NextEra Energy Inc. (NEE)

Updated April 29th, 2026 by Kay Ng

Key Metrics

Current Price:	$94	**5 Year Annual Expected Total Return:**	10.4%	**Market Cap:**	$196.4B
Fair Value Price:	$95	**5 Year Growth Estimate:**	8.0%	**Ex-Dividend Date[1]:**	06/02/26
% Fair Value:	99%	**5 Year Valuation Multiple Estimate:**	0.2%	**Dividend Payment Date[2]:**	06/16/26
Dividend Yield:	2.4%	**5 Year Price Target**	$140	**Years Of Dividend Growth:**	31
Dividend Risk Score:	A	**Sector:**	Utilities	**Rating:**	Buy

Overview & Current Events

NextEra Energy (NEE) is an electric utility with two operating segments, Florida Power & Light ("FPL") and NextEra Energy Resources ("NEER"). FPL is the largest U.S. electric utility by retail megawatt hour sales and customer numbers. The rate-regulated electric utility serves about 5.9 million customer accounts in Florida. NEER is the largest generator of wind and solar energy in the world. NEE was founded in 1925. NEE generates roughly 80% of its revenues from FPL.

NextEra Energy reported its Q1 2026 financial results on 04/23/26. For the quarter, the company reported operating revenue of $6.7 billion (up 7.3% year over year), translating to adjusted earnings of $2.3 billion (up 12% year over year). On a per-share basis, adjusted earnings climbed 10% to $1.09. The utility added 4.0 GW of new renewables and storage projects to its backlog across ~2.2 GW of solar, ~1.3 GW of battery storage, and ~0.5 GW of wind.

In March, NEE confirmed that President Donald Trump had approved the development of up to 10 GW of natural gas-powered generation in Texas and Pennsylvania. Management maintained its 2026 adjusted EPS guidance range at $3.92-$4.02. We set our 2026 estimate at the midpoint of $3.97.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$5.78	$6.70	$7.70	$8.37	$2.31	$2.55	$2.90	$3.17	$3.43	$3.71	***$3.97***	***$5.83***
DPS	$3.48	$3.93	$4.44	$5.00	$1.40	$1.54	$1.70	$1.87	$2.06	$2.27	***$2.27***	***$3.33***
Shares[3]	468	471	477	491	1,972	1,975	1,993	2,054	2,062	2,089	***2,090***	***2,236***

The stock had a 4:1 stock split in October 2020. This is why its EPS appears to be much lower in 2020 in the table above. We also adjusted its 2020 dividend-per-share (DPS) accordingly. Although there were some years where profits declined sequentially, as they did between 2015 and 2016, NextEra Energy's EPS rose relatively consistently during the last decade.

NextEra Energy's earnings did not take a significant hit during the last financial crisis, as EPS dropped by just 2% between 2008 and 2009. Between 2016 and 2025, NextEra Energy grew its EPS by 11.0% a year. The company's future growth will be generated through organic investments and acquisitions.

For example, in January 2026, NEE closed the acquisition of Symmetry Energy, a leading U.S. natural gas supplier that serves ~5,500 large commercial and industrial customers and 80,000 residential and small customers across 34 states. At the end of Q1 2026, its backlog stood at ~33 GW. Its renewable and battery storage projects should help drive profits going forward. NextEra has partnered with Google for its "Rewire" initiative, which is an enterprise-wide AI transformation initiative aimed to improve efficiency and reliability and to create new high-margin software revenue streams. We use an EPS and DPS growth rate of 8.0% through 2031.

[1] Projected dividend date.

[2] Projected dividend date.

[3] Share count is 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.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	20.7	23.3	22.6	25.7	30	32.7	29.2	22.7	21.8	20.6	***23.7***	***24.0***
Avg. Yld.	2.9%	2.8%	2.6%	2.3%	2.3%	1.9%	2.0%	2.7%	2.8%	2.9%	***2.4%***	***2.4%***

Until 2023, NextEra Energy's valuation had risen persistently over the prior ten years. We expect NEE to continue with a good growth rate but slower than in the last decade. We think a multiple of about 24 is fair. The stock is fairly valued based on our estimated EPS for 2026.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	60%	59%	58%	60%	61%	60%	59%	59%	60%	61%	***57%***	***57%***

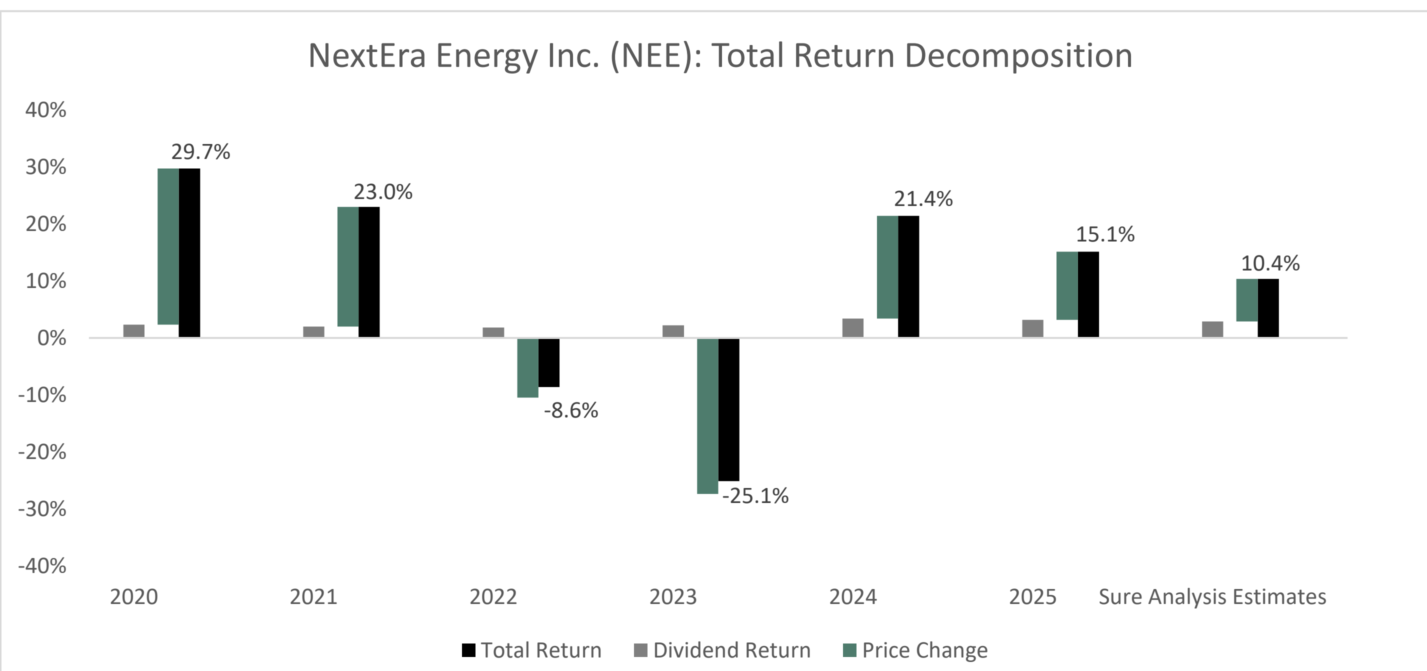
NextEra Energy has established a compelling dividend growth track record over the last decade. This was possible due to earnings growth and a rising payout ratio. NEE is aiming for dividend growth of 10% in 2026 and after that, 6% annually through 2028. This allows the utility to maintain a healthy payout ratio to support its dividend.

Because of the regulations that are levied upon utilities, there are fewer competitive risks. As one of the biggest utilities in the United States, NEE also benefits from massive scale, which serves as a competitive advantage. Its focus on higher-growth renewable energy projects will allow NextEra Energy to continue growing faster than its peers. Utilities have low cyclicality, which is why economic downturns will do little harm (if at all) to NextEra Energy's bottom line.

Final Thoughts & Recommendation

NextEra Energy looks more attractive than many of its peers in terms of its earnings growth track record, its earnings growth outlook, and the strength of its renewable and energy storage portfolio. The stock is fairly valued. We estimate a rate of return of 10.4% from a dividend yield of 2.4%, 8.0% EPS growth, and 0.2% from P/E expansion. Sure Dividend rates NEE as a "Buy".

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	16,138	17,173	16,727	19,204	17,997	17,069	20,956	28,110	24,753	27,412
Gross Profit	8,617	9,644	9,665	11,201	10,707	8,589	10,139	17,980	14,867	17,069
Gross Margin	53.4%	56.2%	57.8%	58.3%	59.5%	50.3%	48.4%	64.0%	60.1%	62.3%
D&A Exp.	3,428	2,638	4,147	4,478	4,315	4,212	4,790	6,151	5,761	6,941
Operating Profit	4,240	5,924	4,299	5,248	5,039	3,006	3,559	9,832	7,127	8,020
Operating Margin	26.3%	34.5%	25.7%	27.3%	28.0%	17.6%	17.0%	35.0%	28.8%	29.3%
Net Profit	2,906	5,380	6,638	3,769	2,919	35,73	4,147	7,310	6,946	6,835
Net Margin	18.0%	31.3%	39.7%	19.6%	16.2%	20.9%	19.8%	26.0%	28.1%	24.9%
Free Cash Flow	2,129	1,053	634	-2,922	224	-277	-1480	1,753	4,746	3,211
Income Tax	1,379	-660	1,576	448	44	348	586	1,006	339	-802

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	89,993	97,963	103,702	117,691	127,684	140,912	158,935	177,490	190,144	212,721
Cash & Equivalents	1,292	1,714	638	600	1,105	639	1,601	2,690	1,487	2,812
Accounts Receivable	1,784	2,220	2,302	2,282	2,263	3,378	4,349	3,609	4,768	4,018
Inventories	1,289	1,273	1,223	1,328	1,552	1,561	1,934	2,106	2,214	2,420
Goodwill & Intangibles		2,051	1,599	4,204	4,254	4,844	4,854	5,091	4,866	4,849
Total Liabilities	64,662	68,432	66,289	76,331	82,755	95,488	109,499	118,460	129,283	146,242
Accounts Payable	3,447	3,235	2,386	3,631	4,615	6,935	8,312	8,504	6,982	7,583
Long-Term Debt	30,840	35,025	37,712	42,583	48,091	54,827	64,966	73,210	72,385	89,556
Shareholder's Equity	24,341	28,236	34,144	37,005	36,513	37,202	39,229	47,470	50,101	54,608
LTD/E Ratio	1.27	1.24	1.10	1.15	1.32	1.47	1.66	1.54	1.44	1.64

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	3.4%	5.7%	6.6%	3.4%	2.4%	2.7%	2.8%	4.3%	3.8%	3.4%
Return on Equity	12.4%	20.5%	21.3%	10.6%	7.9%	9.7%	10.9%	16.9%	11.6%	13.1%
ROIC	5.3%	8.9%	9.5%	4.7%	3.3%	3.7%	3.9%	5.9%	4.7%	4.0%
Shares Out.	468	471	477	491	1,972	1,975	1,987	2,031	2,059	2,070
Revenue/Share	8.66	9.09	8.77	9.89	9.14	8.65	10.55	13.84	12.02	13.24
FCF/Share	1.14	0.56	0.33	-1.50	0.11	-0.14	-0.74	0.86	2.31	1.55

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