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Date 27/02/2026

Ticker IGIC (Nasdaq)
Price USD 25.38
Sector Insurance, Financials
Website <https://iginsure.com/investors>



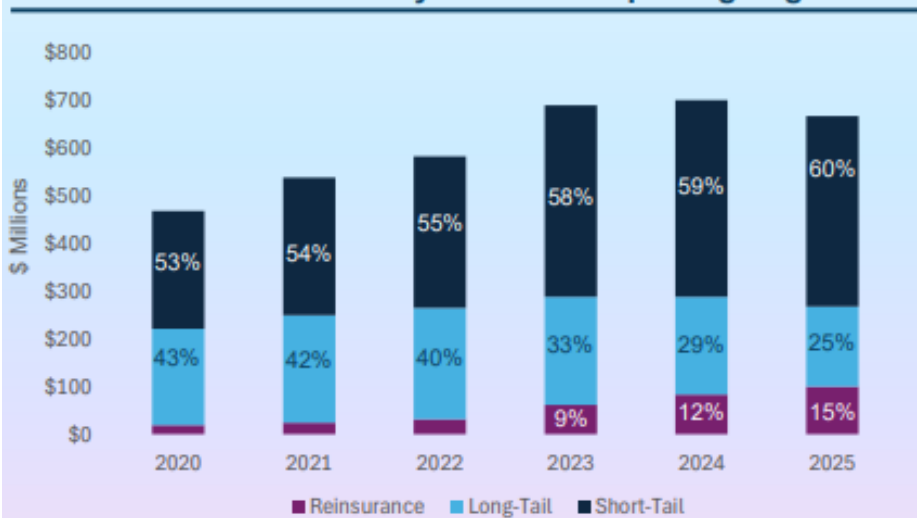
International General Insurance (IGI) is an international specialist commercial insurance and reinsurance group, writing a diverse portfolio of specialty lines in over 200 countries and markets across the globe.

FY 2025 earnings

USD millions	FY 2025	FY 2024	% change
Gross written premium	667	700	-4.7%
Net premiums earned	454	483	-6.0%
Investment income	55	52	5.4%
Revenue	517	539	-4.1%
Underwriting income	115	145	-20.7%
Net income	127	135	-5.9%
EPS	2.89	2.98	-3.0%
Investments / loss expenses	1.66x	1.63x	0.03x
Combined ratio	85.9%	79.9%	6.0%
Operating margin	24.6%	24.5%	0.1%
Equity	710	655	8.4%
RoE (annualised)	18.6%	22.6%	-4.0%

Quarterly Results Trend

Gross Premiums Written by Financial Reporting Segment



Gross Premiums Written by Line of Business ⁽¹⁾



Gross Premiums Written by Geography ⁽¹⁾



(1) Full year 2025

Financial Highlights

- Underwriting income was down 20.7% to \$115m, almost entirely due to lower premiums earned. This was mostly due to the non-renewal of a professional indemnity binder but also reflects the broader pressure on rates.

- Net income was \$127m, down 5.9% YoY. Stronger investment income and beneficial FX moves offset lower premiums earned, a higher loss ratio and higher G&A expenses.
- Combined ratio of 85.9%, up from 79.9% last year. This was driven by a higher loss ratio (47.6% vs 44.7%) and a higher G&A expense ratio (21.4% vs 18.6%). That said, 2025's numbers were stronger than our expected long-run combined ratio of 88%. A loss ratio of 47.6% is exceptionally strong relative to the industry average.
- Gross written premium (GWP) was down 4.7%, with reinsurance up 20.3%, specialty long-tail down 18.2% and specialty short-tail down 3.1%. The greatest impact on GWP was the non-renewal of one large \$50m GWP professional indemnity account (long-tail line) that was no longer meeting profitability requirements.
- Short-tail GWP was \$399m in 2025, down 3.1% YoY, and accounted for 60% of GWP.
- Long-tail GWP was \$167m in 2025, down 18.2% YoY, and accounted for 25% of GWP.
- Reinsurance GWP was \$100m in 2025, down 16.3% YoY, and accounted for 15% of GWP.
- Cash and investment cover for loss expenses increased from 1.63x at Q4 2024 to 1.66x in Q4 2025. This was driven both by a revaluation of non-USD loss reserves through a weaker dollar, and an increase in cash on the balance sheet.
- Net investment income was \$55m, up 5.4%, with cash and investments at \$1,321m, up 2.2%.
- Return on equity (ROE) was 18.6% vs 22.6% in 2024.
- Capital returned to shareholders in 2025 was \$108m, comprising share repurchases of \$62m and dividends of \$46m. A new 5 million share repurchase authorization was announced.

Operational Highlights

- IGI have seen reinsurance grow as a proportion of their business as rates there remain broadly more attractive than insurance.
- Financial strength rating upgraded to A by S&P Global Ratings.

Management Comments

- CEO Waleed Jabsheh: "We produced another set of excellent financial results in 2025. This demonstrates the strong execution and cycle management culture we have at IGI, the benefits of our diversification strategy, and the value that we continue to deliver to our shareholders. Our combined ratio of 85.9% and net income of \$127.2 million resulted in a return on average equity of 18.6% and a core operating return on average equity of 16.8% for the current year, well above our 10-year average. In addition, we grew our book value per share during the year to \$16.91 at December 31, 2025, while returning over \$108 million to shareholders in share repurchases and dividends."
- He added: "Current market conditions remain generally favorable across our markets but are showing significant variation by line of business and geographical territory. Our strategy, technical expertise and disciplined execution are specifically aimed at managing the inherent cyclicity and volatility of our business."

Ben Jones Investments Outlook

- IGI's results were mixed with growth in written premium falling below expectations, but underwriting income coming in higher than expected on the back of a low loss ratio from disciplined underwriting. IGI's loss ratio remains among the lowest in the industry. What we're seeing at IGI is similar to the broader industry – rates are beginning to soften and underwriters are left to choose between premium growth and underwriting discipline. We think underwriting discipline is the right approach.
- IGI's balance sheet remains strong with cash and investments on hand to cover 1.66x unpaid claims. This is up from 1.63x at Q4 last year despite higher capital returns to shareholders.
- As a smaller insurer, IGI can more easily grow premiums earned in a softer market than larger competitors.

- IGI's earnings will naturally be volatile depending on catastrophe events. We think it's best to take a long-term view of earnings and not be swayed by inevitable short-term volatility either way. The core focus should be ability to grow earned premium without compromising loss rates. Despite the softening of rates after a hard market, we see premium growth broadly continuing over the years ahead.
- One concern is that general and administrative expenses are relatively high as a proportion of revenue (around 21%) and little information is offered in annual reports. The increase in 2025 was attributed to higher HR and IT expenses, but we would like to see a greater breakdown of G&A expenses with comments from management.
- We see IGI as undervalued as they continue to grow both the top and bottom lines. With a P/E of 8.8 and fwd P/E of 8.4, IGI are essentially priced as if the business will shrink going forward. For a company with 11% CAGR in premium growth since 2010, while maintaining an industry low loss ratio, the valuation makes little sense to us.
- Premium growth may slow in a softer market but we expect IGI to broadly grow premium written over the long-run.
- Inside ownership of 35% ensures strong shareholder alignment.
- IGI remain highly diversified across lines of business and geography.