Moog Inc. (MOG.B)

Updated February 2nd, 2026 by Quinn Mohammed

Key Metrics

Current Price:	$295	**5 Year CAGR Estimate:**	1.6%	**Market Cap:**	$9.7 B
Fair Value Price:	$194	**5 Year Growth Estimate:**	10.0%	**Ex-Dividend Date[1]:**	02/17/26
% Fair Value:	152%	**5 Year Valuation Multiple Estimate:**	-8.1%	**Dividend Payment Date[1]:**	02/26/26
Dividend Yield:	0.4%	**5 Year Price Target**	$312	**Years Of Dividend Growth:**	5
Dividend Risk Score:	A	**Sector:**	Industrials	**Rating:**	Hold

Overview & Current Events

Moog designs, manufactures and integrates advanced motion control systems and precision components for aerospace, defense, industrial, and medical applications. It has operating locations in 20 countries and sells components and motion control systems for use in defense vehicles, missile systems, naval ships, submarines, satellites, spacecraft vehicles, flight controls, actuation systems, and more. Moog was founded in 1951 as Moog Valve Company, is headquartered in East Aurora, New York, and has a market capitalization of $9.7 billion. Moog employs a dual-class capital structure, comprised of Class A shares and Class B shares. Class B shares have one vote each, while Class A shares have tenths of a vote each. A minimum of 25% of the Board is elected by Class A, while Class B elects the remaining members.

The company produced $3.9 billion of revenues in 2025 through its four segments, including space and defense (accounting for 29% of 2025 revenue), industrial (25%), military aircraft (23%), and commercial aircraft (23%).

Moog raised its quarterly dividend by 3% to $0.30 per share on January 30th, 2026, marking six consecutive years of dividend raises.

On January 30th, 2026, Moog reported first quarter 2026 results for the period ending January 3, 2026. (Moog's fiscal year ends on the Saturday closest to September 30th). For the quarter, the company's net sales rose 21% year-over-year to $1,100 million from $908 million thanks to growth in its aerospace and defense segments. Adjusted EPS soared 37% to $2.63 from $1.92, aided by a 90-basis point increase in its adjusted operating margin to 13.0%.

Leadership raised its guidance for FY 2026, now expecting revenue of $4.3 billion, adjusted operating margin of 13.4%, and $10.20 of adjusted EPS.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$3.47	$3.90	$4.57	$4.96	$4.81	$4.88	$5.56	$6.15	$7.84	$8.69	***$10.20***	***$16.43***
DPS	-	-	$0.75	$1.00	$0.75	$1.00	$1.04	$1.08	$1.12	$1.16	***$1.16***	***$1.78***
Shares[2]	36.5	36.2	36.1	35.2	33.4	32.3	32.1	32.0	32.5	32.1	***31.9***	***30.5***

Moog has delivered a highly consistent earnings growth rate over the last decade, with a solidly upward trajectory in EPS. Its only year-over-year decline in the last ten years was during 2020, amid the pandemic. The company has increased its EPS by 10.7% and 12.6% CAGR during the last nine and five years, respectively.

We are forecasting 2026 EPS at management's guidance, $10.20, and see 10% annualized EPS growth over the next five years.

Higher defense sales are being driven by rising geopolitical tensions, which will accelerate growth in the space and defense and military aircraft segments in the near and medium term. And due to the increasing demand for repairs, Moog is also growing its aftermarket business in its commercial aircraft segment. Furthermore, its industrial segment

[1] Estimated date.

[2] 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.

has now reversed course and is again producing growth due to improved demand for data center cooling pumps and automation products.

In 2026, Moog expects sales growth in all its segments. However, while it expects margin growth in Space & Defense, Commercial Aircraft and Industrial is likely to remain flat, and Military Aircraft is expected to decline 50 basis points.

Moog began paying its dividend in 2018 at $0.25 quarterly, which it raised until the pandemic, when it suspended its dividend for one quarter. Since then, it has increased its dividend every year at a 6.4% CAGR. The company's expected payout ratio for 2026 is very modest at just 11%, and we believe the company can grow its dividend at 9% per year.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	15.7	19.0	17.9	17.5	14.0	16.6	14.8	17.6	22.4	21.9	***28.9***	***19.0***
Avg. Yld.	-	-	0.4%	1.1%	1.4%	1.1%	1.3%	1.0%	0.6%	0.6%	***0.4%***	***0.6%***

Moog has traded in a fairly narrow range of valuation multiples in the last decade, from 14.0 times earnings to 22.5 times earnings. Over the last ten and five years, Moog traded at an average P/E ratio of 17.7 and 18.7, respectively. We peg fair value for the stock at 19.0 times earnings, while it currently trades at 28.9 times earnings. As a result, we forecast a headwind to total returns from valuation contraction. While we expect strong dividend growth in the years ahead, the share price is likely to keep up, thus we don't expect the dividend to rise above 1% in the medium term.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	-	-	-	-	16%	20%	19%	18%	14%	13%	***11%***	***11%***

Moog benefits from its leading position in precision motion controls, as well as its diversified revenue base, which is exposed to both military and commercial aircraft, as well as space and defense and industrial and medical applications. The products that Moog manufactures are critical components in their applications.

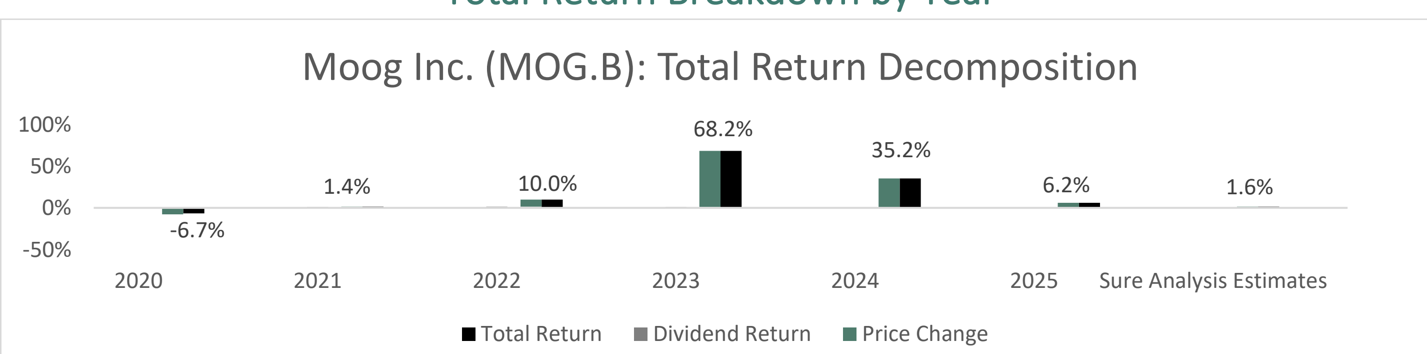
Since it initiated its dividend, Moog's payout ratio has never crept beyond one fifth of earnings. Even now, with a payout ratio of just 11% projected for 2026, Moog is likely to have many years of dividend growth ahead of it.

During the great financial crisis and the pandemic, the share price of MOG.B was slashed by over 50%, demonstrating the volatility of the stock during downturns. Moog even suspended its dividend due to the impact of the pandemic.

Final Thoughts & Recommendation

With geopolitical tensions on the rise, Moog's military aircraft and defense offerings are likely to gain traction. Shares of MOG.B increased by 19% year-to-date. Over the next five years, we see the potential for Moog to generate 1.6% annualized total returns, stemming from 10% EPS growth and the 0.4% dividend yield, partly offset by -8.1% P/E multiple compression. MOG.B earns 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	2,412	2,498	2,709	2,905	2,885	2,852	3,036	3,319	3,609	3,861
Gross Profit	712	734	774	816	744	776	821	892	997	1,058
Gross Margin	29.5%	29.4%	28.6%	28.1%	25.8%	27.2%	27.0%	26.9%	27.6%	27.4%
SG&A Exp.	340	346	388	405	398	412	449	470	495	554
D&A Exp.	99	90	89	85	87	90	88	90	93	104
Operating Profit	224	243	256	285	235	238	263	315	389	410
Operating Margin	9.3%	9.7%	9.4%	9.8%	8.1%	8.4%	8.7%	9.5%	10.8%	10.6%
Net Profit	127	141	95	175	9	157	155	171	207	235
Net Margin	5.3%	5.7%	3.5%	6.0%	0.3%	5.5%	5.1%	5.2%	5.7%	6.1%
Free Cash Flow	149	142	8	63	191	164	107	(37)	46	128
Income Tax	49	41	87	52	(4)	47	48	45	61	78

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	3,005	3,091	2,964	3,114	3,226	3,433	3,432	3,808	4,094	4,426
Cash & Equivalents	325	368	126	90	85	100	102	69	62	62
Accounts Receivable	437	435	452	477	363	396	363	427	389	1,226
Inventories	479	489	513	535	623	613	588	724	864	914
Goodwill & Int. Ass.	854	883	893	864	907	958	891	893	897	908
Total Liabilities	2,017	1,876	1,739	1,792	1,983	2,033	1,995	2,172	2,233	2,434
Accounts Payable	144	171	207	258	177	201	232	265	293	318
Long-Term Debt	1,006	957	863	833	930	904	838	863	874	1,132
Shareholder’s Equity	988	1,214	1,225	1,322	1,243	1,400	1,437	1,636	1,861	1,993
LTD/E Ratio	1.02	0.79	0.70	0.63	0.75	0.65	0.58	0.53	0.47	0.57

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	4.2%	4.6%	3.1%	5.7%	0.3%	4.7%	4.5%	4.7%	5.2%	5.5%
Return on Equity	12.8%	12.8%	7.8%	13.7%	0.7%	11.9%	10.9%	11.1%	11.9%	12.3%
ROIC	6.2%	6.8%	4.5%	8.2%	0.4%	7.0%	6.8%	7.2%	7.9%	7.8%
Shares Out.	36.5	36.2	36.1	35.2	33.4	32.3	32.1	32.0	32.4	32.1
Revenue/Share	66.03	68.94	75.15	82.57	86.27	88.30	94.52	103.58	111.53	120.33
FCF/Share	4.07	3.92	0.22	1.79	5.71	5.09	3.34	(1.17)	1.43	4.00

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