



Northland Power Inc. (NPIFF)

Updated March 19th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	\$16.31	5 Year Annual Expected Total Return:	6.6%	Market Cap:	\$4.24 B
Fair Value Price:	\$17.88	5 Year Growth Estimate:	2.0%	Ex-Dividend Date:	03/31/2026
% Fair Value:	91%	5 Year Valuation Multiple Estimate:	1.8%	Dividend Payment Date:	04/15/2026
Dividend Yield:	3.2%	5 Year Price Target	\$19.74	Years Of Dividend Growth:	0
Dividend Risk Score:	F	Sector:	Utilities	Rating:	Sell

Overview & Current Events

Headquartered in Toronto and operating across seven countries, Northland Power develops, builds, owns, and operates power generation assets, including offshore and onshore wind, solar, natural gas, and battery energy storage systems. It also supplies energy through a regulated utility in Colombia (EBSA). Northland manages 3.5 GW of gross operating capacity and has approximately 2.1 GW in active construction across two flagship offshore projects: Hai Long (Taiwan) and Baltic Power (Poland). This is supported by a high-graded development pipeline totaling roughly 9.2 GW. Northland Power pays dividend on a monthly basis. It trades on the Toronto Stock Exchange and Over the Counter at a market cap of about \$4.24 billion. Northland reports in CAD. All figures have been converted to USD unless otherwise noted.

On November 12th, 2025, Northland Power slashed its dividend by 40% to a monthly rate of C\$0.06.

On February 25th, 2026, Northland Power reported its Q4 and full-year 2025 results for the period ending December 31st, 2025. Revenue grew 26% year-over-year to approximately \$528 million, driven by record-high production from German offshore wind assets, high demand for dispatchable power at natural gas facilities, and the first full-quarter contribution from the Oneida battery storage project, though results were partially offset by lower market prices for Spanish assets.

Adjusted EBITDA rose 25% to about \$285 million, driven by 96% fleet availability and strong offshore wind conditions. Quarterly net income was \$212 million, but the company ended the year with a \$79 million net loss, mainly due to a \$324 million non-cash impairment at Nordsee One in Q3. Northland met the high end of its revised 2025 guidance and issued 2026 Adjusted EBITDA guidance of \$1.06 billion to \$1.20 billion (CAD \$1.45 billion to \$1.65 billion), supported by progress at Hai Long and Baltic Power and the expected late-year startup of the Jurassic storage facility. For the year, we still expect EPS of \$1.43.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$0.47	\$0.68	\$1.07	\$1.29	\$1.45	\$0.65	\$2.55	(\$0.54)	\$0.72	(\$0.47)	\$1.43	\$1.58
DPS	\$0.80	\$0.87	\$0.88	\$0.92	\$0.94	\$0.95	\$0.89	\$0.91	\$0.83	\$0.85	\$0.52	\$0.57
Shares¹	172.9	175.4	189.6	187.6	201.2	218.9	236.2	252.7	257.3	261.3	261.3	260.0

Northland's EPS has historically been notably volatile, with sharp swings including both strong gains and even negative figures in certain years. This volatility, however, is largely the result of one-off, non-cash accounting items rather than fundamental issues with the company's operations. EPS is frequently impacted by fair value adjustments on derivatives, impairments on development assets, and the timing of large-scale project construction phases. For example, in 2023, despite achieving over \$1.2 billion in Adjusted EBITDA and a 95%+ availability across its assets, Northland posted a loss due to unrealized losses on financial instruments and upfront costs for its \$16 billion development pipeline.

Weather variability, particularly in offshore wind, can also play a role in short-term revenue fluctuations. However, these factors mask the actual strength of the business. Northland consistently generates strong free cash flow and maintains a portfolio of long-term, inflation-linked power purchase agreements that support stable, contracted income. When you

¹ Share count is in millions.

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view the company through the lens of core metrics like Adjusted EBITDA and cash flow per share, which routinely meets or exceeds guidance, the Northland reveals itself to be highly resilient. Moving forward we have assumed a 2% CAGR in our EPS and dividend per share estimates, which we believe can be supported by the company’s long-term contracted cash flows, growing contribution from new projects like Hai Long, Baltic Power, and Oneida as they come online. While dividends remain monthly, Northland cut its dividend for the first time in November 2025.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	31.6	25.1	16.6	14.3	16.6	---	12.2	---	23.0	---	11.4	12.5
Avg. Yld.	5.4%	5.1%	5.0%	5.0%	3.9%	6.9%	2.9%	3.8%	5.0%	5.9%	3.2%	2.9%

Northland’s past P/E ratio figures become mostly irrelevant in the face of the one-off items, non-cash items that often widely sway its underlying earnings. Regardless, based on our EPS estimate for the year, which assumes the company’s earnings potential under normal conditions, we find shares to be undervalued here. Our fair value estimate is 12.5x and takes into account both Northland’s qualities and the lack of meaningful growth expectations.

Safety, Quality, Competitive Advantage, & Recession Resiliency

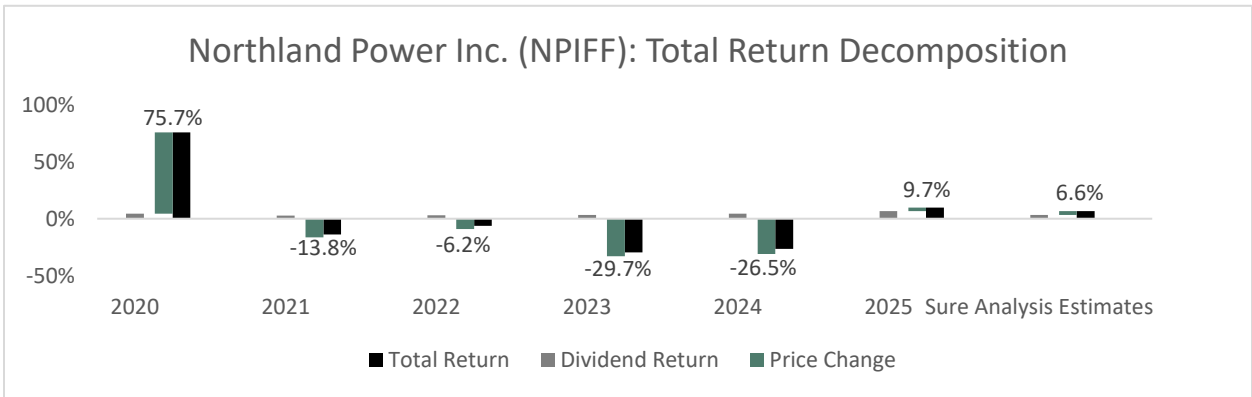
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	---	---	82%	71%	65%	---	35%	---	115%	---	36%	36%

Northland Power stands out for its high operational reliability, and consistent asset performance, with availability rates above 95%. Its long-term, inflation-linked contracts provide stable, predictable cash flows, forming a strong foundation for its dividend, which has remained steady even through the toughest economic cycles. Its competitive edge lies in its leadership in offshore wind, deep development pipeline, and global partnerships that enable efficient project execution and scale. With electricity demand largely insulated from downturns, and a revenue model built on contracted assets, Northland, we believe Northland is well-positioned to maintain its current level of payouts and potentially grow the dividend gradually. We also remind that Northland’s past payout ratio figures are mostly meaningless given the one-off items impacting earnings from time to time.

Final Thoughts & Recommendation

Northland Power offers a compelling investment case anchored by long-term, inflation-linked cash flows from a high-quality, contracted asset base, with strong visibility into future cash flows. Still, growth on a per-share basis has been mostly underwhelming over the years, a trend which we expect will endure moving forward. We expect annualized returns of 6.6% moving forward, which we expect to be driven by the dividend and the possibility of some soft growth ahead, offset by a valuation headwind. However, given the lack of dividend growth, we rate the stock as a sell.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	570	830	1,062	1,200	1,250	1,538	1,670	1,882	1,654	1,712
Gross Profit	394	684	954	1,112	1,162	1,387	1,499	1,674		
Gross Margin	69.0%	82.4%	89.9%	92.7%	93.0%	90.2%	89.8%	89.0%	0.0%	0.0%
SG&A Exp.	33	49	66	62	35	51	54	65	85	83
D&A Exp.	113	187	286	335	349	428	507	480	483	491
Operating Profit	186	361	468	537	580	625	611	796	536	609
Operating Margin	32.7%	43.5%	44.1%	44.8%	46.4%	40.6%	36.6%	42.3%	32.4%	35.6%
Net Profit	1	92	124	215	242	284	151	636	(130)	198
Net Margin	0.2%	11.1%	11.7%	17.9%	19.3%	18.5%	9.1%	33.8%	-7.8%	11.6%
Free Cash Flow	-1,262	(684)	26	569	345	817	573	1,007	273	348
Income Tax	(10)	22	35	65	59	86	122	234	29	140

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	5,308	6,426	8,175	7,589	8,022	8,940	10,095	10,479	10,272	9,479
Cash & Equivalents	109	228	319	204	205	341	528	958	558	427
Accounts Receivable	86	117	216	202	226	292	301	405	299	190
Inventories	10	12	14	13	16	19	29			
Goodwill & Int. Ass.	334	327	627	577	556	974	981	905	819	705
Total Liabilities	4,294	5,406	7,016	6,458	6,865	7,369	7,769	6,998	6,892	6,304
Accounts Payable	171	171	274	145	148	198	108	113	122	118
Long-Term Debt	3,649	4,607	5,878	5,488	5,523	5,951	6,044	5,137	5,425	5,018
Shareholder's Equity	528	500	545	595	615	1,201	1,958	3,129	3,046	2,816
D/E Ratio	5.10	6.65	7.81	6.97	6.78	4.23	2.80	1.59	1.72	1.72

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	0.0%	1.6%	1.7%	2.7%	3.1%	3.4%	1.6%	6.2%	-1.3%	2.0%
Return on Equity	0.1%	9.0%	11.4%	18.7%	21.1%	20.9%	7.8%	21.9%	-3.8%	6.1%
ROIC	0.0%	1.8%	2.0%	3.1%	3.6%	4.0%	1.9%	7.5%	-1.5%	2.3%
Shares Out.	167.6	172.9	175.4	189.6	187.6	201.2	218.9	236.2	252.7	257.3
Revenue/Share	3.40	4.80	6.05	6.33	6.66	7.65	7.63	7.97	6.54	6.65
FCF/Share	-7.53	(3.96)	0.15	3.00	1.84	4.06	2.62	4.26	1.08	1.35

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

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