



# Kinsale Capital Group, Inc. (KNSL)

Updated February 13<sup>th</sup>, 2026, by Kody Kester

## Key Metrics

<b>Current Price:</b>	\$376	<b>5 Year CAGR Estimate:</b>	16.3%	<b>Market Cap:</b>	\$8.8B
<b>Fair Value Price:</b>	\$449	<b>5 Year Growth Estimate:</b>	12.0%	<b>Ex-Dividend Date:</b>	02/26/26
<b>% Fair Value:</b>	84%	<b>5 Year Valuation Multiple Estimate:</b>	3.6%	<b>Dividend Payment Date:</b>	03/12/26
<b>Dividend Yield:</b>	0.3%	<b>5 Year Price Target</b>	\$791	<b>Years Of Dividend Growth:</b>	9
<b>Dividend Risk Score:</b>	A	<b>Sector:</b>	Financials	<b>Rating:</b>	Buy

## Overview & Current Events

Founded in 2009, Kinsale Capital Group, Inc. is a specialty insurance company. KNSL focuses entirely on the excess and surplus (E&S) lines market in all 50 U.S. states, the District of Columbia, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands. The company writes coverage for hard-to-place, small business risks and personal lines risks. These products are primarily sold through a network of independent insurance brokers.

KNSL offers both property and casualty insurance in the E&S niche. Products include small business casualty insurance, commercial property insurance, excess and general casualty, life sciences insurance, environmental insurance, excess professional insurance, and aviation insurance.

Casualty insurance products accounted for approximately three-quarters of the nearly \$2 billion in gross written premiums in 2025. Commercial property and personal lines insurance products made up the remaining one-quarter of gross written premiums for the year.

On February 12<sup>th</sup>, KNSL shared its financial results for the fourth quarter ended December 31<sup>st</sup>, 2025. The company's total revenue climbed 17.3% year-over-year to \$483.3 million in the quarter. Healthy submission flow across most of its business powered this double-digit percentage topline growth during the quarter. KNSL's diluted operating EPS surged 25.8% higher over the year-ago period to \$5.81 for the quarter. This beat the analyst consensus by \$0.50 in the quarter. Careful cost management enabled the company's net operating earnings margin to improve by about 170 basis points to 27.9% during the quarter. That allowed KNSL's diluted operating EPS growth to outpace revenue growth for the quarter. One week before the earnings report, the company boosted its quarterly dividend per share by 47.1% to \$0.25. This extended its dividend growth streak to nine consecutive years.

## Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
<b>EPS</b>	-	\$1.25	\$1.79	\$2.41	\$3.16	\$5.74	\$7.80	\$12.50	\$16.06	\$19.51	<b>\$20.40</b>	<b>\$35.95</b>
<b>DPS</b>	-	\$0.24	\$0.28	\$0.32	\$0.36	\$0.44	\$0.52	\$0.56	\$0.60	\$0.68	<b>\$1.00</b>	<b>\$2.10</b>
<b>Shares<sup>1</sup></b>	-	21.0	21.2	22.2	22.8	22.8	23.1	23.2	23.3	23.2	<b>23.2</b>	<b>23.7</b>

Over the last five years, KNSL has delivered nearly 29% annualized diluted operating EPS growth to shareholders. Predictably, this growth is slowing down. That's because it takes more to move the growth needle than it did in the past, while remaining dedicated to sound underwriting.

KNSL has plenty of room to keep growing at a brisk pace, however. This is because the company's market share remains under 2%. That limited market share indicates that KNSL can focus on its bread and butter of small-account E&S, which generally has less competition. This is why we think that KNSL can generate diluted operating EPS growth of 12% annually through 2031. That's starting from an anticipated 2026 base of \$20.40.

<sup>1</sup> Share count is in millions.



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## Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	-	36.0	30.3	43.3	63.2	41.4	33.6	26.8	29.0	20.1	<b>18.4</b>	<b>22.0</b>
Avg. Yld.	-	0.5%	0.5%	0.3%	0.2%	0.2%	0.2%	0.2%	0.1%	0.2%	<b>0.3%</b>	<b>0.3%</b>

Since 2017, KNSL's P/E ratio has ranged from as little as the upper 20s to as much as the low 60s. Over the past five years, the average P/E ratio has been just above 30. In the years ahead, we think that a realistic fair value multiple for KNSL is 22. That's almost three standard deviations less than its five-year average multiple. This accounts for KNSL's annual diluted operating EPS growth potential now being in the low double-digits due to a much greater starting base. Relative to the current year P/E ratio of 18.4, that implies KNSL's shares are priced at a moderate discount to fair value.

## Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Payout	-	19%	16%	13%	11%	8%	7%	4%	4%	3%	<b>5%</b>	<b>6%</b>

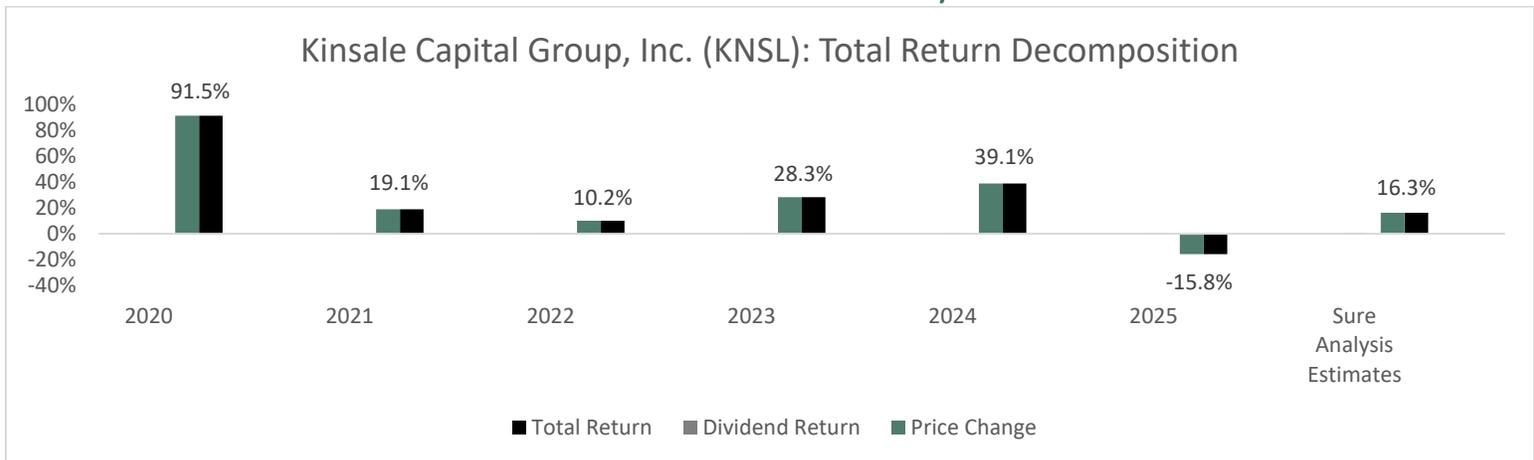
KNSL's business model has been especially profitable for shareholders. From its IPO in July 2016 at \$16 a share, the specialty insurer has delivered 23x cumulative total returns. These types of returns wouldn't be possible without the presence of substantial competitive advantages. KNSL's exclusive focus on the E&S space is one distinct advantage. Couple that with a management team and employee base that has decades of experience, and this means the company arguably knows its industry better than anyone. This is further magnified by its proprietary technology that was developed by industry veterans. That drives efficient customer identification and prudent risk selection. This is what consistently supports a best-in-class expense ratio for the insurer.

KNSL also possesses a solid balance sheet. As of December 31<sup>st</sup>, 2025, the company's net debt balance was just \$61 million. Additionally, KNSL's dividend payout ratio is still positioned to be just 5% in 2026. This provides plenty of flexibility for future dividend growth.

## Final Thoughts & Recommendation

KNSL's combination of a 0.3% dividend yield, 12.0% annual diluted operating EPS growth prospects, and 3.6% annual valuation multiple upside potential could generate 16.3% annual total returns through 2031. As a result, we're maintaining our Buy rating.

## Total Return Breakdown by Year





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## Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenue</b>	81	142	187	222	316	460	653	839	1,224	1,588
<b>D&amp;A Exp.</b>	1	1	1	1	1	2	2	3	3	6
<b>Net Profit</b>	22	26	25	34	63	88	153	159	308	415
<b>Net Margin</b>	27.6%	18.5%	13.3%	15.2%	20.0%	19.2%	23.4%	19.0%	25.2%	26.1%
<b>Free Cash Flow</b>	78	73	77	103	159	247	401	551	853	952
<b>Income Tax</b>	11	13	14	7	13	12	36	36	76	100

## Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total Assets</b>	545	614	668	773	1,091	1,547	2,026	2,747	3,773	4,887
<b>Cash &amp; Equivalents</b>	25	51	82	75	100	77	121	156	127	113
<b>Accounts Receivable</b>	123	96	69	81	107	142	194	326	391	478
<b>Goodwill &amp; Int.</b>	4	4	4	4	4	4	4	4	4	4
<b>Total Liabilities</b>	432	404	430	509	685	971	1,326	2,002	2,686	3,403
<b>Accounts Payable</b>	11	13	10	12	20	26	39	63	93	-
<b>Long-Term Debt</b>	30	-	-	-	17	43	43	196	184	184
<b>Shareholder's Equity</b>	113	210	238	264	406	576	699	745	1,087	1,484
<b>LTD/E Ratio</b>	0.26	-	-	-	0.04	0.07	0.06	0.26	0.17	0.12

## Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Return on Assets</b>	4.5%	4.5%	3.9%	4.7%	6.8%	6.7%	8.5%	6.7%	9.5%	9.6%
<b>Return on Equity</b>	21.6%	16.2%	11.1%	13.5%	18.9%	18.0%	23.9%	22.0%	33.6%	32.3%
<b>Shares Out.</b>	-	-	21.0	21.2	22.2	22.8	22.8	23.1	23.2	23.2
<b>Revenue/Share</b>	3.84	6.72	8.69	10.24	14.27	20.12	28.34	36.27	52.54	68.45
<b>FCF/Share</b>	3.74	3.47	3.59	4.74	7.17	10.81	17.39	23.82	36.61	41.03

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

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