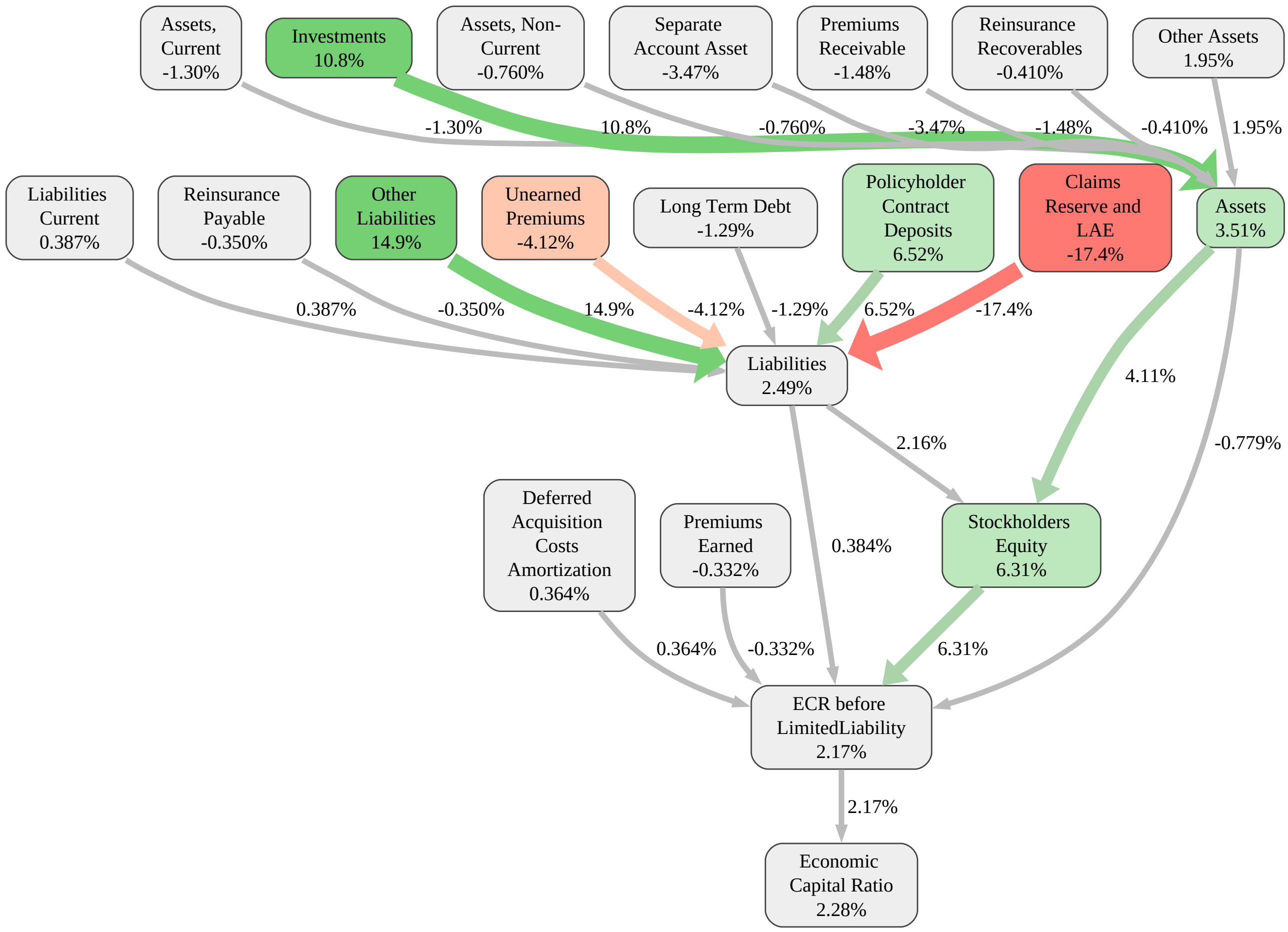
NON-LIFE INSURANCE 2011

RLI CORP
Rank 12 of 34



NON-LIFE INSURANCE 2011

RLI CORP
Rank 12 of 34

The relative strengths and weaknesses of RLI 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.

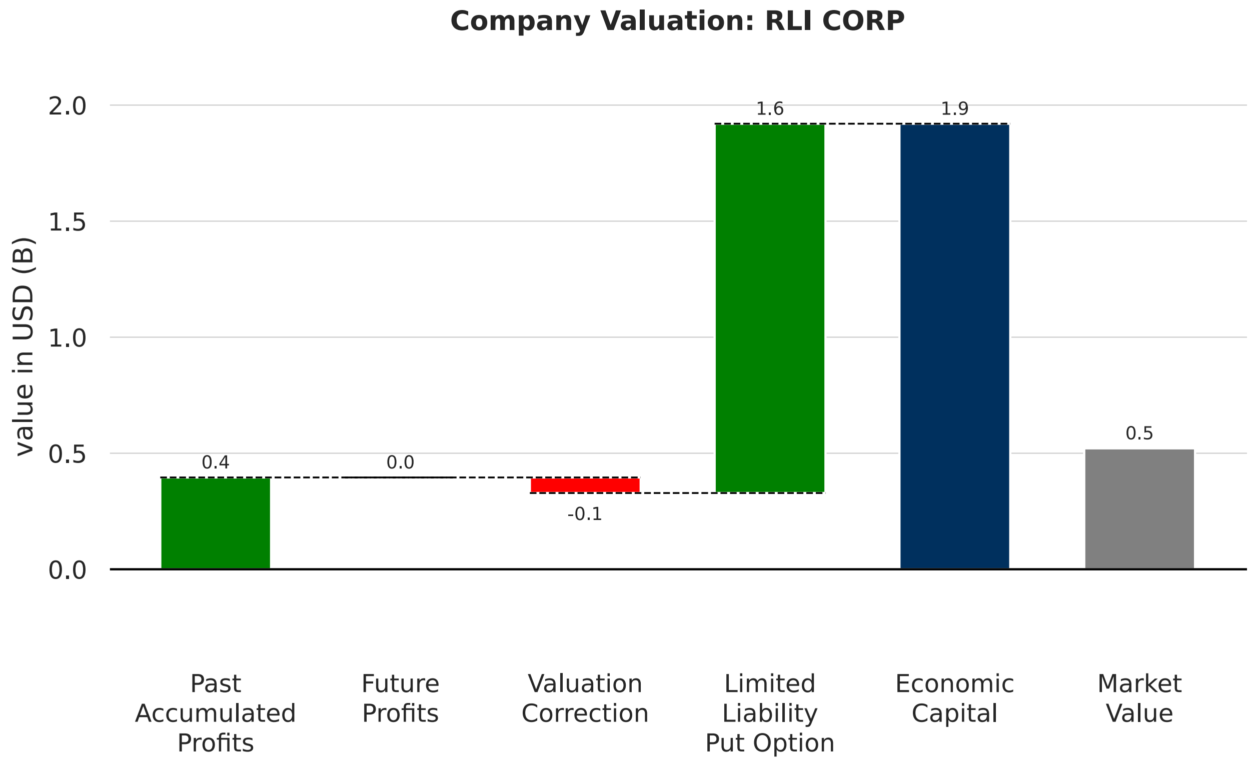
The greatest strength of RLI CORP compared to the market average is the variable Other Liabilities, increasing the Economic Capital Ratio by 15% points.The greatest weakness of RLI CORP is the variable Claims Reserve and LAE, reducing the Economic Capital Ratio by 17% points.

The company's Economic Capital Ratio, given in the ranking table, is 91%, being 2.3% points above the market average of 88%.

Input Variable	Value in 1000 USD
Assets, Current	0
Assets, Non-Current	28,764
Claims Reserve and LAE	1,173,943
Deferred Acquisition Costs Amortization	158,071
Deferred Policy Acquisition Costs	74,435
General and Administrative Expense	0
Insurance Commissions and Fees	0
Intangible Assets	26,214
Investment Income	90,042
Investments	1,803,021
Liabilities Current	0
Long Term Debt	100,000
Other Assets	519,527
Other Compr. Net Income	18,581
Other Expenses	103,690
Other Liabilities	123,885
Other Net Income	7,101
Other Revenues	0
Policyholder Benefits and Claims	201,332
Policyholder Contract Deposits	0
Premiums Earned	493,382
Premiums Receivable	0
Reinsurance Payable	23,851
Reinsurance Recoverables	62,631
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	301,537

Output Variable	Value in 1000 USD
Assets	2,514,592
Liabilities	1,723,216
Expenses	463,093
Revenues	583,424
Stockholders Equity	791,376
Net Income	127,432
Comprehensive Net Income	136,722
BaseVar	18,413,722
ECR before LimitedLiability	16%
Economic Capital Ratio	91%

RLI CORP
Rank 12 of 34



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.