2010

To Our Business Partners

We are delighted to update you on this year's financial results, business activity and our outlook for the future in this annual report. We appreciate that you, as the owners of Markel Corporation, share our interests in building the long-term value of this Company. We also recognize that the relationship between the management team at Markel and our shareholders is uncommon in today's short-term focused world. We treasure this relationship as it allows us the unique opportunity to build this Company in a durable and profitable manner.

Every year, this report is our best effort to communicate with you about the operations and activities of your Company. We want to tell you everything about what we are doing. We are excited about the changes we've made at Markel in the last few years. We are optimistic about our future, and we want you to know as many details as possible about your Company.

We believe that the more you know about what we are doing, the more you will share our optimism and continue to support us with the capital and patience needed to accomplish our lofty goals.

While no single measure can ever really capture the total financial picture, we have historically reported to you the book value per share as a reasonable proxy for our performance. By this measure, 2010 was a solid year of progress for Markel as book value per share rose to a new record high of $326.36, an increase of 16% from a year ago. Five years ago, book value per share was $174.04, and the compound annual growth rate since that time stands at 13%. Ten years ago, book value was $102.63 per share, and the compound annual growth rate over that period was 12%. You can see our year by year progress in the 20-year table provided below.

We expect to continue to rely on book value per share as the most important metric for measuring the progress of the Company as a whole. In addition, the ongoing growth of our non-insurance operations contained in the Markel Ventures group, and capital management actions such as share repurchases, will mean that we may augment that statistic with other relevant measures. We will fully share with you the key measures that we ourselves look at to make and judge our business decisions.

(in millions, except per share data)	**2010**	2009	2008	2007	2006	2005	2004	2003	2002
Gross written premiums	**$ 1,982**	1,906	2,213	2,359	2,536	2,401	2,518	2,572	2,218
Combined ratio	**97%**	95%	99%	88%	87%	101%	96%	99%	103%
Investment portfolio	**$ 8,224**	7,849	6,893	7,775	7,524	6,588	6,317	5,350	4,314
Portfolio per share	**$846.24**	799.34	702.34	780.84	752.80	672.34	641.49	543.31	438.79
Shareholders' equity	**$ 3,172**	2,774	2,181	2,641	2,296	1,705	1,657	1,382	1,159
Book value per share	**$326.36**	282.55	222.20	265.26	229.78	174.04	168.22	140.38	117.89
5-Year CAGR in book value per share[1]	**13%**	11%	10%	18%	16%	11%	20%	13%	13%

[1] CAGR—compound annual growth rate

The last five and ten years have seen challenging financial environments. The insurance markets in which we operate experienced increasingly competitive conditions and investment markets were treacherous. Despite these conditions, your Company substantially increased in value. We are pleased with these results and we hope you are as well. We look forward to building on this legacy in the years to come.

Ch-Ch-Ch-Changes

(with apologies to David Bowie)

Perhaps when we look back at 2010 in future years, we will smile knowingly at phrases like "unusual uncertainty" or "the new normal" that we all hear so much of these days. The future is always uncertain, and whatever conditions exist as time goes by are, by definition, "normal." For today though, the sense remains that somehow the degree of uncertainty and what normal looks like seem different than in previous eras.

In keeping with this sense of taking everything to warp speed as the overall environment shifted, we've implemented a series of dramatic changes at Markel in recent years. We've changed our basic business model of how we market and distribute insurance. We've changed the senior leadership team to assure continuity into the future. We've changed information technology systems and approaches to how we manage the Company. We've changed by adding to the countries and markets where we operate. We've even changed the scope of the businesses we operate with the addition of Markel Ventures.

As we've worked through these changes, one thing has not changed and will not change, namely, the Markel Style, which describes the values by which we operate this Company. Markel operates with integrity. We value our associates and our customers. We maintain a long-term view while operating our business, and we do not cut corners or take shortcuts to make current results look artificially better.

In addition to those values, which will not change, we expect the future to be guided by two fundamental business realities.

One - technological change will continue to occur at an increasing pace.

Our technological approaches must be fast, flexible and cost effective. Every decision we make must be reviewed in those terms to assure that it fits that model. Whatever solutions exist today will be different in the future, and we need to be able to turn on a dime to adapt to tomorrow's realities.

Later in this report, we will discuss our Atlas initiative and how we are adapting our approach to our information technology management process to reflect this reality.

Two - talented and honest people will do fine.

Despite whatever changes we face and however daunting they may seem at the time, everyone else faces them too. Everyone faces the same economic, regulatory

2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	20-Year CAGR[1]
1,774	1,132	595	437	423	414	402	349	313	304	406	412	8%
124%	114%	101%	98%	99%	100%	99%	97%	97%	97%	106%	81%	—
3,591	3,136	1,625	1,483	1,410	1,142	927	622	609	457	436	411	16%
365.70	427.79	290.69	268.49	257.51	209.20	170.95	115.45	112.55	84.64	81.77	77.27	13%
1,085	752	383	425	357	268	213	139	151	109	83	55	23%
110.50	102.63	68.59	77.02	65.18	49.16	39.37	25.71	27.83	20.24	15.59	10.27	19%
18%	21%	22%	23%	26%	26%	31%	17%	25%	34%	35%	—	—

and technological environments. No one gets to choose a different reality.

We compete all over the world for talented associates to serve our customers. If we attract and retain the best people through a combination of shared values and appropriate financial incentives, we will survive and prosper, and the value of your Company will grow.

Financial Results

Total operating revenues rose to $2.2 billion from $2.1 billion, up 8%. Earned premiums were $1.7 billion compared to $1.8 billion a year ago, and the combined ratio for the year was 97% compared to 95% in 2009. Investment income totaled $273 million compared to $260 million in 2009, and other revenues were $186 million compared to $90 million a year ago.

On our balance sheet, total shareholders' equity rose to $3.2 billion from $2.8 billion, and debt to total capital declined to 24% from 26% in 2009.

We remain balance sheet oriented at Markel. We strive to make our loss reserves more likely redundant than deficient, and we err on the side of conservatism and maintaining the integrity of the balance sheet. This is a core value of Markel that will not change.

In our insurance operations, we operated at a combined ratio of 97% vs. 95% a year ago. This year's results were negatively affected by the Deepwater Horizon disaster in the Gulf of Mexico and the Chilean earthquakes, as well as heavier than normal expenses associated with our information technology initiatives. These two factors added two points to the loss ratio and three points to the expense ratio in 2010. We are pleased with another year of underwriting profitability, especially given the difficult market conditions in the insurance industry.

We also are optimistic that despite challenging overall industry conditions, we will continue to enjoy good results in our insurance operations.

During 2010, we took several steps to make that happen in our wholesale, specialty and international segments.

We promoted several proven executives to new positions of responsibility. For example, we named Gerry Albanese as Executive Vice President of Markel. In this role, Gerry oversees all underwriting functions of the Company.

We also promoted John Latham to President of Wholesale Operations and named new leaders in our Northeast and Southeast regions, as well as a new head of marketing for the wholesale operations.

We promoted Timberlee Grove to Chief Operating Officer of Markel Specialty. We also named new product line leaders in the Transportation, Architects and Engineers, Directors and Officers and Crisis Management disciplines.

We added to our longstanding presence in the equine insurance world with the acquisition of the American Livestock book, and we enjoyed the first full year of operations of the Elliott Special Risks operation in Canada, which we purchased in the fourth quarter of 2009.

All of these promotions and this activity have one goal in mind: Build the Markel brand for future growth and leadership. In the world of insurance, Markel stands for integrity, expertise and entrepreneurship. Our customers recognize our long-term commitment to solve their insurance problems and we look forward to building on that reputation all around the globe.

In our investment operations we enjoyed a fabulous year. Total investment return was 7.9% in 2010 with equities up 20.8% and fixed income up 5.4%. We remain optimistic about future returns from our equity investment operations. We continue to have more ideas than money, and that is a good recipe for future returns.

In our fixed income operations, we remain concerned about the likelihood of interest rates increasing from their current low levels. This began to happen somewhat in the fourth quarter of 2010 and, while we don't know when, we think that higher rates are on the way.

In preparation for higher rates, we've shortened the maturity of our bond portfolio over the last two years. As bonds have come due, we've replaced them with bonds that have shorter maturities. This has constrained our investment income, but we think that protecting the balance sheet from the big price drops that would occur on long-term bonds if interest rates rose is the right decision. We will continue to remain vigilant and only redeploy our capital to longer-dated bonds if we feel we are being paid adequately for assuming the risks of inflation and currency degradation.

Insurance Industry Dynamics

Profitable insurance premium volume remained hard to come by in 2010. It is no mystery why this is the case. There is simply too much capital in the insurance industry compared to the risks that need to be insured.

While reliable statistics are difficult to pinpoint, we can hang some numbers on the capital issue and the supply versus demand situation. According to A.M. Best Company, total capital in the U.S. insurance industry at year end 2010 is approximately $550 billion. Total premiums for the U.S. insurance industry for 2010 are estimated to be approximately $400 billion.

While these are rough estimates and U.S.-based numbers only, they directionally describe the worldwide state of the insurance industry. Just as is the case at Markel, the insurance industry continues to be more global. As such, capital moves from jurisdiction to jurisdiction and can and will respond to insurance opportunities anywhere around the world.

Simply put, there is too much capital (supply) in the insurance industry relative to current demand for the industry to produce attractive overall returns on capital.

Over time, this situation will change. Insurance markets will harden and prices will increase. We do not know when, but we expect a combination of factors such as rising interest rates (which will diminish the values of the industry's investments), loss reserve deficiencies, share repurchases, dividends, merger and acquisition activities and catastrophes to dent and diminish industrywide capital levels.

We also would say that in addition to "too much capital" there is "not enough risk." The economic shock waves from the financial crisis in recent years have not passed through the system completely. Measures of economic activity remain constrained and risk is still kind of a bad word.

This will not remain true indefinitely. Growth outside the United States continues to occur at healthy rates as living standards around the globe rise. Historically, total insurance premiums grew at a rate slightly higher than GDP due to increasing sophistication, complexity and sense of liability. Risk has been suppressed in recent years and the demand for insurance suffered accordingly. As the entire world continues to advance economically, the demand for insurance should resume its upward path and help correct the current supply-demand imbalance.

A more vibrant level of economic activity creates more risk and more demand for insuring that risk. Recovery and an increased pulse of economic activity should improve the supply-demand balance for the global insurance industry.

Finally, one of the many perverse features of the insurance industry is the mislabeling of riskiness and capital adequacy. Right now, prices are falling and premium to surplus ratios are declining. This makes it look like the industry is more overcapitalized and less risky as it charges *lower* prices to assume the *same* risks.

When prices start to rise, premium to surplus ratios will rise and rating agencies, regulators and analysts will state that the industry is becoming riskier and less capital adequate as it charges *higher* prices to assume the *same* risks.

In short, this is idiotic.

Nonetheless, it remains the method by which capital adequacy and solvency is rated and regulated and we can't change it. This produces a leveraged effect where price swings are magnified and needless volatility occurs. Insurance prices accelerate both downward and upward during normal market cycles. While we all bemoan the current tough pricing environment for insurance, we are confident that this recurring cycle will recur yet again, and we will see accelerating upside prices in the future.

Despite the reality of current soft pricing and hypercompetitiveness, we can and are doing several things to propel economic growth at Markel.

First, our focus on specialty insurance products allows us to be among the first to serve new markets and new risks. We don't need extensive history and years of actuarial data to serve a newly emerging industry or a new type of risk. Our talented associates can use the technical tools available and combine those tools with business judgment to design and price insurance products to meet the needs of new customers and new businesses.

Second, while we are willing to significantly reduce writing insurance in specific areas when we believe that rates are inadequate, we can increase writings in these markets later when rates are more appropriate. This flexibility should help us to be out of the market when premium dollars are scarce and present when they are more abundant. As an example, we re-entered the market for directors' and officers' liability coverage in 2010 after having withdrawn from that market in the 1990's.

Third, as our capital base grows and our geographic spread of business widens, we can write more risks and higher dollar amounts of each risk. As an example, writing more energy business around the world enables us to write more energy business in the Gulf of Mexico due to the benefits of additional diversification.

Fourth, while we enjoy a wonderful record of long-term growth, we remain a small player in the global world of insurance. There is room for us to increase our market share for many years to come. We can use the tools of technology to increase our distribution reach and administrative expertise. We can add new people, new products, new companies and new offices for a long time. In 2010, we opened offices in Hong Kong, New York and Barcelona. There are still many places for us to put new pins, representing Markel offices, on a map of the world.

Fifth, we can thoughtfully manage the capital of the Company to create value. We measure our performance and progress on a per share basis at Markel. As opportunities present themselves to deploy capital for organic growth opportunities around the globe, acquire insurance or non-insurance businesses, or repurchase Markel common stock at attractive prices, we will do so.

Since the initial public offering of Markel Corporation in 1986, the insurance market has been what was described as "soft" in more years than not. Most of our associates have only seen one hard market in their entire insurance career! Despite this, we've managed to grow and create value. We expect to continue to be able to do so.

A Digression on Accounting— Enjoy!

Our non-insurance holdings, Markel Ventures, continue to grow. Since launching Markel Ventures in 2005, we've grown from one business with revenues of approximately $50 million to six businesses with estimated revenues of over $250 million for 2011. The associated cash flows have followed as expected. We expect additional growth in these operations in coming years both organically and from acquisitions.

With the growth of Markel Ventures, it is important to add some new measures when reporting our financial results to you. We will begin to do so this year and in the years to follow by reporting EBITDA, or earnings before interest, taxes and depreciation and amortization, that Markel Ventures has produced for us. In 2010, Markel Ventures EBITDA was $20.4 million as compared to $4.6 million in 2009. For a reconciliation of Markel Ventures EBITDA to net income, see the table on page 130.

While we generally do not like EBITDA as a performance measure, it does provide useful information if you keep in mind several caveats. Here is the way we break it down by its components to make it useful to us. We share this with you so that you can see how we think about it ourselves.

First, we start with the "E," Earnings. These are the GAAP after-tax earnings of the businesses involved. They are the starting point for the EBITDA calculation and they are calculated in accordance with GAAP. If we had owned these businesses for a long time, rather than through recent acquisitions, we could just stop there.

It is fair to ask then, why are you adding back Interest, Taxes, Depreciation and Amortization? Aren't they real expenses? The honest answer is both yes and no, and we'll try to explain why in the paragraphs that follow.

Interest is clearly a real expense. As such, we count it in considering the economics of each of these businesses. Other than the real estate intensive business of ParkLand Ventures, we operate the Markel Ventures businesses with little or no debt. Consequently, the "I" factor of EBITDA is an insignificant difference between GAAP earnings and EBITDA. Whether we adjusted for "I" or not, the answer would be roughly the same under these circumstances.

Taxes are also real expenses. Real taxes though are affected by leverage and the associated deductible interest expense. In order to make effective apples to apples comparisons about the performance of underlying businesses which might have different amounts of debt in their capital structure, we add back the tax expense to make the results comparable.

Depreciation and Amortization get more interesting. Depreciation is the accounting method that tries to capture the sense of how much the capital equipment of a company is wearing out and what it will cost to replace it eventually. Fortunately, the Markel Ventures companies are not capital intensive and do not need massive doses of capital spending to remain competitive. This is an important aspect of what we are looking for when we purchase companies. Normally, we do not want to invest in businesses that require massive capital expenditures. As such, depreciation, like interest, tends to be only a minor factor in the adjustment from GAAP earnings to EBITDA.

Amortization represents the accounting effort to capture the cost of maintaining the intangible assets of a company each year. Given that the Markel Ventures companies have brand power in their markets and produce excellent cash flows, our purchase price reflects that reality and was a bigger number than just the hard asset values of existing working capital and real estate assets. The price we pay in excess of those tangible assets gets assigned to intangible assets and those intangible assets are written off over time in the amortization account.

We add back amortization to earnings as we are looking at the management teams and evaluating these businesses for two major reasons. First, as the CEO's of these businesses make decisions, amortization of intangible assets doesn't affect how they interact with their customers, manage their operations, price their products or any other fundamental aspect of running the business. Had we (or someone else) never purchased the business, this amortization would not exist. It is almost a "Lewis Carroll - Through The Looking Glass" type issue. If you look at these businesses from the point of view of Markel's financial statements, which is what we are doing in this report, the earnings of the companies are

penalized by an annual amortization charge that starts on day one of the acquisition and goes away over a number of years.

If you are looking at the operations of these companies from the standpoint of the operating companies themselves, this charge does not exist. Most importantly, it does not affect the cash flow of the business no matter which way you are looking at it. Consequently, we add the amortization back to reported earnings to get a truer sense of the operating cash flow produced by the business.

Second, the other reason we add back amortization is that if the companies are well run, continuing to build the value of their brand and increasing their earnings, the intangible value of these companies should be INCREASING not DECREASING, as the presence of an amortization charge would suggest.

While we would not be so silly as to add an amortization income line to our financial statements, that is what should be occurring if we are doing our jobs well. Over time, as we increase the scale and scope of Markel Ventures and as our insurance operations differentiate themselves in the marketplace as unique and non-commodity solutions to customer problems, the value of Markel common stock should also trade at a growing premium to the stated book value to reflect this economic reality.

This is a new and growing issue for how Markel common stock should be fairly valued in the marketplace. We are no longer solely an insurance company that can be valued by the single dimension of price to book value. There are other factors involved. We have always recognized these additional features, and we are going through this accounting discussion to share our thoughts with you about some of the new components involved in evaluating and analyzing the performance of your Company.

To end this accounting digression, EBITDA, when suitably dissected and analyzed, provides a reasonable and appropriate method to judge the cash flow and value being produced by the Markel Ventures companies. As such, we will share this number with you. Also, you can be confident that we are not confused about the difference between GAAP earnings and EBITDA, and we pay a lower multiple of EBITDA than of GAAP earnings when making an acquisition.

Acquisitions During the Year

During 2010, we completed the acquisition of FirstComp, a workers' compensation specialty operation serving roughly 8,000 retail agents across the United States. The company is skilled at designing and marketing workers' compensation coverage for small businesses and organizations and successfully uses advanced technology to meet clients' needs.

We are especially excited about the addition of FirstComp for several reasons.

First, we will offer additional Markel insurance products to FirstComp's current customer base. FirstComp's agency force already has thousands of customers that need additional types of insurance beyond workers' compensation, and we will offer the expanded array of Markel insurance products to them.

Second, FirstComp brings a marketing and technology focus that will be helpful throughout the Markel organization. Their disciplined and proactive sales process, along with the technological systems to market and administer their operations, will benefit the rest of Markel.

The beautiful thing about FirstComp is that through a focus on *small* accounts in *small* towns with *small* agencies serving *small* businesses, they've produced *big* results. We fully expect them to continue to do so in the future. However, 2011 will be a year of transition for FirstComp. Historically, FirstComp has operated a hybrid model of managing general agent and risk-bearing capabilities. As part of Markel, FirstComp will transition to primarily a risk-bearing operation. Also, as we have

discussed countless times, Markel's reserving philosophy is to establish loss reserves that are more likely redundant than deficient. FirstComp's 2011 results will be impacted by the application of this long-standing philosophy to their business.

While we would love for FirstComp to be earnings positive from day one, we recognize the magnitude of the transition and the current sad state of the workers' compensation market. Given this backdrop, we would expect FirstComp to have an underwriting loss in the range of $30 million for 2011. This is not a surprise to us and does nothing to diminish our excitement. FirstComp has a bright future as part of Markel.

Markel Ventures also made several acquisitions during 2010. While each transaction remains small in isolation, the combined increases in revenues and cash flows are now meaningful to Markel.

Specifically, during 2010, we acquired Solbern and controlling stakes in RetailData Systems and Diamond Healthcare. Additionally, we made strategic, noncontrolling investments in Markel Eagle Partners and GoodHaven Asset Management.

Solbern manufactures equipment for the food processing industry and serves niche markets like pickle packing, hot fill beverages and convenience store fast food products. Solbern has operated in these markets for over 50 years. The installed base of its equipment and longstanding customer relationships are a testament to the solutions it can engineer for its customer base. Solbern will be included as part of our AMF operations.

RetailData provides real-time retail intelligence and data to grocery, general merchandise and drug stores and other retailers. RetailData started 20 years ago and has emerged as the leader in market intelligence services for the retail store industry. As part of Markel, the company now has a permanent capital base and the ability to increase its recent efforts to expand internationally as well as widen its customer base.

Diamond Healthcare provides behavioral health services in over 75 communities across the nation. Working in partnership with local hospitals and health care providers, Diamond brings specialized expertise in behavioral health issues to locations around the country. Diamond started 25 years ago in Richmond and has grown steadily over that time. Partnering with Markel creates a permanent capital structure for the company and will facilitate their ongoing expansion and long-term management stability.

We made strategic, noncontrolling investments in Markel Eagle Partners as well as GoodHaven Asset Management. Markel Eagle was formed to take advantage of opportunities in the Mid-Atlantic real estate markets. The principals of the firm have operated successfully for two generations and were well known to us. GoodHaven is a newly formed investment management company with mutual fund and separate account offerings. We've known the principals of GoodHaven for over a decade, and we are delighted to partner with them as they build a new firm.

In each of these instances, we follow the same four-part checklist that we use in investing in publicly traded securities. As long-time readers of this report will know, we are looking for profitable businesses with good returns on capital, run by honest and talented management teams, with reinvestment opportunities and capital discipline, at fair prices.

We have some critical advantages in our Markel Ventures operations compared to our holdings of publicly traded securities. Specifically, we retain control of the reinvestment and capital decisions as opposed to delegating that responsibility to an independent board of directors, and we can redeploy the cash flows from these companies anywhere within Markel in a highly tax efficient manner.

We operate these companies with little or no debt, and their ability to create unencumbered cash flow for Markel provides us with a strategic advantage. We expect to

continue to add to our holdings of these profitable, well run businesses over time.

We also offer tremendous advantages to potential sellers of these businesses. We offer a long-term home for great businesses. If sellers want to make sure that their business is permanently placed in patient hands that will help current and future managers to build wonderful businesses, we are a unique buyer. We will not use excessive leverage or look to sell to subsequent buyers. That one sentence differentiates us from 90% of the other buyers in the world.

P.S. If you or someone you know owns a business that meets these criteria and would like to find a permanent home let us know.

Information Technology

Last year, we described our Atlas initiative. It was our name to describe the transformation of our information technology systems to both modernize and update our systems as well as to change the fundamental architecture of our IT to reflect the One Markel business model.

2010 was a year of good progress in Atlas and the new systems are starting to be delivered and implemented. This will continue to be the case in 2011 and 2012.

Starting now though, the name Atlas will fade into history. As the One Markel model has taken shape, we have realized that our IT needs are to some extent different than we originally assumed. We have deemphasized and deferred some Atlas initiatives, such as the policy administration system, while increasing our focus in areas such as data warehouse and internet solutions for our agents, brokers and policyholders.

IT is crucial to our business each and every day. It is inappropriate to view Atlas as a one-time project with a start and end date. As we deliver specific projects over the next few years, our focus must and will shift to keeping our technology up to date and appropriate at all times.

As such, we will allocate appropriate capital to our IT efforts on a regular and continuous basis. With this steady source of support, we will prioritize and triage our efforts to continually adapt to what is new and needed and prune and discontinue that which is not new and no longer needed.

Technology efforts will be judged by the following standard:
Our technological approaches must be fast, flexible and cost effective. Every decision we make must be reviewed in those terms to assure that it fits that model. Whatever solutions exist today will be different in the future, and we need to be able to turn on a dime to adapt to new realities.

With appropriate ongoing resources and this standard, we are confident that we will deploy and maintain the right technology to run our business efficiently and effectively.

Management Changes

In 2010, we formalized a management succession plan to perpetuate the long-term success of Markel. We formed an Office of the Chairman with Alan Kirshner as Chairman and Steve Markel and Tony Markel as Vice Chairmen. We also formed the Office of the President with Mike Crowley, Tom Gayner and Richie Whitt.

Alan, Steve and Tony created the vision for the modern Markel Corporation, which launched into the public arena in 1986. Their dreams for the Company took Markel from a small, regional insurance operation to a global insurance and financial firm. Through articulation of the values we all share as outlined in "The Markel Style," a series of bold acquisitions and day-to-day execution of the details, their leadership has presided over a great success story. They plan to continue their strategic and oversight roles indefinitely.

Mike, Tom and Richie assume day-to-day responsibility for the activities of the Company in this transition. Just as has been the case with Alan, Steve and Tony, each executive has ultimate responsibility and authority over certain functions of the Company. Clear boundaries, goodwill and the shared goals of only being interested in what is best for Markel have helped foster the necessary teamwork, as well as providing autonomy for the solo decisions needed from time to time.

This is an unusual structure but then again, Markel is an unusual company. We have had decades of success with this structure, and we are confident that it will continue into the future.

Outlook

As we look towards 2011 and beyond, we are excited about the long-term prospects and future of Markel.

In our insurance operations, we continue to operate in a disciplined fashion and seek to produce underwriting profits.

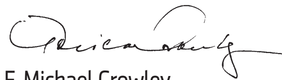
We will continue to expand geographically into new markets, we will make additional acquisitions as opportunities present themselves, we will train and grow our current talented associates and we will augment them with new, talented people. We expect ongoing growth in our non-insurance operations, and we will manage the capital as owners (which by the way, we are).

Markel Corporation enjoys an excellent record of creating value for its shareholders and associates over decades. We appreciate your support, and we are grateful for the opportunity to build such a great business. It takes time, patience, skill, dedication and some luck to get this done. We look forward to continuing to build on this legacy and reporting our progress to you.

Alan I. Kirshner
Chairman of the Board and Chief Executive Officer

Anthony F. Markel
Vice Chairman

Steven A. Markel
Vice Chairman



F. Michael Crowley
President and Co-Chief Operating Officer

Thomas S. Gayner
President and Chief Investment Officer

Richard R. Whitt, III
President and Co-Chief Operating Officer