



# Hyster Yale Inc (HY)

Updated April 8<sup>th</sup>, 2026, by Yiannis Zourmpanos

## Key Metrics

<b>Current Price:</b>	\$35	<b>5 Year Annual Expected Total Return:</b>	1.8%	<b>Market Cap:</b>	\$580.1 M
<b>Fair Value Price:</b>	\$19	<b>5 Year Growth Estimate:</b>	10.0%	<b>Ex-Dividend Date:</b>	05/29/26 <sup>1</sup>
<b>% Fair Value:</b>	184%	<b>5 Year Valuation Multiple Estimate:</b>	-11.4%	<b>Dividend Payment Date:</b>	06/12/26 <sup>2</sup>
<b>Dividend Yield:</b>	4.1%	<b>5 Year Price Target</b>	\$31	<b>Years Of Dividend Growth:</b>	12
<b>Dividend Risk Score:</b>	F	<b>Sector:</b>	Industrials	<b>Rating:</b>	Hold

## Overview & Current Events

Hyster-Yale Materials Handling (HY) was founded in 1985 and has since become a prominent global player in the materials handling industry. The company designs, manufactures, and sells a comprehensive range of lift trucks and aftermarket parts, serving diverse customers across various sectors, including manufacturing, warehousing, and logistics. HY maintains a strong competitive position with a significant market share due to its reputable brands, Hyster and Yale. The company segments its revenue primarily into three categories: new equipment sales, parts sales, and service revenues. In 2023, HY reported robust financials, demonstrating consistent growth and a diversified revenue stream. On March 3<sup>rd</sup>, 2026, the company announced results for the fourth quarter of 2025. The company reported Q4 non-GAAP EPS of -\$2.06, which missed analysts' estimates by \$0.83, and produced revenue of \$923.2 million, which was down 13.7% year-over-year.

Hyster-Yale closed out 2025 on a challenging note, with fourth-quarter revenue falling as weaker shipment volumes weighed on performance. The company posted an operating loss of \$37 million, reflecting both softer demand and roughly \$40 million in tariff-related costs that continue to pressure margins. For the full year, revenue declined to \$3.8 billion, while results swung to an operating loss of \$22 million, highlighting the cumulative impact of tariffs and cautious customer spending. Across its core lift truck business, lower volumes—particularly in higher-value models—were driven by delayed purchasing decisions and a broader shift toward lower-priced equipment. Even so, cost actions and reduced employee-related expenses provided some offset, while improved inventory management helped lift quarterly operating cash flow to \$57 million.

Still, beneath the headline weakness, there are signs of stabilization. Fourth-quarter bookings rose sharply, up 42% sequentially and 35% from a year ago, led by strengthening demand in the Americas. Management sees this as an early but encouraging sign of a demand recovery taking shape. Looking ahead, the company expects 2026 to unfold unevenly, with a softer first half followed by stronger shipment volumes and revenue growth later in the year. While tariffs remain a persistent headwind, ongoing pricing actions, cost reductions, and operational initiatives are expected to support a return to profitability as volumes recover.

## Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
<b>EPS</b>	\$2.61	\$2.94	\$2.09	\$2.14	\$2.21	(\$10.29)	(\$4.38)	\$7.24	\$8.16	(\$3.40)	<b>(\$2.94)</b>	<b>\$2.05</b>
<b>DPS</b>	\$1.17	\$1.20	\$1.23	\$1.26	\$1.27	\$1.29	\$1.29	\$1.30	\$1.38	\$1.43	<b>\$1.44</b>	<b>\$1.59</b>
<b>Shares<sup>3</sup></b>	16.4	16.5	16.6	16.7	16.8	16.8	16.9	17.4	17.7	17.7	<b>17.9</b>	<b>18.6</b>

In 2025, Hyster-Yale expects a significant year-over-year decline in revenue and operating profit, marking a transitional phase following two years of strong performance. The drop is largely due to lower production levels, a more normalized backlog, and softness in global lift truck demand, particularly in the first half of the year. Margins are also expected to

<sup>1</sup> Estimated ex-dividend date

<sup>2</sup> Estimated dividend payment date

<sup>3</sup> In millions.

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compress slightly from 2024 highs due to increased competition, though they are still projected to remain above target levels.

Despite the near-term dip, the company is focused on building long-term value. Management plans to ramp up investments in sales capabilities, modular product development, and IT infrastructure while continuing cost control efforts through manufacturing footprint optimization. Analysts are forecasting negative earnings in 2025 because several short-term pressures are converging at the same time, outweighing HY's underlying operating improvements.

For estimating HY's fair value for the next five years, we used the earnings power method since it is more representative of the company's value due to non-recurring events that negatively affected the company's earnings. Therefore, our earnings power estimate for 2026 stands at \$1.27 and we anticipate growth of 10% through 2031. Lastly, we expect that the DPS will have a CAGR of 2.0% through 2031. This is slightly below the company's 10- and five-year CAGR of 2.3% and 2.2%, respectively.

## Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	23.4	24.8	31.5	26.9	21.3	-6.1	-7.1	6.9	7.9	--	27.5	15.0
Avg. Yld.	1.9%	1.6%	1.9%	2.2%	2.7%	2.0%	4.2%	2.6%	2.2%	3.6%	4.1%	5.2%

HY currently trades at a forward P/E of 27.5, which is higher than the long-term average P/E of 14.4. We assign a P/E of 15.0 to the stock, which we believe is a fair reflection of its value. Accordingly, with a 2031 EPS target of \$2.05 and P/E of 15.0, our target price for the stock stands at \$31 by 2031.

## Safety, Quality, Competitive Advantage, & Recession Resiliency

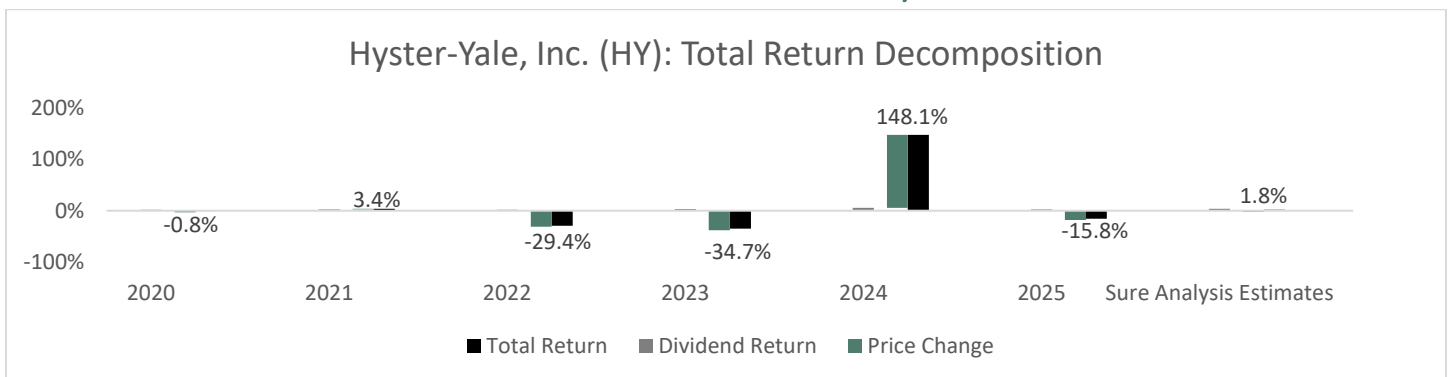
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	45%	41%	59%	59%	57%	-13%	-29%	18%	17%	--	113%	78%

The company has paid a consistent dividend to its shareholders with a 10-year payout ratio averaging 28%, and we expect the company to maintain and increase its payout in the future. Hyster-Yale's competitive advantage lies in its strong brand reputation, innovative product offerings, and extensive distribution network. During recessions, HY has shown resilience by focusing on aftermarket services and parts, which are less cyclical. The company manages its debt prudently, maintaining a healthy balance sheet to support long-term growth and stability.

## Final Thoughts & Recommendation

Hyster-Yale anticipates a softer 2025, with lower revenue and profit due to reduced production and a normalized backlog. Therefore, our hold rating is premised upon the 1.8% annualized total returns over the medium-term, with forecasted earnings-per-share growth of 10.0%, the 4.1% dividend yield, and a valuation headwind.

## Total Return Breakdown by Year



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## Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenue</b>	2,578	2,570	2,885	3,179	3,292	2,812	3,076	3,548	4,118	4,308
<b>Gross Profit</b>	431	428	503	497	542	465	363	434	786	896
<b>Gross Margin</b>	16.7%	16.6%	17.4%	15.6%	16.5%	16.5%	11.8%	12.2%	19.1%	20.8%
<b>SG&amp;A Exp.</b>	327	395	429	458	488	416	450	473	577	628
<b>D&amp;A Exp.</b>	29	39	43	44	43	43	46	43	45	48
<b>Operating Profit</b>	104	33	74	39	54	50	(87)	(39)	209	267
<b>Op. Margin</b>	4.0%	1.3%	2.6%	1.2%	1.6%	1.8%	-2.8%	-1.1%	5.1%	6.2%
<b>Net Profit</b>	75	43	49	35	36	37	(173)	(74)	126	142
<b>Net Margin</b>	2.9%	1.7%	1.7%	1.1%	1.1%	1.3%	-5.6%	-2.1%	3.1%	3.3%
<b>Free Cash Flow</b>	43	(92)	124	29	27	115	(298)	12	115	123
<b>Income Tax</b>	29	(4)	45	2	11	4	28	9	53	75

## Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total Assets</b>	1,096	1,287	1,648	1,742	1,847	1,860	1,970	2,026	2,079	2,029
<b>Cash &amp; Equivalents</b>	155	43	220	84	65	151	66	59	79	97
<b>Acc. Receivable</b>	324	375	453	466	468	412	457	524	498	488
<b>Inventories</b>	305	352	412	534	560	509	781	800	816	754
<b>Goodwill &amp; Int.</b>	4	107	115	176	167	173	107	94	93	88
<b>Total Liabilities</b>	633	817	1,076	1,183	1,270	1,208	1,587	1,801	1,672	1,535
<b>Accounts Payable</b>	280	242	386	416	402	412	517	586	524	448
<b>Long-Term Debt</b>	53	211	291	302	287	289	519	553	494	417
<b>Total Equity</b>	461	464	566	527	544	617	357	204	390	475
<b>LTD/E Ratio</b>	0.12	0.46	0.51	0.57	0.53	0.47	1.45	2.71	1.27	0.88

## Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Return on Assets</b>	6.7%	3.6%	3.3%	2.0%	2.0%	2.0%	-9.0%	-3.7%	6.1%	6.9%
<b>Return on Equity</b>	16.3%	9.2%	9.3%	6.1%	6.3%	6.0%	-33.5%	-24.4%	39.8%	31.6%
<b>ROIC</b>	14.9%	7.1%	6.3%	4.0%	4.2%	4.1%	-18.8%	-8.8%	15.0%	15.9%
<b>Shares Out.</b>	16.4	16.4	16.5	16.6	16.7	16.8	16.8	16.9	17.4	17.7
<b>Revenue/Share</b>	157.63	156.43	174.71	191.49	196.81	167.40	182.88	209.95	236.89	243.26
<b>FCF/Share</b>	2.62	(5.58)	7.49	1.73	1.61	6.86	(17.71)	0.70	6.63	6.94

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

### Disclaimer

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