Stewart Information Services Corp. (STC)

Updated July 31st, 2026, by Nathan Parsh

Key Metrics

Current Price:	$68	**5 Year Annual Expected Total Return:**	4.0%	**Market Cap:**	$2.0 B
Fair Value Price:	$55	**5 Year Growth Estimate:**	5.0%	**Ex-Dividend Date:**	09/16/26[1]
% Fair Value:	123%	**5 Year Valuation Multiple Estimate:**	-4.1%	**Dividend Payment Date:**	09/30/26[2]
Dividend Yield:	3.1%	**5 Year Price Target**	$70	**Years Of Dividend Growth:**	5
Dividend Risk Score:	C	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Stewart Information Services is a global title insurance and real estate services company. Stewart provides services to both home buyers and sellers, residential and commercial real estate professionals, and others. The company's business segments include title insurance and related services, real estate solutions, and corporate. The company generates annual revenue of nearly $2.9 billion and has a current market capitalization of $2.0 billion.

On September 2nd, 2025, Stewart raised its quarterly dividend 5% to $0.525, extending the company's dividend growth streak to five consecutive years.

On July 22nd, 2026, Stewart announced second quarter results for the period ending March 31st, 2026. For the quarter, revenue grew 24.5% to $899.2 million, which was $52.5 million above estimates. Adjusted earnings-per-share of $1.39 compared to $1.34 in the prior year, but this was $0.24 less than expected.

Revenue for the Title segment grew 15% to $683.6 million for the quarter. The improvement was once again the result of increased demand for services, especially in the direct and agency title operations. Non-commercial direct title revenue was unchanged at $208.9 million as growth in international was offset by weaker domestic business. Commercial direct title sales were up 19% to $97.7 million. In total, direct title revenue increased 5% to $306.6 million. Investment income declined 9% to $1.4 million. Adjusted pretax income was down 8% to $47.9 million, leading to a 160-basis point contraction in the adjusted pretax margin to 4.1%. Real Estate Solutions revenue surged 75% to $197.4 million due again to demand for credit information services and acquisitions. The adjusted pretax margin expanded 270 basis points to 13.6%.

Stewart is projected to earn $5.52 per share in 2026, compared to $6.00 and $5.77 previously. This would be a 36.3% increase from the prior year. We have updated our forecast accordingly.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$1.82	$2.06	$2.01	$3.30	$6.22	$11.90	$5.94	$1.11	$2.61	$4.05	***$5.52***	***$7.05***
DPS	$1.20	$1.20	$1.20	$1.20	$1.20	$1.37	$1.65	$1.85	$1.95	$2.05	***$2.10***	***$2.68***
Shares[3]	23	24	24	24	25	27	27	28	28	29	***31***	***33***

Stewart's earnings-per-share have been prone to wide swings over the last decade. Despite the expectation for a significant increase this year, EPS has actually fallen over the last five years. This year's estimate, if it were to be accurate, would still be well below peak earnings-per-share. We project that earnings-per-share will grow at a rate of 5% annually through 2031, though we note that growth may not be linear. Another item that could impact results is that Stewart has diluted its share count by almost 3% annually over the last 10 years.

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[1] Estimated ex-dividend date.
[2] Estimated dividend payment date.
[3] In millions of shares.

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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Though the company did pause growth from 2017 through 2020, the dividend still has a compound annual growth rate of 6.1% over the last decade and 8.9% over the last five years. We expect that the dividend will grow in-line with earnings-per-share as the payout ratio has averaged a reasonable 45% over the last decade (when excluding 2023).

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	24.7	22.8	20.6	12.3	7.8	6.7	3.6	9.9	25.9	17.3	***12.3***	***10.0***
Avg. Yld.	2.7%	2.9%	2.8%	3.0%	3.3%	2.1%	2.9%	4.0%	2.9%	2.9%	***3.1%***	***3.8%***

Shares of Stewart have declined $4, or 5.6%, since our April 27th, 2026 report. The valuation, much like earnings-per-share, have seen aggressive swings in opposing directions over the last decade. Since 2016, the stock has an average price-to-earnings ratio of 15.2, but this contracts to 12.7 when looking at the last five years. We believe a target price-to-earnings ratio of 10 is an appropriate starting place for shares of Stewart. Therefore, investors could face a headwind from multiple contraction given that the stock is trading at 12.3 times expected EPS for this year. Reverting to this valuation by 2031 would reduce annual returns by 4.1% over this period.

Shares yield 3.1% currently, which is just above the long-term average yield of 3.0%.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	66%	58%	60%	36%	19%	12%	28%	167%	75%	51%	***38%***	***38%***

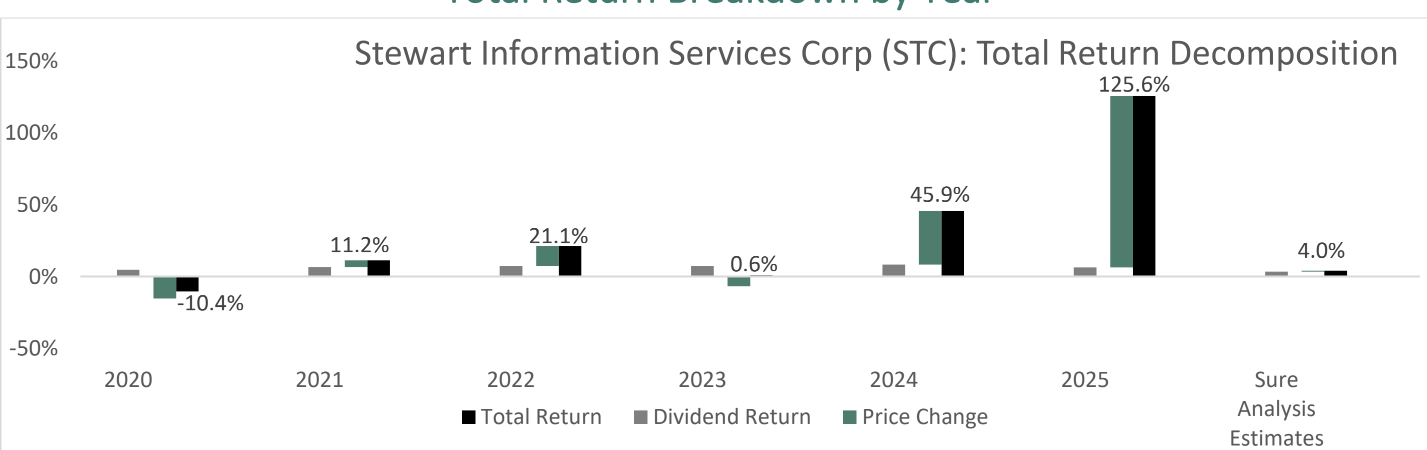
Stewart does not appear to hold any significant advantages relative to its peers. Operating in the insurance industry is difficult as the company has many peers, all of whom offer similar services. Having a real estate solutions business does help differ Stewart from other insurance companies slightly, but the industry can be cutthroat as insurers try to capture market share.

The dividend is likely safe given its current payout ratio, which is below the long-term average. The company did pause its dividend growth for several years in the mid-2010s, but growth has been aggressive in recent years.

Final Thoughts & Recommendation

Following second quarter results, Stewart is projected to return 4.0% annually through 2031, down from our prior estimate of a return of 4.3%. This estimate stems from an earnings-per-share growth rate of 5% and the current yield of 3.0%, which is offset by expected multiple contraction. We maintain our hold rating on shares of Stewart Information Services due to expected returns and a mediocre dividend risk score.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	2,035	2,013	1,956	1,908	1,940	2,288	3,306	3,069	2,257	2,490
Total D&A	30	30	26	25	23	19	36	57	62	62
Operating Profit	57	106	84	91	141	224	439	251	81	134
Operating Margin	2.8%	5.3%	4.3%	4.8%	7.3%	9.8%	13.3%	8.2%	3.6%	5.4%
Net Profit	4	56	60	59	90	170	340	182	46	88
Net Margin	0.2%	2.8%	3.1%	3.1%	4.7%	7.4%	10.3%	5.9%	2.0%	3.5%
Free Cash Flow	61	105	92	74	149	261	350	144	45	95
Income Tax	6	20	15	14	27	49	94	51	15	26

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	1,322	1,342	1,406	1,373	1,593	1,979	2,813	2,738	2,703	2,730
Cash & Equivalents	179	186	150	192		433	486	248	233	216
Goodwill & Int. Ass.	236	228	241	259	254	469	1,155	1,272	1,265	1,257
Total Liabilities	684	693	727	693	839	966	1,519	1,368	1,324	1,319
Accounts Payable	118	116	118	109	127	225	287	197	190	215
Long-Term Debt	102	107	109	108	175	221	633	595	581	565
Shareholder's Equity	629	641	672	674	747	1,005	1,282	1,362	1,371	1,402
LTD/E Ratio	0.16	0.17	0.16	0.16	0.30	0.22	0.49	0.44	0.42	0.40

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	0.3%	4.2%	4.4%	4.2%	6.1%	9.5%	14.2%	6.5%	1.7%	3.2%
Return on Equity	0.6%	8.8%	9.1%	8.7%	12.6%	19.2%	29.5%	13.6%	3.3%	6.3%
ROIC	0.5%	7.5%	7.8%	7.5%	10.2%	15.3%	21.5%	9.3%	2.3%	4.5%
Shares Out.	24	23	24	24	24	25	27	27	28	28
Revenue/Share	86.42	85.76	82.88	80.54	81.67	91.86	121.68	112.24	82.03	88.54
FCF/Share	2.58	4.47	3.88	3.10	6.28	10.47	12.90	5.26	1.64	3.38

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