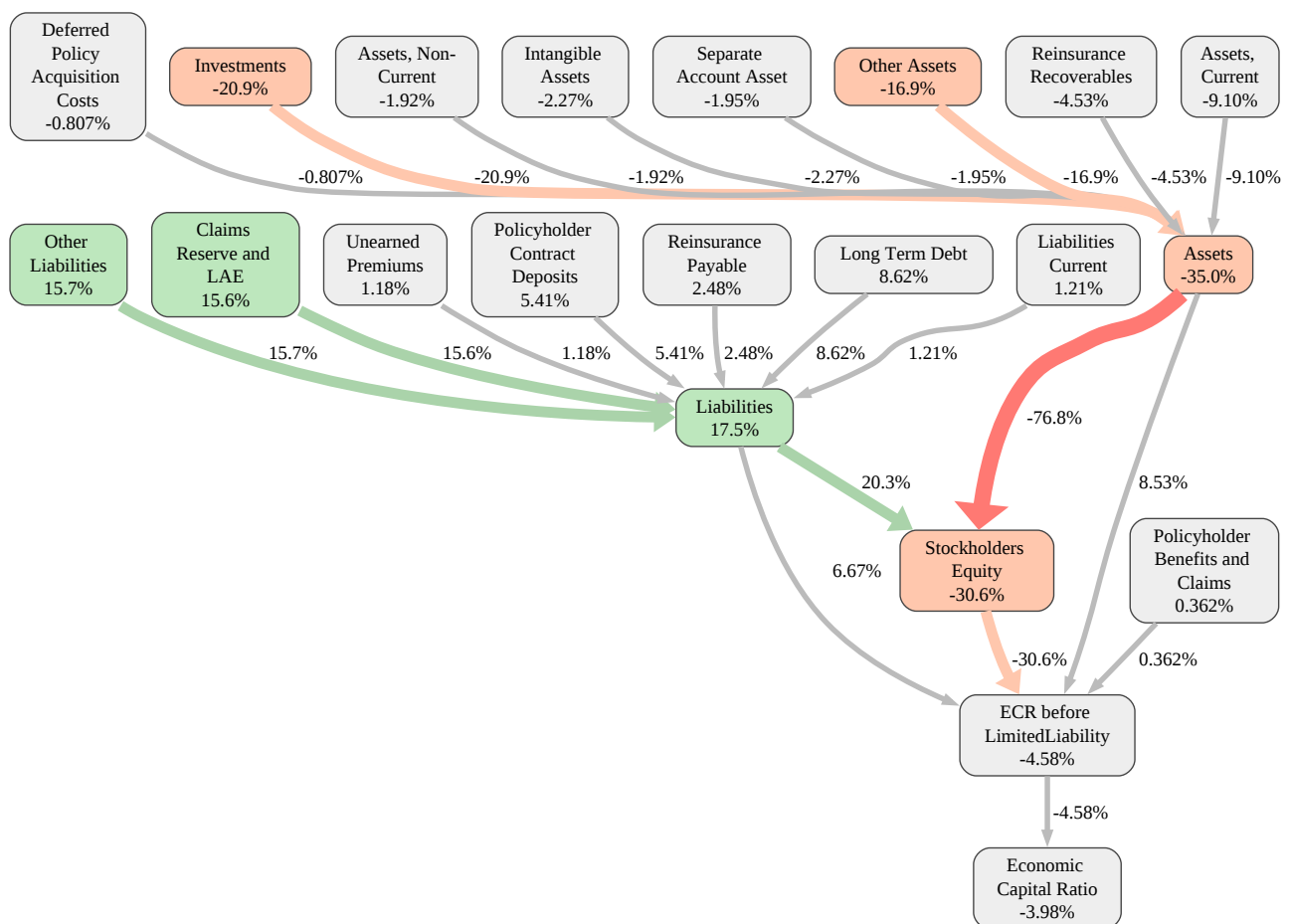




The relative strengths and weaknesses of Mercury General CORP are analyzed with respect to the market average, including all of its competitors. We analyzed all variables having an effect on the Economic Capital Ratio.

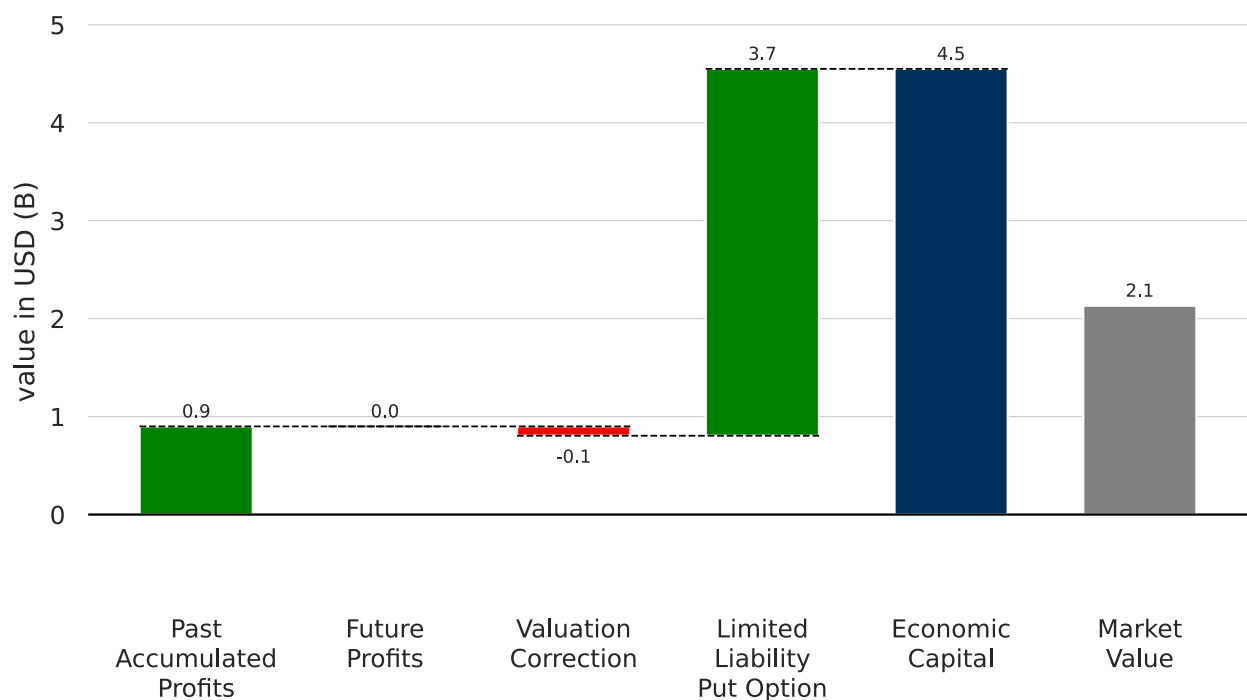
The greatest strength of Mercury General CORP compared to the market average is the variable Liabilities, increasing the Economic Capital Ratio by 17% points. The greatest weakness of Mercury General CORP is the variable Assets, reducing the Economic Capital Ratio by 35% points.

The company's Economic Capital Ratio, given in the ranking table, is 91%, being 4.0% points below the market average of 95%.

Input Variable	Value in 1000 USD
Assets, Current	0
Assets, Non-Current	213,233
Claims Reserve and LAE	1,921,255
Deferred Acquisition Costs Amortization	602,085
Deferred Policy Acquisition Costs	233,166
General and Administrative Expense	269,305
Insurance Commissions and Fees	0
Intangible Assets	53,432
Investment Income	222,793
Investments	4,312,161
Liabilities Current	0
Long Term Debt	0
Other Assets	425,723
Other Compr. Net Income	0
Other Expenses	17,035
Other Liabilities	812,853
Other Net Income	0
Other Revenues	150,307
Policyholder Benefits and Claims	2,706,024
Policyholder Contract Deposits	0
Premiums Earned	3,599,418
Premiums Receivable	651,442
Reinsurance Payable	0
Reinsurance Recoverables	0
Revenues Y+1	0
Revenues Y+2	0
Revenues Y+3	0
Revenues Y+4	0
Revenues Y+5	0
Separate Account Asset	0
Unearned Premiums	1,355,547

Output Variable	Value in 1000 USD
Assets	5,889,157
Liabilities	4,089,655
Expenses	3,594,449
Revenues	3,972,518
Stockholders Equity	1,799,502
Net Income	378,069
Comprehensive Net Income	378,069
BaseVar	208,402,497
ECR before Limited Liability	16%
Economic Capital Ratio	91%

Company Valuation: Mercury General CORP



The RealRate Economic Capital of a company is its Past Accumulated Profits plus its Future Profits plus its Valuation Correction plus its Limited Liability Put Option. Past Accumulated Profits and Future Profits can be negative. The Limited Liability Put Option accounts for the limited liability of the shareholders, so the Economic Capital never falls below zero. Where the company is listed, its market value is shown next to it.