



Old Republic Announces Conversion Of its \$550 Million Convertible Senior Notes Due March 15, 2018

March 15, 2018

CHICAGO, March 15, 2018 /PRNewswire/ – Old Republic International Corporation (NYSE: OR) today reported that its above captioned notes have been converted into its common stock. Together with this conversion, common stock outstanding as of March 15, 2018 has risen to approximately 301,800,000 shares. On a pro forma basis, assuming all of the notes had been converted as of December 31, 2017, Old Republic's consolidated common shareholders' equity would have amounted to approximately \$5.20 billion, and the resulting book value would have been approximately \$17.38 per share. Based on the closing price of \$21.07 per share on March 15, 2018, the Company's market capitalization at this point in time is approximately \$6.36 billion.

About Old Republic

Chicago-based Old Republic International Corporation is one of the nation's 50 largest publicly held insurance organizations. The Company is organized as an insurance holding company whose subsidiaries actively market, underwrite, and provide risk management services for a wide variety of coverages mostly in the general and life insurance fields. A long-term interest in mortgage guaranty and consumer credit indemnity coverages has devolved to a run-off operating mode in recent years.

The nature of Old Republic's business requires that it be managed for the long run. For the 25 years ended in 2017, the Company's total market return, with dividends reinvested, has grown at a compounded annual rate of 9.1% per share. For the same period, the total market return, with dividends reinvested, for the S&P 500 Index has grown at a 9.7% annual compound rate. During those years, Old Republic's shareholders' equity account, inclusive of cash dividends, has risen at an average annual rate of 9.2% per share, and the regular cash dividend has grown at a 8.7% annual compound rate. According to the most recent edition of Merger's Dividend Achievers, Old Republic is one of just 95 qualifying companies, out of thousands considered, that have posted at least 25 consecutive years of annual dividend growth.

Safe Harbor Statement

Historical data pertaining to the operating results, liquidity, and other performance indicators applicable to an insurance enterprise such as Old Republic are not necessarily indicative of results to be achieved in succeeding years. In addition to the factors cited below, the long-term nature of the insurance business, seasonal and annual patterns in premium production and incidence of claims, changes in yields obtained on invested assets, changes in government policies and free markets affecting inflation rates and general economic conditions, and changes in legal precedents or the application of law affecting the settlement of disputed and other claims can have a bearing on period-to-period comparisons and future operating results.

Some of the oral or written statements made in the Company's reports, press releases, and conference calls following earnings releases, can constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Of necessity, any such forward-looking statements involve assumptions, uncertainties, and risks that may affect the Company's future performance. With regard to Old Republic's General Insurance segment, its results can be particularly affected by the level of market competition which is typically a function of available capital and expected returns on such capital among competitors, the levels of investments yields and inflation rates, and periodic changes in claim frequency and severity patterns caused by natural disasters, weather conditions, accidents, illnesses, work-related injuries, and unanticipated external events. The insurance and FIGG run-off results can be affected by similar factors, and by changes in national and regional housing demand and values, the availability and cost of mortgage loans, employment trends, and default rates on mortgage loans. Life and accident insurance earnings can be affected by the levels of employment and consumer spending, variations in mortality and health trends, and changes in policy lapse rates. At the parent holding company level, operating earnings or losses are generally reflective of the amount of debt outstanding and its cost, interest income on temporary holdings of short-term investments, and period-to-period variations in the costs of administering the Company's widespread operations.

A more detailed listing and discussion of the risks and other factors which affect the Company's risk-taking insurance business are included in Part I, Item 1A - Risk Factors, of the Company's 2017 Form 10-K Annual Report and Part II, Item 1A - Risk Factors, of the Company's recent Form 10-Q filings with the Securities and Exchange Commission, which items are specifically incorporated herein by reference.

Any forward-looking statements or commentaries speak only as of their dates. Old Republic undertakes no obligation to publicly update or revise any and all such comments, whether as a result of new information, future events or otherwise, and accordingly they may not be unduly relied upon.

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Investor Relations
Old Republic International Corporation
307 North Michigan Avenue • Chicago, IL 60601
312-346-8100

Further Information Contacts:
AT OLD REPUBLIC: AT FINANCIAL RELATIONS BOARD:
A. C. Zagan, Chairman & CEO Analysis/Investors: Marilyn Meek
(312) 346-1100 (312) 827-3773

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