W. R. Berkley Corporation (WRB)

Updated February 5th, 2026, by Yiannis Zourmpanos

Key Metrics

Current Price:	$70	**5 Year Annual Expected Total Return:**	11.8%	**Market Cap:**	$26.1 B
Fair Value Price:	$68	**5 Year Growth Estimate:**	12.0%	**Ex-Dividend Date:**	03/03/26[1]
% Fair Value:	103%	**5 Year Valuation Multiple Estimate:**	-0.6%	**Dividend Payment Date:**	03/12/26[2]
Dividend Yield:	0.5%	**5 Year Price Target:**	$120	**Years Of Dividend Growth:**	20
Dividend Risk Score:	A	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

W.R. Berkley (WRB) is an insurance holding company operating through a wide range of subsidiaries in the commercial casualty insurance segment. The firm primarily operates in two business segments: Insurance and Reinsurance. The insurance segment is the company's main focus, accounting for 87.4% of the total net premiums written annually. The company mainly underwrites commercial insurance businesses across the United States.

On January 26th, 2026, W.R. Berkley announced its Q4 2025 result, posting revenues of $3.72 billion, which were up 1.6% year-over-year. WRB reported non-GAAP EPS of $1.13 that beat the market's estimates by $0.01.

W. R. Berkley Corporation reported robust fourth quarter and full year 2025 results, highlighted by a 21.4% return on equity in the quarter and 21.2% for the year. Quarterly pre-tax underwriting income grew 14.9% to a record $338 million, while operating income rose 9.5% to $450 million. Gross premiums written increased to $3.6 billion, with net premiums written reaching $3.0 billion. The combined ratio was 89.4%, reflecting continued underwriting discipline and favorable rate conditions, with average rate increases of 7.1% excluding workers' compensation.

For the full year, WRB generated record pre-tax underwriting income of $1.2 billion and net investment income of $1.4 billion, up 7.2% year over year. Gross premiums written climbed to a record $15.1 billion, while net premiums written reached $12.7 billion. Net income totaled $1.8 billion, and operating income rose to a record $1.7 billion. Book value per share grew 26.7% before dividends and share repurchases. The company returned $970.5 million to shareholders in 2025 through special dividends, share repurchases, and regular dividends, underscoring its commitment to disciplined capital management and long-term value creation.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$1.39	$1.26	$1.48	$1.56	$1.25	$2.44	$3.29	$3.37	$4.36	$4.45	***$4.53***	***$7.97***
DPS	$0.15	$0.16	$0.17	$0.19	$0.21	$0.23	$0.26	$0.29	$0.31	$0.35	***$0.36***	***$0.58***
Shares[3]	433.9	435.4	432.9	435.4	424.7	419.6	419.2	409.9	403.2	399.9	***396.3***	***378.8***

Insurance is one of the biggest industries in the global economy and is among those sectors that continue to do well despite a turbulent macro-environment. With approximately 30% of WRB's premiums generated in excess and surplus lines, the company has positioned itself well for growth with its focus on the specialty sector, which is relatively less competitive and still underpenetrated with a lot of room for growth.

The company delivered record profits in 2025, supported by higher interest rates that boosted fixed-income yields and drove meaningful growth in investment income. WRB was able to grow its EPS at an impressive 10-year CAGR of 13.8%. Going forward, we believe the company is well-positioned, and we forecast 12.0% annual growth in EPS through 2031. In addition, the company will be able to grow its dividends at a healthy pace in the future, and we have assumed a dividend growth rate of 10.0% for the next five years.

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[1] Estimated ex-dividend date

[2] Estimated dividend payment date

[3] 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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	20.29	18.43	24.30	22.52	27.52	32.83	20.47	20.36	19.24	15.90	***15.5***	***15.0***
Avg. Yld.	0.6%	0.6%	0.5%	0.5%	0.4%	0.5%	0.5%	0.4%	0.4%	0.5%	***0.5%***	***0.5%***

W.R. Berkley is currently trading at a forward P/E of 15.5, lower than the company's ten-year average P/E of 22.2 and its five-year average P/E of 21.8. We have assumed a P/E of 15.0 to value the company in 2031, implying a small valuation headwind.

Safety, Quality, Competitive Advantage, & Recession Resiliency

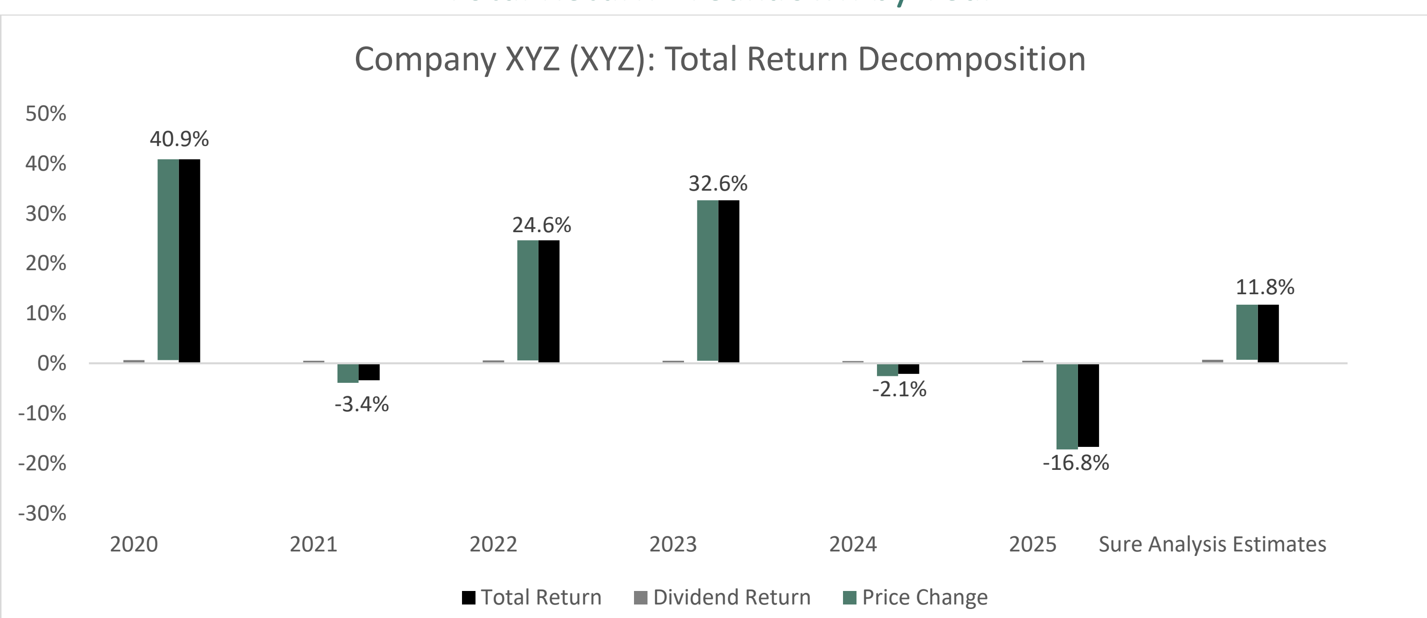
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	11%	13%	11%	12%	17%	9%	8%	9%	7%	8%	***8%***	***7%***

Insurance in general, and specifically the Property & Casualty (P&C) sub-segment, is ubiquitous, largely mandatory, and therefore considered relatively recession-resistant. The data for direct written premiums or DWP suggests that it (the equivalent of insurance industry gross revenue) either remains broadly stable or continues to go up even during weak cycles of the global economy as most businesses and consumers require insurance during good times and bad, therefore I believe WRB is recession resilient. During 2025, the company repurchased over four million shares for approximately $270.2 million, including 2.9 million shares in the fourth quarter alone, underscoring its disciplined capital allocation strategy and commitment to enhancing long-term shareholder value.

Final Thoughts & Recommendation

W.R. Berkeley has benefited from the elevated interest rate environment since it obtains a larger yield on new bonds when rates have increased. The predicted growth rate for earnings-per-share is in the low double-digits and the stock's valuation is attractive. As an insurance company operating in the specialty segment, the company is positioned to continue to do well in the near-term. We maintain our hold rating, however, premised upon the 11.8% annualized total returns for the medium-term, with the forecasted earnings-per-share growth of 12.0%, the 0.5% 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	6,785	7,666	7,669	7,719	7,933	8,099	9,481	11,220	12,110	13,640
D&A Exp.	85	86	113	131	113	135	130	56	(21)	(171)
Net Profit	504	602	549	641	682	531	1,022	1,381	1,381	1,755
Net Margin	7.4%	7.9%	7.2%	8.3%	8.6%	6.6%	10.8%	12.3%	11.4%	12.9%
Free Cash Flow	818	798	595	570	1,083	1,579	2,117	2,516	2,876	3,450
Income Tax	228	293	219	163	169	172	252	335	371	510

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	21,731	23,365	24,300	24,896	26,662	28,607	32,086	33,860	37,200	36,190
Cash & Equivalents	764	795	950	818	1,024	2,372	1,569	1,449	1,363	1,975
Acc. Receivable	3,202	3,446	3,557	3,740	4,131	4,592	5,446	5,967	6,947	-
Goodwill & Int.	153	145	179	173	170	170	170	186	175	281
Total Liabilities	17,098	18,284	18,849	19,416	20,544	22,281	25,419	27,090	29,730	27,780
Accounts Payable	225	213	246	257	360	426	515	523	631	669
Long-Term Debt	2,185	2,488	2,497	2,790	2,626	2,725	3,267	2,837	2,837	3,059
Total Equity	4,600	5,047	5,411	5,438	6,075	6,311	6,653	6,748	7,455	8,395
LTD/E Ratio	0.48	0.49	0.46	0.51	0.43	0.43	0.49	0.42	0.38	0.36

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	2.3%	2.7%	2.3%	2.6%	2.6%	1.9%	3.4%	4.2%	3.9%	5.1%
Return on Equity	11.0%	12.5%	10.5%	11.8%	11.8%	8.6%	15.8%	20.6%	19.4%	22.1%
ROIC	7.2%	8.4%	7.1%	7.9%	8.0%	6.0%	10.8%	14.1%	13.9%	16.0%
Shares Out.	277.4	272.7	273.4	274.5	275.1	266.7	265.2	279.5	273	403
Revenue/Share	23.16	26.50	26.42	26.75	27.33	28.60	33.89	40.14	44.31	33.82
FCF/Share	2.79	2.76	2.05	1.98	3.73	5.57	7.57	9.00	10.52	8.56

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