Broadridge Financial Solutions (BR)

Updated February 6th, 2026 by Quinn Mohammed

Key Metrics

Current Price:	$182	**5 Year CAGR Estimate:**	15.7%	**Market Cap:**	$23 B
Fair Value Price:	$228	**5 Year Growth Estimate:**	9.0%	**Ex-Dividend Date[1]:**	03/13/2026
% Fair Value:	80%	**5 Year Valuation Multiple Estimate:**	4.6%	**Payment Date[1]:**	04/03/2026
Dividend Yield:	2.1%	**5 Year Price Target**	$350	**Years of Dividend Growth:**	19
Dividend Risk Score:	A	**Sector:**	Industrials	**Rating:**	Buy

Overview & Current Events

Broadridge Financial Solutions, Inc. provides investor communications services and technology-related solutions to the financial services industry. Broadridge was spun off from Automatic Data Processing, Inc. (NYSE: ADP) in 2007, where it had been the brokerage service division of ADP since 1962. Broadridge processes millions of trades a day involving trillions of dollars, provides investor communications which reach 75% of North American households, and also manage shareholder voting in ~120 countries. Broadridge has also expanded into blockchain solutions and has secured a blockchain patent for proxy processing and repurchase agreements. The company serves clients across the globe, but the majority of customers are in the U.S., Canada, and the U.K. Broadridge trades under the ticker symbol BR on the NYSE. BR is headquartered in New York and trades at a market capitalization of $23 billion. The company generates about $5 billion annual revenues.

On August 5th, 2025, Broadridge increased its dividend by 11% to $3.90 per share annually, marking 19 years of consecutive increases.

In Q4 2024, Broadridge announced three acquisitions, including the acquisition of Kyndryl Securities Industry Services (SIS), AdvisorTarget, and CompSci Resources. It completed the acquisition of SIS on November 1st, 2024 for $185M.

On January 5th, 2026, Broadridge completed the acquisition of Acolin Group Holdco Limited, a leading European provider of cross-border fund distribution and regulatory services, for $70 million.

Broadridge Financial Solutions reported second quarter 2026 results on February 3rd, 2026. Total revenues for the quarter improved 8% to $1,714 million. Recurring revenue grew 9% year-over-year to $1,070 million from $980 million and made up 62% of total revenues in the second quarter. Adjusted EPS edged up 2% YoY to $1.59 per share.

Leadership reiterated its FY 2026 guidance for 5% to 7% recurring revenue growth, and raised it estimate for adjusted EPS growth to 9% to 12% (from 8% to 12% previously).

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$2.53	$2.70	$4.19	$4.66	$5.03	$5.66	$6.46	$7.01	$7.73	$8.55	***$9.49***	***$14.60***
DPS	$1.32	$1.46	$1.94	$2.16	$2.30	$2.56	$2.65	$2.90	$3.20	$3.52	***$3.90***	***$6.28***
Shares[2]	118.3	116.5	116.3	114.3	115.1	117.8	118.5	118.5	118.7	118.3	***117.5***	***120.0***

Recent results are driven by long-term trends that we expect to continue over the intermediate term, such as increased digitization, mutualization and the democratization of investing, as more people enter the world of financial markets. Investments in the company's products and technology platforms (such as Wealth and Global Post-Trade Management) should further fuel growth and improve customer retention. Additionally, acquisitions such as the recent acquisition of Itiviti and SIS, will allow the corporation to increase the value it can offer to clients and expand its geographic reach.

[1] Estimated date
[2] In millions

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The company completed its three-year growth objectives for FY20 – FY23 and delivered on or above its goals, which saw recurring revenue growth of 11%, adjusted operating income margin expansion of +77 basis points per year, and adjusted earnings per share growth of 12%. It has published new three-year growth objectives which include 8% to 12% adjusted EPS growth, which it is on track to achieve. Broadridge has increased earnings-per-share on average by 15% since 2016, and 11% in the past five years. Based on the impressive earnings growth that Broadridge has accomplished, combined with its solid growth strategies, we forecast it could increase earnings-per-share by 9% annually over the next five years.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	22.4	25.3	22.4	24.4	23.9	27.8	23.1	21.6	26.0	27.9	***19.2***	***24.0***
Avg. Yld.	2.1%	1.9%	1.6%	1.7%	1.8%	1.4%	1.7%	1.8%	1.6%	1.4%	***2.1%***	***1.8%***

We peg fair value for this stock at 24 times earnings and today shares trade for 19.2 times estimated earnings, which implies the potential for a valuation tailwind. Broadridge's average 5-year and 10-year PE ratio stand at 25.3 and 24.5 as the company has produced solid earnings growth. We forecast the dividend will grow at a higher rate than earnings, but the yield will remain around the 2% mark.

Safety, Quality, Competitive Advantage, & Recession Resiliency

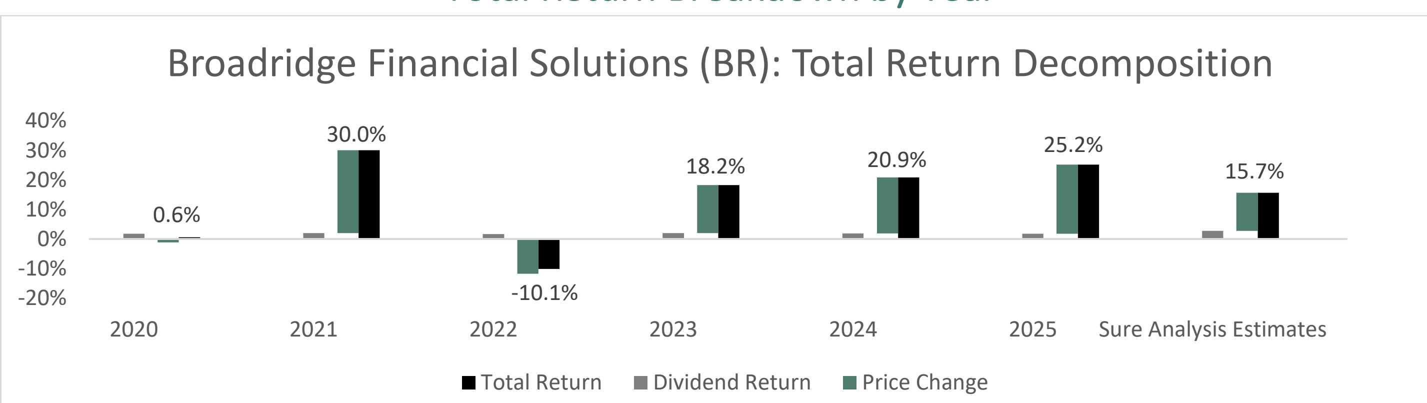
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	52%	54%	46%	46%	46%	45%	41%	41%	41%	41%	***41%***	***43%***

Broadridge doesn't possess a stand-out competitive advantage, but its unique combination of people, industry knowledge and solution expertise make them a valuable partner in financial technology services. In fact, BR believes that partnering with them would be a competitive advantage for their clients as they can drive business transformation and achieve business value. The company's payout ratio of 41% is quite safe, especially considering that the majority of revenues are recurring. Broadridge was spun off into its own entity just as the great financial crisis began to hit, so we can't compare it to prior results, but earnings remained positive throughout the recession, and the dividend was increased the entire time, since inception.

Final Thoughts & Recommendation

We see steady growth ahead for Broadridge and forecast annualized total returns of 15.7% in the intermediate term. We like the defensive nature of the business, but the company is trading at 80% of our estimate of fair value. Annualized total returns of 15.7% are excellent, and the bulk of this should come from growth. We rate Broadridge as a buy for the growth and dividend growth investor, but the yield may be lacking for income investors.

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	2897	4143	4330	4362	4529	4994	5709	6061	6507	6,889
Gross Profit	921	1035	1163	1230	1264	1423	1592	1785	1934	2,137
Gross Margin	31.8%	25.0%	26.8%	28.2%	27.9%	28.5%	27.9%	29.5%	29.7%	31.0%
SG&A Exp.	421	501	565	578	639	744	832	849	917	948.2
D&A Exp.	84	141	164	173	197	221	333	299	478	327.3
Operating Profit	500	534	598	653	625	679	760	936	1017	1,189
Operating Margin	17.3%	12.9%	13.8%	15.0%	13.8%	13.6%	13.3%	15.4%	15.6%	17.3%
Net Profit	308	327	428	482	463	548	539	631	698	839.5
Net Margin	10.6%	7.9%	9.9%	11.1%	10.2%	11.0%	9.4%	10.4%	10.7%	12.2%
Free Cash Flow	362	312	556	544	500	539	370	748	943	1,056
Income Tax	161	161	133	125	117	149	133	164	179	219.2

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	2873	3150	3305	3881	4890	8120	8169	8233	8242	8,545
Cash & Equivalents	728	271	264	273	477	275	225	252	304	561.5
Accounts Receivable	453	590	615	664	711	820	947	974	1066	1,077
Goodwill & Int. Ass.	1210	1646	1749	2056	2258	5145	4562	4929	4777	4,887
Total Liabilities	1827	2146	2210	2753	3543	6311	6250	5993	6074	5,890
Accounts Payable	133	167	156	134	152	249	245	157	314	220.3
Long-Term Debt	1016	1102	1053	1470	1788	3888	3793	3413	3355	3,252
Shareholder's Equity	1046	1004	1094	1128	1347	1809	1919	2241	2168	2,655
D/E Ratio	0.97	1.10	0.96	1.30	1.33	2.15	1.98	1.52	1.55	1.225

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	11.7%	10.9%	13.3%	13.4%	10.5%	8.4%	6.6%	7.7%	8.5%	10.0%
Return on Equity	31.2%	31.9%	40.8%	43.4%	37.4%	34.7%	28.9%	30.3%	31.7%	34.8%
ROIC	16.7%	15.7%	20.1%	20.3%	16.1%	12.4%	9.5%	11.1%	12.5%	14.7%
Shares Out.	118	117	116	114.3	115.1	115.1	118.5	119.0	119.1	118.3
Revenue/Share	23.82	34.29	35.96	36.72	38.71	42.39	48.18	50.93	54.63	58.23
FCF/Share	2.98	2.58	4.62	4.58	4.27	4.58	3.13	6.29	7.92	8.93

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