Old Republic International Corp. (ORI)

Updated May 2nd, 2026, by Josh Arnold

Key Metrics

Current Price:	$39	**5 Year CAGR Estimate:**	3.4%	**Market Cap:**	$9.45 B
Fair Value Price:	$34	**5 Year Growth Estimate:**	3.0%	**Ex-Dividend Date:**	06/08/26[1]
% Fair Value:	116%	**5 Year Valuation Multiple Estimate:**	-3.0%	**Dividend Payment Date:**	06/21/26
Dividend Yield:	3.2%	**5 Year Price Target**	$39	**Years Of Dividend Growth:**	45
Dividend Risk Score:	B	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Old Republic, founded in 1907, markets, underwrites, and provides risk management services for a variety of general and title insurances. The company engages in underwriting and related services, primarily in the US, but in Canada as well. Old Republic has three operating segments: General Insurance, Title Insurance, and a run-off business. It generates almost $10 billion in annual revenue and its market capitalization is $9.45 billion. Old Republic also has an outstanding dividend increase streak of 45 years.

Old Republic posted first quarter earnings on April 23rd, 2026, and results were much weaker than expected. Adjusted earnings-per-share came to 68 cents, which was 11 cents light of estimates. Revenue was up 6.8% year-over-year to $2.2 billion, but that also missed by $70 million. Consolidated net premiums and fees earned were $1.97 billion, up from $1.85 billion a year earlier. Net investment income was $178 million, up from $171 million year-over-year.

The company's consolidated combined ratio was 96.6%, worse than 93.7% a year earlier. Book value per share ended the quarter at $24.53, inclusive of dividends declared, up 2.6% year-over-year. The company also returned $238 million to shareholders.

Old Republic boosted its dividend by 8.6% to a new payout of $1.26 annually per share, the company's 45th consecutive year of dividend increases. We see $3.05 per share in adjusted earnings after Q1.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$1.47	$1.11	$1.86	$1.84	$2.24	$3.08	$2.79	$2.63	$3.03	$3.15	***$3.05***	***$3.54***
DPS	$0.75	$0.76	$0.78	$0.80	$0.84	$0.88	$0.92	$0.98	$1.06	$1.16	***$1.26***	***$1.61***
Shares[2]	263	269	303	303	303	303	294	272	244	246	***248***	***255***

As one would expect, Old Republic's earnings-per-share has been very volatile during the past decade. Insurers have notoriously unpredictable earnings and Old Republic is certainly no exception, having seen its earnings plummet and skyrocket multiple times in this period. We forecast Old Republic's long-term growth rate at 3%, and note that we are currently projecting lower earnings for this year.

We see Old Republic as struggling to grow from the high base of earnings because title insurance is weak, and getting weaker. The once-hot real estate market has slowed materially, creating headwinds for what was Old Republic's primary source of growth. High consolidated combined ratios persist as well, crimping profits.

The dividend will likely continue to grow at a relatively slow pace as dividend increases in the past decade have been very small. It did pay a $1 special dividend early in 2018, late in 2019, and again in late 2020. The special dividend for 2021 was a very robust $1.50, and for 2022, it was $1.00. The stock's yield is still strong even with its sluggish payout growth, so income investors will likely find it attractive. The special dividends make the total yield for the year close to 10%, but we note there was no special dividend in 2023. Management declared a $2 special dividend for January 2025

[1] Estimated date

[2] Share count 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.

based on 2024's strong earnings. Management declared and paid its largest ever special dividend at $2.50 per share in January 2026.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	12.6	18.0	11.4	12.0	7.8	7.7	8.7	11.2	11.9	14.5	***12.8***	***11.0***
Avg. Yld.	4.1%	3.8%	3.7%	3.6%	4.8%	3.7%	3.8%	3.3%	2.9%	2.5%	***3.2%***	***4.1%***

Old Republic's price-to-earnings multiple has been volatile in recent years, but that has mostly been due to changes in earnings and not valuation resets from investors. Our estimate of fair value for Old Republic is 11 times earnings, which is lower than the current 12.8, and below its average of ~12. We are therefore forecasting a modest headwind to annual total returns from the valuation over the coming years.

We see the yield staying strong. The wildcard is the recent special dividends the company paid in lieu of larger quarterly dividend increases, but we think Old Republic will continue to be a strong income stock for years to come.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	51%	68%	42%	43%	38%	29%	33%	37%	35%	37%	***41%***	***45%***

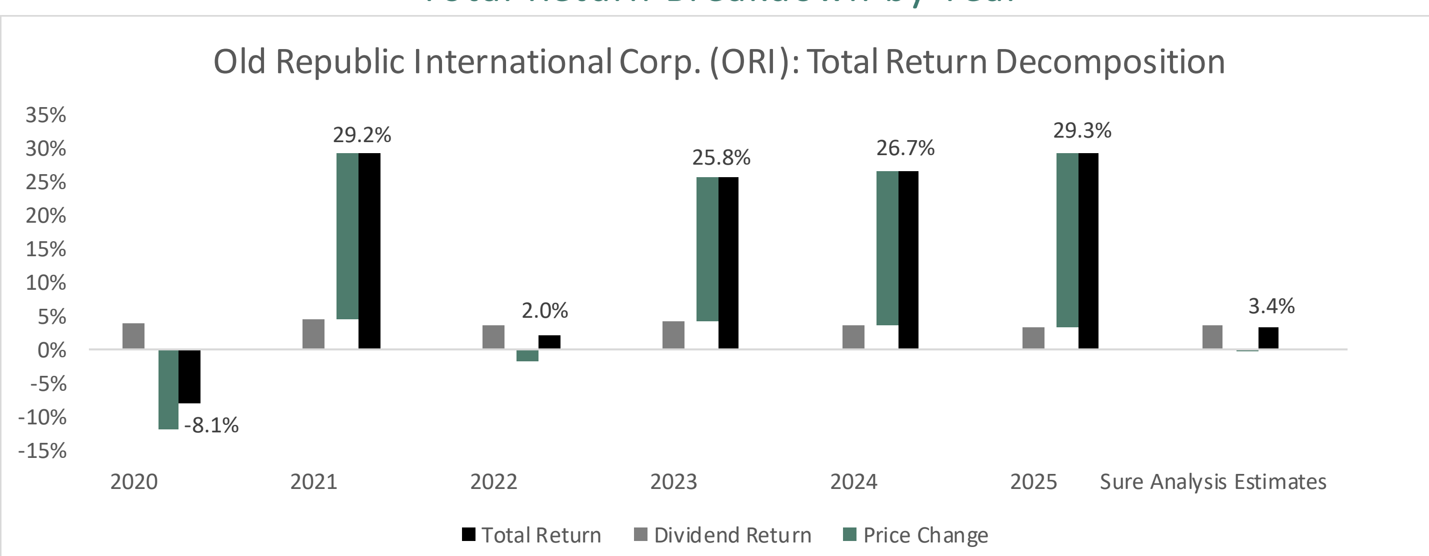
The payout ratio has fallen significantly in recent years. Given slow payout growth coupled with strong earnings, that trend could continue. Overall, Old Republic is in significantly better shape than it was a few years ago. We note the lack of earnings growth projected could see the payout ratio rise somewhat in the near future.

Old Republic operates in a tremendously competitive field, making advantages hard to come by. However, it sets itself apart with its strong premiums against claims, which is the product of prudent underwriting. We note that Old Republic is exposed to weak (or strong) real estate markets through its title insurance business.

Final Thoughts & Recommendation

Overall, Old Republic looks good from an income stock perspective if one can stomach the potential risk of owning an insurer. The stock is just ahead of our fair value estimate and offers forecasted total annual returns of 3.4% in the coming years, consisting of the current 3.2% yield, 3% earnings-per-share growth, and a 3% headwind from the valuation. We have the stock at a hold rating with slightly lower prospective total returns once again.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	5900	6263	6022	7214	7166	9342	8084	7258	8231	9136
Net Profit	467	561	371	1056	559	1534	686	599	853	942
Net Margin	7.9%	8.9%	6.2%	14.6%	7.8%	16.4%	8.5%	8.2%	10.4%	10.3%
Free Cash Flow	637	453	761	936	1185	1312	1171	880	1233	1164
Income Tax	219	165	68	266	130	388	171	149	217	242

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	18,592	19,404	19,327	21,076	22,815	24,982	25,159	26,501	27,861	22,123
Cash & Equivalents	146	126	100	79	119	11,400	12,689	13,375	208	263
Acc. Receivable	4,622	4,842	4,984	5,291	5,957	6,712	7,516	8,153	9,397	---
Total Liabilities	14,131	14,670	14,181	15,076	16,629	18,089	18,993	20,091	22,242	16,194
Long-Term Debt	1,529	1,449	981	974	966	1,588	1,597	1,591	1,589	1,590
Total Equity	4,461	4,733	5,146	6,000	6,187	6,893	6,166	6,411	5,619	5,914
LTD/E Ratio	0.34	0.31	0.19	0.16	0.16	0.23	0.26	0.25	0.28	0.27

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	2.6%	3.0%	1.9%	5.2%	2.5%	6.4%	2.7%	2.3%	3.1%	4.3%
Return on Equity	11.2%	12.2%	7.5%	19.0%	9.2%	23.5%	10.5%	9.5%	14.2%	16.3%
ROIC	8.6%	9.2%	6.0%	16.1%	7.9%	19.6%	8.5%	7.6%	11.2%	12.6%
Shares Out.	262	263	269	303	303	303	304	285	263	251
Revenue/Share	19.91	20.92	20.79	24.77	23.97	30.75	26.62	25.46	31.28	36.35
FCF/Share	2.15	1.51	2.53	3.11	3.96	4.32	3.86	3.08	4.69	4.63

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