W. R. Berkley Corporation (WRB)

Updated June 1st, 2026, by Yiannis Zourmpanos

Key Metrics

Current Price:	$64	**5 Year Annual Expected Total Return:**	14.3%	**Market Cap:**	$24.8 B
Fair Value Price:	$70	**5 Year Growth Estimate:**	12.0%	**Ex-Dividend Date:**	06/23/26[1]
% Fair Value:	92%	**5 Year Valuation Multiple Estimate:**	1.7%	**Dividend Payment Date:**	06/30/26[2]
Dividend Yield:	0.6%	**5 Year Price Target:**	$123	**Years Of Dividend Growth:**	21
Dividend Risk Score:	A	**Sector:**	Financials	**Rating:**	Buy

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 April 21st, 2026, W.R. Berkley announced its Q1 2026 result, posting revenues of $3.69 billion, which were up 17.9% year-over-year. WRB reported non-GAAP EPS of $1.30 that beat the market's estimates by $0.16.

W. R. Berkley Corporation reported strong first-quarter 2026 results, driven by continued underwriting discipline and robust investment income growth. Net income increased 23.4% year over year to $515.2 million, while operating income rose 22.5% to a record $514.3 million. The company generated an annualized return on equity of 21.2%, up from 19.9% in the prior-year quarter, reflecting sustained profitability and efficient capital deployment. Gross premiums written grew 2.8% to $3.79 billion, while net premiums written increased 1.3% to $3.17 billion as the company continued to expand selectively in markets offering attractive risk-adjusted returns.

Underwriting performance remained a key contributor to results, with a current accident year combined ratio excluding catastrophe losses of 88.3% and a reported combined ratio of 90.7%, demonstrating the stability of earnings generated by WRB's diversified business model. Net investment income climbed 12.2% to a record $404.3 million, supported by higher invested assets, improved portfolio yields, and strong investment fund income. Average rate increases excluding workers' compensation were approximately 7.2%, highlighting continued favorable pricing conditions. The company returned $336.1 million to shareholders during the quarter, including $302.4 million through share repurchases and $33.7 million in dividends. Management noted that the balance sheet remains a source of strength and expressed confidence in WRB's ability to continue generating returns above its long-term 15% after-tax return on equity target.

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	***$4.64***	***$8.17***
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%.

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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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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.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	20.3	18.4	24.3	22.5	27.5	32.8	20.5	20.4	19.2	15.9	***13.8***	***15.0***
Avg. Yld.	0.6%	0.6%	0.5%	0.5%	0.4%	0.5%	0.5%	0.4%	0.4%	0.5%	***0.6%***	***0.5%***

W.R. Berkley is currently trading at a forward P/E of 13.8, 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

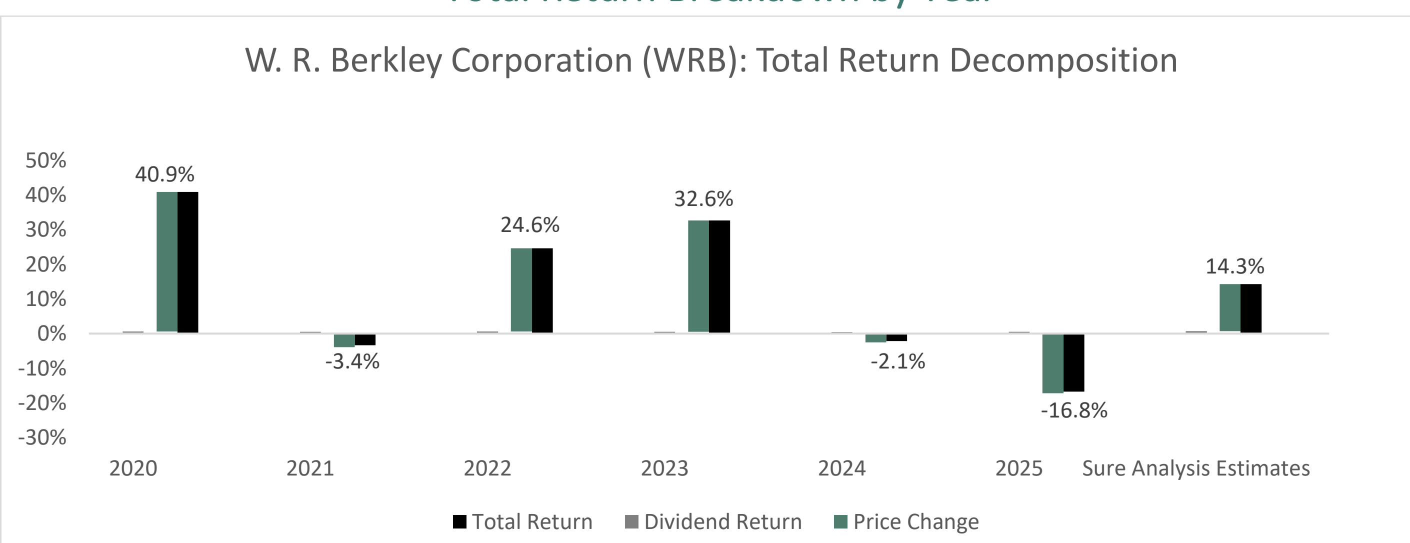
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	11%	13%	11%	12%	17%	9%	8%	9%	7%	8%	***8%***	***7%***

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 Q1, WRB continued to prioritize shareholder returns during the quarter, repurchasing nearly 4.5 million shares for $302.4 million as part of its disciplined capital management strategy.

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 assign a buy rating premised upon the 14.3% annualized total returns for the medium-term, with the forecasted earnings-per-share growth of 12.0%, the 0.6% dividend yield, and a valuation tailwind.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	7,666	7,669	7,719	7,933	8,099	9,481	11,220	12,110	13,640	14,710
D&A Exp.	86	113	131	113	135	130	56	(21)	(171)	(48)
Net Profit	602	549	641	682	531	1,022	1,381	1,381	1,755	1,785
Net Margin	7.9%	7.2%	8.3%	8.6%	6.6%	10.8%	12.3%	11.4%	12.9%	12.1%
Free Cash Flow	798	595	570	1,083	1,579	2,117	2,516	2,876	3,450	3,470
Income Tax	293	219	163	169	172	252	335	371	510	496

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	23,365	24,300	24,896	26,662	28,607	32,086	33,860	37,200	36,190	39,650
Cash & Equivalents	795	950	818	1,024	2,372	1,569	1,449	1,363	1,975	2,540
Acc. Receivable	3,446	3,557	3,740	4,131	4,592	5,446	5,967	6,947	-	-
Goodwill & Int.	145	179	173	170	170	170	186	175	281	-
Total Liabilities	18,284	18,849	19,416	20,544	22,281	25,419	27,090	29,730	27,780	29,930
Accounts Payable	213	246	257	360	426	515	523	631	669	616
Long-Term Debt	2,488	2,497	2,790	2,626	2,725	3,267	2,837	2,837	3,059	3,100
Total Equity	5,047	5,411	5,438	6,075	6,311	6,653	6,748	7,455	8,395	9,701
LTD/E Ratio	0.49	0.46	0.51	0.43	0.43	0.49	0.42	0.38	0.36	0.32

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	2.7%	2.3%	2.6%	2.6%	1.9%	3.4%	4.2%	3.9%	5.1%	4.7%
Return on Equity	12.5%	10.5%	11.8%	11.8%	8.6%	15.8%	20.6%	19.4%	22.1%	19.7%
ROIC	8.4%	7.1%	7.9%	8.0%	6.0%	10.8%	14.1%	13.9%	16.0%	14.7%
Shares Out.	272.7	273.4	274.5	275.1	266.7	265.2	279.5	273	403	400
Revenue/Share	26.50	26.42	26.75	27.33	28.60	33.89	40.14	44.31	33.82	36.78
FCF/Share	2.76	2.05	1.98	3.73	5.57	7.57	9.00	10.52	8.56	8.68

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