Chubb Ltd. (CB)

Updated November 1st, 2025 by Jonathan Weber

Key Metrics

Current Price:	$277	**5 Year CAGR Estimate:**	7.3%	**Market Cap:**	$109B
Fair Value Price:	$306	**5 Year Growth Estimate:**	4.0%	**Ex-Dividend Date:**	12/14/25[1]
% Fair Value:	91%	**5 Year Valuation Multiple Estimate:**	2.0%	**Dividend Payment Date:**	01/05/26[2]
Dividend Yield:	1.4%	**5 Year Price Target**	$372	**Years Of Dividend Growth:**	33
Dividend Risk Score:	A	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Chubb Ltd is a global provider of insurance and reinsurance services headquartered in Zurich, Switzerland. The company provides insurance services including property & casualty insurance, accident & health insurance, life insurance, and reinsurance. The current version of Chubb was created in 2016, when Ace Limited acquired the 'old' Chubb and adopted its name. American investors can initiate an ownership position in Chubb through shares listed on the New York Stock Exchange, where they are traded with the ticker symbol CB.

For its fiscal third quarter, Chubb Ltd reported net earned premiums of $14.4 billion, which was 7% more than the net earned premiums that Chubb generated during the previous year's quarter. Net written premiums were up 7% year-over-year as well, mainly thanks to growth in the P&C insurance business. Chubb was able to generate net investment income of $1.65 billion during the quarter, or $1.78 billion after adjustments, which was up by a nice 8% compared to the previous year's period.

Chubb generated earnings-per-share of $7.49 during the third quarter, which was a hefty 31% above the previous year's quarter's level and which represents a new quarterly record. Chubb's above-average profitability during the quarter can be explained by strong premium growth and moderate catastrophe losses that did not cause high costs compared to other quarters. Thanks to written premium growth and tailwinds from share repurchases, Chubb's profits could be strong in the coming quarters, unless the company feels an impact from above-average catastrophe losses, which generally aren't predictable. Chubb's book value was up slightly during the period, ending the quarter at $182.22.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	$9.77	$10.11	$8.02	$9.45	$10.11	$7.31	$12.56	$15.24	$19.80	$22.70	***$23.50***	***$28.59***
DPS	$2.64	$2.72	$2.80	$2.90	$3.00	$3.09	$3.18	$3.32	$3.44	$3.59	***$3.88***	***$4.95***
Shares[3]	325	466	464	463	456	453	443	419	410	407	***405***	***380***

Chubb does not have an overly consistent earnings growth track record, as there were some big swings to the upside and the downside. Still, in the years since 2020, Chubb has delivered pronounced earnings-per-share growth, partially due to higher investment income. Chubb has also compounded its book value per share at a solid pace since the Great Recession, with less pronounced swings than the company's earnings-per-share performance.

Strong written premium growth and tailwinds from higher interest rates for Chubb's investment income should be growth drivers for the company's profitability in the long run, although investors will have to live with fluctuations in the company's profitability on a year-over-year basis. Those are caused by catastrophe losses that are higher in some periods, depending on how many natural disasters strike in what areas, while catastrophe losses will be smaller in other years. While we believe that there will be an upward trend in profits, temporary declines during years with large natural disasters are to be expected. We forecast a long-term earnings-per-share growth rate in the mid-single-digits.

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[1] Estimated date
[2] Estimated date
[3] In Millions

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Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	11.2	12.2	17.7	13.7	15.4	15.4	15.3	14.5	11.4	12.2	***11.8***	***13.0***
Avg. Yld.	2.4%	2.2%	2.0%	2.3%	1.9%	2.0%	1.7%	1.5%	1.5%	1.3%	***1.4%***	***1.3%***

Chubb's shares have traded at earnings multiples between 10 and 18 over the last decade, with some years showing a high earnings multiple due to weaker profitability. Today, Chubb trades at slightly less than 12x this year's expected net profits, which is slightly below our fair value estimate. Based on the earnings growth track record and a comparison to other insurers, we believe that a 13x earnings multiple would be fair.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	27%	27%	35%	31%	30%	42%	25%	22%	17%	16%	***17%***	***17%***

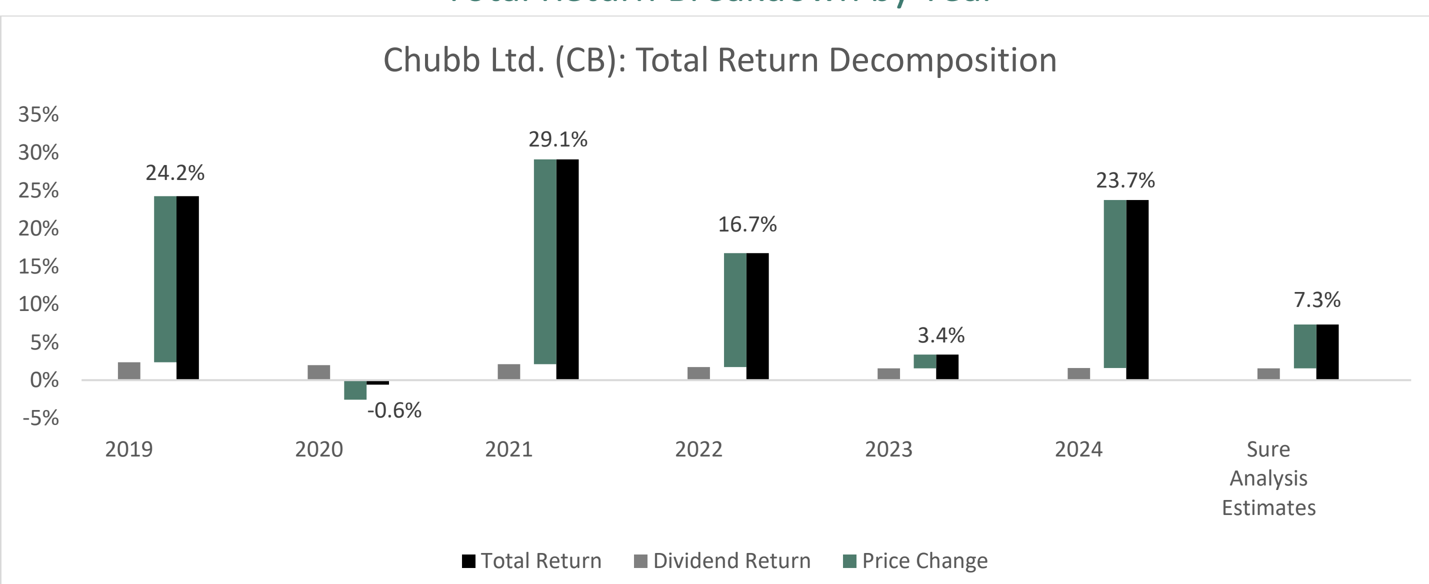
Chubb's profits can vary from year to year, depending on the catastrophe losses and the performance of Chubb's investments during that individual year. The company nevertheless was easily able to cover its dividend payments with its net profits during each year of the last decade. The dividend payout ratio, which is only about 17% based on our estimates for fiscal 2025, leaves a lot of room for future dividend increases.

Chubb remained highly profitable during the Great Recession, unlike many other financial companies. The company also had a relatively stable, non-volatile stock price in the past. Chubb thus may appeal to risk-averse investors who want to avoid dividend cuts and minimize the price volatility of their investment portfolios. Chubb's size and scale grew considerably in the past due to takeovers that Chubb has made from time to time.

Final Thoughts & Recommendation

Chubb's profits sometimes experience ups and downs, but profit growth improved markedly over the last couple of years. Chubb is a lower-risk stock when bought at the right valuation, and the company was able to weather both the Great Recession as well as the coronavirus crisis without a lot of harm, keeping its dividend growth track record intact. Shares trade slightly below our fair value estimate right now and promise reasonable returns going forward, which is why we rate Chubb a hold right here.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	18,968	31,480	32,340	32,679	34,230	36,052	40,861	43,055	49,826	55,745
SG&A Exp.	2,270	3,081	2,833	2,886	3,030	2,979	3,135	3,395	4,007	4,380
D&A Exp.	171	1,578	260	339	305	290	287	285	310	
Net Profit	2,834	4,135	3,861	3,962	4,454	3,533	8,525	5,246	9,028	9,272
Net Margin	14.9%	13.1%	11.9%	12.1%	13.0%	9.8%	20.9%	12.2%	18.1%	16.6%
Free Cash Flow	3,864	5,292	4,503	5,480	6,342	9,785	11,151	11,258	12,632	
Income Tax	462	815	(139)	695	795	629	1,269	1,239	511	1,815

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets ($B)	102.31	159.79	167.02	167.77	176.94	190.77	200.05	199.02	230.68	246.34
Cash & Equivalents	1,775	985	728	1,247	1,537	1,747	1,659	2,012	2,449	2,549
Acc. Receivable	16,896	22,729	24,552	26,270	25,735	26,278	28,901	31,094	33,611	33,996
Goodwill & Int.	6,078	22,450	22,380	21,709	21,665	21,474	20,904	25,371	30,135	25,956
Total Liab. ($B)	73.17	111.51	115.85	117.46	121.61	131.33	140.34	148.50	166.99	177.95
Accounts Payable	4,270	5,637	5,868	6,437	6,184	6,708	7,243	7,780	8,302	
Long-Term Debt	9,389	13,110	12,569	12,596	14,858	14,948	16,168	14,877	14,495	-
Total Equity	29,135	48,275	51,172	50,312	55,331	59,441	59,714	50,519	59,507	64,021
LTD/E Ratio	0.32	0.27	0.25	0.25	0.27	0.25	0.27	0.29	0.24	-

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	2.8%	3.2%	2.4%	2.4%	2.6%	1.9%	4.4%	2.6%	4.2%	3.9%
Return on Equity	9.7%	10.7%	7.8%	7.8%	8.4%	6.2%	14.3%	9.5%	15.8%	14.0%
ROIC	7.8%	8.3%	6.2%	6.3%	6.7%	4.9%	11.3%	7.4%	12.6%	12.7%
Shares Out.	325	466	464	463	456	453	443	419	410	407
Revenue/Share	57.68	67.56	68.63	70.01	74.59	79.51	92.20	101.66	120.29	135.33
FCF/Share	11.75	11.36	9.56	11.74	13.82	21.58	25.16	26.58	30.50	

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.