

First American Financial Reports First Quarter 2017 Results

27 April 2017

First American Financial Corporation (NYSE: FAF), a leading global provider of title insurance, settlement services and risk solutions for real estate transactions, today announced financial results for the first quarter ended March 31, 2017.

Total revenue for the first quarter of 2017 was \$1.3 billion, an increase of 10 percent relative to the first quarter of 2016. Net income in the current quarter was \$58.3 million, or 52 cents per diluted share, compared with net income of \$52.5 million, or 47 cents per diluted share, in the first quarter of 2016. Net realized investment losses in the current quarter were \$0.1 million, compared with gains of \$5.1 million, or 3 cents per diluted share, in the first quarter of last year. This quarter's effective tax rate of 30.8 percent includes a benefit of \$2.4 million, or 2 cents per diluted share, due to a new accounting requirement related to stock-based compensation. This compares to the first quarter of 2016 effective tax rate of 30.3 percent, which included favourable tax items totalling \$3.8 million, or 3 cents per diluted share.

"The year is off to a good start, with total revenue up 10 percent," said Dennis J. Gilmore, chief executive officer at First American Financial Corporation. "While refinance headwinds remain, our purchase business is performing well as we move into the spring selling season, with the average fee per file continuing to show strong growth. Conditions remain good in our commercial business, with revenues up 2 percent from last year. The market outlook, combined with our continued operating efficiency, positions us well for 2017."

About First American

First American Financial Corporation (NYSE: FAF) is a leading provider of title insurance, settlement services and risk solutions for real estate transactions that traces its heritage back to 1889. First American also provides title plant management services; title and other real property records and images; valuation products and services; home warranty products; property and casualty insurance; and banking, trust and investment advisory services. With revenues of \$5.2 billion in 2015, the company offers its products and services directly and through its agents throughout the United States and abroad. More information about the company can be found at www.firstam.com.

About First Title Insurance

First Title Insurance plc provides innovative insurance solutions that minimise legal risk and add security to real estate transactions throughout Europe. First Title Insurance plc is part of The First American Family that traces its heritage back to 1889. For more information, please visit www.firsttitle.eu.

Leading Title Insurance