Corteva, Inc. (CTVA)

Updated November 29th, 2025 by Josh Arnold

Key Metrics

Current Price:	$67	**5 Year CAGR Estimate:**	14.0%	**Market Cap:**	$45 B
Fair Value Price:	$74	**5 Year Growth Estimate:**	11.0%	**Ex-Dividend Date:**	12/01/2025
% Fair Value:	91%	**5 Year Valuation Multiple Estimate:**	1.9%	**Dividend Payment Date:**	12/15/2025
Dividend Yield:	1.1%	**5 Year Price Target**	$124	**Years Of Dividend Growth:**	7
Dividend Risk Score:	B	**Sector:**	Industrials	**Rating:**	Buy

Overview & Current Events

Corteva is an agricultural specialty business that is based in Indiana. The company operates two major segments: Seed, and Crop Protection. The Seed segment develops and supplies advanced germplasm and traits that help improve yields for farmers. The segment focuses on technologies that boost resistance to weather, disease, insects, and weeds. The Crop Protection segment offers products that protect against weeds, insects and pests, diseases, etc. The company operates globally, and was formed in 2018 after being spun off from the former DowDuPont Corporation. Corteva employs 22,000 people and should generate almost $18 billion in revenue this year.

Corteva posted third quarter earnings on November 5th, 2025, and results were better than expected on both the top and bottom lines. Adjusted earnings-per-share came to a loss of 23 cents, but that beat estimates for a loss of 47 cents. Revenue was up 11.2% year-over-year to $2.59 billion, beating estimates by $120 million.

The company announced on October 1st that it intends to separate into two publicly traded companies, separating the companies Seed and Crop Protection businesses. This continues the company's dizzy array of mergers and separations, including the fact that Corteva is itself a spinoff.

Organic sales were up 11% year-over-year with gains in both Seed and Crop Protection, with third quarter volumes being up 12%. Top line growth and meaningful cost improvement translated to positive operating EBITDA versus a loss in the year-ago period. EBITDA margin exploded 600 basis points year-over-year.

Free cash flow was up $917 million year-over-year, driven by increased EBITDA, lower cash taxes, and lower capex. The company confirmed free cash flow guidance of about $1.9 billion, with cash conversion at about 50%.

We now see $3.35 in adjusted earnings-per-share for 2025.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	--	$0.62	($0.22)	$0.79	$0.73	$0.82	$2.15	$1.58	$1.39	$1.46	***$3.35***	***$5.64***
DPS	--	--	--	--	$0.39	$0.52	$0.55	$0.59	$0.63	$0.67	***$0.72***	***$1.06***
Shares[1]	--	754	831	749	750	751	742	725	712	696	***685***	***620***

The company's growth in earnings has been lumpy to say the least as it's beholden to the world's farmers demanding its products, as well as things like weather and competition from other market entrants. Corteva has broad and deep scale in the agricultural industry, but there is little it can do about the inherent volatility in the industry. In addition, forex translation has proven to be a big factor in the company's results in recent years, including again in 2025.

This year should show record earnings, and more than double what was produced in 2024. We see robust double-digit growth from there, but note that the company's earnings are subject to substantial revisions both up and down over time. We see share repurchases as a big tailwind to earnings-per-share, as well as revenue growth, with margins less of a tailwind. We reiterate that forex headwinds are weighing on results currently, but at some point could become a tailwind if/when the dollar strengthens.

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[1] Share count is in millions.

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Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	--	--	--	--	38.9	47.2	22.5	38.6	34.1	38.3	***20.0***	***22.0***
Avg. Yld.	--	--	--	--	1.4%	1.3%	1.1%	1.0%	1.3%	1.2%	***1.1%***	***0.9%***

The average dividend yield for Corteva since it began paying in 2019 is just over 1%, which is about where it is today as well. We see the yield potentially declining over time as the company has raised its dividend rather tentatively in recent years. We are looking for the share price, therefore, to rise more quickly than the payout, and for the 2030 yield to potentially be under 1%.

The average valuation is well north of 30, but we also note that this is due mostly to very low and volatile earnings. With Corteva's earnings profile maturing, we see 22 times earnings as fair value. With the stock at 20 times earnings, we see Corteva as slightly undervalued today.

Safety, Quality, Competitive Advantage, & Recession Resiliency

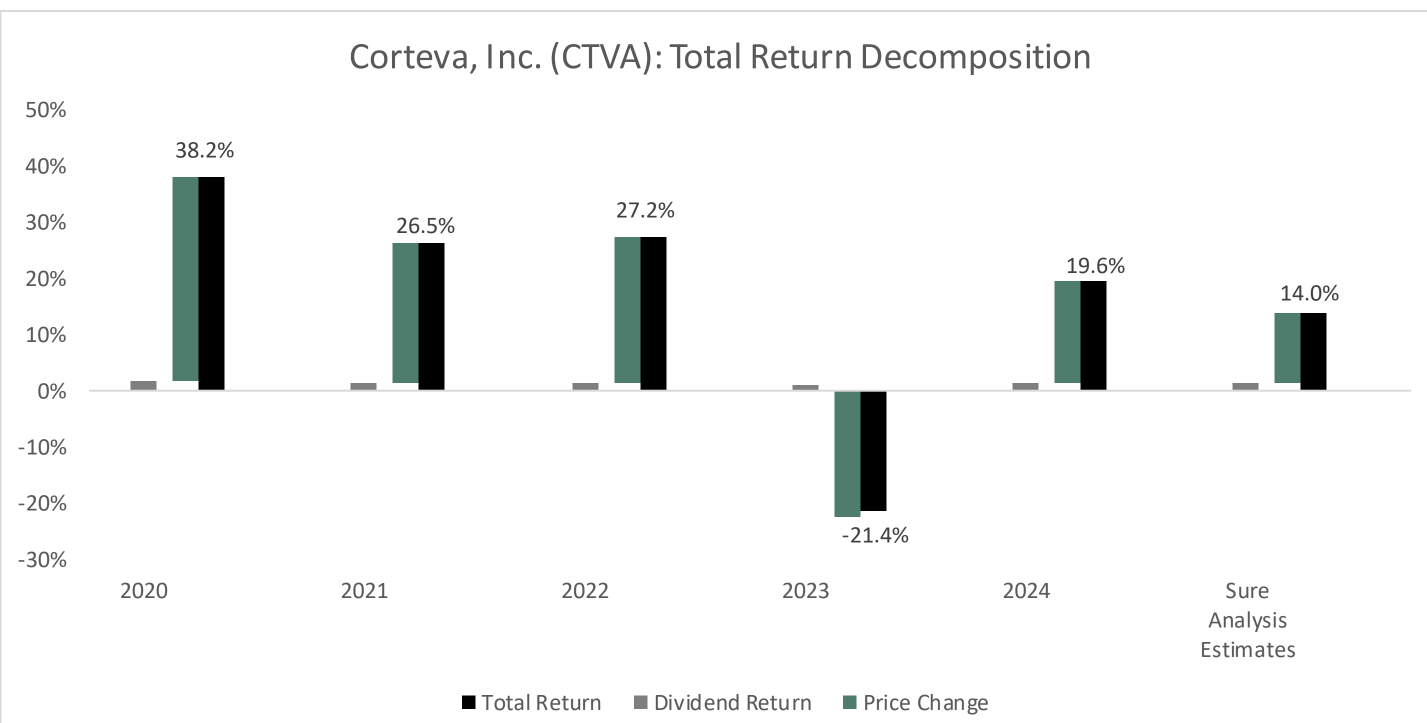
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout		0%	0%	0%	53%	63%	26%	37%	45%	46%	***21%***	***19%***

The payout ratio is quite reasonable at about a fifth of earnings, and should improve over time as earnings rise. Corteva has certain competitive advantages with its scale in the industry, and reputation for the best offerings in niche agriculture applications. Its resiliency is negatively impacted by inherent volatility in agriculture. On the plus side, Corteva has no net debt, so its balance sheet is in excellent condition.

Final Thoughts & Recommendation

We see Corteva's growth potential as attractive, but note it will likely never be a strong income stock. With prospective returns getting much stronger, we're moving the stock from hold to buy with one quarter remaining in 2025.

Total Return Breakdown by Year



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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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	---	14,041	14,240	14,287	13,846	14,217	15,655	17,455	17,226	16,908
Gross Profit	---	5,650	5,838	4,339	5,271	5,710	6,435	7,019	7,306	7,379
Gross Margin	---	40.2%	41.0%	30.4%	38.1%	40.2%	41.1%	40.2%	42.4%	43.6%
SG&A Exp.	---	2,937	2,972	3,041	3,065	3,043	3,209	3,173	3,176	3,196
D&A Exp.	---	---	---	2,790	1,599	1,177	1,243	1,223	1,211	1,227
Operating Profit	---	886	188	(448)	584	843	1,317	1,928	2,110	2,096
Operating Margin	---	6.3%	1.3%	-3.1%	4.2%	5.9%	8.4%	11.0%	12.2%	12.4%
Net Profit	---	503	2,534	(5,065)	(959)	681	1,759	1,147	735	907
Net Margin	---	3.6%	17.8%	-35.5%	-6.9%	4.8%	11.2%	6.6%	4.3%	5.4%
Free Cash Flow	---	---	---	(1,018)	(93)	1,589	2,154	267	1,174	1,548
Income Tax	---	(270)	(2,943)	(31)	(46)	(81)	524	210	152	412

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	---	---	---	108,683	42,397	42,649	42,344	42,618	42,996	40,825
Cash & Equivalents	---	---	---	2,270	1,764	3,526	4,459	3,191	2,644	3,106
Accounts Receivable	---	---	---	3,649	4,225	3,754	3,441	4,261	4,329	4,615
Inventories	---	---	---	5,310	5,032	4,882	5,180	6,811	6,899	5,432
Goodwill & Int. Ass.	---	---	---	22,248	21,653	21,016	20,151	19,301	20,231	19,284
Total Liabilities	---	---	---	33,530	17,842	17,586	16,721	17,077	17,717	16,795
Accounts Payable	---	---	---	2,602	3,702	3,615	4,126	4,895	4,280	4,039
Long-Term Debt	---	---	---	7,846	118	1,105	1,117	1,304	2,488	2,703
Shareholder's Equity	---	---	---	74,660	24,309	24,824	25,384	25,302	25,037	23,789
LTD/E Ratio	---	---	---	0.11	0.00	0.04	0.04	0.05	0.10	0.11

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	---	---	---	---	-1.3%	1.6%	4.1%	2.7%	1.7%	2.2%
Return on Equity	---	---	---	---	-1.9%	2.7%	6.9%	4.5%	2.9%	3.7%
ROIC	---	---	---	---	-1.8%	2.7%	6.6%	4.3%	2.7%	3.3%
Shares Out.	---	754.1	831.3	749.4	749.5	751.2	741.6	724.5	711.9	696.0
Revenue/Share	---	18.74	19.00	19.06	18.47	18.93	21.11	24.09	24.20	24.29
FCF/Share	---	---	---	(1.36)	(0.12)	2.12	2.90	0.37	1.65	2.22

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