

Kinsale

3Q23 Earnings: Premium Growth Slower, But Overall Results Still Strong

KNSL's 3Q23 print featured robust margins and lower than expected but still healthy premium growth. In our view, Kinsale has proven itself to be a high-quality E&S operator, but we are reluctant to chase the stock at these levels (despite the potential for the already extended hard P&C market to persist) and remain Neutral.

- EPS upside.** 3Q23 operating EPS was \$3.31, well above our and consensus estimates of \$2.84. Underwriting income was better (+\$0.60 favorable variance), with robust underwriting margins (+\$1.21) more than offsetting lower than expected net earned premiums (-\$0.62). Investment income was a touch higher (+\$0.03). Compared to our model, the shortfall in premiums was due to lower gross written premium growth (+33.0% vs. our+45.0% estimate, +58.2% in 2Q23, and +43.8% in 3Q22) and a lower premium retention ratio (retention ratio of 77.9% vs. 82.0%E). We raised forward EPS estimates modestly nonetheless, as we expect lower premium growth (mostly from lower retentions) to be more than offset by better underwriting margins.
- Updated reinsurance program impacted retention ratios, unclear from disclosure what drove the deceleration in gross premium growth.** We had modelled some decrease in the retention ratio (from 85% in 2022 and 84% in 1H23 to 82% in 3Q23) but the impact of higher cessions under KNSL's commercial property and excess casualty quota share programs was larger than assumed. With respect to gross premium growth in 3Q23, +33% is still exceptional compared to peers, but it is slower than KNSL's growth in recent years (+42% in 2020, +38% in 2021, +44% in 2022, +52% in 1H23). We expect management to address this topic on the call tomorrow as a number of factors could have contributed to this result - business shifting across quarters, policies from 3Q22 non-renewing, a change in the mix of business, and so on.
- Underwriting margins were robust.** KNSL's combined ratio in 3Q23 was 74.9%, significantly better than our 81.2% estimate, with most of the positive variance attributable to lower catastrophes (0.4% vs. 4.6%E) and to a lesser extent, higher favorable development (-3.2% vs. -2.9%E). The core combined ratio (77.6% vs. 79.5%E) was also healthy, with both the attritional loss ratio (56.7% vs. 57.7%E) and the expense ratio (20.9% vs. 21.8%E) coming in better. We expect continued margin improvement for KNSL - although potentially at a slower pace than previously - given the positive spread between pricing and loss trends in the casualty book and the growing share of property business, which tends to have lower loss ratios.
- Miscellaneous items from 3Q23.** (1) Despite the decline in KNSL's portfolio duration (2.9 in 3Q23 vs. 3.1 in 2Q23 and 3.5 in 3Q22), the portfolio yield increased. (2) No change in favorable commentary about submission activity and pricing. (3) Average written premiums per policy were \$15,500 in 3Q23, up 7% from \$14,700 in 3Q22, but slower than +18% growth in 1H23. (4) Reserve releases driven by most lines in AY 2021-22, partly offset by property claims within construction casualty business from AY 2017-19.

Sources for: Style Exposure – J.P. Morgan Quantitative and Derivatives Strategy; all other tables are company data and J.P. Morgan estimates.

Neutral

KNSL, KNSL US
Price (26 Oct 23): \$426.22

▲ **Price Target (Dec-24): \$375.00**
Prior (Dec-24): \$370.00

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Key Changes (FYE Dec)

	Prev	Cur
Adj. EPS - 23E (\$)	11.50	12.03

Quarterly Forecasts (FYE Dec)

Adj. EPS (\$)	2022A	2023E	2024E
Q1	1.63	2.44A	
Q2	1.92	2.88A	
Q3	1.64	3.31A	
Q4	2.60	3.44	
FY	7.80	12.03	15.67

Style Exposure

Quant Factors	Current %Rank	Hist %Rank (1=Top)				
		6M	1Y	3Y	5Y	
Value	94	83	91	100	98	
Growth	14	11	6	7	20	
Momentum	3	9	5	6	22	
Quality	1	6	11	17	23	
Low Vol	59	68	64	31	78	
ESGQ	35	20	84	78	92	

3Q23 Results

EPS: \$3.31A vs. \$2.84E
NPW growth: +24.7% vs +43.2%E
Comb. ratio (CR): 74.9% vs. 81.2%E
CR ex. cats and PYD: 77.6% vs. 79.5%E

See page 13 for analyst certification and important disclosures.

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Price Performance



	YTD	1m	3m	12m
Abs	63.0%	1.6%	10.6%	57.0%
Rel	68.9%	7.6%	27.0%	65.2%

Company Data

Shares O/S (mn)	23
52-week range (\$)	457.73-250.90
Market cap (\$ mn)	9,876.76
Exchange rate	1.00
Free float(%)	94.6%
3M - Avg daily vol (mn)	0.12
3M - Avg daily val (\$ mn)	47.2
Volatility (90 Day)	22
Index	RUSSELL 2000
BBG BUY HOLD SELL	4 5 0

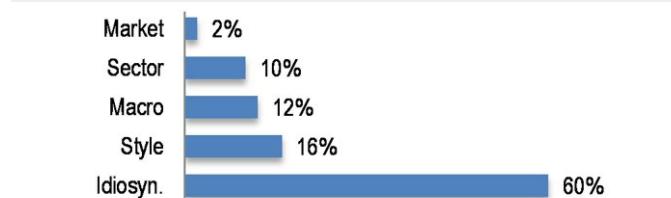
Key Metrics (FYE Dec)

\$ in millions	FY22A	FY23E	FY24E	FY25E
Financial Estimates				
NEP (Premium)	794	1,081	1,435	1,771
Underwriting income	161	231	290	353
Net investment income	25	106	140	182
Operating income	186	337	431	535
Adj. PBT	181	326	420	525
Adj. net income	180	282	369	459
Adj. EPS	7.80	12.03	15.67	19.45
BBG EPS	7.32	11.49	13.98	17.10
DPS	0.52	0.56	0.64	0.72
Investments	743	998	1,352	1,794
BVPS	32.28	43.20	58.21	76.89
NAVPS	-	-	-	-
Margins and Growth				
Adj. EPS growth	35.9%	54.3%	30.3%	24.1%
Ratios				
Adj. tax rate	20.1%	20.9%	20.6%	20.5%
Loss ratio	56.6%	55.6%	57.3%	57.7%
Combined ratio	78.7%	77.2%	78.4%	78.7%
Invest inc. % of Investments	-	-	-	-
Regulatory solvency ratio	-	-	-	-
Leverage (Debt/Debt+Equity)	-	-	-	-
ROE	25.0%	32.3%	31.3%	29.1%
Valuation				
Dividend yield	0.1%	0.1%	0.2%	0.2%
Adj. P/E	54.6	35.4	27.2	21.9
P/BV	13.2	9.9	7.3	5.5

Summary Investment Thesis and Valuation

We affirm our Neutral rating. KNSL is the only publicly traded P&C insurer that operates exclusively in the E&S insurance market with a focus on small commercial accounts. Our long-term outlook for KNSL is positive given its large addressable market, superior technology platform, and low cost base, which we view as a sustainable competitive advantage. Still, the stock's valuation seems full at current levels, and we are concerned about the risk of multiple compression as the P&C pricing cycle moderates.

Performance Drivers



Factors	6M Corr	1Y Corr
Market: MSCI US	0.26	0.17
Sect: Financials	0.33	0.37
Ind: Insurance	0.49	0.43
Macro:		
US Dollar	-0.03	0.25
Credit Spread	-0.10	-0.21
Non-Energy Commodity	0.08	-0.14
Quant Styles:		
Growth	-0.19	-0.35
Momentum	0.29	0.34
LowVol	0.37	0.26

Source: J.P. Morgan Quantitative and Derivatives Strategy for Performance Drivers; company data, Bloomberg Finance L.P. and J.P. Morgan estimates for all other tables. Note: Price history may not be complete or exact.

Table Of Contents

Investment Thesis.....	4
Well-Positioned to Capitalize on Favorable P&C Market.....	4
Low Cost Base a Sustainable Competitive Advantage	4
Eventual Turn in Pricing Cycle is a Risk	4
3Q23 Summary Results.....	5
Increasing EPS Estimates	9

Investment Thesis

Please see Page 5 for tables summarizing 3Q23 results. KNSL will hold its earnings conference call at 9:00 AM Eastern on October 27, 2023. The dial-in number for the call is 888-660-6493; code: 3573726. The call replay will be available on <https://ir.kinsalecapitalgroup.com>.

We remain Neutral. We expect KNSL's premium growth and margins to benefit from favorable trends in the E&S market, which continues to generate outsized growth at attractive pricing/terms. The property insurance market is especially compelling, and KNSL intends to grow the relative size of this business (20% of premiums in 2022) while controlling its exposure to property catastrophe risk. In addition, we think that Kinsale's low-cost operating model is a sustainable competitive advantage across the pricing cycle, especially against higher cost competitors like Lloyd's writers. Still, we choose to stay Neutral on the stock because our view is that its valuation is full compared to commercial peers and specialist names even after giving credit to KNSL's growth potential and above-average margins. Furthermore, while favorable P&C market conditions are likely to persist in the near term and will have positive implications for KNSL's reserves and future earnings, the eventual turn in the P&C pricing cycle is a downside risk to the stock's above-average multiple.

Well-Positioned to Capitalize on Favorable P&C Market

In our view, the E&S market - where KNSL operates exclusively - will eventually see moderating new business volumes and price hikes as more underwriters focus on growth (weighing on pricing) and admitted markets increase their appetite for risk (recapturing business that had been diverted to E&S). Another factor that will shift business back to admitted markets will be retail brokers trying to recapture some of the business they are now sharing with their wholesale counterparts. Nevertheless, our view is that KNSL can continue to grow premiums at a healthy pace given its small base and the fragmented pricing cycle whereby certain lines (property, marine) are only beginning to benefit from harder prices despite a slowdown in other lines. With respect to profitability, our view is that combination of price hikes – historical and prospective – and conservative reserving will support healthy margins at KNSL for the foreseeable future.

Low Cost Base a Sustainable Competitive Advantage

KNSL has a proprietary and fully integrated technology platform built from ground up - in contrast to peers that use unwieldy hybrid systems consisting of legacy platforms and newer technologies - which allows it to handle significant business volumes without sacrificing customer responsiveness, underwriting quality, and expense efficiency. As a result, KNSL maintains an industry leading expense ratio, and we expect it to outperform higher cost competitors (especially Lloyd's which is more than 20% of the E&S market) through the pricing cycle. During softer markets, KNSL can grow premiums as others pull back while maintaining above-average profitability. In hard markets, Kinsale can be a price taker and generate an even larger excess return.

Eventual Turn in Pricing Cycle is a Risk

The P&C industry is well into the current hard market and we expect price hikes to eventually moderate as re/insurers re-position themselves for growth (property coverage likely to be the exception in the near term). Given this, we see multiple compression as a risk since pricing/volume swings tend to be more volatile in E&S because of its function as a safety valve for the market. Although we think some portion of E&S share gains are permanent and that KNSL will thrive even if prices soften, a reasonable valuation analysis will have to look several years out because of KNSL's above-average growth profile and would thus have to account for conditions in the market at that time.

3Q23 Summary Results

The following tables and charts summarize KNSL's 3Q23 results as well as its operating performance over the past several years:

Table 1: 3Q23 Earnings: Actual versus Expected

\$ in millions, %, and bps

	JPM 3Q23E	Actual 3Q23	Actual v. Expected
<u>Underwriting Results</u>			
Net premiums written (\$)	337.8	294.3	-12.9%
Net premiums earned (\$)	296.0	281.5	-4.9%
Loss ratio			
AY loss ratio	59.4%	53.9%	-545 bps
Catastrophe losses	57.7%	56.7%	-98 bps
Unfavorable (favorable) PYD	4.6%	0.4%	-420 bps
Expense ratio	-2.9%	-3.2%	-27 bps
Combined ratio	21.8%	20.9%	-87 bps
AY combined ratio ex. cats	81.2%	74.9%	-633 bps
<u>Summary Income Statement</u>			
Underwriting income	58.5	72.4	\$0.60
Net premiums earned	296.0	281.5	(\$0.62)
Attritional losses	(174.8)	(163.5)	\$0.48
Catastrophe losses	(13.9)	(1.2)	\$0.55
(Unfavorable) development	8.8	9.1	\$0.02
Commissions	(32.1)	(29.6)	\$0.11
Other expenses	(25.4)	(23.9)	\$0.07
Net investment income	26.5	27.1	\$0.03
Taxes and other	(18.4)	(22.3)	(\$0.17)
Operating income	66.5	77.2	\$0.46
Average diluted shares	23.4	23.3	\$0.02
Operating EPS	\$2.84	\$3.31	\$0.47

Source: Company reports and J.P. Morgan estimates. Note: Fee income included in "other expenses" above.

Table 2: 3Q23 Earnings: Actual versus JPM Estimates and Consensus

\$ in millions, %, and bps

	Actual	JPM	%	Consensus	%
Net premiums written	294.3	337.8	-12.9%	314.6	-6.5%
Net premiums earned	281.5	296.0	-4.9%	291.2	-3.3%
Loss ratio	53.9%	59.4%	-545 bps	60.1%	-617 bps
Expense ratio	20.9%	21.8%	-87 bps	20.9%	3 bps
Combined ratio	74.9%	81.2%	-633 bps	80.7%	-581 bps
Operating EPS	\$3.31	\$2.84	16.6%	\$2.84	16.6%

Source: Company reports, J.P. Morgan estimates, and Bloomberg Finance L.P.

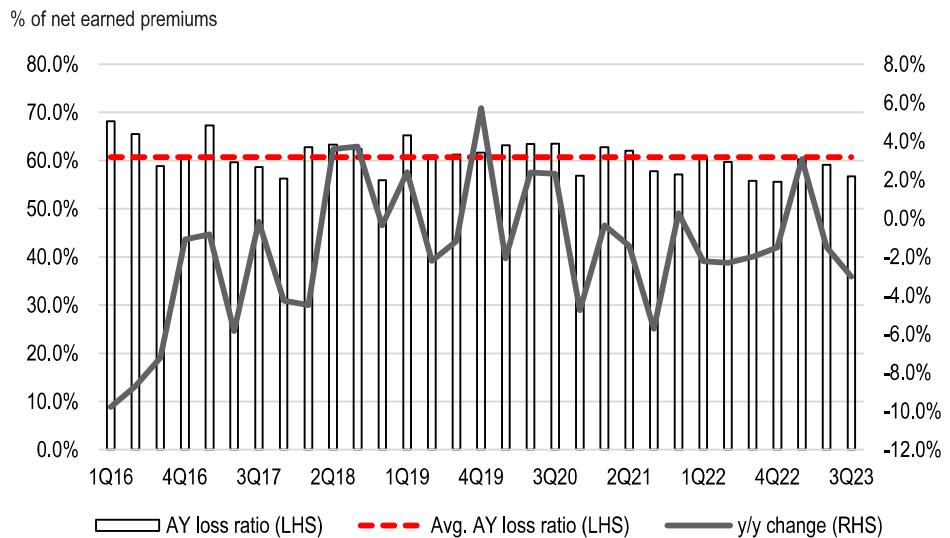
Table 3: Historical Operating Performance

\$ in millions and %

	1Q20	2Q20	3Q20	4Q20	2020	1Q21	2Q21	3Q21	4Q21	2021	1Q22	2022	3Q22	4Q22	2022	1Q23	2Q23	3Q23
Premium Trends																		
Gross written premiums	124.0	134.1	144.8	149.9	552.8	168.9	194.1	197.6	203.8	764.4	245.5	277.0	284.1	295.5	1,102.1	357.6	438.2	377.8
% ceded	12.9%	12.3%	15.6%	13.1%	13.5%	14.6%	13.6%	13.6%	12.9%	13.6%	11.8%	12.5%	17.0%	18.1%	15.0%	16.4%	16.7%	22.1%
Net written premiums	108.1	117.6	122.2	130.3	478.2	144.3	167.8	170.7	177.5	660.2	216.5	242.3	235.9	242.1	936.8	299.0	365.0	294.3
% growth y/y	47.9%	42.2%	40.9%	30.9%	39.8%	33.5%	42.6%	39.6%	36.2%	38.1%	50.0%	44.5%	38.2%	36.4%	41.9%	38.1%	50.6%	24.7%
Net earned premiums	89.8	97.0	108.2	117.8	412.8	123.0	137.7	156.9	165.3	582.9	178.6	190.2	209.3	216.1	794.1	237.2	257.0	281.5
% growth y/y	46.0%	46.7%	49.1%	42.3%	45.9%	37.1%	42.0%	44.9%	40.3%	41.2%	45.1%	38.1%	33.4%	30.8%	36.2%	32.8%	35.2%	34.5%
Underwriting Results																		
AY loss ratio	63.1%	63.5%	63.5%	56.9%	61.5%	62.8%	62.0%	57.8%	57.1%	59.7%	62.0%	61.3%	57.2%	55.6%	58.8%	60.2%	59.1%	56.7%
Catastrophe losses	0.1%	0.4%	15.4%	5.1%	5.6%	0.1%	2.1%	3.7%	-0.1%	1.5%	0.0%	0.0%	12.5%	0.2%	3.4%	0.8%	0.5%	0.4%
Unfavorable (favorable) PYD	-3.4%	-3.7%	-2.8%	-3.1%	-3.2%	-5.7%	-6.6%	-5.9%	-4.0%	-5.5%	-4.7%	-5.0%	-5.3%	-3.3%	-4.5%	-3.7%	-3.9%	-3.2%
Loss ratio	59.9%	60.1%	76.2%	58.3%	63.9%	57.1%	57.5%	55.7%	53.1%	55.7%	57.4%	56.3%	64.4%	52.5%	57.7%	57.1%	55.7%	53.9%
Expense ratio	24.0%	23.7%	21.2%	22.8%	22.8%	22.9%	21.7%	20.1%	21.4%	21.4%	21.6%	20.5%	19.2%	19.9%	20.2%	21.7%	21.0%	20.9%
Combined ratio	83.9%	83.8%	97.3%	81.6%	86.8%	80.0%	79.2%	75.7%	74.5%	77.1%	79.0%	76.8%	83.6%	72.5%	77.9%	78.8%	76.7%	74.9%
AY combined ratio ex. cats	87.2%	87.1%	84.7%	79.6%	84.4%	85.7%	83.7%	77.9%	78.6%	81.1%	83.6%	81.8%	76.4%	75.5%	79.1%	81.9%	80.1%	77.6%
Investment Results																		
Net investment income	6.0	6.6	7.0	6.5	26.1	6.9	7.4	8.1	8.6	31.0	9.1	10.6	13.9	17.7	51.3	20.7	24.2	27.1
% growth y/y	32.0%	38.3%	33.1%	17.1%	29.7%	16.5%	11.8%	15.5%	32.1%	18.9%	30.9%	42.6%	71.2%	106.7%	65.2%	127.7%	128.2%	95.5%
Duration	4.7	4.6	4.7	4.3	4.3	4.3	4.3	4.4	4.3	4.3	4.6	4.2	3.9	3.5	3.4	3.1	2.9	
Gross yield ex. cash (YTD)	2.9%	3.0%	3.0%	2.9%	2.9%	2.6%	2.6%	2.5%	2.3%	2.5%	2.5%	2.6%	2.7%	4.2%	3.0%	3.7%	3.8%	3.9%
Cash and invested assets	955.0	1,100.0	1,200.0	1,300.0	1,300.0	1,400.0	1,500.0	1,600.0	1,700.0	1,700.0	1,700.0	1,700.0	1,800.0	1,900.0	2,200.0	2,200.0	2,400.0	2,600.0
% growth y/y	34.9%	49.8%	38.1%	43.1%	43.1%	46.6%	36.4%	33.3%	30.8%	30.8%	21.4%	20.0%	18.8%	29.4%	41.2%	44.4%	47.4%	

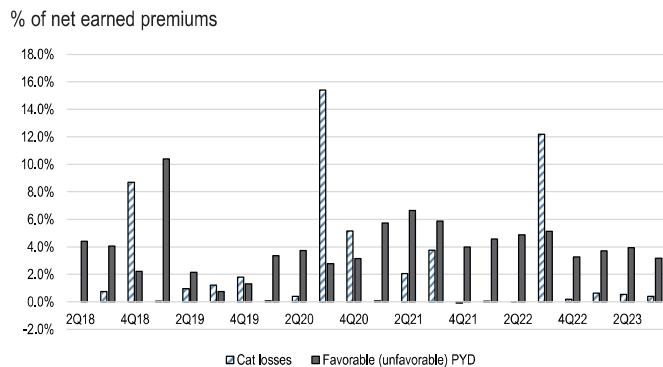
Source: Company reports and J.P. Morgan estimates.

Figure 1: Historical AY Loss Ratio Trends (Quarterly)



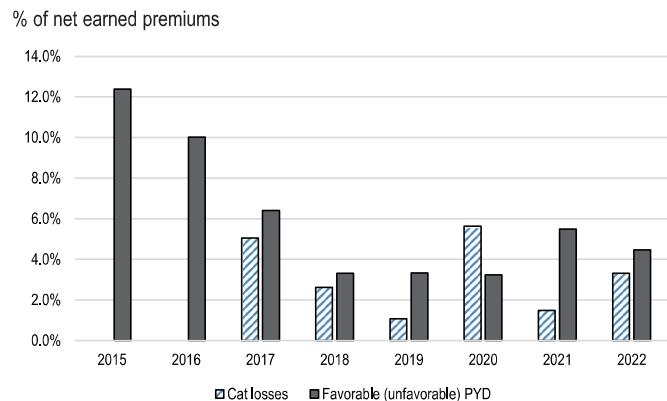
Source: Company reports and J.P. Morgan estimates.

Figure 2: Historical Catastrophe and PYD Trends (Quarterly)



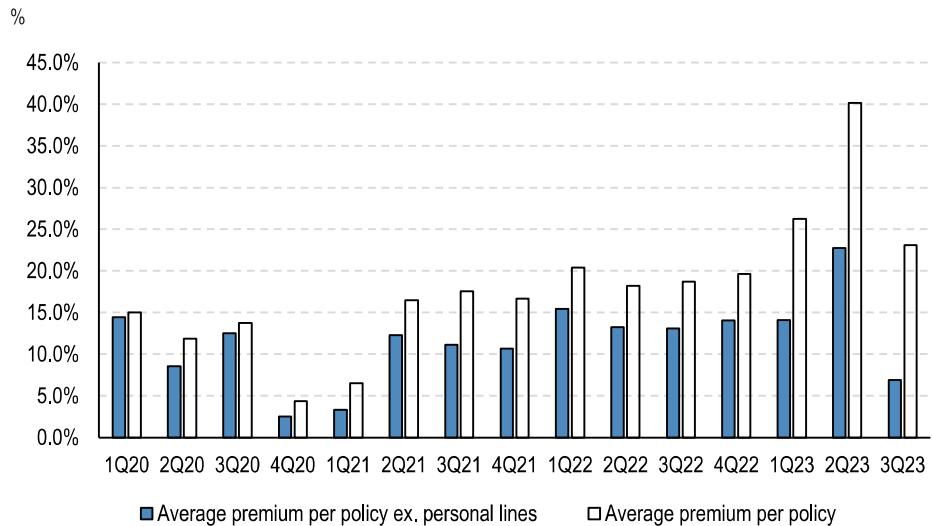
Source: Company reports and J.P. Morgan estimates.

Figure 3: Historical Catastrophe and PYD Trends (Annual)



Source: Company reports and J.P. Morgan estimates.

Figure 4: Year-on-Year % Change in Written Premiums per Policy



Source: Company reports and J.P. Morgan estimates. Note: Data through 1Q23.

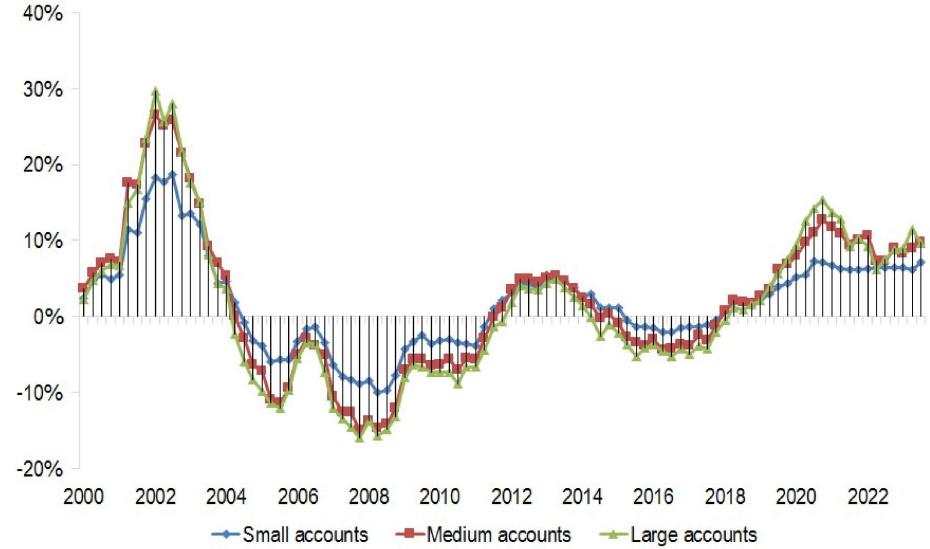
Table 4: KNSL's Historical New Business Metrics

	2015	2016	2017	2018	2019	2020	2021	2022
Submissions	148,691	186,377	226,000	288,000	380,000	461,000	520,000	605,000
Quotes	47,204	80,933	116,000	167,000	234,000	300,000	347,000	419,000
Bound policies	8,533	10,929	14,000	18,000	25,000	31,000	36,000	43,000
Quotes / submissions	31.7%	43.4%	51.3%	58.0%	61.6%	65.1%	66.7%	69.3%
Bound / quotes	18.1%	13.5%	12.1%	10.8%	10.7%	10.3%	10.4%	10.3%
Bound / submissions	5.7%	5.9%	6.2%	6.3%	6.6%	6.7%	6.9%	7.1%
Growth Rate								
Submissions		25%	21%	27%	32%	21%	13%	16%
Quotes		71%	43%	44%	40%	28%	16%	21%
Bound		28%	28%	29%	39%	24%	16%	19%

Source: Company reports and J.P. Morgan estimates. Note: Data through 2022 since only disclosed on annual basis.

Figure 5: Average Commercial Premium Rate Changes by Account Size

Year-over-year change on quarterly basis (%), data through 2Q23



Source: Council of Insurance Agents and Brokers and J.P. Morgan estimates.

Increasing EPS Estimates

We are increasing 4Q23 EPS from \$3.37 to \$3.44 and 2024 EPS from \$15.45 to \$15.67. Our model assumes lower premium growth in future periods (lower retention ratio, no change in gross premium growth assumptions), more than offset by better underwriting margins and higher investment income. As we have said on several occasions, we think KNSL is more likely than not to continue surprising to the upside given the positive momentum underpinning its premium growth, underwriting margins, and investment income. However, our concern is that even after giving credit for most of these factors, KNSL still trades at a significant premium versus peers. Additionally, even if KNSL's stock could justifiably trade at a permanent (albeit lower) premium for structural reasons (high quality franchise, above-average growth, pricing advantage), we think its current valuation multiple has an embedded benefit from the favorable P&C environment, which is not permanent and will eventually deteriorate.

Investment Thesis, Valuation and Risks

Kinsale (*Neutral*; Price Target: \$375.00)

Investment Thesis

We affirm our Neutral rating. KNSL is the only publicly traded P&C insurer that operates exclusively in the E&S insurance market with a focus on small commercial accounts. Our long-term outlook for KNSL is positive given its large addressable market, superior technology platform, and low cost base, which we view as a sustainable competitive advantage. Still, the stock's valuation seems full at current levels, and we are concerned about the risk of multiple compression as the P&C pricing cycle moderates.

Valuation

We are raising our December 2024 price target from \$370 to \$375 given our higher EPS estimates. Our price target assumes a 5x multiple on 2025 book value and a 19x multiple on 2025 operating income. These target multiples are well above peers', which we think is supported by KNSL's above-average premium growth (long-term low-to mid-teens growth versus mid-to high-single-digit growth for most large commercial peers) and margin profile (high 70s to low 80s CR versus 85-90% for peers). KNSL trades at 10.7x BV, well above specialty peers (ex. PLMR) of 2.2x and commercial peers at 1.5x. On 2024E earnings, KNSL trades at 27x versus 12x for specialty insurers and 9x for commercial insurers.

Risks to Rating and Price Target

We believe the main upside risks to our rating and price target are:

- **The hard P&C market lasts longer than expected.** Kinsale is seeing higher prices and greater submission flow because of dislocation in the P&C market. If current conditions persist longer than we assume, there could be upside to our forecasts and investor sentiment would likely improve.
- **Premium growth surpasses already elevated expectations.** In our view, part of KNSL's premium valuation is attributable to its above-average growth. We would expect KNSL's valuation multiple to expand if it consistently exceeds growth expectations in the next few years.
- **Margin improvement is greater than assumed.** The combination of earned pricing exceeding loss cost trends and management's conservative reserving suggests margin improvement in the next few years. If KNSL's margin improvement tracks higher than expectations, there could be upside to forecasts.

We believe the main downside risks to our rating and price target are:

- **Increased competition and/or push back from insurance clients dampens the pricing cycle.** The insurance industry is well into the hard market and clients are pushing back more strongly on price hikes while more insurers are deploying capital and positioning themselves for growth. If the cycle begins to turn, there is a risk of multiple compression for insurers that have seen an outsized benefit from higher prices.
- **Adverse loss trends or social inflation reemerge in casualty reserves.** Although unlikely to be a material risk for KNSL given its specific exposures and low limits, the reopening of the court system could drive a surge in pent-up liability claims.
- **Unfavorable loss experience emerges from new lines of business.** Kinsale has a strong underwriting track record, and it is entering new lines in a strong part of the cycle.

Still, given the long-tail nature of casualty coverage, the impact of badly underwritten risks is likely to persist. Also, inflation is a risk for both casualty and property coverages.

Kinsale: Summary of Financials

Income Statement - Annual	FY22A	FY23E	FY24E	Income Statement - Quarterly	1Q23A	2Q23A	3Q23A	4Q23E
Earned premiums	-	-	-	Earned premiums	-	-	-	-
Policy charges and fee income	-	-	-	Policy charges and fee income	-	-	-	-
Net investment income	-	-	-	Net investment income	-	-	-	-
Other income	-	-	-	Other income	-	-	-	-
Total revenues	-	-	-	Total revenues	-	-	-	-
Insurance and annuity benefits	-	-	-	Insurance and annuity benefits	-	-	-	-
Interest credited	-	-	-	Interest credited	-	-	-	-
Interest expense	-	-	-	Interest expense	-	-	-	-
Acquisition & operating expenses	-	-	-	Acquisition & operating expenses	-	-	-	-
Amortization of acquisition costs (net)	-	-	-	Amortization of acquisition costs (net)	-	-	-	-
Other expenses	-	-	-	Other expenses	-	-	-	-
Total expenses	-	-	-	Total expenses	-	-	-	-
Pretax income	181	326	420	Pretax income	62A	83A	89A	92
Income taxes	(36)	(68)	(86)	Income taxes	(13)A	(17)A	(19)A	(19)
Total net income	180	282	369	Total net income	57A	67A	77A	81
Total operating income	180	282	369	Total operating income	57A	67A	77A	81
Weighted average diluted shares	23	23	24	Weighted average diluted shares	23A	23A	23A	23
EPS - operating	7.80	12.03	15.67	EPS - operating	2.44A	2.88A	3.31A	3.44
Balance Sheet and Capital Data	FY22A	FY23E	FY24E	Ratio Analysis	FY22A	FY23E	FY24E	FY25E
Shareholders' equity	-	-	-	EPS growth - operating	35.9%	54.3%	30.3%	24.1%
Shareholders' equity ex. AOCI	-	-	-	Book value per share (ex. AOCI) growth	-	-	-	-
Shares outstanding	23	23	23	Return on equity (ROE)	25.0%	32.3%	31.3%	29.1%
Book value per share	32.28	43.20	58.21	Return on equity (ex. AOCI)	-	-	-	-
Book value per share (ex. AOCI)	-	-	-	Dividend payout ratio	6.7%	4.7%	4.1%	3.7%
Capital for share repurchases	-	-	-	Total revenue growth	-	-	-	-
Capital for dividends	-	-	-	Total expense growth	-	-	-	-
Dividends	0.52	0.56	0.64	Tax rate	20.1%	20.9%	20.6%	20.5%

Source: Company reports and J.P. Morgan estimates.
Note: \$ in millions (except per-share data). Fiscal year ends Dec

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Kinsale (KNSL, KNSL US) Price Chart



Source: Bloomberg Finance L.P. and J.P. Morgan; price data adjusted for stock splits and dividends.
 Initiated coverage Aug 22, 2016. All share prices are as of market close on the previous business day.

Date	Rating	Price (\$)	Price Target (\$)
30-Oct-20	OW	208.26	220
18-Feb-21	OW	190.72	230
16-Apr-21	N	170.28	186
29-Apr-21	N	170.98	192
01-Jul-21	N	164.77	200
29-Jul-21	N	179.44	210
28-Oct-21	N	163.26	225
28-Apr-22	N	227.90	240
06-Jul-22	N	243.47	220
28-Jul-22	N	235.85	230
27-Oct-22	N	271.40	250
04-Jan-23	N	260.29	270
16-Feb-23	N	299.63	290
27-Apr-23	N	329.68	300
06-Jul-23	N	368.46	340
27-Jul-23	N	385.22	350
02-Oct-23	N	414.13	370

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