

OLD REPUBLIC INTERNATIONAL CORP
Form 10-Q
April 28, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly report pursuant to section 13 or 15(d) of the Security Exchange Act of 1934
for the quarterly period ended: March 31, 2009 or

Transition report pursuant to section 13 or 15(d) of the Security Exchange Act of 1934

Commission File Number: 001-10607

OLD REPUBLIC INTERNATIONAL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

No. 36-2678171
(IRS Employer Identification No.)

307 North Michigan Avenue, Chicago,
Illinois
(Address of principal executive office)

60601
(Zip Code)

Registrant's telephone number, including area code: 312-346-8100

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes: No:

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "accelerated filer", "large accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one).

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2). Yes: No:

Class	Shares Outstanding
Common Stock / \$1 par value	March 31, 2009 240,554,385

There are 38 pages in this report

OLD REPUBLIC INTERNATIONAL CORPORATION

Report on Form 10-Q / March 31, 2009

INDEX

	PAGE NO.
PART I	
FINANCIAL INFORMATION:	
CONSOLIDATED BALANCE SHEETS	3
CONSOLIDATED STATEMENTS OF INCOME	4
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME	5
CONSOLIDATED STATEMENTS OF CASH FLOWS	6
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	7 - 12
MANAGEMENT ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS	13 - 34
QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK	35
CONTROLS AND PROCEDURES	35
PART II	
OTHER INFORMATION:	
ITEM 1 – LEGAL PROCEEDINGS	36
ITEM 1A – RISK FACTORS	36
ITEM 6 – EXHIBITS	36
SIGNATURE	37
EXHIBIT INDEX	38

Old Republic International Corporation and Subsidiaries
 Consolidated Balance Sheets
 (\$ in Millions, Except Share Data)

	(Unaudited) March 31, 2009	December 31, 2008
Assets		
Investments:		
Available for sale:		
Fixed maturity securities (at fair value) (adjusted cost: \$7,391.3 and \$7,385.2)	\$ 7,496.4	\$ 7,406.9
Equity securities (at fair value) (adjusted cost: \$373.3 and \$373.3)	271.9	350.3
Short-term investments (at fair value which approximates cost)	1,083.2	888.0
Miscellaneous investments	25.7	29.7
Total	8,877.3	8,675.0
Other investments	7.8	7.8
Total investments	8,885.2	8,682.9
Other Assets:		
Cash	59.7	63.9
Securities and indebtedness of related parties	16.3	17.4
Accrued investment income	107.4	108.2
Accounts and notes receivable	817.9	806.7
Federal income tax recoverable: Current	18.1	41.0
Prepaid federal income taxes	221.4	463.4
Reinsurance balances and funds held	62.0	67.6
Reinsurance recoverable: Paid losses	60.9	52.2
Policy and claim reserves	2,485.7	2,395.7
Deferred policy acquisition costs	216.6	222.8
Sundry assets	341.7	343.8
	4,408.3	4,583.1
Total Assets	\$ 13,293.5	\$ 13,266.0
Liabilities, Preferred Stock, and Common Shareholders' Equity		
Liabilities:		
Losses, claims, and settlement expenses	\$ 7,430.6	\$ 7,241.3
Unearned premiums	1,106.7	1,112.3
Other policyholders' benefits and funds	182.1	180.7
Total policy liabilities and accruals	8,719.4	8,534.3
Commissions, expenses, fees, and taxes	250.9	264.5
Reinsurance balances and funds	281.8	264.8
Federal income tax payable: Deferred	24.0	77.3
Debt	221.1	233.0
Sundry liabilities	152.7	151.5
Commitments and contingent liabilities		

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Total Liabilities	9,650.2	9,525.7
Preferred Stock:		
Convertible preferred stock (1)	-	-
Common Shareholders' Equity:		
Common stock (1)	240.5	240.5
Additional paid-in capital	407.2	405.0
Retained earnings	3,092.7	3,186.5
Accumulated other comprehensive income (loss)	(51.0)	(41.7)
Unallocated ESSOP shares (at cost)	(46.1)	(50.0)
Treasury stock (at cost)(1)	-	-
Total Common Shareholders' Equity	3,643.2	3,740.3
Total Liabilities, Preferred Stock and Common Shareholders' Equity	\$ 13,293.5	\$ 13,266.0

(1) At March 31, 2009 and December 31, 2008, there were 75,000,000 shares of \$0.01 par value preferred stock authorized, of which no shares were outstanding. As of the same dates, there were 500,000,000 shares of common stock, \$1.00 par value, authorized, of which 240,554,385 at March 31, 2009 and 240,520,251 at December 31, 2008 were issued. At March 31, 2009 and December 31, 2008, there were 100,000,000 shares of Class B Common Stock, \$1.00 par value, authorized, of which no shares were issued. There were no common shares classified as treasury stock as of March 31, 2009 and December 31, 2008.

See accompanying Notes to Consolidated Financial Statements.

Old Republic International Corporation and Subsidiaries
 Consolidated Statements of Income (Unaudited)
 (\$ in Millions, Except Share Data)

	Quarters Ended March 31,	
	2009	2008
Revenues:		
Net premiums earned	\$ 721.8	\$ 804.1
Title, escrow, and other fees		