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Market Intelligence

Universal Insurance Holdings, Inc. NYSE:UVE

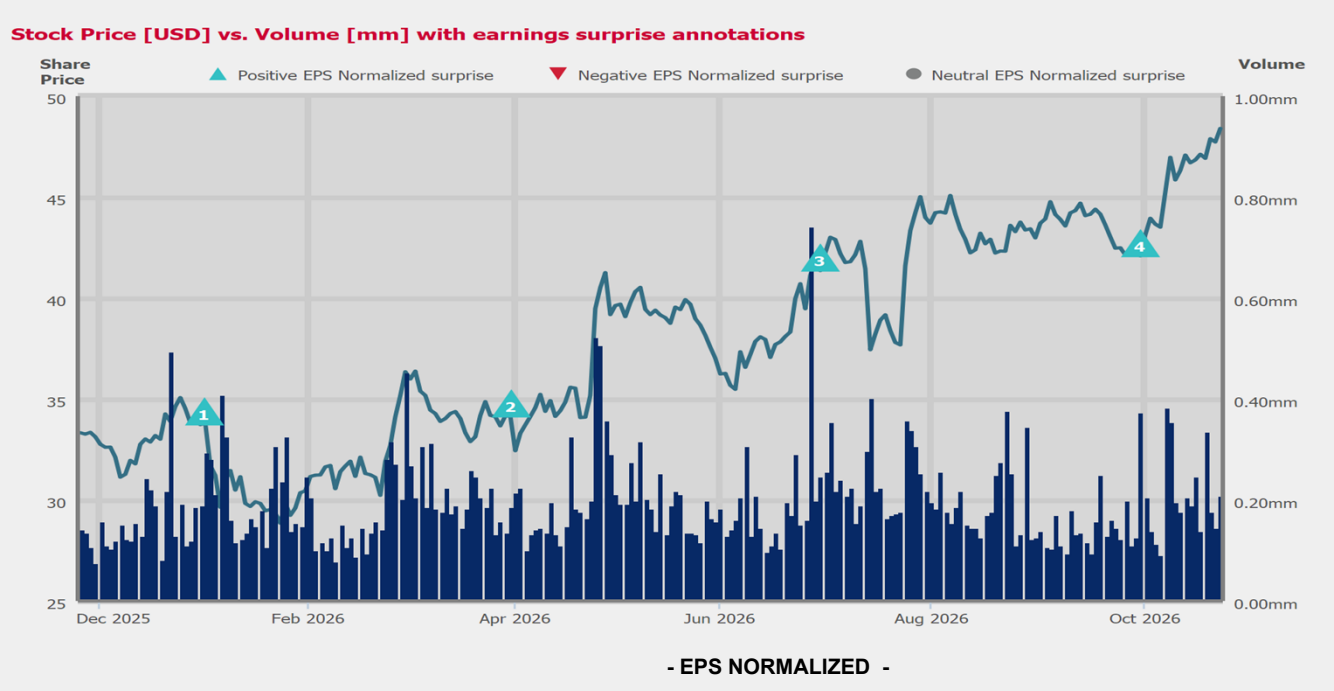
FQ3 2026 Earnings Call Transcripts

Friday, October 23, 2026 2:00 PM GMT

S&P Global Market Intelligence Estimates

	-FQ3 2026-			-FQ4 2026-	-FY 2026-	-FY 2027-
	CONSENSUS	ACTUAL	SURPRISE	CONSENSUS	CONSENSUS	CONSENSUS
EPS Normalized	1.34	1.93	44.03	1.33	6.51	NA
Revenue (mm)	385.44	439.32	13.98	387.00	1593.04	NA

Currency: USD
Consensus as of Oct-22-2026 9:55 PM GMT



- EPS NORMALIZED -

	CONSENSUS	ACTUAL	SURPRISE
FQ4 2025	1.30	2.17	1 66.92 %
FQ1 2026	1.39	2.00	2 43.88 %
FQ2 2026	1.43	1.84	3 28.67 %
FQ3 2026	1.34	1.93	4 44.03 %

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Call Participants

EXECUTIVES

Arash Soleimani
Chief Strategy Officer

Frank Crawford Wilcox
Chief Financial Officer

Stephen Joseph Donaghy
CEO & Director

ANALYSTS

Jon Paul Newsome
Piper Sandler & Co., Research Division

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Presentation

Operator

Good morning, ladies and gentlemen, and welcome to Universal's Third Quarter 2026 Earnings Conference Call. [Operator Instructions] As a reminder, this conference call is being recorded. I would now like to turn the conference over to Arash Soleimani, Chief Strategy Officer.

Arash Soleimani
Chief Strategy Officer

Good morning. Thank you for joining us today. Welcome to our quarterly earnings call. On the call with me today are Steve Donaghy, Chief Executive Officer; and Frank Wilcox, Chief Financial Officer.

Before we begin, please note today's discussion may contain forward-looking statements and non-GAAP financial measures. Forward-looking statements involve assumptions, risks, and uncertainties that could cause actual results to differ materially from those statements. For more information, please see the press release on Universal's SEC filings, all of which are available on the Investor section of our website at universalinsuranceholdings.com and on the SEC's website. A reconciliation of non-GAAP financial measures to comparable GAAP measures is included in the quarterly press release and can also be found on Universal's website at universalinsuranceholdings.com.

With that, I'll turn the call over to Steve.

Stephen Joseph Donaghy
CEO & Director

Thanks, Arash. Good morning, everyone. In the quarter, we delivered a very strong 32.7% annualized return on common equity, driven by solid underwriting and revenue performance. Our net loss ratio continues to improve, and new business trends are solid, including 8% growth in policies in-force. Subsequent to quarter end, Hurricane Isaias made landfall near Destin in the western Florida Panhandle as a Category 2 hurricane and quickly weakened as it moved inland.

Our claims team was deployed immediately with field adjusters on the ground in the affected areas. And we have been in direct contact with policyholders to expedite inspections and payments. Our focus is on helping our customers recover as quickly as possible, and we view the storm as manageable based on claims activity to date.

I'll turn it over to Frank to walk through our financial results. Frank.

Frank Crawford Wilcox
Chief Financial Officer

Thanks, Steve, and good morning. Adjusted diluted earnings per common share was $1.93 compared to an adjusted diluted earnings per common share of $1.36 in the prior year quarter. The higher adjusted diluted earnings per common share mostly stems from higher underwriting and net investment income.

Core revenue of $444.3 million was up 11.1% year-over-year, with growth primarily stemming from higher net premiums earned and net investment income. Direct premiums written were $608.9 million, up 2.7% from the prior year quarter. The increase stems from 18.5% growth in other states, partially offset by a 3.3% decrease in Florida. Overall growth mostly reflects higher policies in-force across our multi-state footprint.

Direct premiums earned were $556.7 million, up 4.2% from the prior year quarter, reflecting the direct written premiums growth over the last 12 months. Net premiums earned were $403.2 million, up 12.1% from the prior year quarter. The increase is primarily attributable to higher direct premiums earned and a lower ceded premium ratio.

The net combined ratio was 91%, down 5.4 points compared to the prior year quarter. The decrease reflects a lower net loss ratio, partially offset by a higher net expense ratio. The 64.6% net loss ratio was down 5.6 points compared to the prior year quarter, with the decrease reflecting a lower ceded premium ratio. The net expense ratio was 26.4%, up 0.2 points compared to the prior year quarter, with the increase driven by higher policy acquisition costs associated with growth outside of Florida and higher other operating costs and expenses, partly offset by a lower ceded premium ratio.

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During the third quarter, the company repurchased approximately 174,000 shares at an aggregate cost of $7.4 million. The company's current share repurchase authorization program has approximately 1.1 million remaining. On July 8th, 2026, the Board of Directors declared a quarterly cash dividend of $0.16 per share of common stock payable on August 7, 2026, to shareholders of record as of the close of business on July 31, 2026.
With that, I'd like to ask the operator to open up the line for questions.

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Question and Answer

Operator

[Operator Instructions] Our first question comes from Paul Newsome with Piper Sandler.

Jon Paul Newsome
Piper Sandler & Co., Research Division

Congratulations on the quarter. Maybe some thoughts on the competitive environment, both in Florida and outside of Florida, and how you see the prospects for Universal's growth in the various markets here.

Stephen Joseph Donaghy
CEO & Director

Good morning, Paul, and thank you. We continue to write business at a very good clip, as you saw in our release, and we feel very confident about our organic growth model across all the states that we currently serve. The legislation in Florida has proven to be a benefit to the entire market, and our relationships with our agency force continues to serve us extremely well. So we continue to write business at a very good clip. Outside of Florida, we find various niches of rate adequacy and we feel really good about the business we're bringing on due to the rate adequacy. So we don't chase the business. We want to write the business where we feel good about it and it continues to serve us well.

Jon Paul Newsome
Piper Sandler & Co., Research Division

Given the very high ROEs this year, any updated thoughts on capital management, where you want to allocate the capital you're accumulating?

Frank Crawford Wilcox
Chief Financial Officer

Well, I think that we're going to continue on the path that we have in terms of returning value to shareholders through dividends. As you know, that repurchase plan has only got 1.1 million. We'll go to the board and have a discussion around that and the appetite for it. Number one priority has always been and will continue to be to ensure that the insurance entities are adequately capitalized for the protection of the policyholders in addition to their ability to continue to generate the premium that offers opportunities for the entire organization.

Operator

This concludes the question and answer session. I would now like to turn it back to Steve Donaghy, Chief Executive Officer, for closing remarks.

Stephen Joseph Donaghy
CEO & Director

I'd like to thank all of our associates, consumers, agents, and our stakeholders for their continued support of Universal. Have a nice day.

Operator
This concludes today's conference call. Thank you for participating. You may now disconnect.

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