Lindsay Corporation (LNN)

Updated January 25th, 2026 by Ian Bezek

Key Metrics

Current Price:	$125	**5 Year Annual Expected Total Return:**	11.0%	**Market Cap:**	$1.3 B
Fair Value Price:	$144	**5 Year Growth Estimate:**	7.0%	**Ex-Dividend Date:**	02/13/26
% Fair Value:	87%	**5 Year Valuation Multiple Estimate:**	2.9%	**Dividend Payment Date:**	02/27/26
Dividend Yield:	1.2%	**5 Year Price Target**	$202	**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 January 8th, 2026, Lindsay reported its Q1 2026 results for the period ending November 30th, 2025. The business saw diluted earnings-per-share of $1.54 which fell from the $1.57 reported the same quarter of last year. Meanwhile, revenues slipped 6% year-over-year to $156 million. EPS slightly beat expectations, but revenues came in short of consensus estimates. Lindsay had reported a robust 22% growth rate in Q3 of FY'25, but that appears to have been largely driven by trade policy, namely that clients were stocking up on irrigation equipment before higher tariff rates went into effect. Over the past two quarters, that momentum has gone into reverse with Lindsay struggling to maintain operational momentum. The one bright spot here is that the company's infrastructure sector returned to growth in Q1, but this segment's gains weren't large enough to offset the slump in the irrigation business.

Lindsay's Q1 results were slightly ahead of expectations thanks to disciplined cost controls. However, there doesn't appear to be any near-term improvement in demand for irrigation equipment, which will cap near-term upside for Lindsay. We have slightly raised our EPS outlook for 2026, but we continue to forecast a sizable year-over-year EPS decline versus last year.

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	***$6.00***	***$8.42***
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.

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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	***20.8***	***24.0***
Avg. Yld.	1.6%	1.4%	1.3%	1.4%	1.3%	0.9%	0.8%	1.0%	1.1%	1.1%	***1.2%***	***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 1.2% 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%***	***21%***

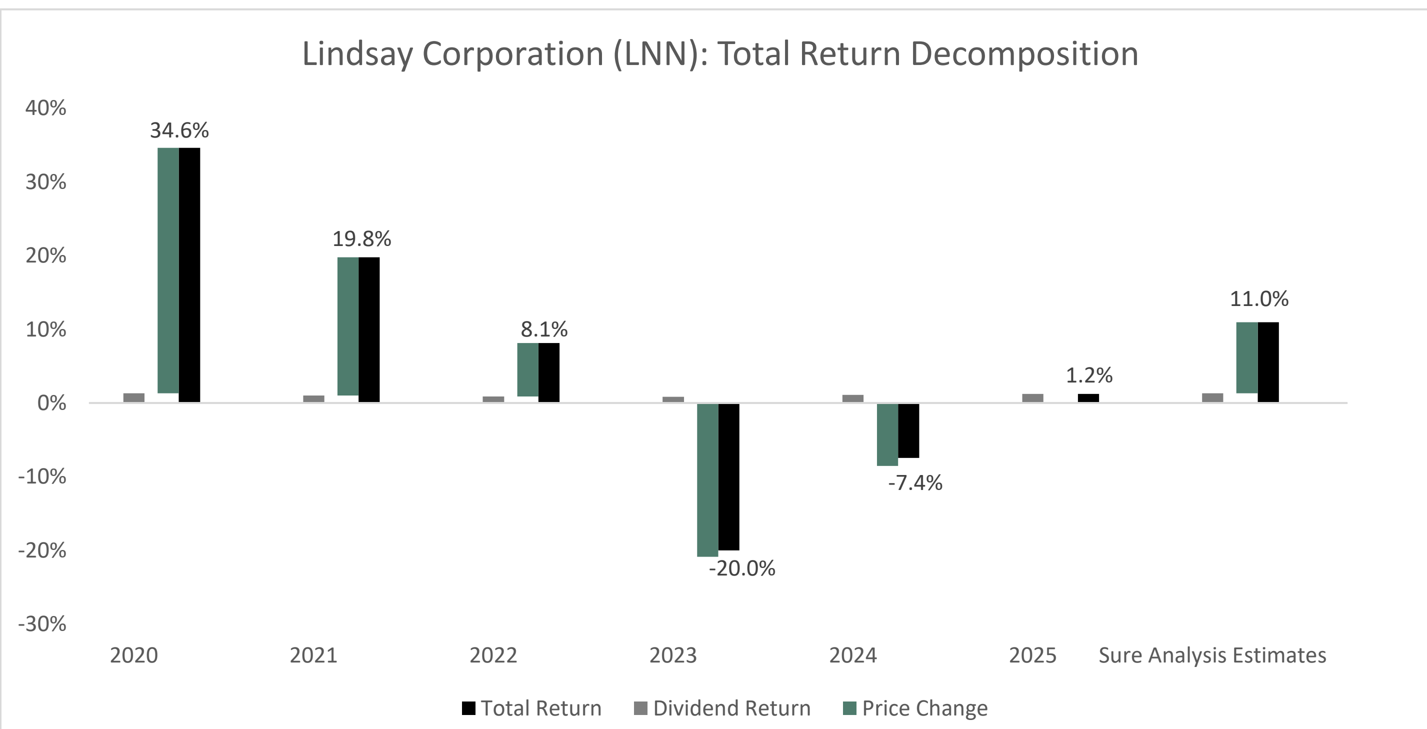
Lindsay has averaged a payout ratio of 38% over the past 10 years. It is far below that today. We project that the dividend will be safe since the low payout ratio signifies that the dividend is well-covered from earnings.

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 appears to have disappeared now. Despite a projected drop in 2026 earnings, we still see a path to 11.0% total annualized returns going forward. Shares earn a hold rating today.

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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	516	518	548	444	475	568	771	674	607	676
Gross Profit	149	145	151	115	153	150	199	213	191	211
Gross Margin	28.8%	28.0%	27.7%	25.8%	32.1%	26.5%	25.8%	31.6%	31.5%	31.2%
SG&A Exp.	98	87	96	95	84	83	89	93	987	105
D&A Exp.	17	17	17	14	19	19	20	19	21	21
Operating Profit	34	41	39	6	54	54	95	102	77	88
Op. Margin	6.7%	7.8%	7.1%	1.4%	11.4%	9.5%	12.3%	15.1%	12.7%	13.0%
Net Profit	20	23	20	2	39	43	65	72	66	74
Net Margin	3.9%	4.5%	3.7%	0.5%	8.1%	7.5%	8.4%	10.7%	10.9%	10.9%
Free Cash Flow	22	31	23	(19)	25	17	(13)	101	67	90
Income Tax	9	13	14	(0)	10	8	22	28	13	21

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	488	506	500	500	571	637	711	746	760	841
Cash & Equivalents	101	122	161	127	121	127	105	161	191	251
Acc. Receivable	81	74	69	76	85	94	138	145	117	114
Inventories	75	86	79	92	105	145	194	156	154	137
Goodwill & Int.	124	120	92	89	91	88	85	111	110	108
Total Liabilities	236	236	223	232	272	299	317	290	279	308
Accounts Payable	32	37	31	29	30	45	60	44	37	49
Long-Term Debt	117	117	116	116	116	116	116	115	115	132
Total Equity	252	270	277	268	299	338	393	456	481	533
LTD/E Ratio	0.47	0.43	0.42	0.43	0.39	0.34	0.29	0.25	0.24	0.26

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	4.0%	4.7%	4.0%	0.4%	7.2%	7.1%	9.7%	9.9%	8.8%	9.3%
Return on Equity	7.5%	8.9%	7.4%	0.8%	13.6%	13.4%	17.9%	17.1%	14.2%	14.6%
ROIC	5.2%	6.1%	5.2%	0.6%	9.7%	9.8%	13.6%	13.4%	11.4%	11.5%
Shares Out.	11	11	11	11	11	11	11	11	11	11
Revenue/Share	47.25	48.44	50.85	41.08	43.71	51.67	69.87	60.94	55.10	61.95
FCF/Share	1.98	2.86	2.12	(1.80)	2.26	1.59	(1.14)	9.12	6.06	8.28

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