Corteva, Inc. (CTVA)

Updated February 26th, 2026 by Josh Arnold

Key Metrics

Current Price:	$78	**5 Year CAGR Estimate:**	14.2%	**Market Cap:**	$52 B
Fair Value Price:	$91	**5 Year Growth Estimate:**	10.0%	**Ex-Dividend Date:**	03/02/2026
% Fair Value:	85%	**5 Year Valuation Multiple Estimate:**	3.2%	**Dividend Payment Date:**	03/16/2026
Dividend Yield:	0.9%	**5 Year Price Target**	$147	**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 about $18 billion in revenue this year.

Corteva posted fourth quarter and full-year earnings on February 3rd, 2026, and results were weaker than expected. The company saw adjusted earnings-per-share of 22 cents, which met expectations. However, revenue was off 1.8% year-over-year to $3.91 billion, missing estimates by $320 million.

Management noted seasonal shifts in timing moved some deliveries into the third quarter and first quarter, meaning the fourth quarter was weaker. These shifts weighed negatively on seed and crop protection products. Total volume fell 5% year-over-year while price rose 1%.

The seed business saw sales fall 2% to $1.74 billion as volume plummeted 8% due to the aforementioned shipment timings. Crop protection sales were off 1% but segment earnings declined a staggering 22% due to pricing pressure in Latin America, primarily.

Corteva remains on track to complete its planned separation in the second half of 2026 and recently resolved litigation with Bayer that will result in a $610 million cash outflow in Q1.

We start the year with an estimate of $3.65 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	$0.62	($0.22)	$0.79	$0.73	$0.82	$2.15	$1.58	$1.39	$1.46	$3.34	***$3.65***	***$5.88***
DPS	--	--	--	$0.39	$0.52	$0.55	$0.59	$0.63	$0.67	$0.70	***$0.72***	***$1.06***
Shares[1]	754	831	749	750	751	742	725	712	696	673	***655***	***590***

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 well over 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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	--	--	--	38.9	47.2	22.5	38.6	34.1	38.3	20.1	***21.4***	***25.0***
Avg. Yld.	--	--	--	1.4%	1.3%	1.1%	1.0%	1.3%	1.2%	1.1%	***0.9%***	***0.7%***

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 2031 yield to potentially be under 1%.

The average valuation is now just 21.4 times earnings, which is a cheap valuation by recent standards. With Corteva's earnings profile maturing, we see 25 times earnings as fair value. With the stock at 21.4 times earnings, we see Corteva as modestly undervalued today.

Safety, Quality, Competitive Advantage, & Recession Resiliency

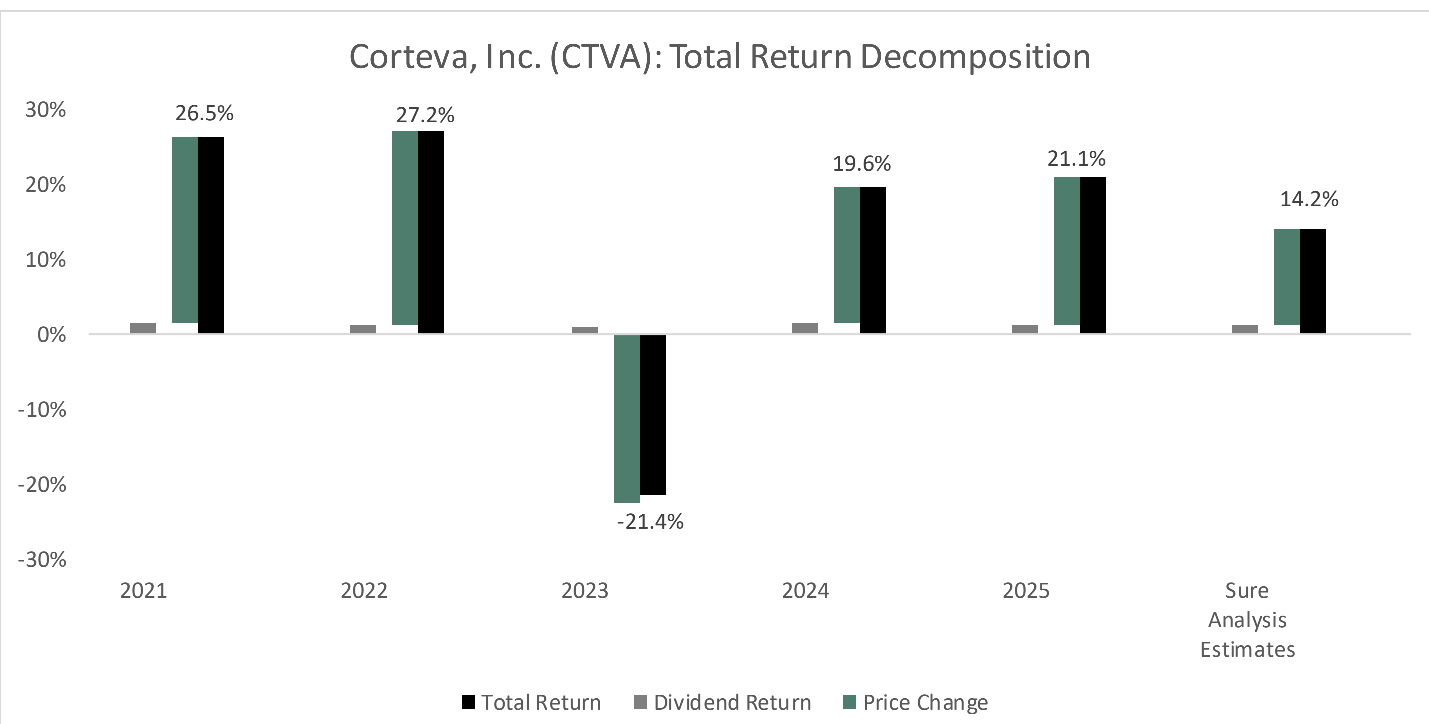
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	--	--	--	53%	63%	26%	37%	45%	46%	21%	***20%***	***18%***

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 remaining strong, we're reiterating the stock at a buy rating after Q4 results.

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	4,041	14,240	14,287	13,846	14,217	15,655	17,455	17,226	16,908	17,401
Gross Profit	5,650	5,838	4,339	5,271	5,710	6,435	7,019	7,306	7,379	7,754
Gross Margin	40.2%	41.0%	30.4%	38.1%	40.2%	41.1%	40.2%	42.4%	43.6%	44.6%
SG&A Exp.	2,937	2,972	3,041	3,065	3,043	3,209	3,173	3,176	3,196	3,492
D&A Exp.	---	---	2,790	1,599	1,177	1,243	1,223	1,211	1,227	1,203
Operating Profit	886	188	(448)	584	843	1,317	1,928	2,110	2,096	2,788
Operating Margin	6.3%	1.3%	-3.1%	4.2%	5.9%	8.4%	11.0%	12.2%	12.4%	16.0%
Net Profit	503	2,534	(5,065)	(959)	681	1,759	1,147	735	907	1,204
Net Margin	3.6%	17.8%	-35.5%	-6.9%	4.8%	11.2%	6.6%	4.3%	5.4%	6.9%
Free Cash Flow	---	---	(1,018)	(93)	1,589	2,154	267	1,174	1,548	2,815
Income Tax	(270)	(2,943)	(31)	(46)	(81)	524	210	152	412	484

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	---	---	108,683	42,397	42,649	42,344	42,618	42,996	40,825	42,845
Cash & Equivalents	---	---	2,270	1,764	3,526	4,459	3,191	2,644	3,106	4,734
Accounts Receivable	---	---	3,649	4,225	3,754	3,441	4,261	4,329	4,615	5,068
Inventories	---	---	5,310	5,032	4,882	5,180	6,811	6,899	5,432	5,667
Goodwill & Int. Ass.	---	---	22,248	21,653	21,016	20,151	19,301	20,231	19,284	18,766
Total Liabilities	---	---	33,530	17,842	17,586	16,721	17,077	17,717	16,795	18,459
Accounts Payable	---	---	2,602	3,702	3,615	4,126	4,895	4,280	4,039	4,398
Long-Term Debt	---	---	7,846	118	1,105	1,117	1,304	2,488	2,703	2,761
Shareholder's Equity	---	---	74,660	24,309	24,824	25,384	25,302	25,037	23,789	24,144
LTD/E Ratio	---	---	0.11	0.00	0.04	0.04	0.05	0.10	0.11	0.12

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	---	---	---	-1.3%	1.6%	4.1%	2.7%	1.7%	2.2%	2.9%
Return on Equity	---	---	---	-1.9%	2.7%	6.9%	4.5%	2.9%	3.7%	5.0%
ROIC	---	---	---	-1.8%	2.7%	6.6%	4.3%	2.7%	3.3%	4.4%
Shares Out.	754.1	831.3	749.4	749.5	751.2	741.6	724.5	711.9	696.0	681.4
Revenue/Share	18.74	19.00	19.06	18.47	18.93	21.11	24.09	24.20	24.29	25.54
FCF/Share	---	---	(1.36)	(0.12)	2.12	2.90	0.37	1.65	2.22	4.13

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