CNA Financial Corp. (CNA)

Updated February 13th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	$49	**5 Year Annual Expected Total Return:**	7.1%	**Market Cap:**	$13.2 B
Fair Value Price:	$50	**5 Year Growth Estimate:**	3.0%	**Ex-Dividend Date:**	02/23/26
Fair Value:	97%	**5 Year Valuation Multiple Estimate:**	0.6%	**Dividend Payment Date:**	03/12/26
Dividend Yield:	3.9%	**5 Year Price Target**	$58	**Years Of Dividend Growth:**	10[1]
Dividend Risk Score:	D	**Sector:**	Financial Services	**Rating:**	Hold

Overview & Current Events

Founded in 1897 and headquartered in Chicago, IL, CNA Financial is one of the largest U.S. Commercial Property and Casualty insurance companies. The company operates under five segments: Specialty, Commercial, International, Life & Group and Corporate & Other – offering property and casualty coverage, life, accident and health insurance and retirement products and annuities. Loews Corporation (L) owns about 92% of CNA's shares. Last year the $13.2 billion market cap company served over 1 million businesses and professionals and generated $1.28 billion in profit.

On February 9th, 2026, CNA Financial Corporation raised its dividend by 4.3% to a quarterly rate of $0.48.

On the same day, CNA reported its Q4 and full-year results for the period ending December 31st, 2025. For the quarter, CNA posted core income, which excludes net investment gains or losses and pension settlement impacts, of $317 million, or $1.16 per share, compared to $342 million, or $1.25 per share, last year.

The Property & Casualty segments reported core income of $449 million, down $2 million from the prior year, reflecting lower underlying underwriting results largely offset by higher net investment income. Net written premiums increased 2% in the quarter, driven by renewal premium change of +4% and written rate of +2%. The Life & Group segment posted a core loss of $29 million, widening from a loss of $18 million last year, due to unfavorable persistency experience. The Corporate & Other segment reported a core loss of $103 million, compared to a loss of $91 million last year.

The P&C combined ratio was 93.8%, compared with 93.1% in the prior-year quarter, including 1.5 points of catastrophe losses versus 1.8 points last year. The underlying combined ratio was 92.3%, compared to 91.4% in the prior-year quarter. Book value per share excluding AOCI[2] was $46.99, up 10% from year-end 2024, adjusting for $3.84 of dividends per share paid. For FY2025, core EPS was $4.93. For FY2026, we expect core EPS of about $4.55.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$3.05	$3.38	$3.11	$3.59	$2.70	$4.06	$3.84	$4.71	$4.83	$4.93	***$4.55***	***$5.27***
DPS	$1.00	$1.10	$1.30	$1.40	$1.48	$1.52	$1.60	$1.68	$1.76	$1.84	***$1.92***	***$2.23***
Shares[3]	270.5	271.2	271.5	271.4	271.4	271.4	271.0	271.0	271.5	271.2	***271.2***	***271.0***

Note that we are using core earnings, as we believe this better reflects the long-term earnings power of the company. CNA has put together a volatile but positive business record over the last decade. This is to be expected from an insurer, as premiums tend to be consistent, but claims will vary dramatically. Over the past decade, CNA has modestly grown its core EPS, although there are notable fluctuations. We believe that EPS will dip this year, but resume growing thereafter.

Note that insurers do not know their liabilities for many years, and it can be easy to underprice policies to chase growth. This was especially relevant during the past couple of years, given the COVID-19 pandemic and the uncertainties (still) surrounding future equity gyrations and insurance-related losses, especially those pertaining to weather. Therefore, we are of the opinion that CNA's slow and steady approach is attractive.

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[1] Refers to the base dividend, excluding special dividends.

[2] Accumulated Other Comprehensive Income

[3] In millions.

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We believe CNA could generate growth over the intermediate term through ongoing disciplined policy price increases and continued underwriting execution, while benefiting from still-elevated interest rates relative to the pre-2022 period, which should continue to support fixed maturity portfolio yields even as rates have moderated modestly. We are estimating earnings-per-share to land close to $4.55 in 2026, and we are assuming a 3% intermediate-term growth rate.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	11.0	14.1	15.4	12.7	12.9	10.7	11.7	8.2	9.2	9.5	***10.7***	***11.0***
Avg. Yld.	3.0%	2.3%	2.7%	3.1%	4.2%	3.5%	3.6%	4.3%	3.9%	3.9%	***3.9%***	***3.8%***

Over the past decade, shares of CNA have traded hands with an average multiple of 11.5 times earnings. We believe 10 times earnings is a reasonable starting place, given the volatile results of the business and fairly humble growth forecast compared to other companies in the industry. With shares currently trading at 10.7 times our EPS estimate, we view CNA as slightly undervalued. Note that while CNA has paid a notable special dividend every year since 2014, we have not included this in our forecasts. With respect to 2025, the special dividend amounted to $2.00. As such, this component could very well be understated in our dividend and total return estimates.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	33%	33%	42%	39%	55%	37%	42%	36%	36%	37%	***42%***	***42%***

While CNA's business results have been markedly positive during the last decade, we do not believe the firm has a material competitive advantage given that insurance products are commodity-like in nature.

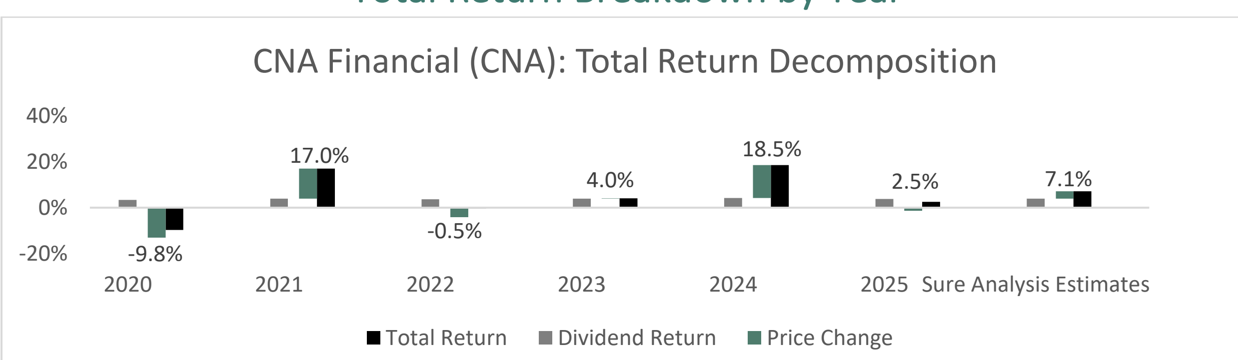
CNA is not necessarily beholden to economic conditions as much as it is to the timing of insurance related losses. That being said, many of the company's customers are sensitive to recessions, which will put pressure on the company in lesser times. During the Great Recession, CNA posted earnings-per-share of $3.90, $1.91, $3.42, $2.20, and $2.28 during the 2007 through 2011 stretch. Moreover, the dividend was cut from $0.45 to zero during 2009 and 2010, before being reinstated at $0.40 in 2011. Core earnings declined during 2020 amid the pandemic, but rebounded quickly as well.

Today the company appears to be in reasonable financial shape, with A+ and A2 ratings from S&P and Moody's. Moreover, we are encouraged by the annual special dividend as this shows both a penchant for returning capital to shareholders and flexibility if the firm needs it in the future.

Final Thoughts & Recommendation

CNA Financial has put up a volatile record over the past decade. We are projecting a 7.1% annual total return potential, stemming from 3% growth, a 3.9% dividend yield, and the possibility of a soft valuation tailwind. Our projection doesn't include the annual special dividends, which could boost total returns meaningfully. Shares earn a hold rating.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	$9,101	$9,366	$9,542	$10,134	$10,767	$10,690	$11,510	$11880	$13,120	14,000
D&A Exp.	$84	$77	$88	$79	$68	$60	$54	$51	$73	67
Net Profit	$479	$859	$899	$813	$1,000	$690	$1,202	$894	$1,205	959
Net Margin	5.3%	9.2%	9.4%	8.0%	9.3%	6.5%	10.4%	7.5%	9.2%	6.9%
Free Cash Flow	$1,262	$1,270	$1,152	$1,128	$1,114	$1,752	$1,971	$2450	$2195	2,476
Income Tax	$70	$278	$411	$151	$223	$131	$282	$187	$313	252

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	$55,045	$55,233	$56,567	$57,152	$60,612	$64,030	$66,640	$60,930	$64,710	66,490
Cash & Equiv.	$387	$271	$355	$310	$242	$419	$536	$475	$345	472
Accounts Rec.	$6,531	$6,625	$6,553	$6,749	$6,628	$7,064	$8,408	$8,574	$8,854	9,722
Goodwill & Int.	$231	$214	$220	$214	$216	$217	$215	$215	224	222
Total Liabilities	$43,289	$43,264	$44,323	$45,935	$48,397	$51,320	$53,830	$52,100	$54,820	55,980
LT Debt	$2,560	$2,710	$2,858	$2,680	$2,679	$2,776	$2,779	$2,781	$3,031	2,973
Book Value	$11,756	$11,969	$12,244	$11,217	$12,215	$12,710	$12,810	$8,825	$9,893	10,510
LTD/E Ratio	0.22	0.23	0.23	0.24	0.22	0.22	0.22	0.32	0.31	0.28

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	0.9%	1.6%	1.6%	1.4%	1.7%	1.1%	1.8%	1.4%	1.9%	1.5%
Return on Equity	3.9%	7.2%	7.4%	6.9%	8.5%	5.5%	9.4%	8.3%	13.1%	9.4%
ROIC	3.2%	5.9%	6.0%	5.6%	6.9%	4.5%	7.7%	6.6%	9.9%	7.3%
Shares Out.	270.7	271.1	272.1	272.5	272.5	272.4	272.8	275.5	272.2	273
Revenue/Share	$33.62	$34.55	$35.07	$37.19	$39.51	$39.23	$42.18	$43.59	$48.22	51.33
FCF/Share	$4.66	$4.68	$4.23	$4.14	$4.09	$6.43	$7.23	$9.00	$8.06	9.08

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