Primerica, Inc. (PRI)

Updated November 14th, 2025, by Kody Kester

Key Metrics

Current Price:	$254	**5 Year CAGR Estimate:**	16.0%	**Market Cap:**	$8.1B
Fair Value Price:	$314	**5 Year Growth Estimate:**	10.0%	**Ex-Dividend Date:**	11/21/25
% Fair Value:	81%	**5 Year Valuation Multiple Estimate:**	4.3%	**Dividend Payment Date:**	12/15/25
Dividend Yield:	1.6%	**5 Year Price Target**	$506	**Years Of Dividend Growth:**	15
Dividend Risk Score:	A	**Sector:**	Financials	**Rating:**	Buy

Overview & Current Events

Primerica, Inc. provides term life insurance to middle-income households in the United States and Canada. On behalf of third parties, it also offers mutual funds, annuities, managed investments, and other financial products. As of September 30th, 2025, PRI insured more than 5.5 million lives and had approximately 3 million client investment accounts. The company's offerings are sold via a network of 152,200 licensed sales representatives, who are independent contractors. PRI is organized into the following three operating segments:

1. Term Life Insurance: This segment provides customers with term life insurance in the United States and Canada. That's done via its Primerica Life, NBLIC, and Primerica Life Canada insurance subsidiaries.
2. Investment and Savings Products: The Investment and Savings Products segment offers savings and investment vehicles to meet the needs of clients in all stages of life. Products include mutual funds, managed investments, and fixed and fixed-indexed annuities. The segment's subsidiaries include PFS, PFS Investments, Primerica Life Canada, and PFSL Investments Canada.
3. Corporate and Other Distributed Products: This segment distributes mortgage loans through mortgage-licensed loan originators, auto and homeowners' insurance referrals, and prepaid legal services.

On November 5th, PRI shared its earnings report for the third quarter ended September 30th, 2025. The company's total adjusted operating revenue rose by 8.9% over the year-ago period to $838.9 million in the quarter. Once again, outsized growth in the Investment and Savings Products segment was the driving force behind this topline growth during the quarter (+19.8% to $318.8 million). The Term Life Insurance and Corporate and Other Distributed Products segments logged $463.3 million and $58.8 million in respective revenue for the quarter (+2.9% and +5.7%, respectively). PRI's adjusted diluted EPS surged 8.5% higher year-over-year to $6.33 in the quarter. That topped the analyst consensus during the quarter by $0.79.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	$3.70	$4.59	$7.61	$7.33	$8.62	$9.57	$9.38	$12.33	$15.94	$13.65	***$22.42***	***$36.11***
DPS	$0.64	$0.70	$0.78	$1.00	$1.36	$1.60	$1.88	$2.20	$2.60	$3.30	***$4.16***	***$6.70***
Shares[1]	48.3	45.7	44.3	42.7	41.2	39.3	39.4	36.8	35.0	33.4	***31.9***	***26.5***

Over the past decade, PRI's diluted EPS have compounded by 15.6% annually. We think that its diluted EPS can grow by 10% annually over the medium term, off 2025's estimated $22.42 base. This is because there's an estimated $14 trillion protection gap in the term life insurance market. As the company's licensed sales representatives educate consumers, there are opportunities for additional growth in this market. PRI's Investment and Savings Products segment also benefits from economic growth and the fact that client asset values tend to grow over time as a result.

[1] Share count is in millions.

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.

Primerica, Inc. (PRI)

Updated November 14th, 2025, by Kody Kester

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	12.8	15.1	13.3	13.3	15.2	14.0	16.3	11.5	12.9	20.2	***11.3***	***14.0***
Avg. Yld.	1.4%	1.0%	0.8%	1.0%	1.0%	1.2%	1.2%	1.6%	1.3%	1.2%	***1.6%***	***1.3%***

Since 2015, PRI's shares have ranged from a valuation multiple as low as the low double digits to as high as the low 20s. Over that time, the average P/E ratio was just above 14. In the years ahead, we continue to think that a reasonable fair value P/E ratio for PRI is 14. That's because the company's growth potential appears to be holding up. Compared to the current P/E ratio of 11.3, this implies PRI's shares remain undervalued by a double-digit percentage.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	17%	15%	10%	14%	16%	17%	20%	18%	16%	24%	***19%***	***19%***

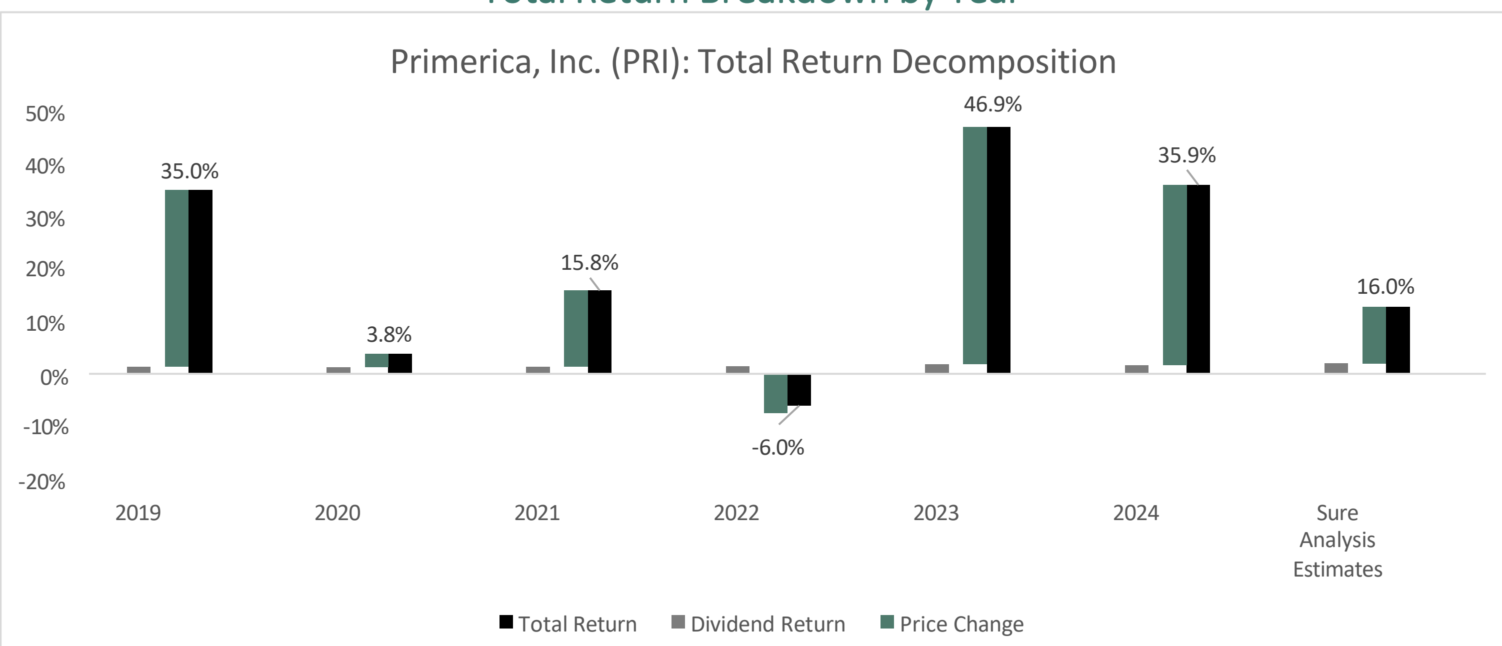
As the second largest provider of term life insurance in the U.S. and Canada, Primerica is well-positioned in this market. The company's array of offerings and unique distribution model provide it with competitive advantages that have allowed its diluted EPS to compound vigorously over time.

Turning to the balance sheet, the company is also financially sound. As of September 30th, 2025, PRI had a cash and cash equivalents balance of $644.9 million. This liquidity earns it an A- credit rating from S&P on a stable outlook. The company's dividend is also sustainable, with the payout ratio poised to be in the high-teens to low-20% range for 2025. That gives it plenty of room to build on its 15-year dividend growth streak.

Final Thoughts & Recommendation

PRI's 1.6% yield, 10.0% annual diluted EPS growth potential, and 4.3% annual valuation multiple expansion prospects could lead to 16.0% annual total returns over the next five years. This is why we're reiterating our Buy rating.

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.

Primerica, Inc. (PRI)

Updated November 14th, 2025, by Kody Kester

Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	1,404	1,519	1,689	1,900	2,053	2,218	2,710	2,720	2,816	3,089
D&A Exp.	11	15	14	12	18	18	30	34	32	23
Net Profit	190	219	350	324	366	386	373	373	577	471
Net Margin	13.5%	14.4%	20.7%	17.1%	17.9%	17.4%	13.8%	13.7%	20.5%	15.2%
Free Cash Flow	257	281	385	465	460	616	632	732	659	833
Income Tax	101	118	29	92	111	121	139	126	175	219

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	10,611	11,439	12,461	12,595	13,689	14,905	16,123	15,350	15,030	14,582
Cash & Equivalents	152	212	280	262	257	548	393	489	613	688
Acc. Receivable	4,301	4,404	4,435	4,357	4,397	4,533	4,526	4,270	3,289	3,160
Inventories	58	55	52	48	45	45	375	---	---	---
Goodwill & Int.	9,465	10,218	11,042	11,134	12,036	13,069	14,033	313	303	327
Total Liabilities	238	268	307	314	340	520	585	13,630	12,960	12,323
Accounts Payable	737	875	1,110	1,343	1,558	1,720	1,986	538	514	488
Long-Term Debt	1,146	1,221	1,419	1,462	1,652	1,836	2,083	2,037	1,980	1,898
Total Equity	0.64	0.72	0.78	0.92	0.94	0.94	0.95	1,184	2,066	2,259
LTD/E Ratio	58	55	52	48	45	45	375	1.18	0.96	0.84

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	1.8%	2.0%	2.9%	2.6%	2.8%	2.7%	2.4%	2.4%	3.9%	3.2%
Return on Equity	15.9%	18.5%	26.5%	22.5%	23.5%	22.1%	19.1%	19.6%	28.2%	21.8%
ROIC	10.2%	11.0%	15.1%	12.2%	12.2%	11.4%	9.8%	9.5%	14.2%	
Shares Out.	48	46	44	43	41	39	39	38.1	36.1	34.2
Revenue/Share	27.58	32.01	36.97	43.19	48.51	55.18	68.34	71.38	78.00	90.32
FCF/Share	5.04	5.92	8.42	10.56	10.87	15.32	15.95	19.21	18.25	24.36

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