# CNO Financial Group, Inc. (CNO)

*Updated August 6th, 2026, by Kody Kester*

## Key Metrics

| | | | | | |
|---|---|---|---|---|---|
| **Current Price:** | $55 | **5 Year CAGR Estimate:** | 7.0% | **Market Cap:** | $5.2B |
| **Fair Value Price:** | $48 | **5 Year Growth Estimate:** | 9.0% | **Ex-Dividend Date:** | 09/10/26 |
| **% Fair Value:** | 117% | **5 Year Valuation Multiple Estimate:** | -3.0% | **Dividend Payment Date:** | 09/24/26 |
| **Dividend Yield:** | 1.3% | **5 Year Price Target** | $73 | **Years Of Dividend Growth:** | 14 |
| **Dividend Risk Score:** | A | **Sector:** | Financials | **Rating:** | Hold |

## Overview & Current Events

CNO Financial Group, Inc. (CNO) serves middle-income pre-retirees and retired Americans. The company's offerings include Medicare supplement insurance, long-term care insurance, annuities, and individual life insurance. Founded in 1979, CNO is well-established within its industry. Bankers Life, Washington National, and Colonial Penn are among the company's most recognized brand names. As of Jun. 30, 2026, the company served 3.3 million customers with its insurance policies and annuities and had $39.9 billion in total assets. The company serves consumers through the Consumer and Worksite Divisions. As the name suggests, the Consumer Division serves the needs of individual consumers via the phone, online, virtual, face-to-face with agent interaction, or some mix of these modes. The Worksite Division sells life and health insurance products in the workplace to businesses, associations, and other membership groups, serving consumers at their place of employment and virtually.

In 2025, premiums from annuities accounted for $1.94 billion of CNO's total premiums collected (42.3%). Supplemental health premiums made up $744.5 million in total premiums collected for the year (16.2%). Medicare supplement plans chipped in another $626.8 million, or 13.7% of total collected premiums. Long-term care plans collected another $292.2 million in premiums, or 6.4% of the total premiums collected. Finally, life insurance plans made up the remaining $984.5 million of premiums, or 21.4% of total collected premiums.

On Jul. 30, CNO shared its financial results for the second quarter ended Jun. 30, 2026. The company's total revenue jumped 11.6% year-over-year to $1.29 billion in the quarter. This topline growth was powered by a 7% uptick in total new annualized premiums (extending growth to 16 consecutive quarters) and a 24% surge in brokerage and advisory client assets to a new record of $5.69 billion during the quarter. CNO's operating EPS soared 44.8% for the quarter to $1.26 for the quarter. That was $0.29 above the analyst consensus in the quarter. In May, CNO upped its quarterly dividend per share by 5.9% to $0.18. This represents its 14th consecutive year of dividend growth.

## Growth on a Per-Share Basis

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2031 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **EPS** | $1.47 | $1.75 | $1.83 | $1.85 | $2.53 | $2.79 | $2.33 | $3.09 | $3.97 | $4.02 | ***$4.75*** | ***$7.31*** |
| **DPS** | $0.31 | $0.35 | $0.39 | $0.43 | $0.47 | $0.51 | $0.55 | $0.59 | $0.63 | $0.67 | ***$0.72*** | ***$1.01*** |
| **Shares[1]** | 173.8 | 166.9 | 162.2 | 148.1 | 135.3 | 120.4 | 114.3 | 109.4 | 101.6 | 94.5 | ***94.6*** | ***70.0*** |

Over the last five years, CNO has generated nearly 10% annualized operating EPS growth. Moving forward, we believe the company continues to have a path to high-single-digit operating EPS growth, and model 9.0% off a 2026 base of $4.75. CNO's expansion into additional geographies and a higher total agent count remain two factors that should keep total revenue growing (excluding special circumstances like swings in special-purpose portfolio investment income). Not to mention, CNO keeps launching products to bridge the financial protection gap for underserved workers and families. In June 2025, its Washington National brand introduced its new Individual Term Life Insurance product. Currently, just 31% of people earning less than $50,000 annually have life insurance, indicating there is a significant market opportunity in this demographic segment. The company's significant cash flow should support substantial share buybacks in the coming years, too. These elements give CNO an attainable route to meet our growth projections.

[1] Share count is in millions.

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## Valuation Analysis

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2031 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Avg. P/E** | 13.0 | 14.1 | 8.1 | 9.7 | 8.8 | 8.5 | 9.8 | 9.0 | 9.4 | 10.3 | ***11.7*** | ***10.0*** |
| **Avg. Yld.** | 1.6% | 1.4% | 2.6% | 2.4% | 2.1% | 2.1% | 2.4% | 2.1% | 1.7% | 1.6% | ***1.3%*** | ***1.4%*** |

Since 2016, CNO's P/E ratio has ranged from the high single digits to the low teens. The average P/E ratio of 10.1 over this time falls within this range. Given that CNO's annual diluted EPS growth potential is intact, we still think that a fair value multiple of 10.0 is sensible. Put into context, the current P/E ratio of 11.7 is higher than our fair value P/E ratio by a double-digit percentage after a roughly 25% rally in recent months.

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

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2031 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Payout** | 21% | 20% | 21% | 23% | 19% | 18% | 24% | 19% | 16% | 17% | ***15%*** | ***14%*** |

CNO's trusted reputation and nationally recognized brands allow it to effectively compete against larger industry peers. That's how the company continues to grow its consumer base, revenue, and profits.

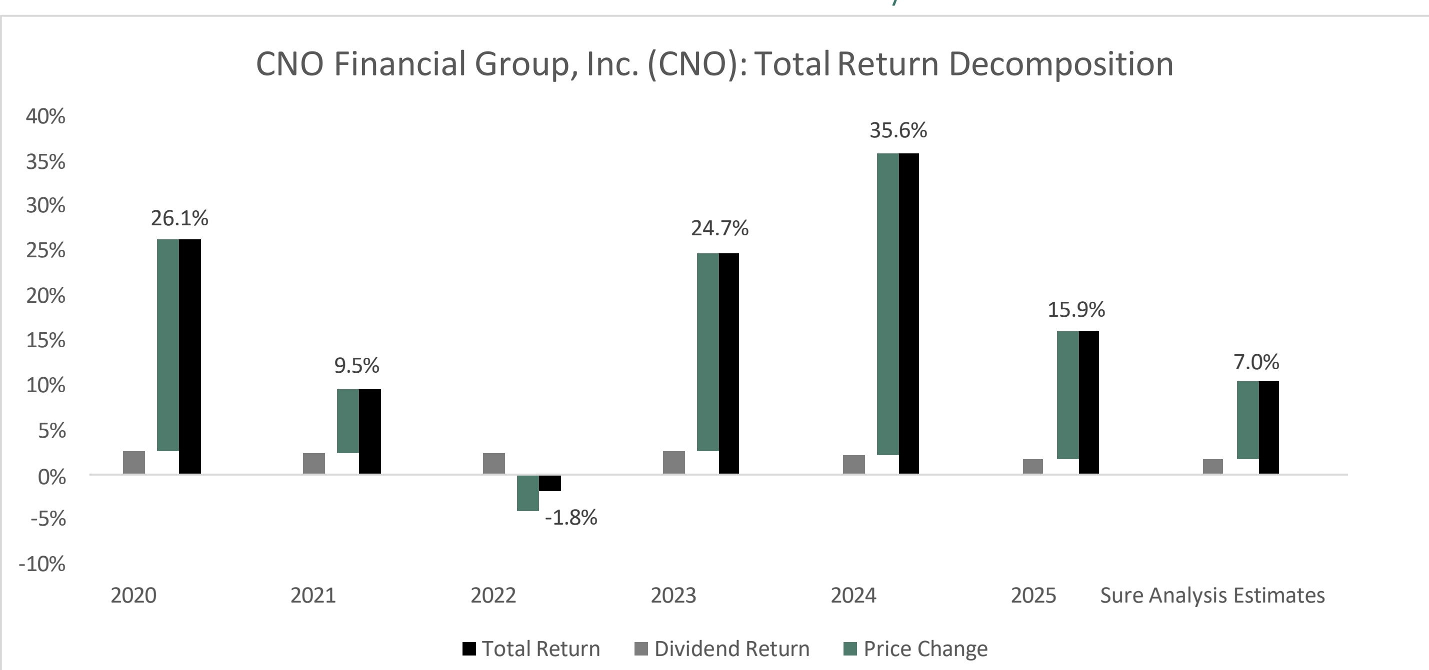
CNO's balance sheet is also a strength. The company's major brands all boast A-rated balance sheets on stable outlooks from the four major credit rating agencies (AM Best, S&P, Fitch, and Moody's). CNO itself possesses BBB+, BBB-, Baa3 (BBB- equivalent), and BBB credit ratings from Fitch, S&P, Moody's, and AM Best, respectively.

These investment-grade credit ratings are backed up by a total consolidated risk-based capital ratio, or RBC ratio, of 377% as of Jun. 30, 2026. This is within its targeted range of between 360% and 390%. Finally, the company's dividend payout ratio in the mid-teens range also somewhat shields the company from a downturn in profits.

## Final Thoughts & Recommendation

CNO's 1.3% dividend yield, 9.0% annual diluted EPS growth prospects, and 3.0% annual valuation multiple downside potential could set it up for 7.0% annual total returns over the medium term. In closing, that's why we're downgrading shares back to a Hold rating.

## Total Return Breakdown by Year




*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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## Income Statement Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue** | 3,985 | 4,297 | 4,314 | 4,016 | 3,821 | 4,122 | 3,717 | 4,168 | 4,510 | 4,500 |
| **D&A Exp.** | 275 | 265 | 292 | 268 | 304 | 320 | 249 | 267 | 292 | 319 |
| **Net Profit** | 358 | 176 | (315) | 409 | 302 | 441 | 631 | 277 | 421 | 229 |
| **Net Margin** | 9.0% | 4.1% | -7.3% | 10.2% | 7.9% | 10.7% | 17.0% | 6.6% | 9.3% | 5.1% |
| **Free Cash Flow** | 686 | 613 | 318 | 697 | 736 | 598 | 495 | 583 | 628 | 676 |
| **Income Tax** | (5) | 305 | 50 | (135) | 43 | 127 | 186 | 80 | 119 | 64 |
| | 3,985 | 4,297 | 4,314 | 4,016 | 3,821 | 4,122 | 3,717 | 4,168 | 4,510 | 4,500 |

## Balance Sheet Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total Assets** | 30,337 | 31,438 | 26,746 | 29,401 | 31,523 | 32,558 | 28,910 | 31,261 | 34,220 | 35,348 |
| **Cash & Equivalents** | 668 | 757 | 657 | 655 | 992 | 732 | 645 | 889 | 1,998 | 984 |
| **Total Liabilities** | 25,850 | 26,590 | 23,375 | 24,724 | 26,039 | 27,298 | 27,141 | 29,046 | 31,705 | 32,710 |
| **Long-Term Debt** | 4,655 | 4,209 | 4,067 | 3,880 | 4,018 | 4,338 | 4,153 | 4,479 | 4,520 | 4,506 |
| **Shareholder's Equity** | 4,487 | 4,847 | 3,371 | 4,677 | 5,484 | 5,260 | 1,769 | 2,216 | 2,515 | 2,638 |
| **LTD/E Ratio** | 0.94 | 0.82 | 1.18 | 0.83 | 0.73 | 0.77 | 2.22 | 1.91 | 1.80 | 1.57 |

## Profitability & Per Share Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Return on Assets** | 1.2% | 0.6% | -1.1% | 1.5% | 1.0% | 1.4% | 2.1% | 0.9% | 1.3% | 0.7% |
| **Return on Equity** | 8.3% | 3.8% | -7.7% | 10.2% | 5.9% | 8.2% | 17.9% | 13.9% | 17.8% | 8.9% |
| **ROIC** | 4.2% | 2.0% | -3.9% | 5.2% | 3.4% | 4.7% | 8.4% | 4.5% | 6.2% | 3.3% |
| **Shares Out.** | 173.8 | 166.9 | 162.2 | 148.1 | 135.3 | 120.4 | 114.3 | 109.4 | 101.6 | 94.5 |
| **Revenue/Share** | 22.35 | 24.96 | 26.07 | 25.55 | 26.69 | 31.44 | 31.58 | 36.21 | 41.71 | 45.08 |
| **FCF/Share** | 3.85 | 3.56 | 1.92 | 4.43 | 5.14 | 4.56 | 4.21 | 5.06 | 5.81 | 6.77 |

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