

OLD REPUBLIC INTERNATIONAL CORP

Form 10-K/A

April 13, 2004

As in effect

3/1/61

FORM 10K/A1

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D. C. 20549

AMENDMENT TO APPLICATION OR REPORT  
Filed Pursuant to Sections 12, 13, or 15 (d) of  
THE SECURITIES EXCHANGE ACT OF 1934

OLD REPUBLIC INTERNATIONAL CORPORATION

-----  
(Exact name of registrant as specified in charter)

AMENDMENT NO. 1

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The undersigned registrant hereby amends the following items, financial  
statements, exhibits or other portions of its ANNUAL REPORT FOR 2003 on  
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Form 10K as set forth in the pages attached hereto: (List all such items,  
-----  
financial statements, exhibits or other portions amended)

SEE INDEX

Pursuant to the requirements of the Securities Exchange Act of 1934, the  
registrant has duly caused this amendment to be signed on its behalf by  
the undersigned, thereunto duly authorized.

OLD REPUBLIC INTERNATIONAL CORPORATION

-----  
(Registrant)

Date: April 13, 2004  
-----

By: /s/ John S. Adams  
-----

(Signature)  
John S. Adams  
Senior Vice President and  
Chief Financial Officer

Total Pages: 12

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FINANCIAL STATEMENT SCHEDULES

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Report of Independent Auditors

OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES

Schedule I - Summary of Investments - Other than Investments in Related Parties as of December 31, 2003

Schedule II - Condensed Financial Information of Registrant as of December 31, 2003 and 2002 and for the years ended December 31, 2003, 2002, and 2001

Schedule III - Supplementary Insurance Information for the years ended December 31, 2003, 2002 and 2001

Schedule IV - Reinsurance for the years ended December 31, 2003, 2002 and 2001

Schedule VI - Supplemental Information Concerning Property - Casualty Insurance Operations for the years ended December 31, 2003, 2002 and 2001

Schedules other than those listed are omitted for the reason that they are not required, are not applicable or that equivalent information has been included in the financial statements, notes thereto, or elsewhere herein.

EXHIBITS

(23) Consent of Independent Accountants.

(28) Consolidated Schedule P. (\*)

\* Not covered by the Report of Independent Auditors.

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REPORT OF INDEPENDENT AUDITORS  
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To the Board of Directors and Shareholders of  
Old Republic International Corporation  
Chicago, Illinois

Our audits of the consolidated financial statements of Old Republic International Corporation and its subsidiaries at December 31, 2003 and 2002, and for each of the three years in the period ended December 31, 2003 referred to in our report dated March 10, 2004, which is included on page 55 of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2003, also included an audit of the financial statement schedules listed in the index on page 2 of this Form 10K/A1 amendment. In our opinion, these financial statement schedules present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

/s/ PricewaterhouseCoopers LLP

Chicago, Illinois  
March 10, 2004

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(\$ in Thousands)

Column A	Column B
Type of investment	Cost (a)
Available for sale:	
Fixed maturity securities:	
United States Government and government agencies and authorities	\$ 878,478 \$
States, municipalities and political subdivisions	1,215,133
Foreign government	77,899
Public utilities	791,445
Corporate, industrial and all other	2,501,035
	-----
	5,463,990 \$
	-----
Equity securities:	
Non-redeemable preferred stocks	1,959 \$
Common stocks:	
Public utilities	102,032
Banks, trusts and insurance companies	16,594
Industrial, miscellaneous and all other	318,641
	-----
	439,226 \$
	-----
Short-term investments	403,952
Other miscellaneous investments	53,234
	-----
Total	6,360,402
	-----
Held to maturity:	
Other miscellaneous investments	8,543
	-----
Total	8,543
	-----
Total Investments	\$ 6,368,945
	=====

Note: (a) Represents original cost of equity securities, and as to fixed maturities, original cost reduced by repayments and adjusted for amortization of premium or accrual of discount.

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(\$ in Thousands)

	-----	2003	-----
Assets:			
Bonds and notes	\$	1	
Cash			
Short-term investments		1	
Investments in, and indebtedness of related parties:			
Subsidiaries and affiliates, at equity		3,55	
Indebtedness of affiliates		10	
Other assets		2	
		-----	
Total Assets	\$	3,71	=====
Liabilities, Preferred Stock and Common Shareholders' Equity:			
Liabilities:			
Accounts payable and accrued expenses	\$	2	
Debt and debt equivalents		11	
Indebtedness to affiliates and subsidiaries		1	
Commitments and contingent liabilities			
		-----	
Total Liabilities		15	-----
Convertible preferred stock			
Common Shareholders' Equity:			
Common stock		18	
Additional paid-in capital		24	
Retained earnings		2,89	
Accumulated other comprehensive income		23	
Treasury stock (at cost)		(1)	
		-----	
Total Common Shareholders' Equity		3,55	-----
Total Liabilities, Preferred Stock and and Common Shareholders' Equity	\$	3,71	=====

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES  
 SCHEDULE II - CONDENSED FINANCIAL INFORMATION OF REGISTRANT  
 STATEMENTS OF INCOME  
 OLD REPUBLIC INTERNATIONAL CORPORATION (PARENT COMPANY)  
 (\$ in Thousands)

	Years Ended	
	2003	2002
<b>Revenues:</b>		
Investment income from subsidiaries	\$ 6,336	\$
Real estate and other income	3,561	
Realized investment gains (losses)	1,378	
Other investment income	576	
<b>Total Revenues</b>	<b>11,852</b>	
<b>Expenses:</b>		
Interest -- subsidiaries	318	
Interest -- other	8,155	
Real estate and other expenses	2,360	
General expenses, taxes and fees	9,045	
<b>Total Expenses</b>	<b>19,881</b>	
Revenues, net of expenses	(8,028)	
Federal income tax credits	(171)	
Loss before equity in earnings of subsidiaries	(7,856)	
<b>Equity in Earnings of Subsidiaries:</b>		
Dividends received	174,615	
Earnings in excess of dividends	293,043	
<b>Net Income</b>	<b>\$ 459,801</b>	<b>\$</b>

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES  
 SCHEDULE II - CONDENSED FINANCIAL INFORMATION OF REGISTRANT  
 STATEMENTS OF CASH FLOWS  
 OLD REPUBLIC INTERNATIONAL CORPORATION (PARENT COMPANY)  
 (\$ in Thousands)

Years

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	2003	
Cash flows from operating activities:		
Net income	\$ 459,801	\$
Adjustments to reconcile net income to net cash provided by operating activities:		
Accounts receivable	136	
Income taxes - net	(1,912)	
Excess of equity in net income of subsidiaries over dividends received	(293,043)	
Accounts payable, accrued expenses and other	611	
Total	165,594	
Cash flows from investing activities:		
Sales of equity securities	---	
Sales of other investments	10	
Sales of fixed assets for company use	---	
Purchases of fixed maturity securities	---	
Purchases of equity securities	---	
Purchases of fixed assets for company use	(889)	
Investments in, and indebtedness of related parties - net	---	
Total	(879)	
Cash flows from financing activities:		
Repayment of notes receivable from related parties	28,599	
Repayment of notes and loans to related parties	(1,019)	
Issuance of preferred and common stock	9,741	
Dividends on common shares	(201,973)	
Dividends on preferred shares	(1)	
Purchase of treasury stock	---	
Total	(164,654)	
Increase (decrease) in cash and short-term investments	59	
Cash and short-term investments, beginning of year	13,913	
Cash and short-term investments, end of year	\$ 13,973	\$

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES  
SCHEDULE III - SUPPLEMENTARY INSURANCE INFORMATION  
For the years ended December 31, 2003, 2002 and 2001  
(\$ in Thousands)

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Column A	Column B	Column C	Column D
Segment	Deferred Policy Acquisition Costs	Future Policy Benefits, Losses, Claims and Loss Expenses	Unearned Premiums
Year Ended December 31, 2003:			
Insurance Underwriting:			
General Insurance Group	\$107,998	\$2,047,828	\$663,779
Mortgage Insurance Group	63,710	180,610	47,482
Title Insurance Group	---	259,092	---
Life Insurance Group	50,211	71,856	---
Reinsurance Losses Recoverable (a)	---	1,564,275	103,559
Total Insurance Underwriting	221,920	4,123,663	814,822
Corporate	---	---	---
Consolidated	\$221,920	\$4,123,663	\$814,822
Year Ended December 31, 2002:			
Insurance Underwriting:			
General Insurance Group	\$90,092	\$1,881,111	\$580,571
Mortgage Insurance Group	63,440	185,410	42,373
Title Insurance Group	---	225,659	---
Life Insurance Group	44,294	74,198	---
Reinsurance Losses Recoverable (a)	---	1,413,885	86,442
Total Insurance Underwriting	197,827	3,780,264	709,387
Corporate	---	---	---
Consolidated	\$197,827	\$3,780,264	\$709,387
Year Ended December 31, 2001:			
Insurance Underwriting:			
General Insurance Group	\$80,277	\$1,755,597	\$496,048
Mortgage Insurance Group	60,902	193,017	38,224
Title Insurance Group	---	215,634	---
Life Insurance Group	38,660	76,721	---
Reinsurance Losses Recoverable (a)	---	1,320,456	69,861
Total Insurance Underwriting	179,840	3,561,428	604,134
Corporate	---	---	---
Consolidated	\$179,840	\$3,561,428	\$604,134

Note:(a) Financial Accounting Standard (FAS) No. 113 "Accounting and Reporting for Reinsurance of Short-Duration and Long-Duration Contracts" eliminates the reporting of assets and liabilities relating to reinsured contracts net of reinsurance ceded balances. Accordingly, reinsured losses and unearned premiums are to be reported as assets. Assets and liabilities were, as a result, increased by corresponding amounts of approximately \$1.6 billion at December 31, 2003, \$1.5



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billion at December 31, 2002 and \$1.3 billion at December 21, 2001. FAS No. 113 does not have any effect on the Company's results of operations

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES  
 SCHEDULE III - SUPPLEMENTARY INSURANCE INFORMATION  
 For the years ended December 31, 2003, 2002 and 2001  
 (\$ in Thousands)

Column A	Column G	Column H	Column I
Segment	Net Investment Income	Benefits, Claims, Losses and Settlement Expenses	Amortization of Deferred Policy Acquisition Costs
<b>Year Ended December 31, 2003:</b>			
-----			
Insurance Underwriting:			
General Insurance Group	\$175,008	\$932,945	\$251,874
Mortgage Insurance Group	65,703	90,902	51,042
Title Insurance Group	23,599	63,801	---
Life Insurance Group	6,378	25,178	12,360
Reinsurance Losses Recoverable (a)	---	---	---
	-----	-----	-----
Total Insurance Underwriting	270,689	1,112,828	315,277
Corporate	8,545	---	---
	-----	-----	-----
Consolidated	\$279,234	\$1,112,828	\$315,277
	=====	=====	=====
<b>Year Ended December 31, 2002:</b>			
-----			
Insurance Underwriting:			
General Insurance Group	\$172,577	\$852,106	\$219,957
Mortgage Insurance Group	65,866	52,934	49,126
Title Insurance Group	22,535	40,765	---
Life Insurance Group	6,714	29,089	10,025
Reinsurance Losses Recoverable (a)	---	---	---
	-----	-----	-----
Total Insurance Underwriting	267,693	974,895	279,108
Corporate	5,003	---	---
	-----	-----	-----
Consolidated	\$272,697	\$974,895	\$279,108
	=====	=====	=====
<b>Year Ended December 31, 2001:</b>			
-----			
Insurance Underwriting:			
General Insurance Group	\$175,773	\$748,096	\$190,587
Mortgage Insurance Group	63,387	57,028	44,417
Title Insurance Group	22,750	25,163	---
Life Insurance Group	7,625	30,248	8,376

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Reinsurance Losses Recoverable (a)	---	---	---
Total Insurance Underwriting	269,536	860,537	243,380
Corporate	5,233	---	---
Consolidated	\$274,770	\$860,537	\$243,380

Note:(a) Financial Accounting Standard (FAS) No. 113 "Accounting and Reporting for Reinsurance of Short-Duration and Long-Duration Contracts" eliminates the reporting of assets and liabilities relating to reinsured contracts net of reinsurance ceded balances. Accordingly, reinsured losses and unearned premiums are to be reported as assets. Assets and liabilities were, as a result, increased by corresponding amounts of approximately \$1.6 billion at December 31, 2003, \$1.5 billion at December 31, 2002 and \$1.3 billion at December 21, 2001. FAS No. 113 does not have any effect on the Company's results of operations

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES  
SCHEDULE IV - REINSURANCE  
For the years ended December 31, 2003, 2002 and 2001  
(\$ in Thousands)

Column A	Column B	Column C	Column D
	Gross amount	Ceded to other companies	Assumed from other companies
Year Ended December 31, 2003:			
Life insurance in force	\$ 14,502,127	\$ 7,070,922	\$ ---
Premium Revenues:			
General Insurance Group	\$ 1,837,689	\$ 491,522	\$ 33,397
Mortgage Insurance Group	467,349	67,705	1,283
Title Insurance Group	748,287	96	1,796
Life Insurance Group:			
Life insurance	34,265	12,833	---
Accident and health insurance	55,199	25,081	73
Total Life Insurance Group	89,464	37,914	73
Consolidating adjustments	---	(73)	(73)
Consolidated	\$ 3,142,790	\$ 597,164	\$ 36,476

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Year Ended December 31, 2002:

Life insurance in force	\$ 11,437,301	\$ 4,053,693	\$ ---
Premium Revenues:			
General Insurance Group	\$ 1,550,929	\$ 389,238	\$ 22,440
Mortgage Insurance Group	432,483	57,333	1,131
Title Insurance Group	523,353	(50)	1,471
Life Insurance Group:			
Life insurance	32,540	8,227	---
Accident and health insurance	47,334	22,061	548
Total Life Insurance Group	79,875	30,289	548
Consolidating adjustments	---	(548)	(548)
Consolidated	\$ 2,586,642	\$ 476,262	\$ 25,044

Year Ended December 31, 2001:

Life insurance in force	\$ 11,575,791	\$ 4,075,307	\$ ---
Premium Revenues:			
General Insurance Group	\$ 1,282,223	\$ 318,823	\$ 36,891
Mortgage Insurance Group	390,905	38,485	768
Title Insurance Group	381,465	141	1,376
Life Insurance Group:			
Life insurance	37,240	13,757	---
Accident and health insurance	44,732	17,544	4
Total Life Insurance Group	81,972	31,302	4
Consolidating adjustments	---	(4)	(4)
Consolidated	\$ 2,136,566	\$ 388,748	\$ 39,036

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES  
 SCHEDULE VI - SUPPLEMENTAL INFORMATION CONCERNING PROPERTY-CASUALTY INSURANCE OPERATIONS  
 For the years ended December 31, 2003, 2002 and 2001  
 (\$ in Thousands)

Column A	Column B	Column C	Column D	Column E
	Deferred Policy	Reserves for Unpaid Claims and Claim	Discount, If Any,	

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Affiliation With Registrant	Acquisition Costs	Adjustment Expenses	Deducted in Column C	Unearned Premium
Year Ended December 31, 2003:				
(a) Consolidated property-casualty entities (b)	\$107,998	\$2,047,828	\$142,904	\$663,
(b) Unconsolidated property-casualty subsidiaries (a)				
(c) Proportionate share of registrant and its subsidiaries' 50%-or-less owned property-casualty equity investees (a)				
	\$107,998	\$2,047,828	\$142,904	\$663,
Year Ended December 31, 2002:				
(a) Consolidated property-casualty entities (b)	\$90,092	\$1,881,111	\$145,737	\$580,
(b) Unconsolidated property-casualty subsidiaries (a)				
(c) Proportionate share of registrant and its subsidiaries' 50%-or-less owned property-casualty equity investees (a)				
	\$90,092	\$1,881,111	\$145,737	\$580,
Year Ended December 31, 2001:				
(a) Consolidated property-casualty entities (b)	\$80,227	\$1,755,597	\$151,353	\$496,
(b) Unconsolidated property-casualty subsidiaries (a)				
(c) Proportionate share of registrant and its subsidiaries' 50%-or-less owned property-casualty equity investees (a)				
	\$80,227	\$1,755,597	\$151,353	\$496,

Note: (a) These amounts are immaterial and have, therefore, been omitted from this schedule.  
(b) See note (a) to Schedule III.

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES  
SCHEDULE VI - SUPPLEMENTAL INFORMATION CONCERNING PROPERTY-CASUALTY INSURANCE OPERATIONS  
For the years ended December 31, 2003, 2002 and 2001  
(\$ in Thousands)

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Column A	Column H		Column I	Column J
Affiliation With Registrant	Claims and Claim Adjustment Expenses Incurred Related to		Amortization of Deferred Policy Acquisition Costs	Paid Claims and Claims Adjustment Expenses
	Current Year	Prior Years		
Year Ended December 31, 2003:				
(a) Consolidated property-casualty entities (b)	\$943,610	(\$25,804)	\$251,874	\$751,09
(b) Unconsolidated property-casualty subsidiaries (a)				
(c) Proportionate share of registrant and its subsidiaries' 50%-or-less owned property-casualty equity investees (a)				
	\$943,610	(\$25,804)	\$251,874	\$751,09
Year Ended December 31, 2002:				
(a) Consolidated property-casualty entities (b)	\$859,634	(\$7,101)	\$219,957	\$727,01
(b) Unconsolidated property-casualty subsidiaries (a)				
(c) Proportionate share of registrant and its subsidiaries' 50%-or-less owned property-casualty equity investees (a)				
	\$859,634	(\$7,101)	\$219,957	\$727,01
Year Ended December 31, 2001:				
(a) Consolidated property-casualty entities (b)	\$793,115	(\$44,537)	\$190,587	\$727,63
(b) Unconsolidated property-casualty subsidiaries (a)				
(c) Proportionate share of registrant and its subsidiaries' 50%-or-less owned property-casualty equity investees (a)				
	\$793,115	(\$44,537)	\$190,587	\$727,63

Note: (a) These amounts are immaterial and have, therefore, been omitted from this schedule.

(b) See note (a) to Schedule III.

