Entergy Corporation (ETR)

Updated March 20th, 2026 by Jonathan Weber

Key Metrics

Current Price:	$100	**5 Year CAGR Estimate:**	2.6%	**Market Cap:**	$46B
Fair Value Price:	$78	**5 Year Growth Estimate:**	5.0%	**Ex-Dividend Date:**	05/09/26[1]
% Fair Value:	128%	**5 Year Valuation Multiple Estimate:**	-4.8%	**Dividend Payment Date:**	06/02/26[2]
Dividend Yield:	2.6%	**5 Year Price Target**	$100	**Years Of Dividend Growth:**	32
Dividend Risk Score:	C	**Sector:**	Utilities	**Rating:**	Hold

Overview & Current Events

Entergy Corporation is an electric utility company that engages in the generation and distribution of electric power. On top of that, Entergy also owns a smaller natural gas distribution business. Entergy is one of the largest nuclear power plant operators in the United States. The company's utility segment operates in Arkansas, Louisiana, Mississippi, and Texas, where the company serves a total of 2.7 million customers. Entergy Corporation was founded in 1913 and is headquartered in New Orleans, LA.

Entergy Corporation reported that its revenues during the fourth quarter totaled $2.96 billion, which represents an increase of 8% versus the previous year's quarter. This was mainly the result of higher electricity revenues during the period. Revenues were down on a sequential basis, and the year-over-year revenue performance during the quarter was a little weaker than the year-over-year performance the company recorded during the previous quarter.

Entergy's earnings-per-share totaled $0.51 on an adjusted basis during the fourth quarter, which missed the analyst consensus estimate marginally. Entergy guides for earnings-per-share to fall into a range of $4.25 to $4.45 this year, or $4.35 at the midpoint of the guidance range, which implies nice growth of around 11%. Entergy also states that the company expects further earnings-per-share growth in the coming years, with earnings-per-share forecasted to climb above $4.70 per share in 2027, partially thanks to AI-driven electricity demand growth.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$3.44	$2.59	$2.65	$2.70	$2.83	$3.01	$3.21	$3.38	$3.66	$3.91	***$4.35***	***$5.55***
DPS	$1.71	$1.75	$1.79	$1.83	$1.87	$1.93	$2.08	$2.26	$2.30	$2.44	***$2.56***	***$2.97***
Shares[3]	358	362	364	394	402	410	422	426	432	442	***450***	***480***

Entergy remained profitable during the Great Recession, which is not surprising, as households still need electricity during difficult economic periods. During future recessions, Entergy should thus do reasonably well, too. Entergy has, however, not been able to grow its profits consistently; its earnings-per-share experienced some ups and downs, with somewhat inconsistent growth in the long run.

Entergy's utility business should continue to grow throughout the coming years, as a rising customer count and inflation will allow for rising revenues. In the past, the solid underlying growth rate of the utility business was overshadowed by the nuclear power generation business with its inconsistent performance. With the utility business being more and more important, Entergy's overall business growth rate should become more consistent. We have already seen this trend play out since 2020 or so, with Entergy delivering more reliable earnings growth compared to the previous years.

While Entergy is forecasting that its earnings-per-share will grow at an attractive pace of around 5% to 7% a year in the long run, we believe that the lower end of that guidance range is a more appropriate estimate. Annual growth of around 5% would still be attractive compared to the company's longer-term track record.

---

[1] Estimated date

[2] Estimated date

[3] 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.

Entergy Corporation (ETR)

Updated March 20th, 2026 by Jonathan Weber

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	10.9	15.0	15.9	22.1	17.5	18.6	17.0	15.1	20.8	24.0	***23.0***	***18.0***
Avg. Yld.	4.6%	4.5%	4.3%	3.1%	3.7%	3.4%	3.8%	4.4%	3.0%	2.6%	***2.6%***	***3.0%***

Entergy's shares have moved up since our last update. Entergy is currently valued at 23 times this year's expected net profits. This is higher relative to how the company's shares were valued throughout most of the last decade. We believe that Entergy is overvalued today, as we believe an 18x earnings multiple would represent fair value. Entergy's shares offer a reasonable but not great dividend yield of around 2.5% right now.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	50%	68%	68%	68%	66%	64%	65%	67%	63%	62%	***59%***	***53%***

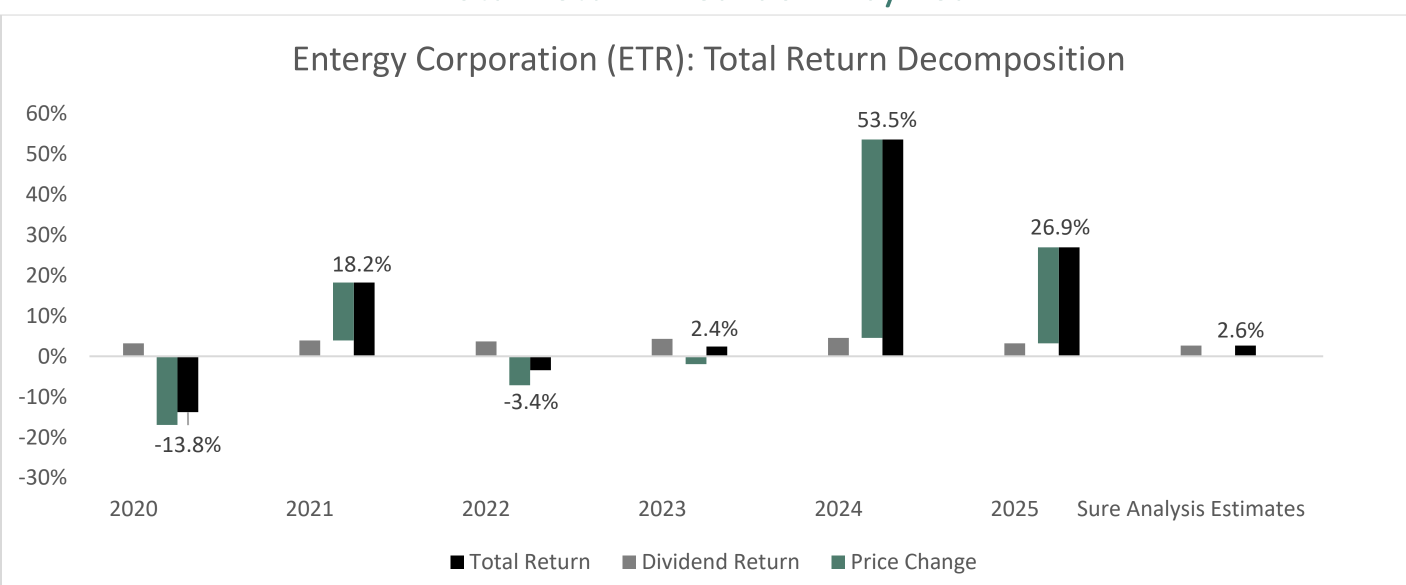
Entergy's dividend payout ratio has risen from the 50s a decade ago to more than 60% today. This is not a big surprise, as Entergy increased its dividend regularly during that time frame, whereas earnings-per-share growth was a bit inconsistent, which resulted in a growing payout ratio. The dividend looks sustainable for now, and according to management, Entergy should be able to grow its earnings-per-share very reliably going forward, which will result in a stabilizing or even moderately declining payout ratio.

Entergy's recession performance was compelling during the Great Recession, and it is likely that future economic downturns will not impact Entergy too much, either. The company has also fared quite well during the COVID pandemic. This makes Entergy a stock that could provide stability to an investors' portfolio during troubled times. The regulated nature of the utility business means that competition is not a major risk for Entergy.

Final Thoughts & Recommendation

Entergy is an electricity-focused utility that belongs to the larger players in its industry. Its long-term growth track record is not too strong, but that was partially based on the impact of the wind-down of some nuclear power reactors. The more promising electric utility segment should provide improved growth rates in the future. Shares trade above fair value today, however, which is why we only rate Entergy a hold at current prices.

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.

Entergy Corporation (ETR)

Updated March 20th, 2026 by Jonathan Weber

Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	11,513	10,846	11,074	11,009	10,879	10,114	11,743	13,764	12,147	11,880
Gross Profit	1,959	1,546	4,180	3,703	4,179	4,458	4,872	5,275	5,329	5,738
Gross Margin	17.0%	14.3%	37.7%	33.6%	38.4%	44.1%	41.5%	38.3%	43.9%	48.3%
D&A Exp.	2,117	2,123	2,079	2,041	2,182	2,258	2,243	2,190	2,244	2,444
Operating Profit	(453)	(815)	1,899	1,002	1,681	1,796	2,109	1,887	2,661	2,758
Op. Margin	-3.9%	-7.5%	17.1%	9.1%	15.4%	17.8%	18.0%	13.7%	21.9%	23.2%
Net Profit	(157)	(565)	425	863	1,258	1,407	1,119	1,097	2,362	1,061
Net Margin	-1.4%	-5.2%	3.8%	7.8%	11.6%	13.9%	9.5%	8.0%	19.4%	8.9%
Free Cash Flow	297	(1046)	(1,378)	(1,886)	(1,815)	(2,467)	(3,953)	(2,809)	(452)	(1,481)
Income Tax	(643)	(817)	543	(1,037)	(170)	(122)	191	(39)	(691)	381

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	44,648	45,904	46,707	48,275	51,724	58,239	59,454	58,595	59,703	64,790
Cash & Equivalents	1,351	1,188	781	481	426	1,759	443	224	133	860
Acc. Receivable	569	643	660	551	588	716	718	758	674	664
Inventories	1,091	878	906	870	970	1,135	1,196	1,331	1,612	1,797
Goodwill & Int.	377	377	377	377	377	377	377	377	374	368
Total Liabilities	35,391	37,823	38,715	39,431	41,465	47,278	47,784	45,530	44,960	49,605
Accounts Payable	1,072	1,286	1,452	1,496	1,500	2,739	2,610	1,778	1,567	1,929
Long-Term Debt	13,820	15,248	16,654	18,111	19,820	23,997	27,082	26,760	26,246	28,919
Total Equity	9,257	8,082	7,993	8,844	10,224	10,926	11,637	12,967	14,623	15,084
LTD/E Ratio	1.49	1.89	2.08	2.05	1.94	2.20	2.33	2.06	1.79	1.92

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	-0.3%	-1.2%	0.9%	1.8%	2.5%	2.6%	1.9%	1.9%	4.0%	1.7%
Return on Equity	-1.6%	-6.5%	5.3%	10.2%	13.2%	13.3%	9.9%	8.9%	17.0%	7.1%
ROIC	-0.7%	-2.4%	1.8%	3.3%	4.4%	4.3%	3.0%	2.8%	5.8%	2.5%
Shares Out.	356	358	362	364	394	402	410	422	426	432
Revenue/Share	32.13	30.31	30.67	30.02	27.61	25.15	29.08	33.48	28.60	27.53
FCF/Share	0.83	(2.92)	(3.82)	(5.14)	(4.61)	(6.13)	(9.79)	(6.83)	(1.07)	(3.43)

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