



Primerica, Inc. (PRI)

Updated August 14th, 2026, by Kody Kester

Key Metrics

Current Price:	\$314	5 Year CAGR Estimate:	11.2%	Market Cap:	\$9.7B
Fair Value Price:	\$326	5 Year Growth Estimate:	9.0%	Ex-Dividend Date:	08/21/26
% Fair Value:	96%	5 Year Valuation Multiple Estimate:	0.8%	Dividend Payment Date:	09/14/26
Dividend Yield:	1.5%	5 Year Price Target	\$501	Years Of Dividend Growth:	16
Dividend Risk Score:	A	Sector:	Financials	Rating:	Buy

Overview & Current Events

Primerica, Inc. (PRI) provides term life insurance to middle-income households in the United States and Canada. On behalf of third parties, it also offers mutual funds, annuities, managed investments, and other financial products. As of Dec. 31, 2025, PRI insured more than 5.5 million lives and had approximately 3.1 million client investment accounts. The company's offerings are sold via a network of almost 149,000 licensed sales representatives (as of Jun. 30, 2026), who are independent contractors. PRI is organized into the following three operating segments:

1. **Term Life Insurance:** This segment provides customers with term life insurance in the United States and Canada. That's done via its Primerica Life, NBLIC, and Primerica Life Canada insurance subsidiaries.
2. **Investment and Savings Products:** The Investment and Savings Products segment offers savings and investment vehicles to meet the needs of clients in all stages of life. Products include mutual funds, managed investments, and fixed and fixed-indexed annuities. The segment's subsidiaries include PFS, PFS Investments, Primerica Life Canada, and PFSL Investments Canada.
3. **Corporate and Other Distributed Products:** This segment distributes mortgage loans through mortgage-licensed loan originators, auto and homeowners' insurance referrals, and prepaid legal services.

On Aug. 5, PRI released its financial results for the second quarter ended Jun. 30, 2026. The company's total adjusted operating revenue rose by 8.5% over the year-ago period to \$863.4 million during the quarter. Robust growth in the Investment and Savings Products segment powered the bulk of this topline growth in the quarter (+20.9% to \$360.5 million). The Term Life Insurance and Other Distribution Products segments respectively recorded \$443.6 million and \$59.3 million in revenue for the quarter (+0.4% and +6.0%). PRI's diluted EPS surged 19.4% year-over-year to \$6.45 during the quarter. This beat the analyst consensus in the quarter by \$0.43.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$4.59	\$7.61	\$7.33	\$8.62	\$9.57	\$9.38	\$12.33	\$15.94	\$13.65	\$22.92	\$25.05	\$38.54
DPS	\$0.70	\$0.78	\$1.00	\$1.36	\$1.60	\$1.88	\$2.20	\$2.60	\$3.30	\$4.16	\$4.80	\$7.73
Shares¹	45.7	44.3	42.7	41.2	39.3	39.4	36.8	35.0	33.4	31.3	30.8	26.0

Over the past decade, PRI's diluted EPS has compounded by nearly 20% annually. We think that its diluted EPS can grow by 9.0% annually over the medium term, off an anticipated 2026 base of \$25.05. This is because there's an estimated \$14 trillion protection gap in the term life insurance market. As the company's licensed sales representatives educate consumers, there are opportunities for additional growth in this market. PRI's Investment and Savings Products segment also benefits from economic growth and the fact that client asset values tend to grow over time as a result (client asset values were up roughly 16% over the year-ago period to conclude Q2 2026 at \$140 billion).

¹ 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	15.1	13.3	13.3	15.2	14.0	16.3	11.5	12.9	13.7	11.3	12.5	13.0
Avg. Yld.	1.0%	0.8%	1.0%	1.0%	1.2%	1.2%	1.6%	1.3%	1.2%	1.6%	1.5%	1.5%

Since 2016, PRI's shares have ranged from a valuation multiple as low as the low double digits to as high as the mid-teens. Over that time, the average P/E ratio was almost 14. In the years ahead, we think that a fair value multiple of around 13 is realistic (this would be in line with the five-year average). That's because the company's growth potential looks to be intact. Compared to the current P/E ratio of 12.5, this implies PRI's shares remain slightly undervalued after the 15% rally in recent months.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	15%	10%	14%	16%	17%	20%	18%	16%	24%	18%	19%	20%

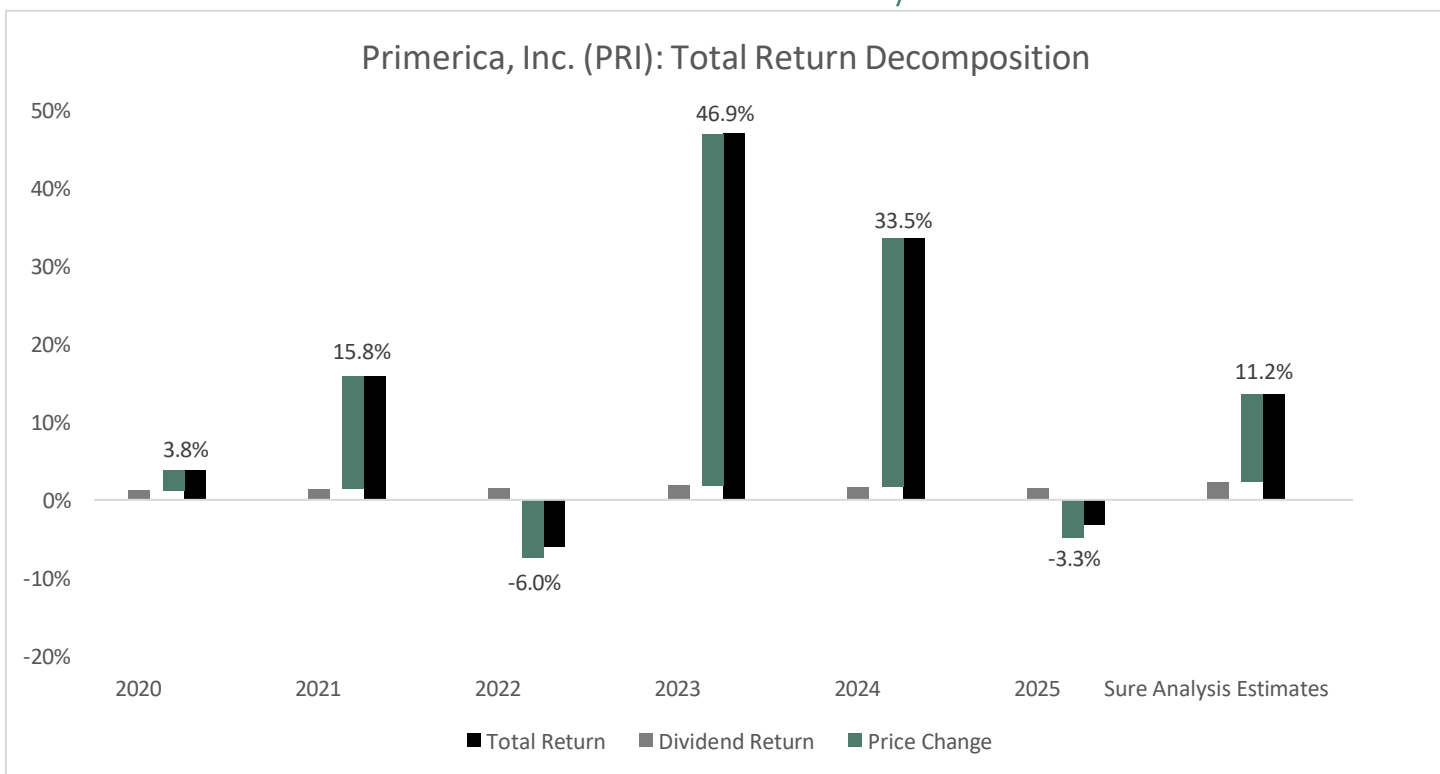
As the second largest provider of term life insurance in the U.S. and Canada, Primerica is well-positioned in this market. The company's array of offerings and unique distribution model provide it with competitive advantages that have allowed its diluted EPS to compound vigorously over time.

Turning to the balance sheet, the company is also financially sound. As of Jun. 30, 2026, PRI had a cash and cash equivalents balance of \$600.2 million. This liquidity earns it an A- credit rating from S&P on a stable outlook. The company's dividend is also sustainable, with the payout ratio poised to be in the high-teens to low-20% range for 2026. That gives it plenty of room to build on its 15-year dividend growth streak.

Final Thoughts & Recommendation

PRI's 1.5% yield, 9.0% annual diluted EPS growth potential, and 0.8% annual valuation multiple expansion prospects could lead to 11.2% annual total returns over the next five years. This is why we're maintaining our Buy 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	1,538	1,716	1,937	2,101	2,275	2,759	2,784	2,814	3,152	3,350
D&A Exp.	15	14	12	18	18	30	34	32	23	19
Net Profit	218	348	322	365	384	370	465	589	718	749
Net Margin	14.1%	20.3%	16.6%	17.4%	16.9%	13.4%	16.7%	20.9%	22.8%	22.4%
Free Cash Flow	278	382	465	460	616	641	712	673	818	881
Income Tax	118	29	92	111	121	139	153	181	219	223

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	7,245	8,256	8,453	9,519	10,631	11,855	11,432	12,012	11,838	12,447
Cash & Equivalents	212	280	262	257	548	393	489	594	688	756
Goodwill & Int.	55	52	48	45	45	375	313	45	45	45
Total Liabilities	6,024	6,836	6,992	7,866	8,795	9,765	9,401	9,946	9,579	10,001
Long-Term Debt	875	1,110	1,343	1,612	1,774	2,026	2,083	2,040	1,955	1,821
Total Equity	1,221	1,419	1,462	1,652	1,836	2,083	2,031	2,066	2,259	2,446
LTD/E Ratio	0.72	0.78	0.92	0.98	0.97	0.98	1.03	0.99	0.87	0.74

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	3.2%	4.5%	3.9%	4.1%	3.8%	3.3%	4.0%	5.0%	6.0%	6.2%
Return on Equity	18.4%	26.3%	22.4%	23.4%	22.0%	18.9%	22.6%	28.7%	33.2%	31.8%
ROIC	10.9%	15.0%	12.1%	12.0%	11.2%	9.6%	11.3%	14.3%	17.3%	17.7%
Shares Out.	45.7	44.3	42.7	41.2	39.3	39.4	36.8	35.0	33.4	31.3
Revenue/Share	32.41	37.56	44.05	49.65	56.61	69.58	73.06	78.11	92.16	102.50
FCF/Share	5.87	8.36	10.56	10.87	15.32	16.17	18.68	18.69	23.91	26.95

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

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