

The Hartford Insurance (HIG)

\$135.90 (Stock Price as of 01/07/2026)

Price Target (6-12 Months): **\$146.00**

Long Term: 6-12 Months	Zacks Recommendation:	Neutral
	(Since: 01/18/24)	
	Prior Recommendation: Outperform	
Short Term: 1-3 Months	Zacks Rank: (1-5)	3-Hold
	Zacks Style Scores:	VGM: B
	Value: A	Growth: B Momentum: F

Summary

Hartford Insurance is benefiting from strategic streamlining, targeted expansion and steady pricing gains across core commercial lines, which together are strengthening margins and improving operating efficiency. Cost-control initiatives, including Hartford Next, continue to support profitability, with solid ROE performance and better underwriting trends in the Business Insurance and Employee Benefits segments. Strong capital returns through share buybacks and dividend payments increases further reinforce shareholder value. However, persistent weakness in the Personal Insurance unit remains a drag. Elevated leverage also constrains financial flexibility, despite strong interest coverage. Additionally, ongoing exposure to catastrophic events continues to pressure earnings, underscoring the company's sensitivity to severe weather trends.

Data Overview

52 Week High-Low	\$140.48 - \$104.93
20 Day Average Volume (sh)	1,333,568
Market Cap	\$37.9 B
YTD Price Change	-1.4%
Beta	0.61
Dividend / Div Yld	\$2.40 / 1.8%
Industry	<u>Insurance - Property and Casualty</u>
Zacks Industry Rank	Top 45% (111 out of 244)

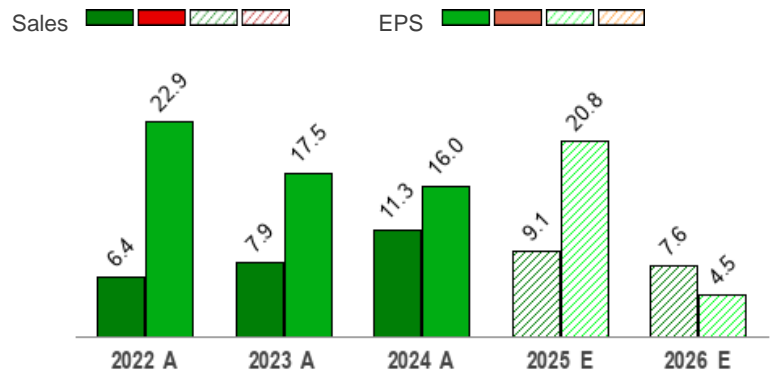
Last EPS Surprise	20.8%
Last Sales Surprise	1.5%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	01/29/2026
Earnings ESP	3.9%

P/E TTM	11.0
P/E F1	10.9
PEG F1	0.9
P/S TTM	1.4

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽¹⁾



Sales Estimates (millions of \$)⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	5,191 E	5,305 E	5,424 E	5,501 E	21,419 E
2025	4,754 A	4,900 A	5,114 A	5,145 E	19,913 E
2024	4,339 A	4,460 A	4,671 A	4,790 A	18,260 A

EPS Estimates⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	3.21 E	3.19 E	3.11 E	3.38 E	13.00 E
2025	2.20 A	3.41 A	3.78 A	3.08 E	12.44 E
2024	2.34 A	2.50 A	2.53 A	2.94 A	10.30 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 01/07/2026.

(2) The report's text and the price target are as of 12/29/2025.

Overview

Founded in 1810 and headquartered in Hartford, CT, The Hartford Insurance Group, Inc. is one of the major multi-line insurance and investment companies in the country, providing investment products, group life and group disability insurance, property and casualty (P&C) insurance and mutual funds in the U.S.

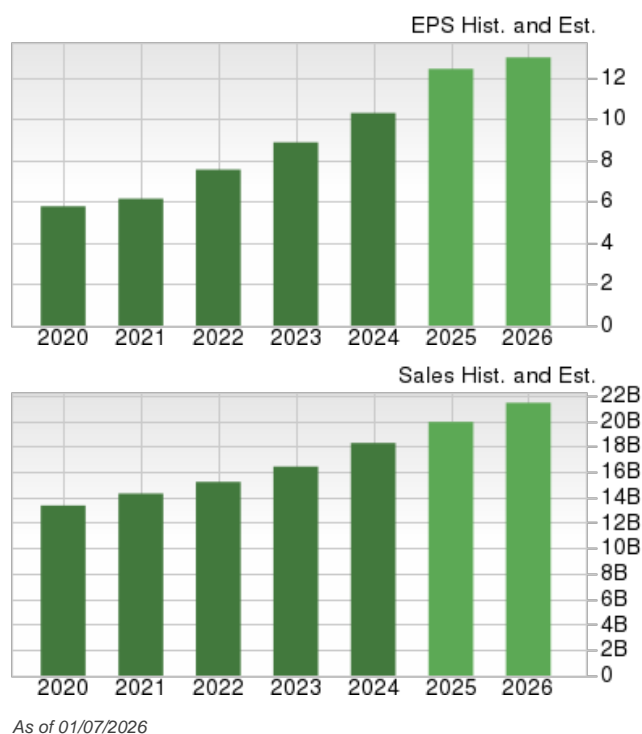
Hartford Insurance strives to improve its position as a market leader within the financial services industry in the United States, United Kingdom, continental Europe and other regions.

It sells various innovative products through multiple distribution channels to individuals and businesses and is considered a leading property and casualty and employee group benefits insurer. Also, the company's commitment to boost investment in the energy transition will likely bring more environment-friendly energy investors onboard. Hartford Insurance is expected to invest \$2.5 billion in multiple sources that are advancing energy transition over the next five years. Betting for a future with sustainable energy bodes well for the company.

The company generated total revenues of \$26.5 billion in 2024. It reports through the following segments:

The Business Insurance segment (54% of the total revenue in 2024), formerly known as Commercial Lines offers workers' compensation, property, automobile, liability, umbrella, marine and livestock coverages mainly in the United States. The segment also offers various customized insurance products and risk management services, including automobile, general liability, professional liability, bond and specialty casualty coverages.

The Personal Insurance (14%), formerly known as the Personal Lines segment offers automobile, homeowners and personal umbrella coverages to individuals across the United States, including a special program designed exclusively for members of AARP. The P&C Other Ops and corporate contributed negligible amount to total revenues. It has two other reporting segments, namely Employee Benefits (27%) and Hartford Funds (4%).



Reasons To Buy:

▲ **Strategic Initiatives:** HIG has refined its business strategy to strengthen its core operations and drive profitability. By divesting legacy run-off businesses and non-core operations, HIG has improved its risk profile and enhanced financial flexibility. This has allowed the company to expand its product offerings and geographic reach through targeted acquisitions and collaborations. Additionally, consistent increases in renewal written pricing in Business Insurance, excluding workers' compensation, have bolstered margins, positioning HIG for sustainable growth. HIG's new organizational structure has expanded the roles of two key executives, technology and operational functions. The company is focusing more on AI, cybersecurity and data analysis.

Strategic initiatives, cost-curbing efforts and efficient capital deployment position the company for long-term growth.

▲ **Cost-Curbing Efforts:** Hartford Insurance has undertaken several restructuring initiatives, including Hartford Next, to enhance efficiency and drive margin expansion. These efforts have supported margin improvement, with the Employee Benefits segment reporting a 10-basis-point increase in core earnings margin in the first nine months of 2025. During this time, the Business Insurance combined ratio declined 70 bps. Improved cost efficiency is also bolstering return metrics; Hartford Insurance's trailing 12-month ROE stands at 21.1%, significantly above the industry average of 8%.

▲ **Shareholder-Friendly Moves:** Hartford Insurance maintains a strong capital return track record through robust buybacks and steady dividends. In 2024, it repurchased shares worth \$1.5 billion, followed by an additional \$1.2 billion in the first nine months of 2025. As of Sept. 30, 2025, \$1.95 billion remained under its current authorization. The company also paid \$446 million in dividends during the first three quarters. It increased the quarterly dividend by 15% to 60 cents. It has a dividend yield of 1.7%, well above the industry average of 0.3%, underscoring its commitment to rewarding shareholders. Its shares have outperformed the industry over the past year.

Reasons To Sell:

- ▼ **Persistent Weakness in Personal Insurance:** Hartford Insurance's Personal Insurance segment continues to show unstable profitability, with underwriting losses persisting despite recent rate actions. Near-term improvements have not translated into sustained margin recovery yet, as cost pressures remain elevated. The combined ratio of 96.2% for the first nine months of 2025 underscores how far the segment is from achieving consistent profitability.
- ▼ **High-Leverage:** Hartford Insurance's elevated debt burden could constrain future growth and financial flexibility. As of the third quarter-end, long-term debt stood at \$4.4 billion, significantly higher than its cash balance of just \$150 million. Debt accounts for 23.7% of total equity, well above the industry average of 18.5%. Although its strong times-interest-earned ratio of 23.11X provides coverage (against the industry average of 18.03X), leverage remains a structural concern.
- ▼ **Catastrophe Challenges:** HIG is substantially exposed to catastrophic events, weighing on its underwriting results. In 2023, it registered losses of \$676 million on a pre-tax basis, which increased 4.2% year over year. It incurred total catastrophe losses of \$768 million in 2024. In the first nine months of 2025 alone, the company reported \$749 million in losses stemming from wind, hail, wildfires and winter storms, highlighting the persistent impact of severe weather on its profitability.

Softness in the Personal Lines segment, high leverage and Exposure to catastrophe events raise concerns for the company.

Last Earnings Report

HIG Q3 Earnings Beat Estimates on Personal Insurance Unit Strength

Hartford Insurance reported third-quarter 2025 adjusted operating earnings of \$3.78 per share, which surpassed the Zacks Consensus Estimate by 20.8%. The bottom line climbed 49% year over year.

HIG's operating revenues rose 9.5% year over year to \$5.1 billion on the back of improved earned premiums, fee income and investment income. The top line beat the consensus mark by 1.5%.

The strong quarterly results were aided by increased earned premiums and investment income, solid segmental performance — especially in Business Insurance and Personal Insurance — improved loss ratios and reduced catastrophe losses, and growth in invested asset, which boosted net investment income. However, the upside is partly offset by an elevated expense level and pressure in the Employee Benefits unit due to the rising expenses ratio and group disability loss ratio.

HIG's Q3 Operations

Earned premiums of Hartford amounted to \$6.1 billion, which advanced 6.3% year over year but fell short of the Zacks Consensus Estimate by 0.1%. The metric was driven by a 9% increase in Business Insurance and a 7.3% increase in Personal Insurance earned premiums.

Pre-tax net investment income improved 15.2% year over year to \$759 million in the quarter under review and beat the consensus mark of \$708.8 million. The year-over-year growth came from an increase in invested assets and improved income from limited partnerships and other alternative investments. Net investment income witnessed year-over-year improvement in the Business Insurance, Personal Insurance and Employee Benefits segments.

Total benefits, losses and expenses of \$5.9 billion increased 2% year over year due to higher amortization of DAC and insurance operating expenses.

Pre-tax income climbed 38.4% year over year to \$1.3 billion.

HIG's Segmental Update

Business Insurance

Revenues in the segment grew 10.2% year over year to \$4 billion in the third quarter and beat the Zacks Consensus Estimate by 1.5%. Core earnings of \$723 million improved 35% year over year, attributable to higher earned premiums, increased net investment income and lower catastrophe losses.

The underlying combined ratio deteriorated 80 basis points (bps) year over year to 89.4%. The losses and loss adjustment expense ratio of 57.3% improved 370 bps year over year.

Personal Insurance

The segment's revenues of \$1 billion advanced 7.7% year over year and beat the consensus mark by 3.1%. Core earnings were \$143 million compared to the prior-year quarter's core earnings of \$33 million on the back of improved earned premiums, higher net investment income, improved loss and loss adjustment expense ratio and a decline in catastrophe losses.

The underlying combined ratio improved 370 bps year over year to 90%.

P&C Other Ops

Revenues in the unit improved 5.6% year over year to \$19 million.

Employee Benefits

The segment recorded revenues of \$1.8 billion, which rose 0.7% year over year in the quarter under review but fell short of the Zacks Consensus Estimate by 1.3%. Core earnings tumbled 3% year over year to \$149 million due to a higher expense ratio and increased group disability loss ratio.

The loss ratio improved 10 bps year over year to 70.1% in the third quarter.

Hartford Funds

Revenues increased 4% year over year to \$286 million in the segment, which beat the consensus mark of \$269.7 million. Core earnings of \$53 million advanced 13% year over year.

The segment's daily average assets under management were \$148.3 billion, up 8% year over year.

Corporate

The unit witnessed revenues of \$51 million, which surged 21.4% year over year and topped the consensus estimate of \$25.7 million. The unit

FY Quarter Ending **12/31/2025**

Earnings Reporting Date	Oct 27, 2025
Sales Surprise	1.51%
EPS Surprise	20.77%
Quarterly EPS	3.78
Annual EPS (TTM)	12.33

incurred a core loss of \$5 million, narrower than the year-ago quarter's loss of \$26 million.

Financial Update (as of Sept. 30, 2025)

Hartford exited the third quarter with cash of \$150 million, which declined 18% from the 2024-end level. Total investments of \$62.6 billion increased 5.7% from the figure at 2024 end.

Total assets of \$85 billion grew 5% from the 2024-end figure.

Debt amounted to \$4.4 billion, which inched up marginally from the figure as of Dec. 31, 2024.

Total stockholders' equity improved 12.2% from the 2024-end level to \$18.5 billion.

Book value per share was \$63.86, which advanced 15.9% year over year.

Core earnings' return on equity in the trailing 12 months improved 100 bps year over year to 18.4% at the third-quarter end.

Capital Deployment Update

Hartford rewarded \$547 million to shareholders via share buybacks of \$400 million and common stockholder dividends of \$147 million. The company had a leftover buyback capacity of \$1.95 billion as of Sept. 30, 2025.

Recent News

The Hartford Expands Cyber Insurance to Safeguard Small Businesses – Sept. 22, 2025

The Hartford has taken a strategic step to strengthen its support for small businesses by making its cyber insurance product, CyberChoice First Response, more accessible through its well-known ICON platform. This move enables agents and brokers to quickly quote and secure customized cyber coverage right alongside HIG's existing Spectrum Business Owners Policy, streamlining the whole process and making it easier for everyone involved.

Valuation

Hartford Insurance shares are up 9.3% over the past six months and 26.9% in the 12-month period. Stocks in the Zacks sub-industry is up 2.2% while the Zacks Finance sector is up 8.6% in the past six months. Over the past year, the Zacks sub-industry and sector are up 9.7% and 18.9%, respectively.

The S&P 500 index is up 14.5% over the past six months and 19.5% in the past year.

The stock is currently trading at 10.67X forward 12-month earnings, which compares to 27.93X for the Zacks sub-industry, 17.51X for the Zacks sector and 23.44X for the S&P 500 index.

Over the past five years, the stock has traded as high as 13.31X and as low as 7.54X, with a 5-year median of 9.74X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$146.00 price target reflects 11.2X forward earnings.

The table below shows summary valuation data for HIG.

Valuation Multiples - HIG					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	10.67	27.93	17.51	23.44
	5-Year High	13.31	31.85	18.28	23.8
	5-Year Low	7.54	23.33	12.36	15.74
	5-Year Median	9.74	27.93	16.12	21.23
P/S F12M	Current	1.81	2.28	9.08	5.31
	5-Year High	1.96	10.43	10.06	5.49
	5-Year Low	1.18	1.66	6.69	3.82
	5-Year Median	1.59	2.08	8.4	5.04
P/B TTM	Current	2.13	1.51	4.35	8.6
	5-Year High	2.27	1.73	4.38	9.13
	5-Year Low	0.94	1.17	2.87	6.57
	5-Year Median	1.67	1.45	3.53	8.03

As of 12/26/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 45% (111 out of 244)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Aegion NV (AEG)	Neutral	3
Cincinnati Financial... (CINF)	Neutral	2
Corebridge Financial... (CRBG)	Neutral	4
Heritage Insurance H... (HRTG)	Neutral	3
MetLife, Inc. (MET)	Neutral	3
Prudential Public Li... (PUK)	Neutral	3
Everest Group, Ltd. (EG)	Underperform	3
Root, Inc. (ROOT)	Underperform	5

Industry Comparison⁽¹⁾ Industry: Insurance - Property And Casualty

	HIG	X Industry	S&P 500	CRBG	PUK	ROOT
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Underperform
Zacks Rank (Short Term)	3	-	-	4	3	5
VGM Score	B	-	-	D	C	C
Market Cap	37.87 B	4.47 B	40.27 B	15.68 B	40.43 B	1.17 B
# of Analysts	10	3	22	4	2	1
Dividend Yield	1.77%	0.53%	1.35%	3.19%	0.91%	0.00%
Value Score	A	-	-	B	C	C
Cash/Price	0.12	0.13	0.04	0.31	0.14	0.60
EV/EBITDA	8.92	8.13	14.84	6.12	NA	9.37
PEG Ratio	0.89	2.15	2.06	0.43	0.77	NA
Price/Book (P/B)	2.09	1.55	3.44	1.13	2.10	4.40
Price/Cash Flow (P/CF)	11.84	12.43	15.60	5.56	17.20	25.76
P/E (F1)	10.92	10.56	18.94	5.72	12.78	28.72
Price/Sales (P/S)	1.36	1.33	3.12	0.79	NA	0.81
Earnings Yield	9.56%	9.46%	5.28%	17.46%	7.81%	3.48%
Debt/Equity	0.24	0.14	0.57	0.77	0.23	0.76
Cash Flow (\$/share)	11.48	4.63	8.98	5.42	1.84	2.92
Growth Score	B	-	-	F	C	B
Hist. EPS Growth (3-5 yrs)	17.96%	18.53%	8.24%	NA	NA	NA
Proj. EPS Growth (F1/F0)	20.78%	4.43%	9.18%	-10.56%	18.66%	25.43%
Curr. Cash Flow Growth	5.22%	15.00%	7.00%	2.36%	-0.08%	-132.72%
Hist. Cash Flow Growth (3-5 yrs)	5.88%	11.62%	7.49%	38.69%	-11.66%	16.64%
Current Ratio	0.32	0.50	1.19	0.13	0.03	1.23
Debt/Capital	19.15%	13.30%	38.14%	43.48%	18.70%	34.71%
Net Margin	12.75%	10.57%	12.77%	5.01%	NA	3.80%
Return on Equity	21.07%	16.51%	17.03%	19.90%	NA	23.36%
Sales/Assets	0.34	0.34	0.53	0.05	NA	0.92
Proj. Sales Growth (F1/F0)	9.10%	5.38%	5.29%	-1.80%	NA	NA
Momentum Score	F	-	-	D	C	D
Daily Price Chg	-0.75%	-0.25%	0.62%	-2.90%	-2.41%	1.33%
1 Week Price Chg	-1.12%	-1.92%	0.70%	-0.72%	0.00%	-3.19%
4 Week Price Chg	4.35%	0.91%	1.52%	-3.74%	8.24%	-9.91%
12 Week Price Chg	5.63%	3.01%	4.52%	-6.31%	15.35%	-5.35%
52 Week Price Chg	24.20%	14.71%	17.53%	-3.89%	108.43%	-2.82%
20 Day Average Volume	1,333,568	201,165	2,426,458	6,042,248	569,485	233,402
(F1) EPS Est 1 week change	-0.04%	0.00%	0.00%	-1.15%	0.00%	0.00%
(F1) EPS Est 4 week change	-0.02%	0.00%	0.00%	-2.12%	0.00%	0.00%
(F1) EPS Est 12 week change	0.50%	0.40%	0.44%	-5.10%	1.43%	-8.23%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	0.33%	NA	NA

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	A
Growth Score	B
Momentum Score	F
VGM Score	B

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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