

OLD REPUBLIC INTERNATIONAL CORP  
Form 10-Q  
August 02, 2011

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: June 30, 2011 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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). 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).

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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 June 30, 2011
Common Stock / \$1 par value	259,281,604

There are 43 pages in this report

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OLD REPUBLIC INTERNATIONAL CORPORATION

Report on Form 10-Q / June 30, 2011

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

	(Unaudited) June 30, 2011	December 31, 2010
Assets		
Investments:		
Available for sale:		
Fixed maturity securities (at fair value) (amortized cost: \$8,144.7 and \$8,070.4)	\$ 8,664.4	\$ 8,532.2
Equity securities (at fair value) (adjusted cost: \$394.6 and \$402.8)	622.2	672.4
Short-term investments (at fair value which approximates cost)	1,105.0	1,004.0
Miscellaneous investments	34.5	40.7
Total	10,426.2	10,249.4
Other investments	10.0	9.8
Total investments	10,436.2	10,259.3
Other Assets:		
Cash	129.6	127.3
Securities and indebtedness of related parties	10.4	12.0
Accrued investment income	104.5	104.1
Accounts and notes receivable	1,055.5	1,022.9
Federal income tax recoverable: Current	31.7	44.6
Deferred	97.5	45.3
Prepaid federal income taxes	63.5	102.9
Reinsurance balances and funds held	220.0	205.4
Reinsurance Paid losses recoverable:	106.2	96.0
Policy and claim reserves	3,124.6	3,166.4
Deferred policy acquisition costs	231.3	230.6
Sundry assets	475.3	465.3
	5,650.7	5,623.4
Total Assets	\$ 16,086.9	\$ 15,882.7
Liabilities, Preferred Stock, and Common Shareholders' Equity		
Liabilities:		
Losses, claims, and settlement expenses	\$ 8,680.7	\$ 8,814.6
Unearned premiums	1,265.9	1,232.4
Other policyholders' benefits and funds	187.2	192.4
Total policy liabilities and accruals	10,133.8	10,239.5
Commissions, expenses, fees, and taxes	395.0	424.0
Reinsurance balances and funds	405.7	383.8
Debt	923.1	475.0
Sundry liabilities	256.8	238.8
Commitments and contingent liabilities		
Total Liabilities	12,114.5	11,761.3

Preferred Stock (1)	-	-
Common Shareholders' Equity:		
Common stock (1)	259.2	259.2
Additional paid-in capital	653.5	649.6
Retained earnings	2,623.0	2,791.4
Accumulated other comprehensive income (loss)	472.2	459.1
Unallocated ESSOP shares (at cost)	(35.6)	(38.0)
Treasury stock (at cost)(1)	-	-
Total Common Shareholders' Equity	3,972.4	4,121.4
Total Liabilities, Preferred Stock and Common Shareholders' Equity	\$ 16,086.9	\$ 15,882.7

(1) At June 30, 2011 and December 31, 2010, 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 259,281,604 at June 30, 2011 and 259,222,360 at December 31, 2010 were issued. At June 30, 2011 and December 31, 2010, 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 June 30, 2011 and December 31, 2010.

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		Six Months Ended	
	June 30,		June 30,	
	2011	2010	2011	2010
Revenues:				
Net premiums earned	\$ 890.5	\$ 746.2	\$ 1,813.3	\$ 1,498.6
Title, escrow, and other fees	87.2	89.1	167.4	165.3
Total premiums and fees	977.7	835.4	1,980.8	1,663.9
Net investment income	93.1	95.0	184.6	191.3
Other income	27.0	4.8	55.5	9.6
Total operating revenues	1,097.9			