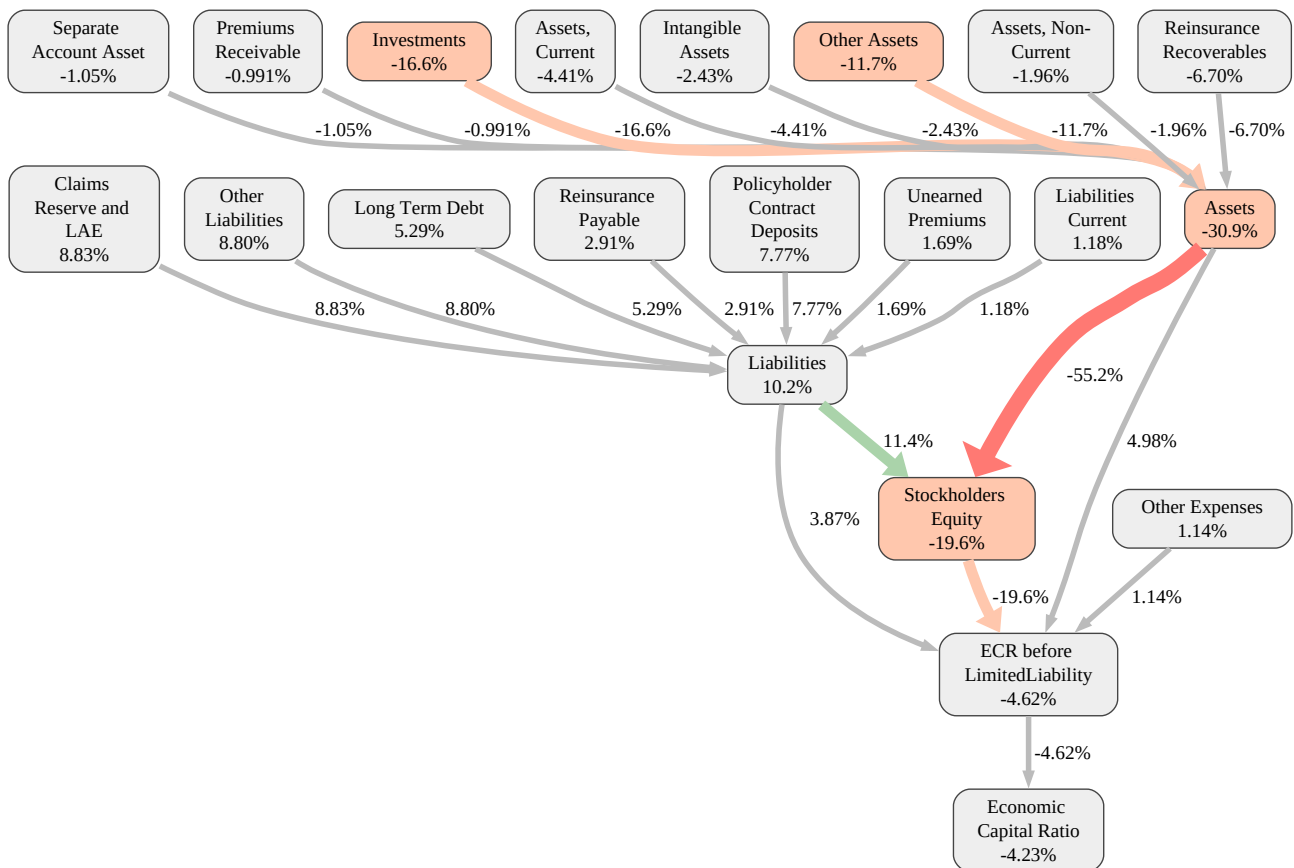




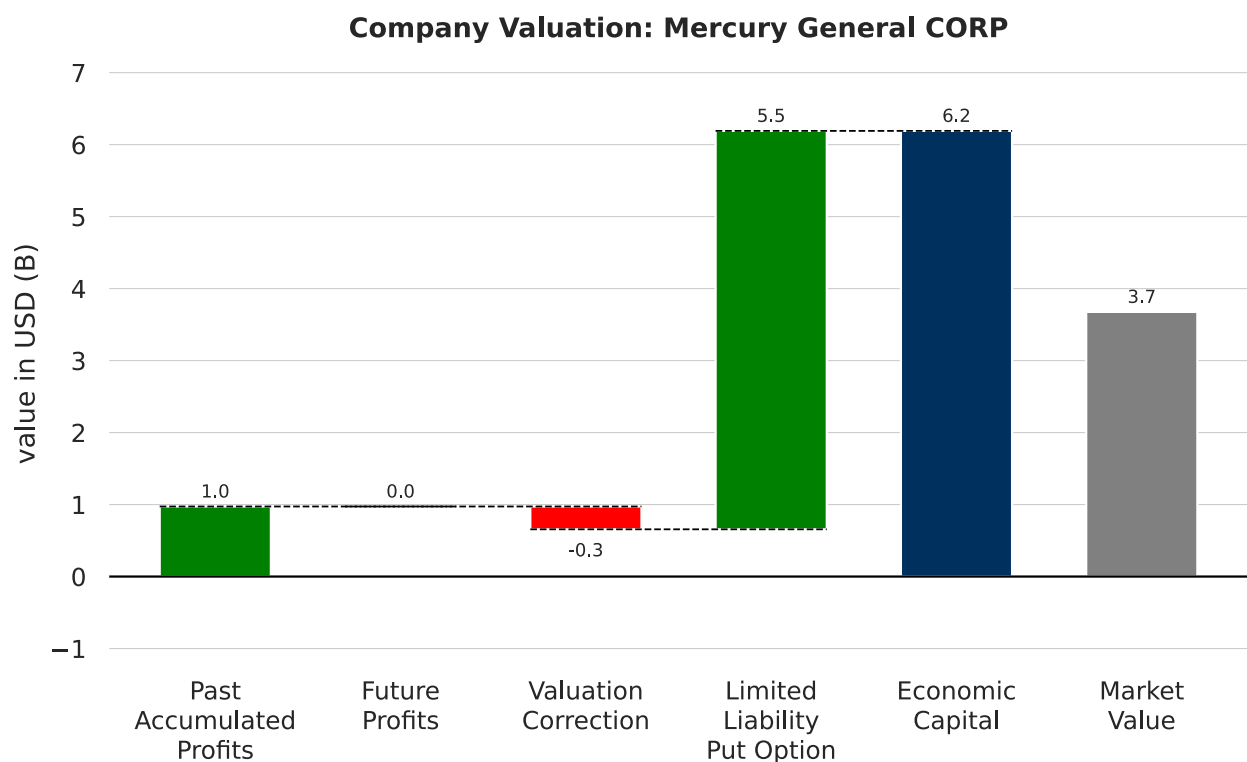
The relative strengths and weaknesses of Mercury General CORP are analyzed with respect to the market average, including all of its competitors. We analyzed all variables having an effect on the Economic Capital Ratio.

The greatest strength of Mercury General CORP compared to the market average is the variable Liabilities, increasing the Economic Capital Ratio by 10% points. The greatest weakness of Mercury General CORP is the variable Assets, reducing the Economic Capital Ratio by 31% points.

The company's Economic Capital Ratio, given in the ranking table, is 84%, being 4.2% points below the market average of 89%.

Input Variable	Value in 1000 USD
Assets, Current	0
Assets, Non-Current	219,797
Claims Reserve and LAE	3,152,031
Deferred Acquisition Costs Amortization	858,261
Deferred Policy Acquisition Costs	335,332
General and Administrative Expense	327,157
Insurance Commissions and Fees	0
Intangible Assets	50,478
Investment Income	88,671
Investments	6,076,370
Liabilities Current	0
Long Term Debt	0
Other Assets	779,518
Other Compr. Net Income	0
Other Expenses	3,822,262
Other Liabilities	1,172,247
Other Net Income	0
Other Revenues	311,506
Policyholder Benefits and Claims	0
Policyholder Contract Deposits	0
Premiums Earned	5,075,456
Premiums Receivable	820,524
Reinsurance Payable	0
Reinsurance Recoverables	28,613
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	2,039,830

Output Variable	Value in 1000 USD
Assets	8,310,632
Liabilities	6,364,108
Expenses	5,007,680
Revenues	5,475,633
Stockholders Equity	1,946,524
Net Income	467,953
Comprehensive Net Income	467,953
BaseVar	126,737,290
ECR before LimitedLiability	8.9%
Economic Capital Ratio	84%



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.