



Cintas Corporation (CTAS)

Updated March 27th, 2026, by Josh Arnold

Key Metrics

Current Price:	\$169	5 Year CAGR Estimate:	12.2%	Market Cap:	\$71 B
Fair Value Price:	\$172	5 Year Growth Estimate:	11.0%	Ex-Dividend Date:	05/15/26 ¹
% Fair Value:	99%	5 Year Valuation Multiple Estimate:	0.3%	Dividend Payment Date:	06/13/26
Dividend Yield:	1.1%	5 Year Price Target	\$289	Years Of Dividend Growth:	43
Dividend Risk Score:	A	Sector:	Industrials	Rating:	Buy

Overview & Current Events

Cintas Corporation is the U.S. industry leader in uniform design, manufacturing & rental. The company also offers first aid supplies, safety services, and other business-related services. Cintas was founded in 1968 and has grown to a market capitalization of \$71 billion with annual revenues of more than \$11 billion. Cintas qualifies to be a member of the Dividend Aristocrats Index with an impressive 43 years of consecutive dividend increases.

Cintas posted third quarter earnings on March 25th, 2026, and results were largely in line with estimates. Earnings came to \$1.24 per share, which met expectations. Revenue was up 8.8% year-over-year to \$2.84 billion, fractionally ahead of estimates. Organic revenue growth was 8.2%, with the balance of top line expansion from the net of acquisitions and divestitures.

Gross margin was 51% of revenue, which was an all-time high, and up forty basis points from the same period a year earlier. Gains were attributed to pricing strength and operational efficiency. Operating income was 8.2% higher than the same period a year earlier at \$660 million, while operating margin fell from 23.4% of revenue to 23.2%.

Net income was \$503 million, which was higher from \$464 million a year earlier.

For the year, revenue is now expected at \$11.21 billion to \$11.24 billion, and adjusted earnings-per-share are now expected at \$4.86 to \$4.90. As our estimate was already \$4.90, we've left it unchanged.

The company returned \$1.45 billion to shareholders through dividends and share repurchases through the first nine months of the year.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$1.02	\$1.04	\$1.76	\$1.90	\$2.03	\$2.56	\$2.81	\$3.25	\$3.79	\$4.40	\$4.90	\$8.26
DPS	\$0.26	\$0.33	\$0.41	\$0.51	\$0.64	\$0.70	\$0.95	\$1.15	\$1.25	\$1.56	\$1.80	\$2.90
Shares²	416	420	424	432	428	416	408	408	403	403	395	403

Cintas has compounded its earnings-per-share at a rate of about 16% annually since 2012. Over full economic cycles, we believe the company can deliver continued earnings growth in the range of 11% per year. Applying an 11% growth rate to our 2026 estimate of \$4.90 per share gives a 2031 earnings-per-share estimate of \$8.26.

Cintas' two primary growth levers are higher organic revenue and higher margins. Cintas has proven it can grow revenue consistently over the years. It is also adept at removing cost redundancies, which drives operating margin higher over time. We see 2025 results as supportive of this thesis with good organic revenue growth, and very high and expanding operating margins. We also see share repurchases as a small tailwind going forward, as management is spending buyback capital heavily, which we find to be slightly misjudged with the valuation still elevated. Energy prices remain a wildcard for Cintas' earnings, in addition to the inherent operating leverage afforded by higher organic revenue.

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.



Cintas Corporation (CTAS)

Updated March 27th, 2026, by Josh Arnold

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	21.4	21.5	27.2	25.9	30.8	32.2	35.5	36.3	44.2	51.5	34.5	35.0
Avg. Yld.	1.2%	1.2%	1.2%	1.0%	1.0%	0.9%	1.0%	1.0%	0.7%	0.7%	1.1%	1.0%

Cintas' price-to-earnings ratio had varied from ~15 to ~36 over the decade ended 2023, until 2024. However, we see fair value at 35 times earnings. This compares to the current price-to-earnings ratio of 34.5, with steady earnings estimates against a rapidly declining share price. The valuation is now near fair value, well off from prior levels. We note the yield is back towards its decade highs, and reiterate Cintas has more than four decades of increases.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	25%	26%	32%	27%	31%	27%	34%	35%	33%	35%	37%	35%

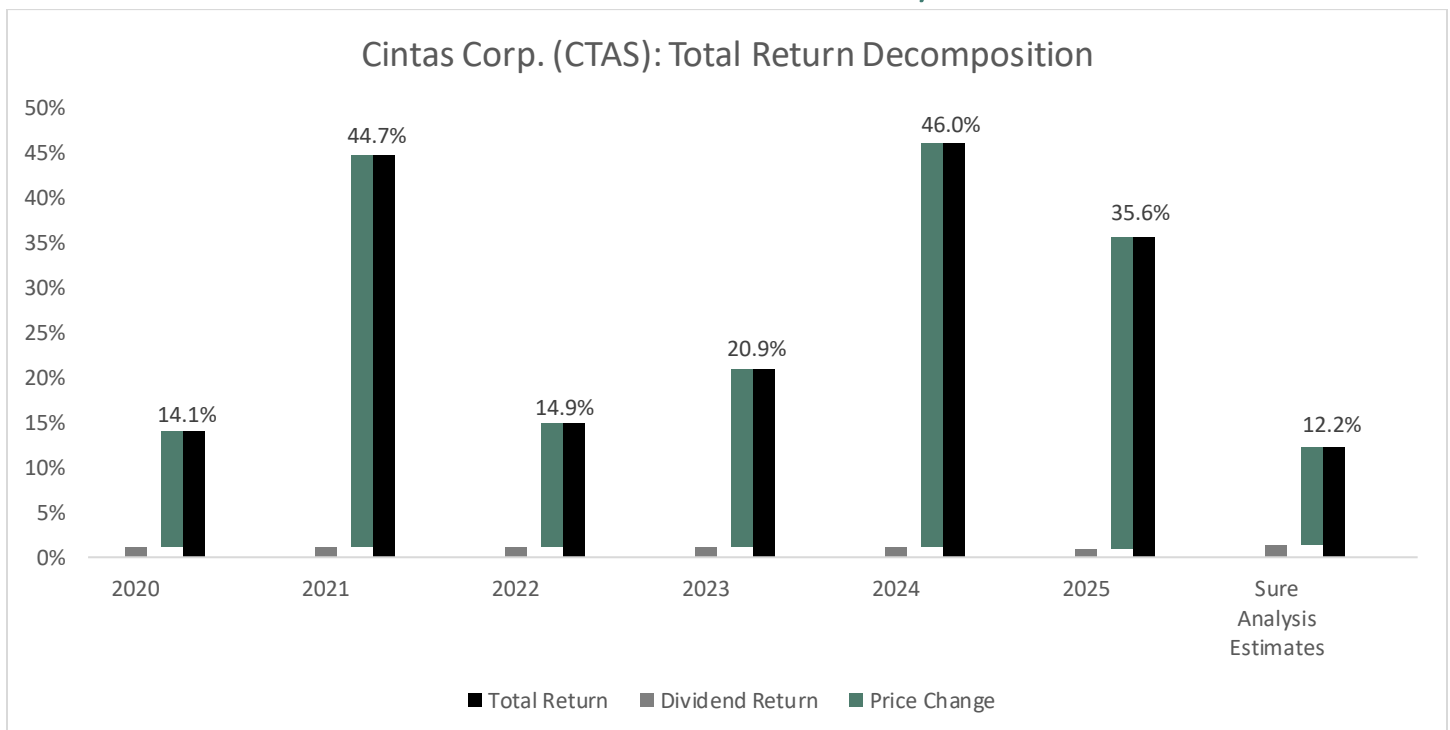
Cintas' payout ratio has always been quite low, and that is no different today. We see the dividend remaining under 40% of earnings for the foreseeable future with years of steady increases on the way.

Cintas' competitive advantage is in its massive size and scale, being the largest company of its kind. It has a huge customer book, and these customers have relatively high switching costs, so retention is strong. However, recessions are not kind to Cintas as it serves businesses, and revenue is dependent upon its customers' headcount. When a recession strikes and unemployment rises, Cintas' earnings will suffer. We note that the slowdown from COVID-19 was better than feared, and that Cintas continues to build upon strength.

Final Thoughts & Recommendation

The fundamentals of Cintas are still attractive as the company is performing very well. The stock is now fairly valued. The company's strong forecasted 11% earnings growth rate, a small impact from the valuation, and the 1.1% yield could offer 12.2% total returns in the years to come. With this, we are boosting Cintas from hold to buy.

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.



Cintas Corporation (CTAS)

Updated March 27th, 2026, by Josh Arnold

Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	4,796	5,323	6,477	6,892	7,085	7,116	7,854	8,816	9,597	10,340
Gross Profit	2,101	2,380	2,909	3,129	3,234	3,315	3,632	4,173	4,686	5,174
Gross Margin	43.8%	44.7%	44.9%	45.4%	45.6%	46.6%	46.2%	47.3%	48.8%	50.0%
SG&A Exp.	1,332	1,527	1,917	1,981	2,071	1,929	2,045	2,371	2,618	2,814
D&A Exp.	165	197	279	360	379	388	400	409	442	494
Operating Profit	769	853	992	1,148	1,163	1,385	1,587	1,803	2,069	2,360
Operating Margin	16.0%	16.0%	15.3%	16.7%	16.4%	19.5%	20.2%	20.5%	21.6%	22.8%
Net Profit	694	481	843	885	876	1,111	1,236	1,348	1,572	1,812
Net Margin	14.5%	9.0%	13.0%	12.8%	12.4%	15.6%	15.7%	15.3%	16.4%	17.5%
Free Cash Flow	190	491	692	791	1,061	1,217	1,297	1,267	1,670	1,757
Income Tax	257	230	57	220	182	177	263	345	402	452

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	4,099	6,844	6,958	7,437	7,670	8,237	8,147	8,546	9,169	9,825
Cash & Equivalents	139	169	139	97	145	494	90	124	342	264
Accounts Receivable	546	736	805	910	870	902	1,006	1,153	1,244	1,417
Inventories	249	278	280	335	409	1,292	1,389	1,519	1,450	1,585
Goodwill & Int. Ass.	1,356	3,406	3,433	3,545	3,551	3,322	3,435	3,403	3,534	3,710
Total Liabilities	2,256	4,541	3,942	4,434	4,435	4,549	4,839	4,682	4,852	5,141
Accounts Payable	111	177	215	226	231	231	252	302	339	485
Long-Term Debt	1,294	3,134	2,535	2,850	2,540	2,542	2,796	2,486	2,476	2,425
Shareholder's Equity	1,843	2,303	3,017	3,003	3,235	3,688	3,308	3,864	4,316	4,684
LTD/E Ratio	0.70	1.36	0.84	0.95	0.79	0.69	0.85	0.64	0.57	0.52

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	16.7%	8.8%	12.2%	12.3%	11.6%	14.0%	15.1%	16.2%	17.7%	19.1%
Return on Equity	36.7%	23.2%	31.7%	29.4%	28.1%	32.1%	35.3%	37.6%	38.4%	40.3%
ROIC	21.8%	11.2%	15.3%	15.5%	15.1%	18.5%	20.0%	21.6%	23.9%	26.1%
Shares Out.	104	105	106	108	107	104	105	103	103	410
Revenue/Share	43.62	49.39	58.98	62.95	66.21	66.07	74.43	85.28	92.84	25.20
FCF/Share	1.73	4.55	6.31	7.23	9.92	11.30	12.29	12.25	16.16	4.28

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

Disclaimer

Nothing presented herein is, or is intended to constitute, specific investment advice. Nothing in this research report should be construed as a recommendation to follow any investment strategy or allocation. Any forward-looking statements or forecasts are based on assumptions and actual results are expected to vary from any such statements or forecasts. No reliance should be placed on any such statements or forecasts when making any investment decision. While Sure Dividend has used reasonable efforts to obtain information from reliable sources, we make no representations or warranties as to the accuracy, reliability or completeness of third-party information presented herein. No guarantee of investment performance is being provided and no inference to the contrary should be made. There is a risk of loss from an investment in marketable securities. Past performance is not a guarantee of future performance.