Jackson Financial Inc. (JXN)

Updated December 16th, 2025, by Yiannis Zourmpanos

Key Metrics

Current Price:	$106	**5 Year Annual Expected Total Return:**	4.5%	**Market Cap:**	$7.22 B
Fair Value Price:	$88	**5 Year Growth Estimate:**	5.0%	**Ex-Dividend Date:**	12/04/25
% Fair Value:	120%	**5 Year Valuation Multiple Estimate:**	-3.7%	**Dividend Payment Date:**	12/18/25
Dividend Yield:	3.0%	**5 Year Price Target**	$112	**Years Of Dividend Growth:**	4
Dividend Risk Score:	C	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Jackson Financial Inc. (JXN) primarily offers annuity products to retail investors in the United States. The company operates in three segments and provides a range of retirement income and savings options. The Institutional Products segment includes traditional investment contracts and funding agreements. The Closed Life and Annuity Blocks segment offers various insurance products. The company distributes its offerings through a diverse network of financial intermediaries.

On November 4th, 2025, the company announced results for the third quarter of 2025. Jackson Financial reported non-GAAP EPS of $6.16, which beat estimates by $0.71.

Jackson Financial reported solid third-quarter 2025 results, underscoring continued momentum across its annuity franchise and capital return strategy. Retail annuity sales reached $5.4 billion, up 2% year over year, driven by strong demand for variable annuities and record registered index-linked annuity (RILA) sales of $2.1 billion, a 28% increase from the prior year. Variable annuity sales rose 8% to $2.9 billion, reflecting higher sales of products without lifetime benefits, while fixed and fixed index annuity sales declined sharply from an unusually strong comparison quarter. Institutional sales also stood out, climbing 34% to $1.0 billion, supported by higher-yielding asset sourcing and an 18% increase in PPM America's assets under management.

Financially, Jackson posted net income attributable to common shareholders of $65 million, a notable swing from a loss in the year-ago period. Adjusted operating earnings increased to $433 million, benefiting from higher spread income, lower expenses, and share repurchases. The company generated $216 million of free cash flow in the quarter and returned $210 million to shareholders through dividends and buybacks. With an estimated RBC ratio of 579% and over $750 million in holding company liquidity, Jackson exited the quarter with a robust capital and liquidity position.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	---	---	---	---	---	---	$33.69	$64.23	$10.76	$11.74	***$22.00***	***$28.08***
DPS	---	---	---	---	---	---	$0.50	$2.20	$2.48	$2.80	***$3.20***	***$4.49***
Shares[1]	---	---	---	---	---	---	94.5	88.7	83.6	76.8	***70.6***	***46.2***

We expect the company to post an EPS of $22.00 in 2025, in line with analysts' estimates. We estimate an EPS growth of 5% over the next five years, leading to our estimated EPS of $28.08 by 2030. Moreover, the company has a solid record of paying dividends despite operating in a mature sector, as Jackson Financial has paid an increasing dividend for the past four years. We expect the company to maintain its dividend growth and have forecasted a dividend CAGR of 7%, leading to a dividend of $4.49 in 2030.

[1] Shares 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.

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Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	---	---	---	---	---	---	0.9	0.6	3.5	6.7	***4.8***	***4.0***
Avg. Yld.	---	---	---	---	---	---	1.6%	6.2%	6.6%	3.6%	***3.0%***	***4.0%***

The financial services provider trades at a forward P/E of 4.8, higher than its 4-year average P/E of 2.9. The increasing registered index-linked annuity and an uptick in annuity account value have benefitted the company in the near term, and the stock's P/E multiple has expanded in the last quarter. We maintain our estimated P/E multiple of 4.0, which we feel is a fair reflection of its overvaluation, suggesting a target price of $112 by 2030.

Safety, Quality, Competitive Advantage, & Recession Resiliency

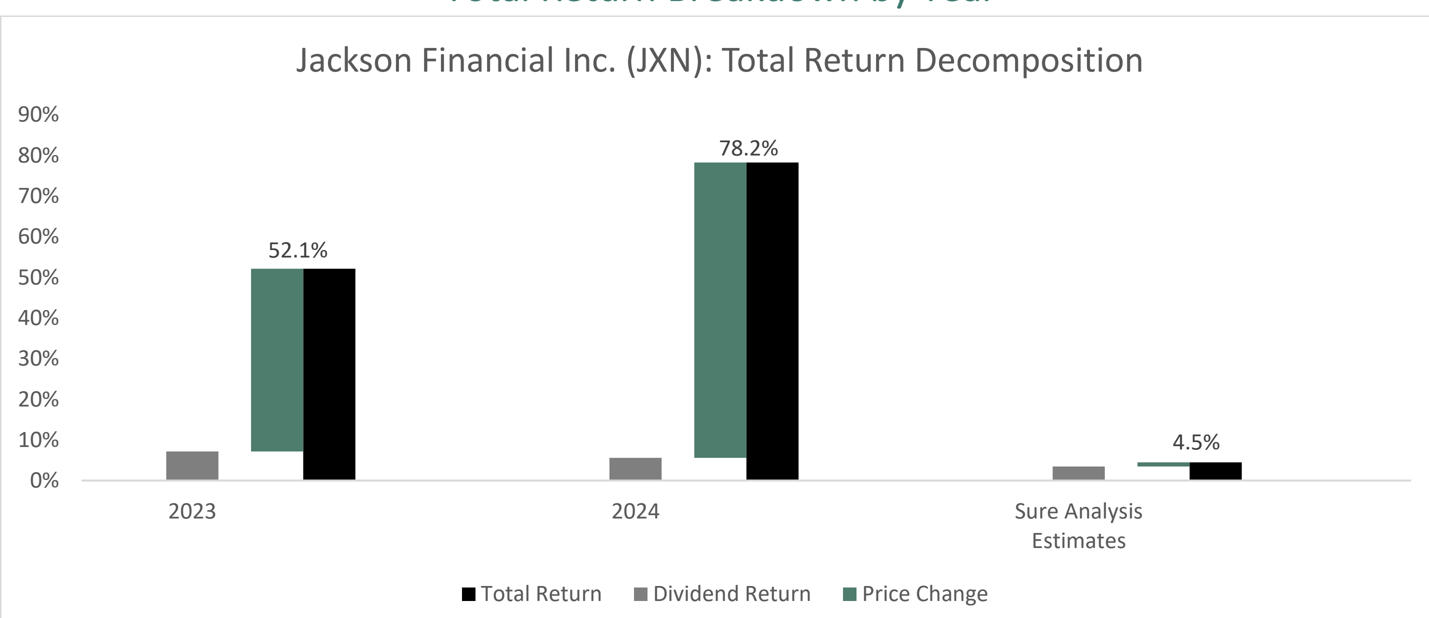
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout							1%	3%	23%	24%	***15%***	***16%***

The company has paid a consistent dividend to its shareholders with a 3-year payout ratio averaging 17%, and we expect the company to maintain and increase its payout in the future. While the company is committed to returning capital to shareholders, achieving its 2025 target may be ambitious, given the current financial performance. However, the increase in RILA sales and growth in annuity account value indicates some positive momentum. Maintaining a healthy RBC ratio and strong liquidity should provide a buffer against potential financial challenges. During Q3, Jackson repurchased $154 million of common shares, contributing to a reduced share count and reinforcing the company's ongoing commitment to returning excess capital to shareholders.

Final Thoughts & Recommendation

While Jackson Financial runs a capital-intensive financial service business, increased annuity value will be a positive catalyst for EPS growth. Indeed, Jackson Financial's dividend growth prospects could remain strong throughout the mid-term. However, we maintain our hold rating on the name premised upon the 4.5% annualized total returns for the medium-term, derived from the forecasted earnings-per-share growth of 5.0%, the 3.0% dividend yield, and a valuation headwind.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	---	---	---	13,688	3,489	3,441	8,452	14,407	3,241	3,092
SG&A Exp.	---	---	---	1,050	994	985	1,078	875	1,007	1,120
Net Profit	---	---	---	1,986	(497)	(1,634)	3,183	5,697	934	946
Net Margin	---	---	---	14.5%	-14.2%	-47.5%	37.7%	39.5%	28.8%	30.6%
Free Cash Flow	---	---	---	5,822	4,368	3,712	5,682	5,206	5,310	5,793
Income Tax	---	---	---	338	(369)	(854)	602	1,371	4	46

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	---	---	---	---	297,057	353,456	375,559	311,058	330,260	338
Cash & Equivalents	---	---	---	---	1,935	2,019	2,623	4,298	2,688	3,767
Acc. Receivable	---	---	---	---	8,372	35,270	33,126	29,641	25,570	21,950
Total Liabilities	---	---	---	---	289,736	343,533	364,485	301,903	319,920	328
Long-Term Debt	---	---	---	---	2,692	322	4,053	4,367	4,025	4,377
Total Equity	---	---	---	---	6,837	9,429	10,394	8,423	9,637	9,231
LTD/E Ratio	---	---	---	---	0.39	0.03	0.39	0.52	0.40	0.45

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	---	---	---	---	---	-0.5%	0.9%	1.7%	0.3%	0.3%
Return on Equity	---	---	---	---	---	-20.1%	32.1%	60.6%	9.5%	9.3%
ROIC	---	---	---	---	---	-16.1%	25.1%	39.8%	6.7%	6.6%
Shares Out.	---	---	---	---	---	---	94.5	88.7	83.6	76.8
Revenue/Share	---	---	---	144.90	36.93	36.43	95.30	162.44	38.78	40.26
FCF/Share	---	---	---	61.63	46.24	39.30	64.07	58.70	63.53	75.42

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