Lindsay Corporation (LNN)

Updated October 25th, 2025 by Ian Bezek

Key Metrics

Current Price:	$117	**5 Year Annual Expected Total Return:**	11.8%	**Market Cap:**	$1.3 B
Fair Value Price:	$140	**5 Year Growth Estimate:**	7.0%	**Ex-Dividend Date:**	11/14/25[1]
% Fair Value:	84%	**5 Year Valuation Multiple Estimate:**	3.6%	**Dividend Payment Date:**	11/28/25[1]
Dividend Yield:	1.3%	**5 Year Price Target**	$196	**Years Of Dividend Growth:**	23
Dividend Risk Score:	B	**Sector:**	Industrials	**Rating:**	Hold

Overview & Current Events

Lindsay Corporation provides water management and road infrastructure services in the United States and internationally. The business's irrigation segment provides irrigation solutions for farmers and contributed 84% of sales in fiscal year 2025, the infrastructure segment helps with road and bridge repairs and contributed the other 16%. The conflict in Ukraine has caused a disruption in agricultural activity in that region, leading farmers to plant more intensively in North America. Both irrigation and infrastructure benefit from government support payments. The Infrastructure Investments and Jobs Act (IIJA) marked the largest federal investment into infrastructure projects in more than a decade and has boosted Lindsay's infrastructure business. The company delivered record results in its recently concluded fiscal year 2025, though 2026 looks like it will be a down year by comparison.

On October 23rd, 2025, Lindsay reported its Q4 2025 results for the period ending August 31st, 2025. The business saw diluted earnings-per-share of $0.99 which fell from the $1.17 reported the same quarter of last year. This missed expectations by 11 cents per share. Meanwhile, revenues slipped 1% year-over-year to $154 million. This was an abrupt turn from Q3, when Lindsay had grown revenues 22% year-over-year. We had cautioned in our prior update that much of Q3's strength appeared tied to trade policy, namely that international clients were stocking up on irrigation equipment before higher tariff rates went into effect. That appears to have played out in Q4, as international growth slowed, while softness in the core North American irrigation market worsened.

In addition, the firm's infrastructure business lost traction, with its revenues slumping 16% year-over-year. After years of soft results, we had been pleased that infrastructure was posting solid growth earlier in 2025. But that now appears to have been an aberration rather than a trend change. Lindsay's Q4 results are concerning, and we've started our 2026 EPS outlook at a significant drop from 2025's record results to reflect current macroeconomic headwinds.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$2.63	$2.17	$2.94	$1.45	$3.56	$3.88	$5.94	$6.54	$6.01	$6.78	***$5.82***	***$8.16***
DPS	$1.13	$1.17	$1.21	$1.24	$1.26	$1.30	$1.34	$1.37	$1.41	$1.46	***$1.48***	***$1.80***
Shares	11	11	11	11	11	11	11	11	11	11	***11***	***11***

Over the last decade, Lindsay has seen earnings-per-share grow at an average annualized rate of 11.1%. While agriculture is a cyclical business, the company has shown fairly steady earnings growth over the past decade. The firm's infrastructure business also helps even out fluctuations. 2025 was a strong year for Lindsay, but the agriculture market appears to be weakening heading into 2026. Despite a near-term dip in earnings going forward, we expect 7% annualized growth over the longer term.

Over both the past five and ten years, Lindsay has grown its dividend at around a 3% annualized rate. The company announced its latest dividend increase on June 27th, 2025, giving investors a 2.8% increase. This boosted the quarterly dividend from 36 cents to 37 cents per share.

[1] Estimated date.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	26.9	37.6	31.3	62.1	26.7	37.1	24.5	22.0	20.3	18.9	***20.1***	***24.0***
Avg. Yld.	1.6%	1.4%	1.3%	1.4%	1.3%	0.9%	0.8%	1.0%	1.1%	1.1%	***1.3%***	***0.9%***

Over the last decade, Lindsay has averaged a P/E ratio of 30.7, and over the past five years, the stock has averaged a P/E ratio of 24.6. We expect the P/E to settle around 24 in the long run. The dividend yield has ticked up to 1.3% recently, which is significantly higher than the median over the past five years.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	43%	54%	41%	86%	35%	34%	23%	21%	23%	22%	***25%***	***22%***

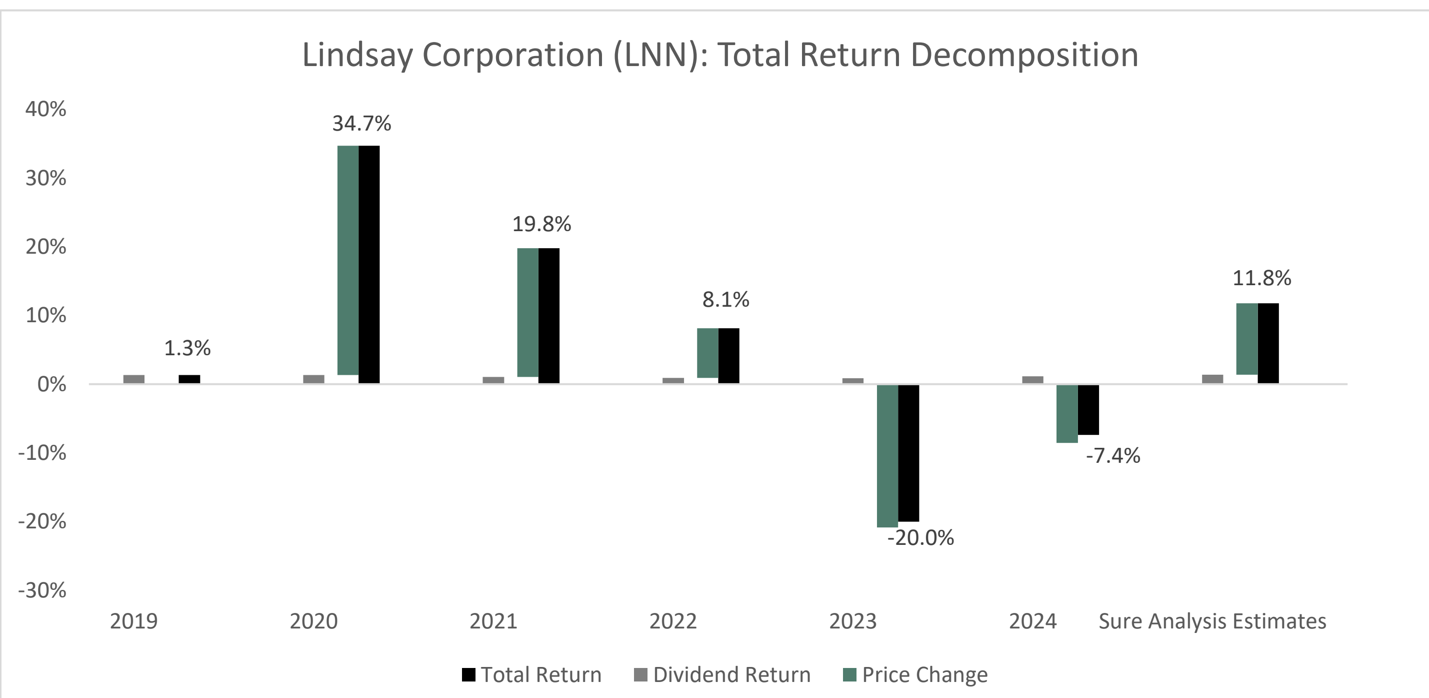
Lindsay has averaged a payout ratio of 38% over the past 10 years. It is far below that today. We project that the dividend will be safe since the low payout ratio signifies that the dividend is well-covered from earnings.

Even though the business is in a cyclical industry, Lindsay has a very safe balance sheet, with minimal net debt. In addition, the company has remained profitable even during down periods for crop prices which speaks to the firm's stability. Lindsay has historically benefited from geographic diversification, but in recent years, it has seen multiple international markets including Ukraine, Russia, and Brazil run into sharp headwinds.

Final Thoughts & Recommendation

Lindsay Corporation offers investors an opportunity to own a business that will indirectly benefit from the rising tides of stronger ag prices and potential government spending on infrastructure. Lindsay had enjoyed a strong uptick in 2025 potentially tied to tariff policy, but that tailwind appears to have ended in Q4. Despite a projected drop in 2026 earnings, we still see a path to 11.8% total annualized returns going forward. Shares earn a hold rating today.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	560	516	518	548	444	475	568	771	674	607
Gross Profit	156	149	145	151	115	153	150	199	213	191
Gross Margin	27.9%	28.8%	28.0%	27.7%	25.8%	32.1%	26.5%	25.8%	31.6%	31.5%
SG&A Exp.	93	98	87	96	95	84	83	89	93	987
D&A Exp.	16	17	17	17	14	19	19	20	19	21
Operating Profit	51	34	41	39	6	54	54	95	102	77
Op. Margin	9.0%	6.7%	7.8%	7.1%	1.4%	11.4%	9.5%	12.3%	15.1%	12.7%
Net Profit	26	20	23	20	2	39	43	65	72	66
Net Margin	4.7%	3.9%	4.5%	3.7%	0.5%	8.1%	7.5%	8.4%	10.7%	10.9%
Free Cash Flow	34	22	31	23	(19)	25	17	(13)	101	67
Income Tax	20	9	13	14	(0)	10	8	22	28	13

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	536	488	506	500	500	571	637	711	746	760
Cash & Equivalents	139	101	122	161	127	121	127	105	161	191
Acc. Receivable	74	81	74	69	76	85	94	138	145	117
Inventories	75	75	86	79	92	105	145	194	156	154
Goodwill & Int.	129	124	120	92	89	91	88	85	111	110
Total Liabilities	248	236	236	223	232	272	299	317	290	279
Accounts Payable	39	32	37	31	29	30	45	60	44	37
Long-Term Debt	117	117	117	116	116	116	116	116	115	115
Total Equity	289	252	270	277	268	299	338	393	456	481
LTD/E Ratio	0.41	0.47	0.43	0.42	0.43	0.39	0.34	0.29	0.25	0.24

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	4.9%	4.0%	4.7%	4.0%	0.4%	7.2%	7.1%	9.7%	9.9%	8.8%
Return on Equity	7.8%	7.5%	8.9%	7.4%	0.8%	13.6%	13.4%	17.9%	17.1%	14.2%
ROIC	6.7%	5.2%	6.1%	5.2%	0.6%	9.7%	9.8%	13.6%	13.4%	11.4%
Shares Out.	11	11	11	11	11	11	11	11	11	11
Revenue/Share	47.25	47.25	48.44	50.85	41.08	43.71	51.67	69.87	60.94	55.10
FCF/Share	2.87	1.98	2.86	2.12	(1.80)	2.26	1.59	(1.14)	9.12	6.06

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