

Old Republic Announces Formation Of A New Specialty Insurance Joint Underwriting Venture

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CHICAGO, Jan. 19, 2015 /PRNewswire/ -- **Old Republic International Corporation (NYSE: ORI)**, today announced that it was sponsoring the formation of a joint underwriting venture with certain principals long associated with specialty insurance. The new venture, Old Republic Specialty Insurance Underwriters, Inc., ("ORSIU") will focus its operations on two distinct segments of the general insurance market place. This focus will be on program business produced by Program Administrators, and on alternative market insurance needs of Public Entity and Non-Profit organizations. The new venture will be led by William P. Franchi as President and Thomas M. McGrath as Chief Operating Officer. Both individuals bring important intellectual capital and business relationships cultivated over many years of professional, client-centered service.

This newest joint underwriting venture will be managed as a distinct insurance underwriting entity. It is anticipated that it will be capitalized appropriately to accommodate its growth objectives and achievements over time. Substantially all such capital will be extended by Old Republic from internally available capital funds. Risk-bearing capacity, operating infrastructure, reinsurance, and retrocessional facilities will be provided by the overall resources of several highly rated Old Republic subsidiaries.

In making the announcement, Al Zucaro, Old Republic's Chairman and CEO, noted that "this new venture has been structured in the same fashion as many other successful undertakings by our Company. Under the leadership of the highly-regarded senior executives who have joined us, the venture represents a natural extension of our Company's decades-long commitment and expertise in providing state-of-the-art, alternative market solutions to the insurance needs of North-American businesses and public service institutions."

About Old Republic

Chicago-based Old Republic International Corporation is one of the nation's 50 largest publicly held insurance organizations. Its most recent financial statements reflect consolidated assets of approximately \$16.98 billion and common shareholders' equity of \$3.92 billion, or \$15.16 per share. Its current stock market valuation is approximately \$3.73 billion, or \$14.30 per share.

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 title insurance fields. A long-term interest in mortgage guaranty and consumer credit indemnity lines 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 2013, the Company's total market return, with dividends reinvested, has grown at a compounded annual rate of 12.0 percent per share. For the same period, the total market return, with dividends reinvested, for the S&P 500 Index has grown at a 10.3 percent annual compound rate. During those years, Old Republic's shareholders' equity account, inclusive of cash dividends, has risen at an average annual rate of 10.0 percent per share, and the regular cash dividend has grown at a 9.7 percent annual compound rate. According to the most recent edition of *Mergent's Dividend Achievers*, Old Republic is one of just 98 qualifying companies, out of thousands considered, that have posted at least 25 consecutive years of annual dividend growth.

For the latest news releases and other corporate documents on Old Republic International visit www.oldrepublic.com

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SOURCE Old Republic International Corporation

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