Silgan Holdings (SLGN)

Updated April 30th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	$41	**5 Year Annual Expected Total Return:**	14.4%	**Market Cap:**	$4.18 B
Fair Value Price:	$56	**5 Year Growth Estimate:**	6.0%	**Ex-Dividend Date[1]:**	06/02/2026
% Fair Value:	73%	**5 Year Valuation Multiple Estimate:**	6.5%	**Dividend Payment Date:**	06/16/2026
Dividend Yield:	2.1%	**5 Year Price Target**	$74	**Years Of Dividend Growth:**	22
Dividend Risk Score:	A	**Sector:**	Consumer Cyclical	**Rating:**	Buy

Overview & Current Events

Silgan Holdings manufactures and sells metal and plastic containers, as well as packaging closures. Its containers are found in everyday food consumables such as pet food, fruits and vegetables, and drinks, while its closures are applied to the beverage, garden, and personal care products. The company generated nearly $6.5 billion in revenue last year and is based in Stamford, Connecticut.

On February 24th, Silgan raised its dividend by 5% to a quarterly rate of $0.21.

On April 29th, 2026, Silgan reported its Q1 results for the period ending March 31st, 2026. For the quarter, net sales increased 6% year-over-year to $1.56 billion, primarily driven by the contractual pass-through of higher raw material costs.

Dispensing & specialty closures sales rose 2% to $685.3 million, as higher raw material and other cost pass-through and favorable FX were partly offset by less favorable volume/mix from severe weather-related production impacts; adjusted EBIT declined 3% to $96.1 million. Metal containers sales increased 15% to $724.9 million, driven by 12% price/mix improvement and 2% volume growth, including double-digit growth in pet food; adjusted EBIT was essentially flat at $49.8 million. Custom containers sales declined 10% to $151.1 million due to lower volumes from the exit of lower-margin business and customer destocking, with adjusted EBIT easing to $21.7 million.

Net income declined to $63.0 million ($0.60 per share) from $68.0 million ($0.63), while adjusted EPS fell to $0.78 from $0.82, mainly due to lower segment earnings and a higher adjusted tax rate. Silgan also reported Q1 adjusted EBIT of $152.0 million and adjusted EBITDA of $220.8 million. Looking ahead, Silgan raised its 2026 adjusted EPS outlook to $3.73 to $3.93 from $3.70 to $3.90, implying roughly 3% growth at the midpoint versus 2025, while confirming free cash flow guidance of about $450 million. We now utilize the midpoint of the updated range in our estimates. Past figures in our tables reflect GAAP figures, nonetheless.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$1.27	$2.42	$2.01	$1.74	$2.77	$3.23	$3.07	$2.98	$2.58	$2.70	***$3.83***	***$5.13***
DPS	$0.34	$0.36	$0.40	$0.44	$0.48	$0.56	$0.64	$0.72	$0.76	$0.80	***$0.84***	***$1.18***
Shares[2]	120.5	111.4	111.6	111.5	111.4	111.2	111.0	109.2	107.1	106.8	***105.8***	***103.0***

Over the past decade, Silgan has averaged an EPS and DPS CAGR of 8.7% and 10%, respectively. Demand for packaged and canned foods, as well as sanitization products, has historically hovered stable levels. We believe the company will continue to enjoy stable demand over the long term as its containers and dispensing closures are primarily utilized in consumer staple products which in turn also enjoy stable demand.

We retain our EPS CAGR estimate at 6%, pricing in the possibility of a slowdown in earnings growth due to the company gradually maturing, and to be prudent. Share buybacks should mildly aid EPS growth over time. The company's share

[1] Estimated dates based on SLGN's past dividend dates

[2] Share count is in millions.

count has declined by about 11% over the past decade. Silgan repurchased a modest $68 million worth of stock last year. That said, we have set our DPS CAGR estimate at 7% as the current payout ratio should afford meaningful payout increases. Silgan has grown its DPS annually for 22 consecutive years.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	20.1	22.6	11.1	17.6	12.5	13.5	13.6	15.5	18.0	17.4	***10.6***	***14.5***
Avg. Yld.	1.3%	1.1%	1.6%	1.5%	1.5%	1.3%	1.5%	1.5%	1.6%	1.7%	***2.1%***	***1.6%***

Silgan's valuation has remained relatively reasonable over the years, rarely outrunning its underlying financial growth. Shares appear quite undervalued at 10.6 times their FY2026 expected adjusted EPS. The stock's yield has almost always remained relatively low, at around 1% to 2%. Despite the rapid dividend increases, aggregate dividends paid out (as well as buybacks) have remained quite humble as the company reinvests most of its proceeds back into the business.

Safety, Quality, Competitive Advantage, & Recession Resiliency

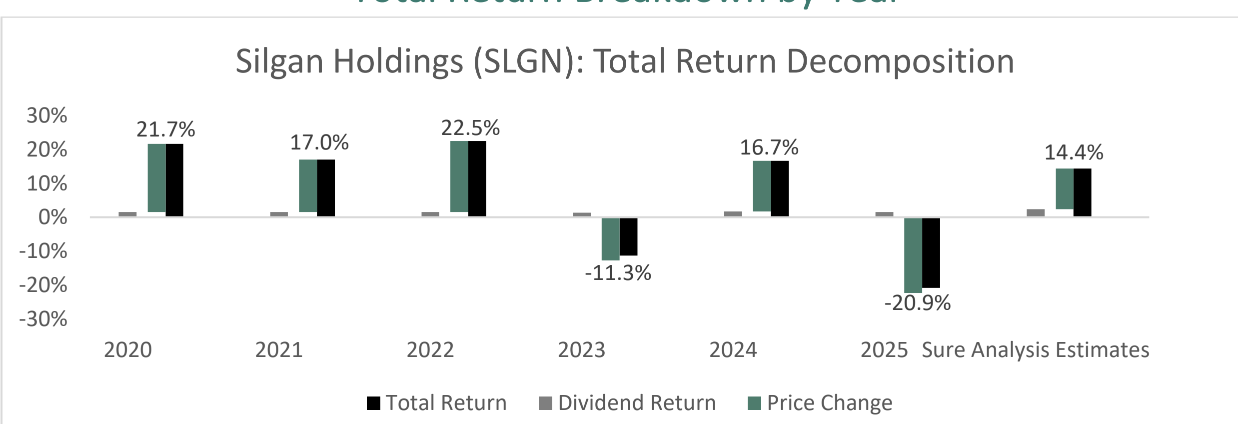
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	27%	15%	20%	25%	17%	17%	21%	24%	29%	30%	***22%***	***23%***

Investors can rely on Silgan's dividends since the company's payout ratio has historically remained quite low. It currently stands at 22%. Since the company's IPO in 1996, Silgan has never reported a money-losing quarter. Its products are vital for various consumer staples. Hence, its operations are quite stable, displayed in its 22-year dividend growth record. At the same time, however, Silgan operates in a massively competitive space, with quite thin margins. The company's competitors include firms that are multiple times larger than Silgan, such as the Ball Corp. (BLL), the Packaging Corporation of America (PKG), keeping Silgan's net profit margins in the mid-single-digits. Overall, we believe that the company has showcased decades of robust cash flow generation, with little volatility to its financials. Its operations should remain relatively stable even under adverse economic conditions.

Final Thoughts & Recommendation

Silgan has a long history of stable returns, with the stock lacking any wild fluctuations in its share price throughout the decades. Combining our relatively modest growth expectations, the dividend yield, and a valuation tailwind, we forecast annualized returns of around 14.4% in the medium-term. Hence, we rate shares as a buy. However, we remind investors that they must be aware of the company's single-digit net income margins, which could easily be compressed following incompetence in passing inflationary costs through. Failure to do so could impact future returns. The pass-through of costs to Silgan's product pricing has been managed well historically, nonetheless.

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	3613	4090	4449	4490	4922	5677	6411	5988	5855	6483
Gross Profit	512	635	690	714	867	918	1048	993	1012	1149
Gross Margin	14.2%	15.5%	15.5%	15.9%	17.6%	16.2%	16.3%	16.6%	17.3%	17.7%
SG&A Exp.	220	305	308	316	378	378	417	389	437	493
D&A Exp.	143	174	192	206	224	250	263	269	276	319
Operating Profit	319	363	418	416	582	540	631	604	575	657
Op. Margin	8.8%	8.9%	9.4%	9.3%	10.7%	9.5%	9.8%	10.1%	9.8%	10.1%
Net Profit	153	270	224	194	309	359	341	326	276	288
Net Margin	4.2%	6.6%	5.0%	4.3%	6.3%	6.3%	5.3%	5.4%	4.7%	4.4%
Free Cash Flow	203	215	316	276	378	325	533	256	459	423
Income Tax	79	-30	69	58	98	107	133	96	72	123

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	3149	4645	4579	4931	6520	7771	7346	7611	8585	9397
Cash & Equivalents	25	54	73	204	410	631	585	643	823	1081
Accounts Receivable	288	455	511	505	620	711	658	600	594	589
Inventories	603	721	635	633	678	799	769	941	928	1080
Goodwill & Int. Ass.	785	1589	1532	1497	2379	2869	2749	2739	3185	3387
Total Liabilities	2680	3879	3698	3908	5267	6208	5628	5722	6595	7123
Accounts Payable	505	660	713	727	803	1133	974	1076	1112	1252
Long-Term Debt	1562	2547	2305	2244	3251	3793	3425	3427	4137	4566
Total Equity	469	766	881	1023	1253	1563	1718	1889	1990	2274
LTD/E Ratio	3.3	3.3	2.6	2.2	2.6	2.4	2.0	2.0	2.1	2.0

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	4.8%	6.9%	4.9%	4.1%	5.4%	5.0%	4.5%	4.4%	3.4%	3.2%
Return on Equity	27.7%	43.7%	27.2%	20.4%	27.1%	25.5%	20.8%	18.1%	14.3%	13.5%
ROIC	7.3%	10.1%	6.9%	6.0%	7.9%	7.3%	6.5%	6.2%	4.8%	4.4%
Shares Out.	120.5	111.4	111.6	111.5	111.4	111.2	111.0	109.2	107.1	106.8
Revenue/Share	29.98	36.73	39.85	40.27	44.18	51.07	57.75	54.84	54.66	60.71
FCF/Share	1.68	1.93	2.83	2.48	3.40	2.92	4.80	2.34	4.29	3.96

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