



Hyster Yale Inc (HY)

Updated December 20th, 2025, by Yiannis Zourmpanos

Key Metrics

Current Price:	\$31	5 Year Annual Expected Total Return:	1.7%	Market Cap:	\$552.2 M
Fair Value Price:	\$19	5 Year Growth Estimate:	10%	Ex-Dividend Date:	03/02/26 ¹
% Fair Value:	192%	5 Year Valuation Multiple Estimate:	-12.2%	Dividend Payment Date:	03/16/26 ²
Dividend Yield:	4.6%	5 Year Price Target	\$26	Years Of Dividend Growth:	12
Dividend Risk Score:	F	Sector:	Industrials	Rating:	Hold

Overview & Current Events

Hyster-Yale Materials Handling (HY) was founded in 1985 and has since become a prominent global player in the materials handling industry. The company designs, manufactures, and sells a comprehensive range of lift trucks and aftermarket parts, serving diverse customers across various sectors, including manufacturing, warehousing, and logistics. HY maintains a strong competitive position with a significant market share due to its reputable brands, Hyster and Yale. The company segments its revenue primarily into three categories: new equipment sales, parts sales, and service revenues. In 2023, HY reported robust financials, demonstrating consistent growth and a diversified revenue stream. On November 4th, 2025, the company announced results for the third quarter of 2025. The company reported Q3 non-GAAP EPS of -\$0.09, which beat analysts' estimates by \$0.05, and produced revenue of \$979 million, which was down 4.0% year-over-year.

Hyster-Yale's third-quarter results landed with a familiar mix of resilience and pressure. Consolidated revenue reached \$979 million, up 2% sequentially, helped by improved sales mix and steadier execution, though still down 4% year over year amid softer global demand. Operating profit declined sharply from last year, reflecting the combined weight of higher tariffs roughly \$40 million in the quarter and lower truck volumes across most product categories. Net income slipped into a loss, underscoring how quickly cost inflation and demand uncertainty can erode profitability, even as pricing actions provided some cushion.

That said, the quarter wasn't without bright spots. Operating cash flow improved to \$37 million, driven largely by better inventory efficiency and tighter working capital management. Lift Truck revenues edged higher sequentially as customers favored higher-value electric and larger-capacity internal combustion models, particularly in the Americas, while EMEA benefited from favorable currency translation. Management remains focused on navigating tariff volatility through pricing, sourcing adjustments, and disciplined cost controls. While near-term conditions remain challenging, improved cash generation and a more efficient balance sheet offer some stability as HY works through a prolonged, uneven market recovery.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	\$4.57	\$2.61	\$2.94	\$2.09	\$2.14	\$2.21	-\$10.29	-\$4.38	\$7.24	\$8.16	\$1.62	\$2.61
DPS	\$1.13	\$1.17	\$1.20	\$1.23	\$1.26	\$1.27	\$1.29	\$1.29	\$1.30	\$1.38	\$1.44	\$1.59
Shares³	16.4	16.4	16.5	16.6	16.7	16.8	16.8	16.9	17.4	17.7	17.9	18.6

In 2025, Hyster-Yale expects a significant year-over-year decline in revenue and operating profit, marking a transitional phase following two years of strong performance. The drop is largely due to lower production levels, a more normalized backlog, and softness in global lift truck demand, particularly in the first half of the year. Margins are also expected to

¹ Estimated ex-dividend date

² Estimated dividend payment date

³ In millions.

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compress slightly from 2024 highs due to increased competition, though they are still projected to remain above target levels.

Despite the near-term dip, the company is focused on building long-term value. Management plans to ramp up investments in sales capabilities, modular product development, and IT infrastructure while continuing cost control efforts through manufacturing footprint optimization. Analysts are forecasting negative earnings in 2025 because several short-term pressures are converging at the same time, outweighing HY's underlying operating improvements.

For estimating HY's fair value for the next five years, we used the earnings power method since it is more representative of the company's value due to non-recurring events that negatively affected the company's earnings. Therefore, our earnings power estimate for 2025 stands at \$1.62 and we anticipate growth of 10% through 2030. Lastly, we expect that the DPS will have a CAGR of 2.0% through 2030. This is below the company's 10- and 5-year CAGR of 2.2% and 2.5%, respectively.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	14.1	23.4	24.8	31.5	26.9	21.3	-6.1	-7.1	6.9	7.9	19.2	10.0
Avg. Yld.	1.8%	1.9%	1.6%	1.9%	2.2%	2.7%	2.0%	4.2%	2.6%	2.2%	4.6%	6.1%

HY currently trades at a forward P/E of 19.2 higher than the long-term average P/E of 14.3, and its five-year average P/E of 4.6. We assign a P/E of 8.0 to the stock, which we believe is a fair reflection of its value. Accordingly, with an a 2030 EPS target of \$2.61 and P/E of 10.0, our target price for the stock stands at \$26 by 2030.

Safety, Quality, Competitive Advantage, & Recession Resiliency

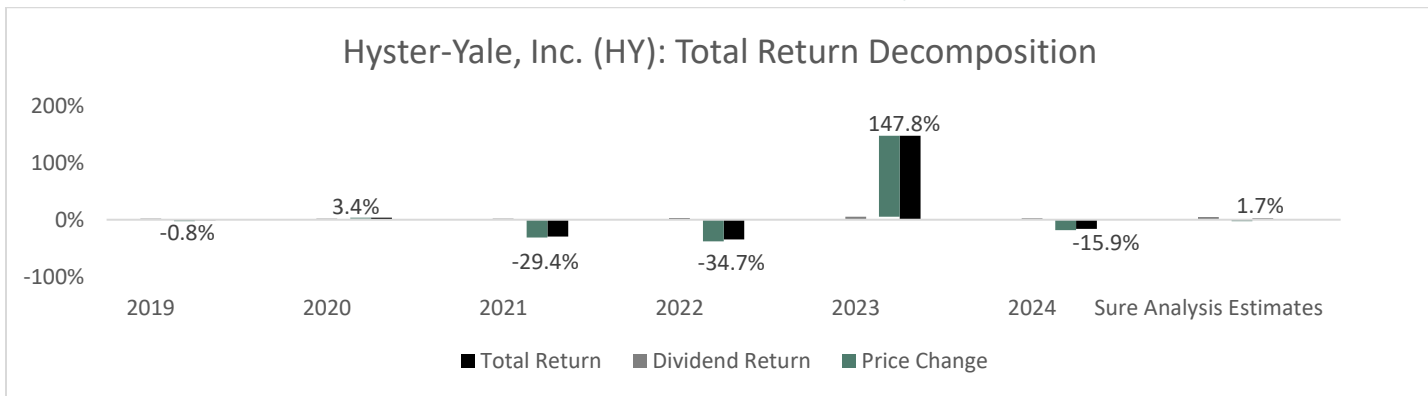
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	25%	45%	41%	59%	59%	57%	---	---	18%	17%	89%	61%

The company has paid a consistent dividend to its shareholders with a 10-year payout ratio averaging 28%, and we expect the company to maintain and increase its payout in the future. Hyster-Yale's competitive advantage lies in its strong brand reputation, innovative product offerings, and extensive distribution network. During recessions, HY has shown resilience by focusing on aftermarket services and parts, which are less cyclical. The company manages its debt prudently, maintaining a healthy balance sheet to support long-term growth and stability.

Final Thoughts & Recommendation

Hyster-Yale anticipates a softer 2025, with lower revenue and profit due to reduced production and a normalized backlog. Therefore, our hold rating is premised upon the 1.7% annualized total returns over the medium-term, with forecasted earnings-per-share growth of 10.0%, the 4.6% dividend yield and a valuation headwind.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	2,578	2,570	2,885	3,179	3,292	2,812	3,076	3,548	4,118	4,308
Gross Profit	431	428	503	497	542	465	363	434	786	896
Gross Margin	16.7%	16.6%	17.4%	15.6%	16.5%	16.5%	11.8%	12.2%	19.1%	20.8%
SG&A Exp.	327	395	429	458	488	416	450	473	577	628
D&A Exp.	29	39	43	44	43	43	46	43	45	48
Operating Profit	104	33	74	39	54	50	(87)	(39)	209	267
Op. Margin	4.0%	1.3%	2.6%	1.2%	1.6%	1.8%	-2.8%	-1.1%	5.1%	6.2%
Net Profit	75	43	49	35	36	37	(173)	(74)	126	142
Net Margin	2.9%	1.7%	1.7%	1.1%	1.1%	1.3%	-5.6%	-2.1%	3.1%	3.3%
Free Cash Flow	43	(92)	124	29	27	115	(298)	12	115	123
Income Tax	29	(4)	45	2	11	4	28	9	53	75

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	1,096	1,287	1,648	1,742	1,847	1,860	1,970	2,026	2,079	2,029
Cash & Equivalents	155	43	220	84	65	151	66	59	79	97
Acc. Receivable	324	375	453	466	468	412	457	524	498	488
Inventories	305	352	412	534	560	509	781	800	816	754
Goodwill & Int.	4	107	115	176	167	173	107	94	93	88
Total Liabilities	633	817	1,076	1,183	1,270	1,208	1,587	1,801	1,672	1,535
Accounts Payable	280	242	386	416	402	412	517	586	524	448
Long-Term Debt	53	211	291	302	287	289	519	553	494	417
Total Equity	461	464	566	527	544	617	357	204	390	475
LTD/E Ratio	0.12	0.46	0.51	0.57	0.53	0.47	1.45	2.71	1.27	0.88

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	6.7%	3.6%	3.3%	2.0%	2.0%	2.0%	-9.0%	-3.7%	6.1%	6.9%
Return on Equity	16.3%	9.2%	9.3%	6.1%	6.3%	6.0%	-33.5%	-24.4%	39.8%	31.6%
ROIC	14.9%	7.1%	6.3%	4.0%	4.2%	4.1%	-18.8%	-8.8%	15.0%	15.9%
Shares Out.	16.4	16.4	16.5	16.6	16.7	16.8	16.8	16.9	17.4	17.7
Revenue/Share	157.63	156.43	174.71	191.49	196.81	167.40	182.88	209.95	236.89	243.26
FCF/Share	2.62	(5.58)	7.49	1.73	1.61	6.86	(17.71)	0.70	6.63	6.94

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

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