



Mondelez International (MDLZ)

Updated May 7th, 2026 by Kay Ng

Key Metrics

Current Price:	\$61	5 Year Annual Expected Total Return:	10.0%	Market Cap:	\$78.7B
Fair Value Price:	\$61	5 Year Growth Estimate:	7.5%	Ex-Dividend Date¹:	06/30/26
% Fair Value:	100%	5 Year Valuation Multiple Estimate:	0.0%	Dividend Payment Date²:	07/14/26
Dividend Yield:	3.3%	5 Year Price Target	\$88	Years Of Dividend Growth:	13
Dividend Risk Score:	F	Sector:	Consumer Staples	Rating:	Hold

Overview & Current Events

Mondelez was formed in 1989 as a result of the merger between Philip Morris and General Foods Corp. The company has undergone a slew of mergers and spinoffs since that time, including its North American grocery business, which was called Kraft Foods. That unit is now part of Kraft Heinz (KHC) and the remainder of the business is what we know as Mondelez today – with a focus in its core categories of chocolate, biscuits, and baked snacks. The global food processor manufactures and distributes snacks in more than 150 countries, generating annual revenues of ~\$38 billion. Its 2025 revenues came from Europe (39%), North America (28%), Asia, Middle East, & Africa (21%), and Latin America (13%). It has strong global positions in its core snack categories, including #1 in biscuits (17.4% market share), #2 in chocolate (12.3%), #3 in cakes & pastries (3.8%), and #3 in snack bars (9.1%).

While cocoa cost headwinds continue to impact Mondelez’s profitability, the company is doing what it can control -- improved volumes, brand investments, structural cost savings and disciplined capital allocation -- to create multi-year shareholder value as cocoa prices normalize over time.

Mondelez reported its Q1 2026 results on 04/28/2026. For the quarter, its organic net revenue growth was 3.0%, with pricing up 3.5%, offset by volume/mix of -0.5%. Net revenue rose 8.2% year-over-year (“YOY”) to \$10.1 billion. Organic net revenue growth of 11.3% in Asia, Middle East, & Africa was the strongest, followed by 5.1% in Latin America, and 0.5% in North America. It was negative at -0.6% in Europe. The adjusted gross profit fell 0.6% to \$3.1 billion, along with an adjusted gross profit margin contraction of 2.7% to 30.7%. Adjusted earnings fell 11% to \$859 million, while the adjusted earnings per share (“EPS”) fell 9.5% to \$0.67.

Mondelez maintained its guidance for 2026, as follows: Organic net revenue growth of 0-2% and adjusted EPS growth of 0-5% on a constant currency basis, while it projects to generate free cash flow of ~\$3 billion. We maintain our 2026 EPS estimate at \$2.99.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$1.94	\$2.14	\$2.43	\$2.47	\$2.62	\$2.79	\$2.95	\$3.32	\$3.36	\$2.92	\$2.99	\$4.29
DPS	\$0.70	\$0.79	\$0.96	\$1.09	\$1.20	\$1.33	\$1.47	\$1.62	\$1.79	\$1.94	\$2.00	\$2.32
Shares³	1,528	1,488	1,470	1,453	1,439	1,405	1,375	1,364	1,340	1,298	1,286	1,195

Since the Kraft Foods spinoff in 2012, Mondelez had seen steady growth up until in 2025, when it was hit by high cocoa price inflation, which continue to impact company profits in 2026. From 2016 to 2025, it produced an annualized adjusted EPS growth rate of 4.6%. Generally, it employs buybacks which create a tailwind for long-term total returns. Moreover, Mondelez’ revenue tends to grow organically. Revenue is the primary driver of earnings growth with margins remaining steady in normal market conditions. Emerging markets generally show higher organic net revenue growth than developed markets. Long term, MDLZ should continue to innovate, invest in its brands, and expand its offerings.

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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We estimate a five-year EPS growth rate of 7.5% assuming that emerging markets will typically drive relatively higher growth than developed markets and estimate dividend growth of 3.0% annually for a payout ratio that better aligns with its historical levels of ~50%. That should keep the payout ratio consistent and allow Mondelez to continue to buy back shares as it sees fit, supporting EPS growth and total returns in the long run. Although the outlook is still weak for 2026, cocoa price normalization along with the company's efforts to do what it can control, could lead to a margin tailwind in 2027-2028.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	22.1	20.3	17.4	19.4	21.2	21.8	22.1	22.5	20.7	20.0	20.5	20.5
Avg. Yld.	1.6%	1.8%	2.3%	2.3%	2.2%	2.1%	2.2%	2.3%	2.4%	3.0%	3.3%	2.6%

Mondelez current trades at a price-to-earnings ratio of 20.5 based on our 2026 EPS estimate vs our target P/E of 20.5, suggesting a fairly-valued stock.

Safety, Quality, Competitive Advantage, & Recession Resiliency

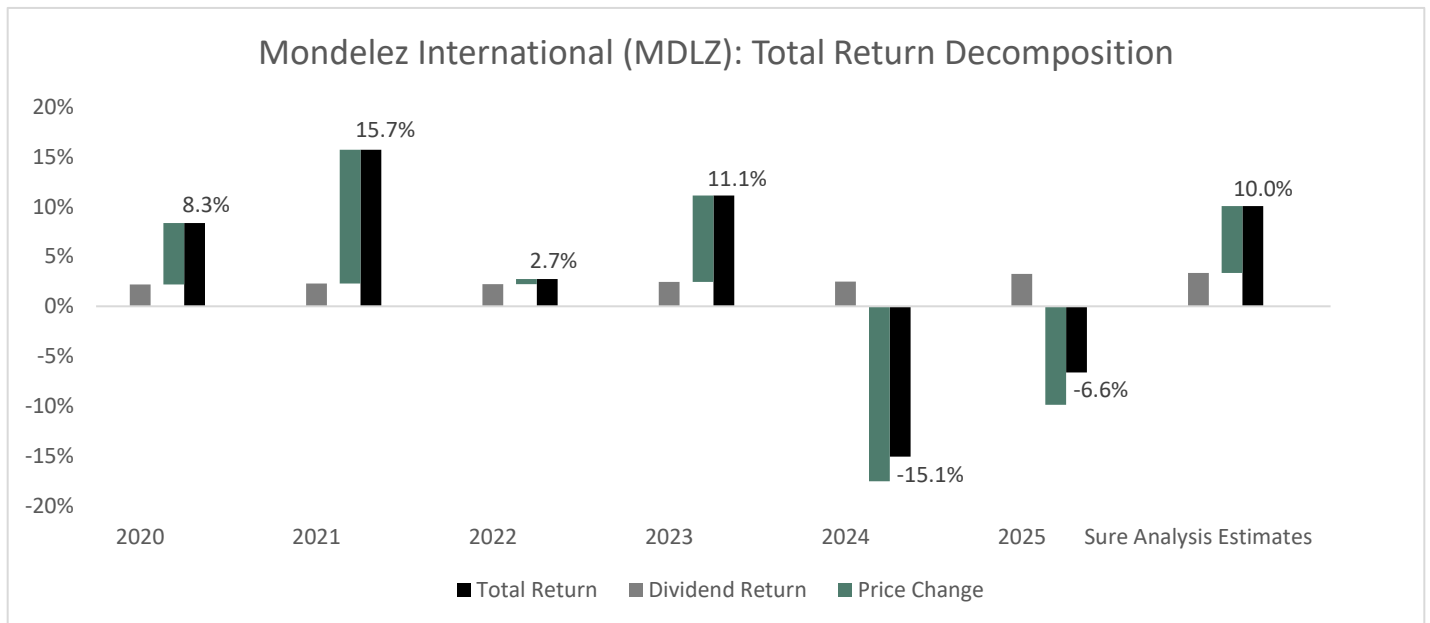
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	36%	37%	40%	44%	46%	47%	50%	51%	53%	66%	67%	54%

Mondelez' dividend payout ratio is expected to elevate to ~67% in 2026. So, we prudently estimated lower dividend growth through 2031. The payout remains sustainable, so we don't expect a dividend cut to be a material risk, even in a recession. The company was able to generate positive \$3 billion in free cash flow even during the pandemic year of 2020. Given Mondelez's solid operating history and the consumer staple products it sells, it should be resilient in recessions. Its competitive advantages include its broad assortment of consumer favorites as well as its diverse distribution base and global supply chain. Mondelez is a true market leader in processed foods worldwide.

Final Thoughts & Recommendation

Mondelez stock is fairly valued. We expect total annual returns of 10.0% for the next five years, consisting of a 3.3% yield, no contribution from valuation expansion, and 7.5% earnings growth. We rate Mondelez as a "hold".

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	25,923	25,896	25,938	25,868	26,581	28,720	31,500	36,020	36,441	38,537
Gross Profit	10,104	10,034	10,352	10,337	10,446	11,254	11,310	13,760	14,257	10,935
Gross Margin	39.0%	38.7%	39.9%	40.0%	39.3%	39.2%	35.9%	38.2%	39.1%	28.4%
SG&A Exp.	6,546	5,938	6,475	6,136	6,098	6,263	7,384	8,002	7,439	7,173
D&A Exp.	823	816	811	1,047	1,116	1,113	1,107	1,215	1,302	1,358
Operating Profit	3,382	3,918	3,701	4,027	4,154	4,857	3,796	5,611	6,665	3,620
Operating Margin	13.0%	15.1%	14.3%	15.6%	15.6%	16.9%	12.1%	15.6%	18.3%	9.4%
Net Profit	1,635	2,828	3,317	3,929	3,555	4,300	2,717	4,959	4,611	2,451
Net Margin	6.3%	10.9%	12.8%	15.2%	13.4%	15.0%	8.6%	13.8%	12.7%	6.4%
Free Cash Flow	1,614	1,579	2,853	30,40	3,101	3,176	3,002	3,602	3,539	3,235
Income Tax	114	666	773	2	1,224	1,190	865	1,537	1,469	782

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	61538	62957	62,729	64,515	67,810	67,092	71,160	71,390	68,497	71,847
Cash & Equivalents	17,41	761	1,100	1,291	3,619	3,546	1,923	1,810	1,351	2,125
Accounts Receivable	2,611	2,691	2,262	2,212	2,297	2,337	3,088	3,634	4,811	3,903
Inventories	2,469	2,557	2,592	2,546	2,647	2,708	3,381	3,615	3,827	4,419
Goodwill & Int.	38377	39724	38,727	38,805	40,377	40,269	43,160	43,730	41,865	43,964
Total Liabilities	36323	36883	37,016	37,198	40,156	38,769	44,240	43,020	41,539	45,596
Accounts Payable	5,318	5,705	5,794	5,853	6,209	6,730	7,562	8,321	9,433	10,139
Long-Term Debt	17199	17652	18,372	18,303	19,790	19,273	22,640	19,410	15,664	17,222
Shareholder's Equity	25161	25994	25,637	272,41	27,578	28,269	26,880	28,330	26,958	25,838
D/E Ratio	0.68	0.68	0.72	0.67	0.72	0.68	0.84	0.68	0.58	0.84

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	2.6%	4.5%	5.3%	6.2%	5.4%	6.4%	3.9%	7.0%	6.6%	3.5%
Return on Equity	6.1%	11.1%	12.8%	14.9%	13.0%	15.4%	9.9%	18.0%	16.7%	9.3%
ROIC	3.8%	6.6%	7.6%	8.8%	7.6%	9.0%	5.6%	10.2%	9.8%	4.1%
Shares Out.	1,528	1,488	1,470	1,453	1,439	1,405	1,385	1,370	1,341	1,298
Revenue/Share	16.48	16.91	17.45	17.74	18.45	20.33	22.74	26.29	27.17	29.69
FCF/Share	1.03	1.03	1.92	2.09	2.15	2.25	2.17	2.63	2.64	2.49

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

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