



WEC Energy Group, Inc. (WEC)

Updated February 8th, 2026, by Nathan Parsh

Key Metrics

Current Price:	\$111	5 Year Annual Expected Total Return:	8.1%	Market Cap:	\$36 B
Fair Value Price:	\$106	5 Year Growth Estimate:	6.0%	Ex-Dividend Date:	02/13/26
% Fair Value:	105%	5 Year Valuation Multiple Estimate:	-1.0%	Dividend Payment Date:	03/01/26
Dividend Yield:	3.4%	5 Year Price Target	\$141	Years Of Dividend Growth:	23
Dividend Risk Score:	C	Sector:	Utilities	Rating:	Hold

Formerly known as Wisconsin Energy, WEC Energy Group, Inc. provides electric, gas & steam service to customers in Wisconsin and gas service to customers in Illinois, Minnesota and Michigan. In total, WEC Energy Group provides services to 1.6 million customers. The company has also made several large investments into non-utility wind projects over the past few years. As a nonutility, WEC Energy Group's return on investment can exceed that of a regulated utility. WEC Energy Group has a five-year capital plan that includes investment of 1,800 megawatts of wind, solar and battery storage that will be added to the company's regulated asset base in Wisconsin. The company has annual revenues of nearly \$10 billion.

On December 4th, 2025, WEC Energy Group announced a 6.7% increase in its quarterly dividend to \$0.9525.

On February 5th, 2026, WEC Energy Group released fourth quarter and full year results for the period ending December 31st, 2025. For the quarter, revenue increased 11.3% to \$2.54 billion, which topped estimates by \$347 million. Adjusted earnings-per-share of \$1.42 was \$0.03 better than expected. For the year, revenue grew 14% to \$9.8 billion while adjusted earnings-per-share totaled \$5.27. GAAP EPS was \$4.81.

For the full year, retail deliveries of electricity, excluding the iron mine in Michigan's Upper Peninsula, grew 2.2% overall and were up 1.1% on a weather-normal basis. Electricity usage by small commercial and industrial customers increased 1.6% while large commercial and industrial customers usage grew 1.6% from the prior year. Residential electricity usage climbed 3.5%. Natural gas deliveries in Wisconsin, excluding that which was used for power generation, was higher by 11.5% for the year.

WEC Energy Group provided an outlook for 2026 as well, with the company expecting earnings-per-share in a range of \$5.51 to \$5.61. At the midpoint, this would represent growth of 15.6%. The company expects 7% to 8% annual earnings growth over the next five years.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$2.96	\$3.14	\$3.34	\$3.58	\$3.80	\$4.12	\$4.45	\$4.22	\$4.83	\$4.81	\$5.56	\$7.44
DPS	\$1.98	\$2.08	\$2.21	\$2.36	\$2.53	\$2.71	\$2.91	\$3.12	\$3.34	\$3.57	\$3.81	\$5.10
Shares¹	316	316	316	317	317	315	316	316	317	317	317	317

WEC Energy Group compounded earnings-per-share by a rate of 5.5% per year since 2016 and 6.2% per year over the last five years. Given the consistency over the medium- and long-term, we expect that WEC Energy Group will be able to increase earnings-per-share by at least 6% annually through 2031, which is slightly below the company's forecast. This growth rate is at least partly attributable to increases in revenue and returns from nonutility investments. WEC Energy Group has raised its dividend for 23 consecutive years. The dividend has compounded at a rate of 6.8% over the last decade and 7.1% over the last five years. We believe dividend growth will mirror earnings growth going forward.

¹ Share count in millions

Disclosure: This analyst has a long position in the security discussed in this research report.



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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	19.9	20.0	19.6	23.5	24.9	23.6	20.7	19.9	19.5	21.9	20.0	19.0
Avg. Yld.	3.4%	3.3%	3.4%	2.8%	2.7%	2.8%	3.1%	3.7%	3.6%	3.4%	3.4%	3.6%

Shares of WEC Energy Group are unchanged since our November 4th, 2025 update. Based off the current share price and the company's expected earnings-per-share for 2026, WEC Energy Group trades with a price-to-earnings ratio of 20.0. We reaffirm our five-year target P/E of 19 to better reflect the average earnings multiple for the last decade. Therefore, valuation could reduce annual returns by 1.0% per year through 2031.

WEC Energy Group has a dividend yield of 3.4% currently, which is slightly ahead of the stock's 10-year average yield of 3.2%.

Safety, Quality, Competitive Advantage, & Recession Resiliency

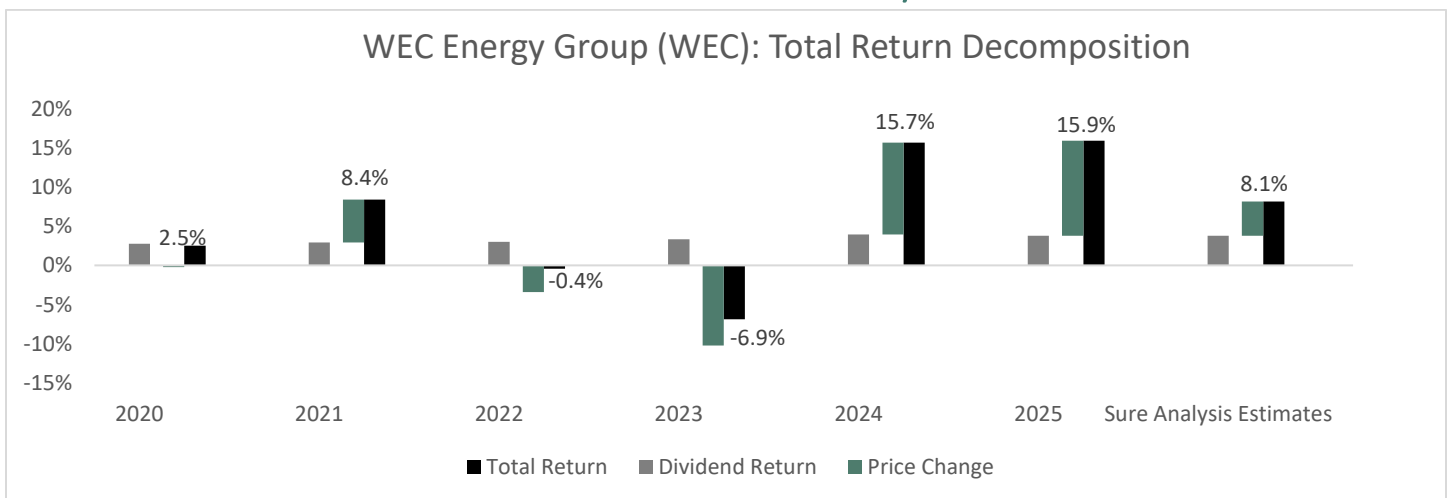
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	67%	66%	66%	66%	67%	66%	65%	74%	69%	74%	69%	69%

The expected dividend payout ratio for 2026 is 69%, which is reasonable for a utility company. WEC Energy Group has a targeted payout ratio of 65% to 70%. Earnings-per-share increased during the last recession, growing nearly 13% from 2007 to 2009. As a utility company, WEC Energy Group is likely to remain profitable during recessions as customers usually prioritize their gas and electric bills. The company can recover spending to update infrastructure through the customers it serves. WEC Energy Group's expansion into renewable energy, like wind farms, could help the company to grow at a higher than expected rate due to the potential of higher return on investments. Low unemployment and colder temperatures in its service areas should also help the company improve its financial metrics.

Final Thoughts & Recommendation

After fourth quarter results, WEC Energy Group is expected to offer a total annual return of 8.1% through 2031, up from our previous estimate of a 6.8% return. Our projected return stems from an annual earnings growth rate of 6% and a starting yield of 3.4%, offset by a small valuation headwind. WEC Energy's results once again showed throughout its business. The company expects to see high single-digit EPS growth over the next five years. We have raised our five-year price target \$8 to \$141 due to EPS estimates for the year. We continue to rate shares of WEC Energy Group as a hold due to projected returns and a mediocre dividend risk score, though we do note its long history of dividend growth.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	7,472	7,649	7,680	7,523	7,242	8,316	9,597	8,893	8,600	9,800
Gross Profit	1,919	1,966	1,623	1,744	1,964	1,771	1,867	2,570	2,551	5,056
Gross Margin	25.7%	25.7%	21.1%	23.2%	27.1%	21.3%	19.4%	28.9%	29.7%	51.6%
D&A Exp.	-	-	-	-	-	-	-	-	-	2,401
Operating Profit	763	799	846	926	976	1,074	1,123	1,264	1,355	1,479
Operating Margin	1,724	1,771	1,426	1,542	1,756	1,561	1,613	2,320	2,285	2,375
Net Profit	23.1%	23.2%	18.6%	20.5%	24.2%	18.8%	16.8%	26.1%	26.6%	24.2%
Net Margin	940	1,205	1,061	1,135	1,201	1,299	1,410	1,332	1,524	1,556
Free Cash Flow	12.6%	15.8%	13.8%	15.1%	16.6%	15.6%	14.7%	15.0%	17.7%	15.9%
Income Tax	680	119	330	85	(43)	(220)	(165)	503	346	(1,019)

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	31,253	32,967	34,438	35,836	37,927	39,865	42,795	44,787	48,192	51,518
Cash & Equivalents	38	39	87	38	25	36	55	113	15	28
Accounts Receivable	1,242	1,351	1,281	1,177	1,203	1,506	1,818	1,503	1,669	2,063
Inventories	588	539	548	550	529	636	807	775	813	803
Goodwill & Int. Ass.	3,046	3,054	3,053	3,053	3,053	3,053	3,053	3,087	3,087	3,053
Total Liabilities	22,293	23,475	24,595	25,582	27,265	28,752	31,178	32,716	35,390	36,885
Accounts Payable	862	860	876	908	881	1,006	1,198	897	1,137	1,140
Long-Term Debt	9,315	9,589	10,359	11,960	12,560	13,735	15,680	16,816	19,248	20,390
Shareholder's Equity	8,930	9,461	9,789	10,113	10,470	10,913	11,377	11,724	12,395	13,614
LTD/E Ratio	1.14	1.16	1.20	1.26	1.37	1.43	1.52	1.60	1.64	1.64

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	3.0%	3.8%	3.1%	3.2%	3.3%	3.3%	3.4%	3.0%	3.3%	3.1%
Return on Equity	10.7%	13.1%	11.0%	11.3%	11.5%	11.9%	12.4%	11.2%	12.3%	11.6%
ROIC	4.9%	6.1%	5.0%	5.1%	5.0%	5.0%	5.1%	4.4%	4.8%	4.5%
Shares Out.	316	316	316	317	317	315	316	316	317	317
Revenue/Share	23.58	24.11	24.23	23.75	22.88	26.29	30.36	28.15	27.17	30.27
FCF/Share	2.15	0.38	1.04	0.27	(0.14)	(0.70)	(0.52)	1.59	1.09	(3.15)

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

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