



Church & Dwight Co. Inc. (CHD)

Updated February 15th, 2026 by Josh Arnold

Key Metrics

Current Price:	\$101	5 Year CAGR Estimate:	8.8%	Market Cap:	\$24 B
Fair Value Price:	\$105	5 Year Growth Estimate:	7.0%	Ex-Dividend Date:	05/14/26 ¹
% Fair Value:	96%	5 Year Valuation Multiple Estimate:	0.8%	Dividend Payment Date:	06/02/26
Dividend Yield:	1.2%	5 Year Price Target	\$147	Years Of Dividend Growth:	30
Dividend Risk Score:	B	Sector:	Consumer Staples	Rating:	Hold

Overview & Current Events

Church & Dwight is a diversified consumer staples company that manufactures and distributes products under several well-known names like Arm & Hammer, Trojan, OxiClean, Spinbrush, First Response, Waterpik, Nair, Orajel, and XTRA. The company was founded in 1846, has increased its dividend for 30 consecutive years, and trades with a market capitalization of \$24 billion on just over \$6 billion in annual revenue. Church & Dwight has paid quarterly dividends to shareholders for more than 120 consecutive years.

Church & Dwight posted fourth quarter and full-year earnings on January 30th, 2026, and results were mixed. Revenue was in line with consensus at \$1.64 billion, but rose 3.8% year-over-year. Earnings came to 86 cents per share on an adjusted basis, which beat estimates by three cents.

Organic sales rose 0.7%, but fell fractionally in the US. Adjusted gross margin was 45.5% of revenue, which was up 90 basis points year-over-year. The gain was due primarily to productivity gains, higher volumes, and business and acquisition mix. These were partially offset by inflation and tariff costs. Cash from operations came to \$363 million, which was 24% better than the same period a year ago.

Management boosted the dividend for 2026, at a new payout of \$1.23 per share annually. That's the 30th consecutive year of dividend increases. We start the year with an estimate of \$3.75 in adjusted earnings-per-share.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$1.77	\$1.94	\$2.27	\$2.47	\$2.83	\$3.02	\$2.97	\$3.17	\$3.44	\$3.53	\$3.75	\$5.26
DPS	\$0.71	\$0.76	\$0.87	\$0.91	\$0.96	\$1.01	\$1.05	\$1.09	\$1.14	\$1.18	\$1.23	\$1.50
Shares²	254	248	253	251	253	242	244	244	245	237	235	230

Church & Dwight's CEO has made public that he believes sustainable 8% earnings-per-share growth is feasible before the impact of acquisitions. Indeed, mergers & acquisitions are one of Church & Dwight's core competencies. Ten of the company's twelve "Power Brands" have been acquired in the last two decades. Our long-term growth estimate for Church & Dwight is 7% annually. We believe it can achieve this as it sees mid-single-digit revenue growth on average, while a small measure of productivity gains should help drive margins higher. This is congruent with Church & Dwight's past performance as we have no reason to believe its long-term growth plans will be derailed. We note that growth in 2020 was higher than normalized growth rates as Church & Dwight benefited from stronger demand for things like cleaning products. While that isn't repeatable, we don't see the company's long-term growth as having changed. We note that Church & Dwight has seen consistent margin improvement in recent results. Combined with strong organic sales growth, we see the future for the company as bright at the moment.

¹ Estimated date

² Share count in millions

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	26.5	25.3	24.0	29.4	28.6	28.6	27.1	29.8	30.4	23.8	26.9	28.0
Avg. Yld.	1.5%	1.5%	1.6%	1.3%	1.2%	1.2%	1.3%	1.2%	1.1%	1.4%	1.2%	1.0%

Shares of Church & Dwight currently trade with a price-to-earnings ratio of 26.9, which is slightly below our estimate of fair value at 28 times earnings. We believe that valuation expansion will have a small positive impact on this stock's total returns moving forward.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	40%	39%	38%	37%	34%	33%	35%	34%	33%	33%	33%	28%

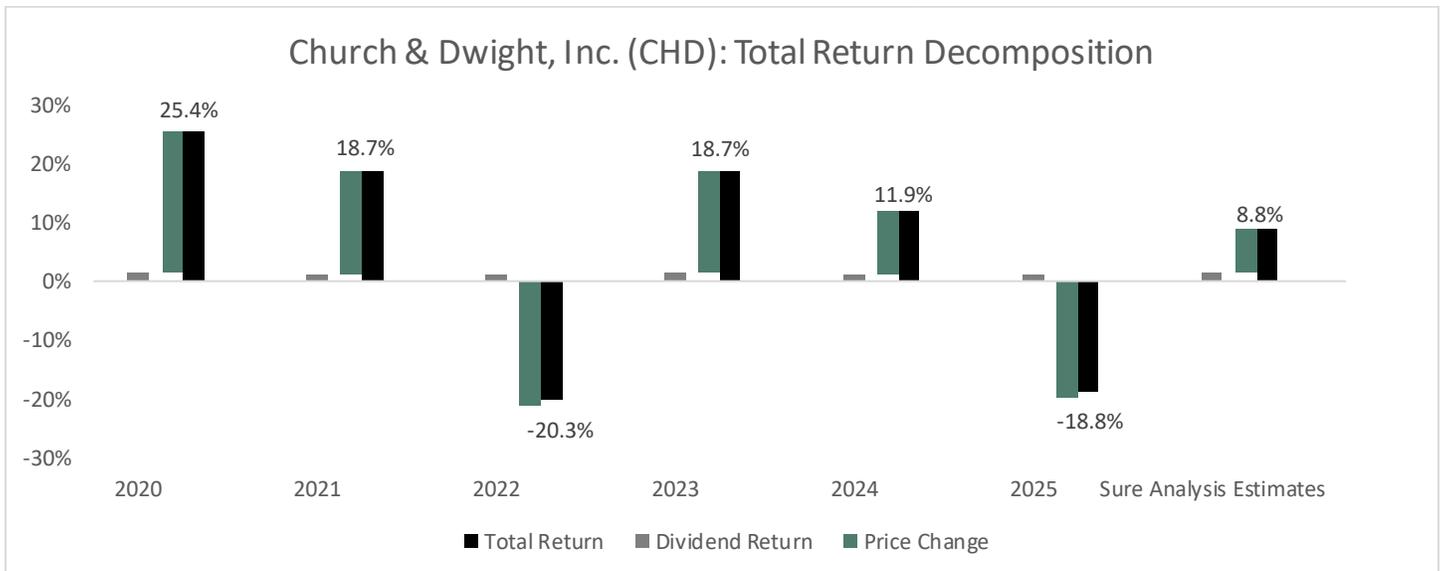
Church & Dwight's payout ratio has drifted below 40% in recent years. The dividend has been growing at a slightly slower rate than earnings-per-share, so over time we expect the payout ratio will remain under 40% as the company is able to continue to produce meaningful earnings growth. The company's quarter-century streak of increasing dividends is quite safe, we believe.

Qualitatively, Church & Dwight's brand recognition combined with the consumable nature of its products provide the company with a durable competitive advantage. This creates consistency in Church & Dwight's financial performance. Its earnings increased *every year* from 2001 to 2021 and the company's growth trajectory was essentially unchanged during the 2007-2009 financial crisis. Because of its recession resiliency, Church & Dwight is an appealing investment opportunity for conservative investors when it can be acquired at the right price.

Final Thoughts & Recommendation

Church & Dwight has many of the characteristics of a high-quality dividend investment. Most notably, the company's portfolio of brands allows it to grow its earnings through each stage of the economic cycle, and Church & Dwight shares this growth with its shareholders through consistent dividend increases. The company's growth-through-acquisition strategy is time-tested, and its management team has developed considerable expertise in scaling smaller brands through its existing infrastructure. We forecast total returns accruing at 8.8% annually, consisting of 7% earnings growth, the 1.2% dividend yield, and a 0.8% tailwind from the valuation. We reiterate the stock at a hold rating.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	3493	3776	4146	4,358	4,896	5,190	5,376	5,868	6,107	6,203
Gross Profit	1591	1730	1841	1,984	2,214	2,264	2,250	2,589	2,790	2,654
Gross Margin	45.5%	45.8%	44.4%	45.5%	45.2%	43.6%	41.9%	44.1%	45.7%	42.8%
SG&A Exp.	866	997	1049	1,144	1,185	1,184	1,652	1,531	1,626	709
D&A Exp.	108	125	141	176	190	219	219	225	239	247
Operating Profit	724	733	792	840	1,030	1,079	598	1,057	1,164	1,078
Operating Margin	20.7%	19.4%	19.1%	19.3%	21.0%	20.8%	11.1%	18.0%	19.1%	17.4%
Net Profit	459	743	569	616	786	828	414	756	585	737
Net Margin	13.1%	19.7%	13.7%	14.1%	16.1%	15.9%	7.7%	12.9%	9.6%	11.9%
Free Cash Flow	606	637	703	791	891	875	706	807	976	1,093
Income Tax	247	-51	151	158	188	204	109	212	171	220

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	4354	6015	6069	6,657	7,415	7,997	8,346	8,569	8,883	8,912
Cash & Equivalents	188	279	317	156	183	241	270	345	964	409
Accounts Receivable	287	346	345	356	399	406	422	527	601	593
Inventories	258	331	383	417	495	535	647	613	613	535
Goodwill & Int. Ass.	2876	4279	4267	4,830	5,340	5,769	5,858	5,734	5,322	6,139
Total Liabilities	2376	3797	3615	3,990	4,394	4,763	4,856	4,714	4,522	4,910
Accounts Payable	332	399	430	473	588	664	---	631	705	732
Long-Term Debt	1120	2374	2107	2,063	2,164	2,563	2,674	2,406	2,205	2,358
Shareholder's Equity	1978	2218	2454	2,668	3,020	3,233	3,490	3,855	4,361	4,002
LTD/E Ratio	0.57	1.07	0.86	0.77	0.72	0.79	0.77	0.62	0.51	0.60

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	10.7%	14.3%	9.4%	9.7%	11.2%	10.7%	5.1%	8.9%	6.7%	8.3%
Return on Equity	22.9%	35.4%	24.3%	24.1%	27.6%	26.5%	12.3%	20.6%	14.2%	17.6%
ROIC	14.9%	19.3%	12.4%	13.3%	15.9%	15.1%	6.9%	12.2%	9.1%	11.2%
Shares Out.	254	248	253	251	253	242	246	248	247	244
Revenue/Share	13.33	14.75	16.54	17.29	19.41	20.79	21.83	23.70	24.74	25.39
FCF/Share	2.31	2.49	2.80	3.14	3.53	3.51	2.87	3.26	3.95	4.47

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

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