



Dover Corporation (DOV)

Updated October 25th, 2025 by Nathan Parsh

Key Metrics

Current Price:	\$177	5 Year Annual Expected Total Return:	8.3%	Market Cap:	\$24 B
Fair Value Price:	\$172	5 Year Growth Estimate:	8.0%	Ex-Dividend Date:	11/28/25 ¹
% Fair Value:	103%	5 Year Valuation Multiple Estimate:	-0.6%	Dividend Payment Date:	12/16/25 ²
Dividend Yield:	1.2%	5 Year Price Target	\$253	Years Of Dividend Growth:	70
Dividend Risk Score:	A	Sector:	Industrials	Rating:	Hold

Overview & Current Events

Dover Corporation is a diversified global industrial manufacturer with annual revenues approaching \$8 billion. Dover is composed of five reporting segments: Engineered Systems, Clean Energy & Fueling, Pumps & Process Solutions, Imaging & Identification, and Climate & Sustainability Technologies. Dover is a Dividend King with nearly seven decades of dividend increases. Slightly more than half of revenues come from the U.S., with the remainder coming from international markets.

On August 8th, 2025, Dover announced that it was raising its dividend 2% for the September 15th, 2025 payment, marking 70 consecutive years of dividend growth. This is the second-longest dividend growth streak among U.S. companies.

On October 23rd, 2025, Dover reported third quarter results the period ending September 30th, 2025. For the quarter, revenue grew 5.1% to \$2.08 billion, but this was \$30 million below estimates. Adjusted earnings-per-share of \$2.62 compared favorably to \$2.27 in the prior year and was \$0.11 more than expected.

For the quarter, organic revenue grew 1% while bookings were up 8%. Organic sales were down 7% for the Engineered Products segment as strength in aerospace and defense were offset by once again by lower volumes in vehicle services. Clean Energy & Fueling grew 5% due to continued strong demand for clean energy components, fluid transportation, and retail fueling in North America. Imaging & Identification was higher by 3% due to growth in core marking and coding equipment and serialization software. Revenue for Pumps & Process Solutions improved 6% due to ongoing demand for thermal connectors and single-use biopharma components. Climate & Sustainability Technologies declined 7% as growth in CO2 systems, global heat exchangers, and beverage can-making were offset by continued weakness in food retail door cases and services.

Dover provided updated guidance for 2025 as well, with the company now expecting adjusted earnings-per-share in a range of \$9.50 to \$9.60, compared to \$9.35 to \$9.55, \$9.20 to \$9.40, and \$9.30 to \$9.50 previously. At the midpoint, this would represent 15.2% growth from 2024. We have updated our forecast accordingly.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	\$3.64	\$3.25	\$4.38	\$4.97	\$5.84	\$5.67	\$7.63	\$8.45	\$8.80	\$8.29	\$9.55	\$14.03
DPS	\$1.64	\$1.72	\$1.82	\$1.90	\$1.96	\$1.97	\$1.99	\$2.01	\$2.03	\$2.05	\$2.08	\$2.19
Shares³	155	155	155	153	147	145	145	141	141	137	137	135

Dover's earnings-per-share have compounded at 9.6% annually since 2015. Growth has accelerated somewhat in the medium-term, at an annual rate of 11% over the last five years. Dover did suffer some setbacks during the worst of the

¹ Estimated ex-dividend date

² Estimated dividend payment date

³ In millions of shares

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COVID-19 pandemic, but the company has quickly rebounded. We maintain our expected earnings growth rate of 8% per year through 2030.

With nearly seven decades of dividend growth, Dover is a Dividend King and owns one of the longest dividend growth streaks in the market. We expect dividend growth of 1% annually, matching the average increase over the last 5 years.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	18.5	20.7	19.5	17.6	16.4	18.7	23.8	16.0	17.5	22.6	18.5	18.0
Avg. Yld.	2.4%	2.6%	2.1%	2.2%	2.0%	1.9%	1.1%	1.5%	1.3%	1.1%	1.2%	0.9%

Shares of Dover have declined \$10, or 5.3%, since our July 25th, 2025 update. Shares trade with a price-to-earnings ratio of 18.5. We reaffirm our P/E target of 18 to better reflect the company's average valuation over the last decade. If the stock's P/E ratio reverts to our target over the next five years then annual returns would see a 0.6% headwind from multiple reversion during this period.

Safety, Quality, Competitive Advantage, & Recession Resiliency

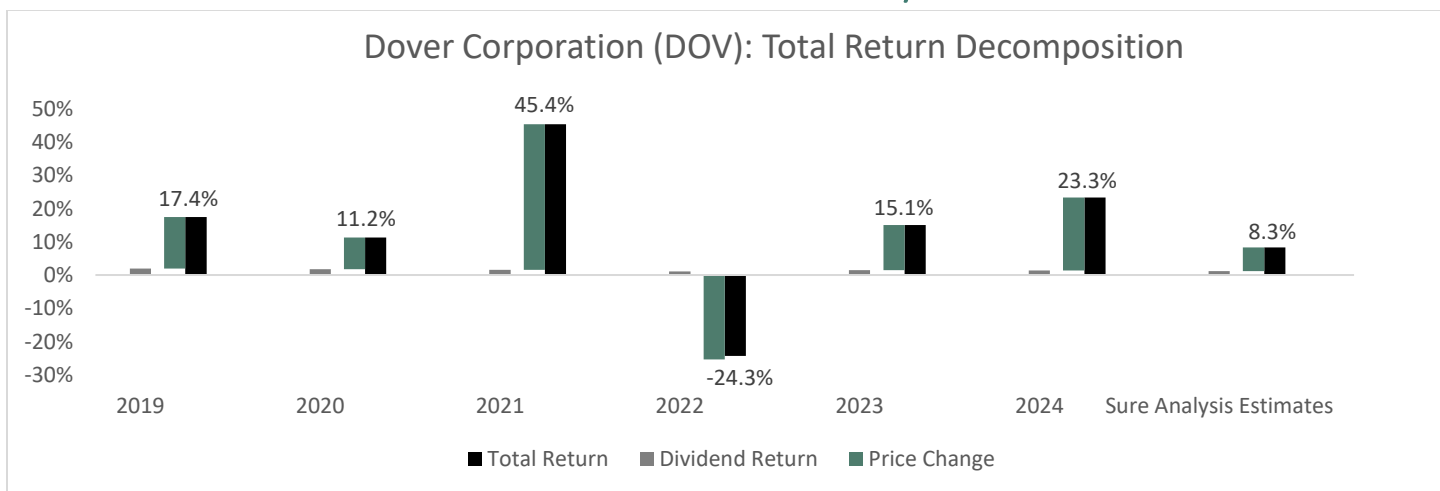
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	45%	58%	42%	32%	34%	35%	26%	24%	23%	25%	22%	16%

Investors should keep in mind that Dover is vulnerable to recessions due to its cyclical nature. In 2009, its earnings-per-share plunged 45%, from \$3.67 to \$2.00. Accordingly, this stock should not be seen as a defensive portfolio constituent. Dover's key competitive advantage is its focus on niche industries. The company offers highly engineered products that customers have come to depend on, so switching to a different provider may not yield the same results for their businesses.

Final Thoughts & Recommendation

After third quarter results, Dover Corporation is now projected to offer a total annual return of 8.3% through 2030, up from our prior estimate of 6.9%. Our estimated return is based on 8% earnings growth and a starting yield of 1.2%, offset by a low single-digit headwind from multiple contraction. Dover produced a solid Q3, though results were once again mixed amongst the company's business segments. Despite operating in a cyclical sector, Dover has raised its dividend for 70 years, speaking to the strength of the company and its ability to navigate challenging periods. We have raised our five-year price target \$3 to \$253 due to EPS estimates for the year, but we continue to rate shares of Dover as a hold due to projected returns.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	6,956	6,043	6,821	6,992	7,136	6,684	7,907	8,508	8,438	7,746
Gross Profit	2,568	2,228	2,529	2,560	2,621	2,474	2,970	3,064	3,085	2,959
Gross Margin	36.9%	36.9%	37.1%	36.6%	36.7%	37.0%	37.6%	36.0%	36.6%	38.2%
SG&A Exp.	1,647	1,519	1,722	1,716	1,599	1,541	1,688	1,684	1,718	1,752
D&A Exp.	327	250	283	283	272	279	290	308	317	338
Operating Profit	921	709	807	843	1,022	933	1,282	1,379	1,366	1,206
Operating Margin	13.2%	11.7%	11.8%	12.1%	14.3%	14.0%	16.2%	16.2%	16.2%	15.6%
Net Profit	870	509	812	570	678	683	1,124	1,065	1,057	2,697
Net Margin	12.5%	8.4%	11.9%	8.2%	9.5%	10.2%	14.2%	12.5%	12.5%	34.8%
Free Cash Flow	681	723	666	628	759	939	944	585	1,144	581
Income Tax	205	183	129	134	165	158	277	222	213	357

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	8,606	10,116	10,658	8,366	8,669	9,152	10,404	10,897	11,349	12,509
Cash & Equivalents	362	349	754	396	397	513	386	381	399	1,845
Accounts Receivable	1,120	1,265	1,184	1,232	1,217	1,137	1,348	1,517	1,432	1,354
Inventories	803	870	677	749	806	836	1,191	1,367	1,225	1,145
Goodwill & Int. Ass.	5,151	6,366	4,969	4,812	4,838	5,156	5,918	6,003	6,366	6,487
Total Liabilities	4,962	6,316	6,275	5,597	5,637	5,766	6,214	6,610	6,242	5,555
Accounts Payable	651	830	882	970	921	854	1,074	1,068	959	
Long-Term Debt	2,755	3,621	3,568	3,164	3,070	3,109	3,124	3,678	3,460	2,929
Shareholder's Equity	3,645	3,800	4,383	2,769	3,033	3,386	4,190	4,286	5,107	6,954
LTD/E Ratio	0.76	0.95	0.81	1.14	1.01	0.92	0.75	0.86	0.68	0.42

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	9.9%	5.4%	7.8%	6.0%	8.0%	7.7%	11.5%	10.0%	9.5%	22.6%
Return on Equity	23.7%	13.7%	19.8%	15.9%	23.4%	21.3%	29.7%	25.1%	22.5%	44.7%
ROIC	13.2%	7.4%	10.6%	8.2%	11.3%	10.9%	16.3%	13.9%	12.8%	29.2%
Shares Out.	155	155	155	153	147	145	145	141	141	137
Revenue/Share	43.70	38.58	43.24	45.96	48.55	45.97	54.43	59.25	60.02	55.85
FCF/Share	4.28	4.62	4.22	4.13	5.16	6.46	6.50	4.07	8.13	4.19

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

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