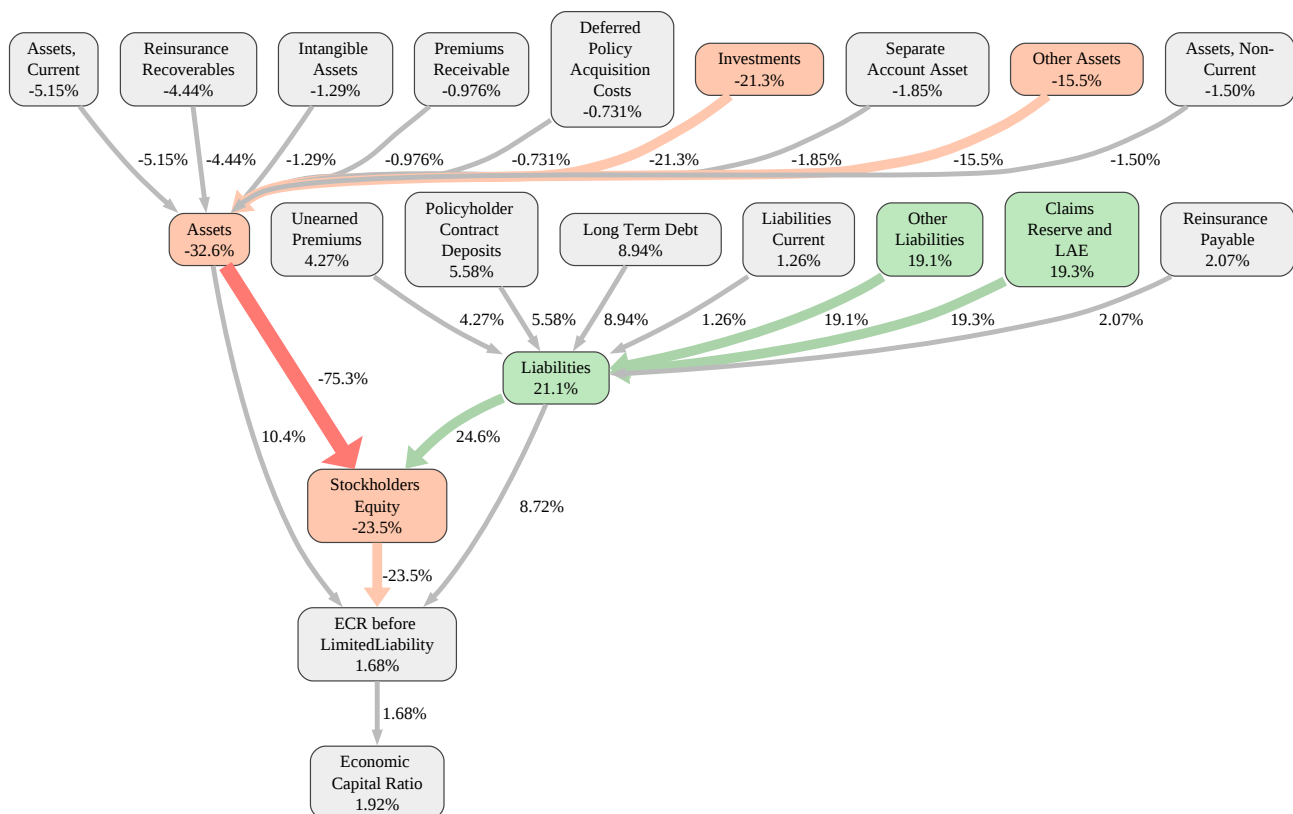




The relative strengths and weaknesses of Mercury General CORP are analyzed with respect to the market average, including all of its competitors. We analyzed all variables having an effect on the Economic Capital Ratio.

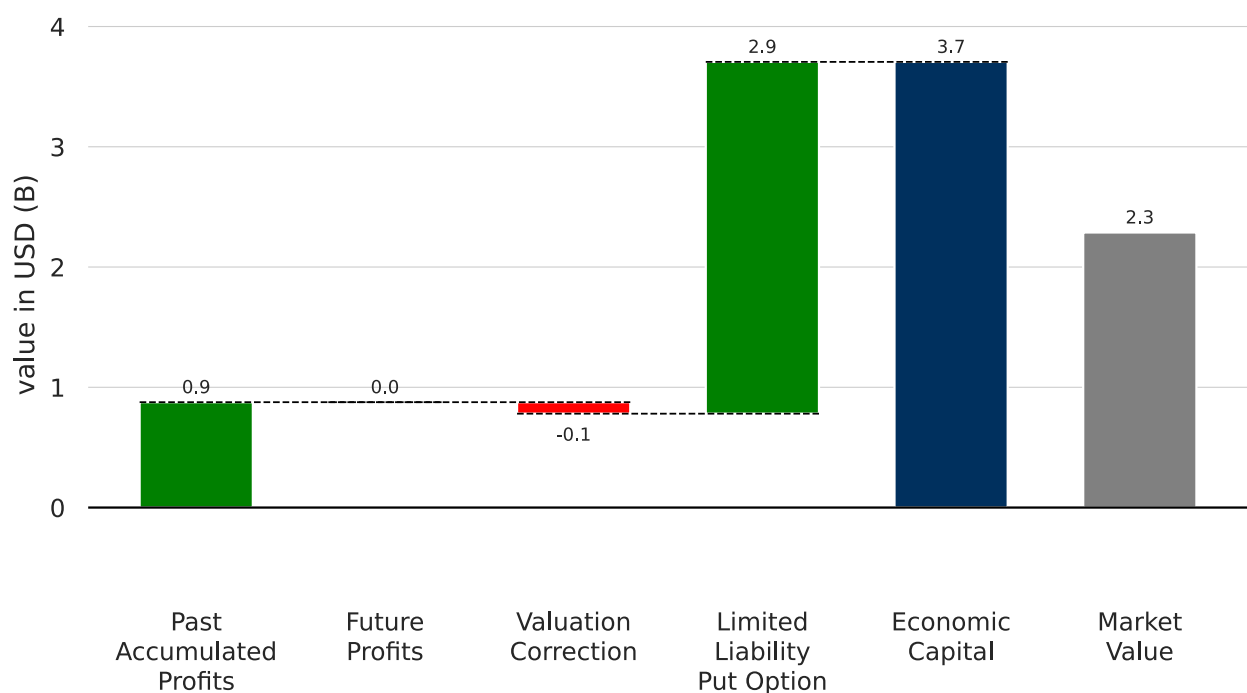
The greatest strength of Mercury General CORP compared to the market average is the variable Liabilities, increasing the Economic Capital Ratio by 21% points. The greatest weakness of Mercury General CORP is the variable Assets, reducing the Economic Capital Ratio by 33% points.

The company's Economic Capital Ratio, given in the ranking table, is 95%, being 1.9% points above the market average of 93%.

Input Variable	Value in 1000 USD
Assets, Current	0
Assets, Non-Current	181,324
Claims Reserve and LAE	1,290,248
Deferred Acquisition Costs Amortization	562,545
Deferred Policy Acquisition Costs	200,826
General and Administrative Expense	235,314
Insurance Commissions and Fees	0
Intangible Assets	68,421
Investment Income	-34,255
Investments	3,547,560
Liabilities Current	0
Long Term Debt	0
Other Assets	265,595
Other Compr. Net Income	0
Other Expenses	1,642
Other Liabilities	671,631
Other Net Income	0
Other Revenues	130,165
Policyholder Benefits and Claims	2,355,138
Policyholder Contract Deposits	0
Premiums Earned	3,131,773
Premiums Receivable	524,992
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	1,074,437

Output Variable	Value in 1000 USD
Assets	4,788,718
Liabilities	3,036,316
Expenses	3,154,639
Revenues	3,227,683
Stockholders Equity	1,752,402
Net Income	73,044
Comprehensive Net Income	73,044
BaseVar	132,071,593
ECR before Limited Liability	20%
Economic Capital Ratio	95%

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.