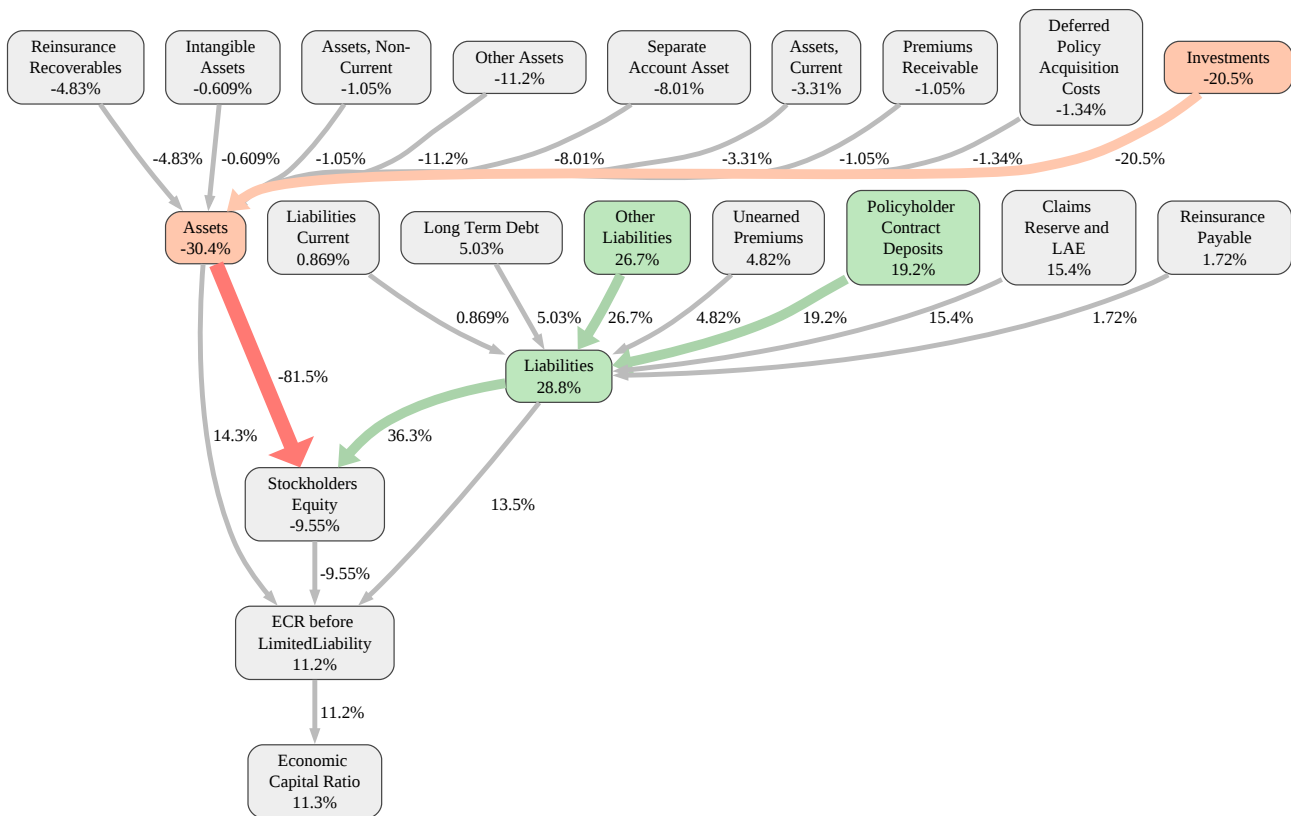




The relative strengths and weaknesses of Mercury General CORP are analyzed with respect to the market average, including all of its competitors. We analyzed all variables having an effect on the Economic Capital Ratio.

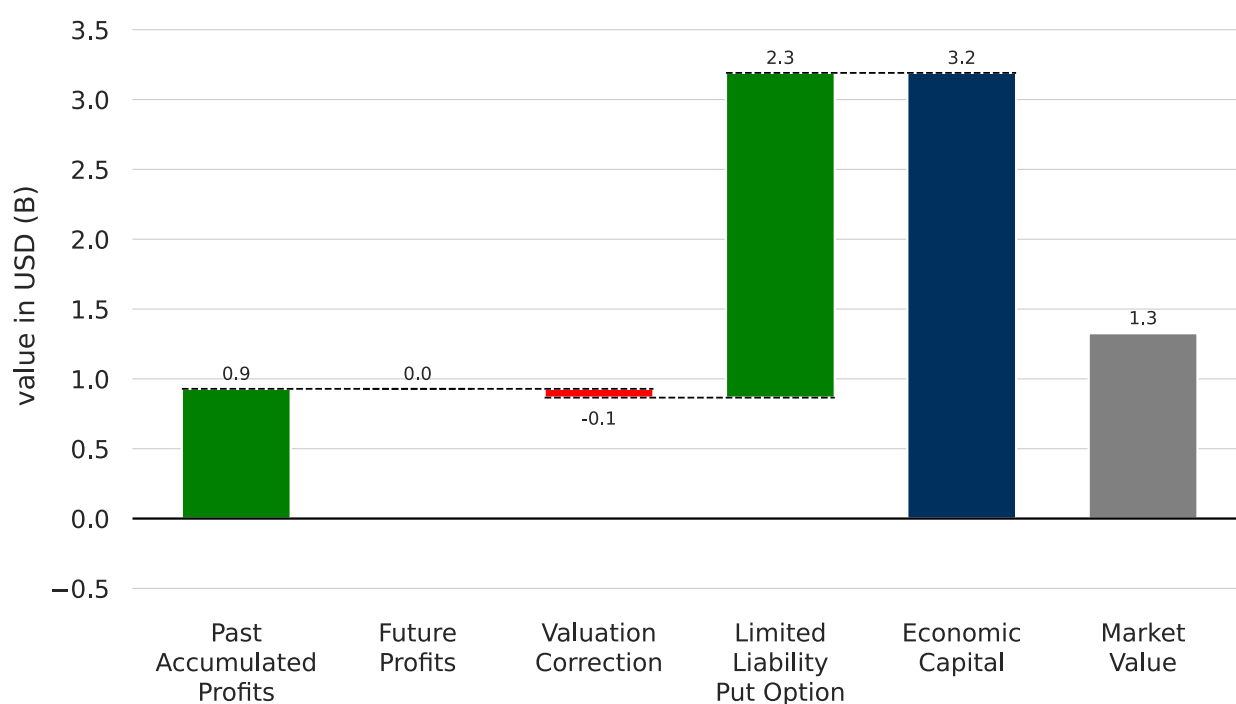
The greatest strength of Mercury General CORP compared to the market average is the variable Liabilities, increasing the Economic Capital Ratio by 29% points. The greatest weakness of Mercury General CORP is the variable Assets, reducing the Economic Capital Ratio by 30% points.

The company's Economic Capital Ratio, given in the ranking table, is 102%, being 11% points above the market average of 90%.

Input Variable	Value in 1000 USD
Assets, Current	0
Assets, Non-Current	188,992
Claims Reserve and LAE	985,279
Deferred Acquisition Costs Amortization	481,721
Deferred Policy Acquisition Costs	171,430
General and Administrative Expense	215,711
Insurance Commissions and Fees	0
Intangible Assets	96,599
Investment Income	58,397
Investments	3,062,421
Liabilities Current	0
Long Term Debt	0
Other Assets	217,904
Other Compr. Net Income	0
Other Expenses	59,484
Other Liabilities	383,817
Other Net Income	0
Other Revenues	152,831
Policyholder Benefits and Claims	1,829,205
Policyholder Contract Deposits	0
Premiums Earned	2,566,057
Premiums Receivable	332,660
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	843,427

Output Variable	Value in 1000 USD
Assets	4,070,006
Liabilities	2,212,523
Expenses	2,586,121
Revenues	2,777,285
Stockholders Equity	1,857,483
Net Income	191,164
Comprehensive Net Income	191,164
BaseVar	138,580,810
ECR before LimitedLiability	28%
Economic Capital Ratio	102%

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.