



Nucor Corporation (NUE)

Updated March 2nd, 2026 by Samuel Smith

Key Metrics

Current Price:	\$177	5 Year CAGR Estimate:	4.1%	Market Cap:	\$40 B
Fair Value Price:	\$145	5 Year Growth Estimate:	7.1%	Ex-Dividend Date:	3/31/26 ¹
% Fair Value:	122%	5 Year Valuation Multiple Estimate:	-3.9%	Dividend Payment Date:	5/11/26 ²
Dividend Yield:	1.3%	5 Year Price Target	\$204	Years Of Dividend Growth:	53
Dividend Risk Score:	A	Sector:	Materials	Rating:	Hold

Overview & Current Events

Nucor is the largest publicly traded U.S.-based steel corporation, with a market capitalization of approximately \$40 billion. The company operates approximately 25 scrap-based steel production mills and is one of North America's largest recyclers. The steel industry is notoriously cyclical, which makes Nucor's streak of 53 consecutive years of base dividend increases even more remarkable. Nucor is a member of the Dividend Kings due to its dividend history. The company faces challenges from international competitors, as some countries including China subsidize their steel industry, making steel exported to the United States artificially cheap, though tariffs on imported steel have provided some protection.

On January 26, 2026, Nucor Corporation reported fourth-quarter and full-year 2025 financial results. The quarter showed mixed performance, with consolidated net earnings of \$378 million, or \$1.64 per diluted share, and adjusted net earnings of \$400 million, or \$1.73 per diluted share, as impairment charges tied to closures or repurposing in the steel products segment weighed on reported results and adjusted EPS still fell short of the \$1.86 analyst consensus despite an 8.6 percent year-over-year increase in revenue to \$7.69 billion. Profitability also softened relative to Q3 2025, when net earnings were \$607 million or \$2.63 per diluted share, signaling some earnings pressure even as end markets remained constructive. On the positive side, Nucor continued to prioritize shareholder returns, distributing approximately \$1.2 billion to stockholders in 2025 through share repurchases and dividends, repurchasing about 5.4 million shares at an average price of \$128.66 and declaring a cash dividend of \$0.56 per share alongside a new \$4 billion share repurchase authorization and extending its 53-year streak of base dividend increases and 211 consecutive quarterly dividends. Operationally, mill backlogs of 3.9 million tons at quarter end, up 40 percent year over year and 10 percent sequentially, provided strong visibility into 2026 demand and underpinned management's expectation for higher earnings across all three operating segments in the first quarter, with the largest gains anticipated at the steel mills driven by higher volumes and better realized prices. Management also outlined approximately \$2.5 billion of capital expenditures for 2026 to support growth and capacity, reflecting cautious optimism and confidence in near term pricing power and operational improvements despite the recent earnings miss and the need to navigate a still cyclical steel demand environment.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$2.26	\$3.57	\$7.64	\$4.24	\$4.40	\$23.44	\$28.79	\$18.00	\$8.96	\$7.71	\$12.08	\$17.00
DPS	\$1.50	\$1.51	\$1.52	\$1.60	\$1.61	\$1.72	\$2.00	\$2.04	\$2.17	\$2.21	\$2.24	\$2.55
Shares³	319	318	305	301	298	270	252	241	231	229	230	230

Nucor's earnings-per-share fluctuate with steel prices. The company's previous all-time earnings-per-share high came in 2008, which coincided with the all-time high price of steel in the US. At present, the company is going through a boom,

¹ Estimate

² Estimated

³ Share count in millions

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as earnings per share set a new all-time record in 2021, and then again in 2022. Even though its EPS declined in 2023 and 2024, it was still very elevated relative to pre-2021 levels and we expect it to grow at a strong clip for the foreseeable future. We also expect the dividend to continue growing moving forward.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	40.1	19.7	16.3	7.0	10.5	10.2	20.4	27.1	11.7	17.9	14.7	12.0
Avg. Yld.	1.7%	2.1%	1.2%	5.4%	3.5%	0.7%	0.3%	0.4%	2.1%	1.6%	1.3%	1.2%

Due to Nucor's earnings cyclicality, we also like to compare the company's forward dividend yield to its historical average dividend yield in addition to simply looking at its price-to-normalized earnings ratio. Nucor's dividend yield has hovered around 3% over the past decade. However, the strong performance of the stock in recent years leaves it yielding just 1.3%. Furthermore, the expected earnings-per-share this year puts the price-to-earnings multiple at 14.7, which is above our fair value estimate of 12. As a result, we expect the dividend yield to decline over the next half-decade while the valuation multiple will likely decline.

Safety, Quality, Competitive Advantage, & Recession Resiliency

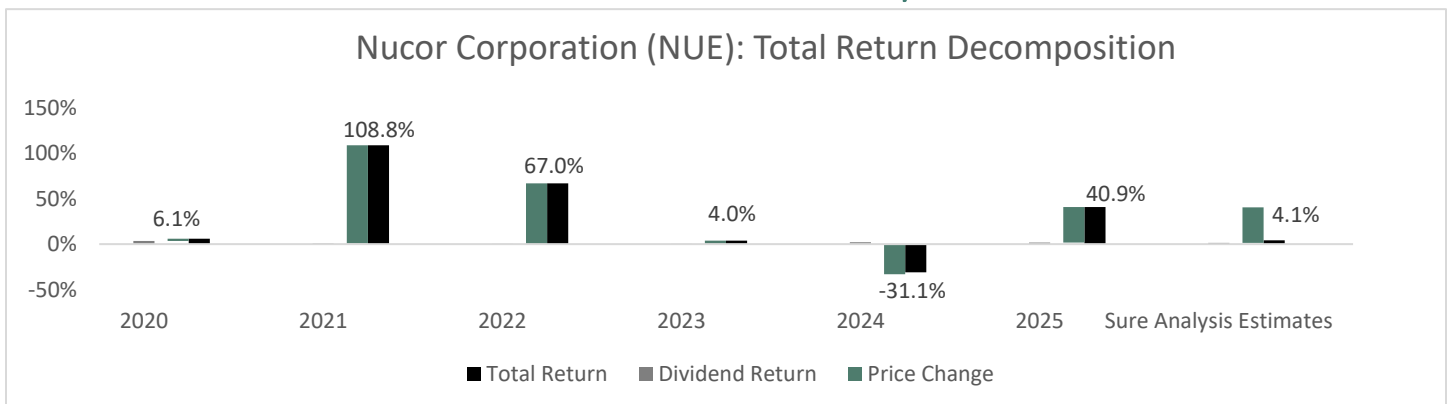
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	66%	42%	20%	38%	37%	7%	7%	11%	24%	29%	19%	15%

As a commodity producer, Nucor is vulnerable to fluctuations in the price of steel. Steel demand is tied to construction and the overall economy. During the Great Recession, the company saw earnings-per-share decline from \$6.01 in 2008 to a loss of \$0.94 in 2009, and the stock lost two-thirds of its market capitalization in just six months. Investors should be aware of the significant downside risk of Nucor as it is likely to perform poorly in a protracted recession. That said, Nucor has raised its base dividend for 52 straight years. This indicates the strength of its business model and management team. Nucor deserves commendation for its ability to land on the Dividend Kings list despite a highly cyclical business model. However, investors cannot be fully assured of future dividend increases due to this cyclicality. While competitive advantages are difficult to come by for a commodity producer, Nucor's low cost of production and immense scale are certainly helpful when competing for new business.

Final Thoughts & Recommendation

Nucor has a competitive advantage in the steel industry, which is expected to be around for a long time to come. With very strong earnings per share growth, Nucor is positioned to deliver 4.1% annualized total returns over the next half-decade. However, its low dividend yield makes it a Hold in our view.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	16,208	20,252	25,067	22,589	20,140	36,484	41,512	34,714	30,734	32,494
Gross Profit	2,039	2,586	4,286	2,679	2,247	11,054	12,437	7,824	4,123	3,903
Gross Margin	12.6%	12.8%	17.1%	11.9%	11.2%	30.3%	30.0%	22.5%	13.4%	12.0%
SG&A Exp.	597	688	861	711	615	1,707	1,997	1,584	1,123	1,219
D&A Exp.	687	727	720	735	785	865	1,062	1,168	1,356	1,480
Operating Profit	1,465	1,921	3,405	1,934	1,650	9,348	10,440	6,240	3,000	2,684
Op. Margin	9.0%	9.5%	13.6%	8.6%	8.2%	25.6%	25.1%	18.0%	9.8%	8.3%
Net Profit	898	1,376	2,472	1,364	832	7,090	8,048	4,896	2,310	2,031
Net Margin	5.5%	6.8%	9.9%	6.0%	4.1%	19.4%	19.4%	14.1%	7.5%	6.3%
Free Cash Flow	1,145	603	1,411	1,332	1,154	4,609	8,124	4,898	806	(188)
Income Tax	398	369	748	412	(0)	2,078	2,165	1,360	583	530

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	15,224	15,841	17,921	18,345	20,125	25,823	32,479	35,340	33,940	35,104
Cash & Equivalents	2,196	999	1,399	1,835	3,048	2,618	4,858	7,131	4,139	2,699
Acc. Receivable	1,632	2,029	2,506	2,160	2,299	3,854	3,591	2,953	2,675	3,105
Inventories	2,480	3,462	4,554	3,842	3,569	6,011	5,454	5,578	5,106	5,462
Goodwill & Int.	2,920	3,111	3,013	2,943	2,898	3,931	7,242	7,077	7,422	7,177
Total Liabilities	6,969	6,756	7,719	7,553	8,894	11,219	12,909	13,217	12,523	12,980
Accounts Payable	838	1,181	1,428	1,202	1,432	1,974	1,650	2,020	1,832	1,890
Long-Term Debt	4,339	3,742	4,233	4,395	5,358	5,651	6,724	6,805	6,818	7,101
Total Equity	7,880	8,739	9,792	10,358	10,789	14,016	18,415	20,941	20,294	20,936
LTD/E Ratio	0.55	0.43	0.44	0.43	0.50	0.41	0.37	0.33	0.35	0.35

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	6.0%	8.9%	14.6%	7.5%	4.3%	30.9%	27.6%	14.4%	6.7%	5.9%
Return on Equity	11.1%	15.9%	25.6%	13.0%	7.6%	54.9%	47.1%	23.5%	10.6%	9.3%
ROIC	7.2%	10.8%	18.1%	9.2%	5.2%	38.3%	34.4%	17.7%	8.0%	7.0%
Shares Out.	319	318	305	301	298	270	252	241	231	229
Revenue/Share	50.68	63.14	79.14	73.94	66.41	124.35	157.74	138.63	128.86	140.67
FCF/Share	3.58	1.88	4.46	4.36	3.80	15.71	30.87	19.56	3.38	(0.81)

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