



The Mosaic Company (MOS)

Updated March 28th, 2026, by Kody Kester

Key Metrics

| | | | | | |
|-----------------------------|---------|--|-----------|----------------------------------|----------|
| Current Price: | \$24.70 | 5 Year CAGR Estimate: | 13.1% | Market Cap: | \$7.8B |
| Fair Value Price: | \$19.03 | 5 Year Growth Estimate: | 16.0% | Ex-Dividend Date: | 05/21/26 |
| % Fair Value: | 130% | 5 Year Valuation Multiple Estimate: | -5.1% | Dividend Payment Date: | 06/02/26 |
| Dividend Yield: | 3.6% | 5 Year Price Target | \$39.93 | Years Of Dividend Growth: | 7 |
| Dividend Risk Score: | B | Sector: | Materials | Rating: | Hold |

Overview & Current Events

The Mosaic Company (MOS) produces and markets concentrated phosphate and potash crop nutrients in North America and globally. It operates through three segments: Phosphates, Potash, and Mosaic Fertilizantes. The company owns and operates mines that produce phosphate crop nutrients (e.g., diammonium and monoammonium phosphate), phosphate-based animal feed (Biofos, Nexfos), and potash-based products (K-Mag). MOS also sells potash for agriculture, industrial use, de-icing, and water softening. Additionally, the company provides nitrogen-based nutrients, animal feed, and related services. Founded in 2004, it is currently headquartered in Tampa, Florida, and serves distributors, retailers, farmers, cooperatives, and national accounts.

On February 24th, 2026, MOS released its earnings report for the fourth quarter ended December 31st, 2025. The company's total net sales grew by 5.6% year-over-year to \$2.97 billion in the quarter. Record international sales volumes in the Potash segment, high volumes from the Mosaic Fertilizantes segment, a more than doubling in Mosaic Biosciences sales (driven by new product launches and geographic expansion), and an uptick in North American phosphoric acid production were each contributing factors during the quarter. MOS's adjusted diluted EPS dropped by 51.1% over the year-ago period to \$0.22 for the quarter. That was \$0.22 below the analyst consensus in the quarter. Surging sulfur and ammonia prices caused the stripping margins (the difference between the finished fertilizer and the cost of raw materials) to hit a five-year low in Q4 2025. In other words, MOS couldn't pass these costs onto farmers quickly enough without destroying demand. An unusually early winter in late 2025 also closed the window for fall fertilizer applications in the U.S., which hit sales volumes and spread the fixed costs of its mines across fewer tons sold.

Growth on a Per-Share Basis

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2031 |
|---------------------------|--------|--------|--------|--------|--------|--------|---------|--------|--------|--------|---------------|---------------|
| EPS | \$0.77 | \$1.09 | \$2.12 | \$0.19 | \$0.85 | \$5.04 | \$11.01 | \$3.57 | \$1.98 | \$2.27 | \$1.73 | \$3.63 |
| DPS | \$1.10 | \$0.60 | \$0.10 | \$0.18 | \$0.20 | \$0.28 | \$0.56 | \$0.80 | \$0.84 | \$0.88 | \$0.88 | \$1.35 |
| Shares¹ | 367.4 | 351.1 | 385.5 | 378.8 | 379.1 | 368.7 | 339.1 | 324.1 | 316.9 | 317.4 | 317.5 | 275.0 |

Moving forward, we think that MOS can generate 16.0% annual adjusted diluted EPS growth through 2031, off an anticipated 2026 base of \$1.73. There are a few key assumptions driving our expectation for mid-teens annual earnings growth. For one, the company is moving away from bulk fertilizers, which have lower margins. MOS's Biosciences products (soil health and nutrient efficiency) come with higher margins. Currently, these account for nearly 25% of North American phosphate sales. Growing this mix to 40% or more would structurally enhance the segment's base earnings. As MOS further fine-tunes its automated mining machines, it should be able to reach a state where its fleet can operate with minimal human intervention for extended blind shifts. That will be critical to the company's targeted 55% increase in EBITDA by 2030. Finally, we think that MOS can gradually continue reducing its share count. Thus, we believe that the share count will be reduced by around 3% annually over the medium term.

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 | 37.8 | 23.6 | 13.7 | 106.2 | 26.7 | 7.8 | 4.0 | 9.9 | 12.7 | 11.0 | 14.3 | 11.0 |
| Avg. Yld. | 3.8% | 2.3% | 0.3% | 0.9% | 0.9% | 0.7% | 1.3% | 2.2% | 3.3% | 3.5% | 3.6% | 3.4% |

Given its cyclical nature, MOS's valuation multiple has ranged from as low as 4 in the peak year of 2022 and as high as 100-plus in the trough year of 2019. Backing out the volatility in its valuation, we believe that a fair value P/E ratio throughout a cycle is around 11. Compared to the current-year P/E ratio of 14.3, this implies shares are valued meaningfully above our fair value estimate.

Safety, Quality, Competitive Advantage, & Recession Resiliency

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2031 |
|--------|------|------|------|------|------|------|------|------|------|------|------|------|
| Payout | 143% | 55% | 5% | 95% | 24% | 6% | 5% | 22% | 42% | 39% | 51% | 37% |

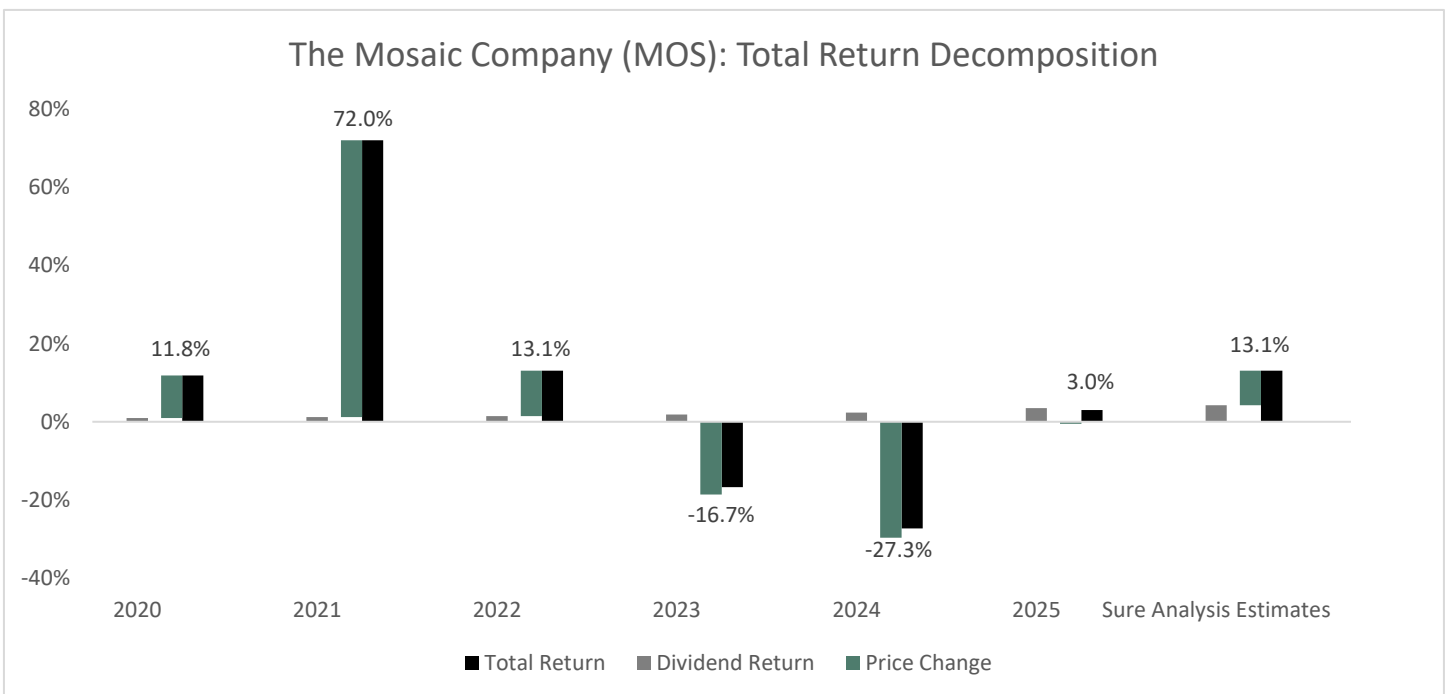
MOS's most notable competitive advantage is its vertically integrated operations, encompassing mining, production, and global distribution of phosphate and potash fertilizers. That integration enables it to control costs effectively and maintain a strong market position. Still, MOS is a very cyclical business that's very sensitive to the price of the crop nutrients it produces.

The company somewhat counters this with a BBB S&P credit rating. Additionally, MOS's adjusted diluted EPS payout ratio is likely to be in the low-50% range for 2026. That should allow it to lengthen its seven-year dividend growth streak for the foreseeable future.

Final Thoughts & Recommendation

MOS's 3.6% dividend yield, 16.0% annual adjusted diluted EPS growth prospects, and 5.1% annual valuation multiple contraction could generate 13.1% annual total returns through 2031. The only factor holding us back from a Buy rating right now is the valuation, which is why we're reiterating our Hold rating.

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 | 7,163 | 7,409 | 9,587 | 8,906 | 8,682 | 12,357 | 19,125 | 13,696 | 11,123 | 12,052 |
| Gross Profit | 743 | 876 | 1,501 | 858 | 1,122 | 3,187 | 5,603 | 2,237 | 1,613 | 1,817 |
| Gross Margin | 10.4% | 11.8% | 15.7% | 9.6% | 12.9% | 25.8% | 29.3% | 16.3% | 14.5% | 15.1% |
| SG&A Exp. | 304 | 301 | 341 | 354 | 372 | 431 | 498 | 501 | 497 | 534 |
| Operating Profit | 6,411 | 601 | 1,190 | 504 | 750 | 2,756 | 5,278 | 1,736 | 1,116 | 1,283 |
| Operating Margin | 89.5% | 8.1% | 12.4% | 5.7% | 8.6% | 22.3% | 27.6% | 12.7% | 10.0% | 10.6% |
| Net Profit | 301 | (104) | 470 | (1,091) | 666 | 1,635 | 3,614 | 1,209 | 202 | 575 |
| Net Margin | 4.2% | -1.4% | 4.9% | -12.2% | 7.7% | 13.2% | 18.9% | 8.8% | 1.8% | 4.8% |
| Free Cash Flow | 423 | 115 | 455 | (177) | 412 | 898 | 2,689 | 1,005 | 47 | (535) |
| Income Tax | (74) | 495 | 77 | (225) | (579) | 598 | 1,224 | 177 | 187 | 640 |

Balance Sheet Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Total Assets | 16,841 | 18,633 | 20,119 | 19,299 | 19,790 | 22,036 | 23,386 | 23,033 | 22,924 | 24,480 |
| Cash & Equivalents | 673 | 2,162 | 855 | 527 | 582 | 778 | 744 | 357 | 288 | 284 |
| Accounts Receivable | 548 | 561 | 702 | 646 | 732 | 1,344 | 1,492 | 1,135 | 1,035 | 969 |
| Inventories | 1,391 | 1,547 | 2,270 | 2,076 | 1,739 | 2,741 | 3,543 | 2,523 | 2,548 | 3,363 |
| Goodwill & Int. Ass. | 1,631 | 1,694 | 1,708 | 1,157 | 1,173 | 1,172 | 1,149 | 1,139 | 1,061 | 1,005 |
| Total Liabilities | 7,218 | 8,994 | 9,515 | 9,931 | 10,035 | 11,288 | 11,192 | 10,600 | 11,309 | 12,246 |
| Accounts Payable | 601 | 927 | 1,354 | 1,421 | 1,409 | 2,004 | 2,044 | 1,567 | 1,559 | 1,172 |
| Long-Term Debt | 3,818 | 5,222 | 4,518 | 4,700 | 4,688 | 4,043 | 3,532 | 3,530 | 3,559 | 4,460 |
| Shareholder's Equity | 9,585 | 9,618 | 10,397 | 9,185 | 9,581 | 10,604 | 12,055 | 12,290 | 11,482 | 12,085 |
| LTD/E Ratio | 0.40 | 0.54 | 0.44 | 0.52 | 0.50 | 0.42 | 0.32 | 0.33 | 0.39 | 0.48 |

Profitability & Per Share Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-------------------------|-------|-------|-------|--------|-------|-------|-------|-------|-------|--------|
| Return on Assets | 1.8% | -0.6% | 2.4% | -5.5% | 3.4% | 7.8% | 15.9% | 5.2% | 0.9% | 2.4% |
| Return on Equity | 3.1% | -1.1% | 4.6% | -10.9% | 7.0% | 15.9% | 31.5% | 9.8% | 1.7% | 4.8% |
| ROIC | 2.2% | -0.7% | 3.1% | -7.4% | 4.6% | 11.0% | 23.2% | 7.5% | 1.2% | 3.4% |
| Shares Out. | 367.4 | 351.1 | 385.5 | 378.8 | 379.1 | 368.7 | 339.1 | 324.1 | 316.9 | 317.4 |
| Revenue/Share | 20.37 | 21.12 | 24.81 | 23.21 | 22.77 | 32.38 | 53.72 | 41.10 | 34.68 | 37.79 |
| FCF/Share | 1.20 | 0.33 | 1.18 | (0.46) | 1.08 | 2.35 | 7.55 | 3.02 | 0.15 | (1.68) |

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

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