(7.9)
Total	\$907.6	\$1,731.6	\$288.3

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