Rush Enterprises Inc. (RUSHA)

Updated May 9th, 2026 by Quinn Mohammed

Key Metrics

Current Price:	$72	**5 Year CAGR Estimate:**	7.9%	**Market Cap:**	$5.6 B
Fair Value Price:	$50	**5 Year Growth Estimate:**	15.0%	**Ex-Dividend Date[1]:**	05/12/26
% Fair Value:	144%	**5 Year Valuation Multiple Estimate:**	-7.1%	**Dividend Payment Date[1]:**	06/10/26
Dividend Yield:	1.1%	**5 Year Price Target**	$101	**Years Of Dividend Growth:**	7
Dividend Risk Score:	B	**Sector:**	Industrials	**Rating:**	Hold

Overview & Current Events

Rush Enterprises, through Rush Truck Centers, owns the largest network of commercial vehicle dealerships in America. It has over 150 locations in 23 states, and Ontario, Canada. Brands at its locations include Peterbilt, International, Hino, Isuzu, Ford, Dennis Eagle, Blue Arc, IC Bus, and Blue Bird. It offers new and used vehicles, and aftermarket parts, service and body work, as well as financing, insurance, and leasing. Rush Enterprises is a $5.6 billion market cap company that generated 2025 revenue of $7.4 billion. New and used vehicle sales made up 61% of that revenue, parts and services accounted for 34%, and the remaining 5% came from lease and rental, finance and insurance, and other.

On July 30th, 2025, Rush increased its dividend by 5.6% to $0.19 per share quarterly.

On April 28th, 2026, Rush Enterprises reported Q1 2026 results for the period ending March 31, 2026. For the quarter, Rush generated $1.68 billion in revenue, down 9% from $1.85 billion in Q1 2025. Net income equaled $61.5 million, or $0.77 per share compared to $60.3 million, or $0.73 per share in Q1 2025.

Management reiterated that the first quarter is likely the trough of the current downcycle, and remains optimistic that conditions will improve throughout the rest of the year. Improved clarity surrounding tariffs and policy from last year is allowing customers to plan future purchases and order Rush's products.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$0.44	$1.87	$1.53	$1.67	$1.36	$2.78	$4.57	$4.15	$3.72	$3.27	***$3.71***	***$7.46***
DPS	-	-	$0.11	$0.23	$0.27	$0.49	$0.53	$0.62	$0.70	$0.74	***$0.76***	***$1.12***
Shares[2]	91.4	92.2	90.7	84.5	84.4	86.8	85.7	82.1	82.4	79.4	***79.0***	***75.0***

Rush has performed phenomenally in the last decade, with an incredible 25% average annual EPS growth rate since 2016. Even in the last five years, Rush has a strong 19.2% EPS CAGR. This level of consistent growth is more impressive given the cyclical business that it operates in.

The company is aiming to achieve $10 billion in sales, by growing its aftermarket parts and service revenue to $3.5 billion (it was $2.5 billion in 2025), grow its U.S. Class 8 market share to 7.5%, and its U.S. Class 4-7 market share to 6.5%.

It will continue to expand its network, as it did in 2024, when it added two strategic Rush Truck Centers locations in Nebraska and a parts and service facility in North Platte. In 2025, it acquired two IC Bus franchises in Canada, and a full-service Peterbilt dealership in Tennessee.

Management has a 5% to 10% annual dividend growth target, and it repurchases shares opportunistically. In 2024 and 2025, Rush repurchased $16.4 million and $193.5 million of its shares, respectively. In December 2025, Rush also authorized a repurchase plan for up to $150 million of stock in 2026.

Rush is likely to continue growing at a double-digit rate, and we expect 15% annual EPS growth from our 2026 estimate, which stands at $3.71.

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[1] Estimated date.

[2] In millions.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	22.5	9.4	12.2	10.7	15.0	11.4	7.3	9.3	13.4	16.5	***19.5***	***13.5***
Avg. Yld.	-	-	0.2%	1.1%	1.2%	1.3%	1.5%	1.5%	1.4%	1.3%	***1.1%***	***1.1%***

Shares of Rush have traded hands with an average P/E ratio of 12.8 and 11.6 times earnings over the last ten and five years, respectively. Given its strong track record, we are comfortable with a 13.5 P/E ratio as a fair value baseline. With shares trading above this level, this implies the potential for a valuation headwind.

Its dividend of just 1.1% is uninspiring, and in line with the general market. Rush is by no means a high-income stock, but it is growing its dividend at a fast rate and has increased its every year since it began paying one.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	-	-	7%	14%	20%	18%	12%	15%	19%	23%	***20%***	***15%***

Rush's growing coast-to-coast dealer network, its aftermarket business which provides some stability during recessions, and its well established relationship with leading manufacturers are competitive advantages the company enjoys.

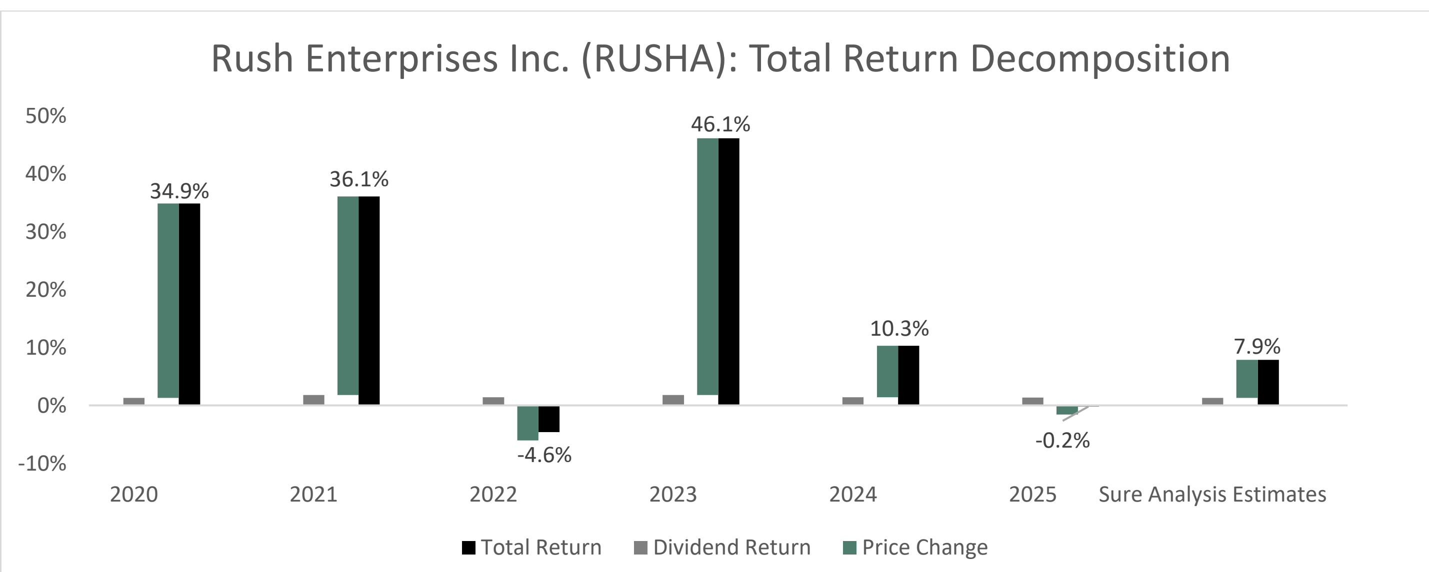
Rush's payout ratio is very safe, having never exceeded 25% even during the pandemic. Furthermore, its dividend is growing at an incredible annual rate of 20%+. We believe the company has ample room to keep increasing the dividend for years to come.

The company's stock price was cut in half during the Great Recession, but it fared better during the pandemic. While its EPS declined by 19% during the pandemic, it achieved a record high in the following year, and the business has nearly tripled its net income since 2020.

Final Thoughts & Recommendation

Shares of Rush are up 48% in the trailing 1-year period, which is well above the 31% gain of the S&P 500 Index. Rush had been weighed down by a freight recession last year, but management sees a recovery forming in 2026. The stock could offer total return potential of 7.9% per year, stemming from a 15% EPS growth and the 1.1% dividend yield, partly offset by -7.1% P/E multiple contraction. RUSHA maintains its hold rating.

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	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	4,980	4,714	5,506	5,810	4,736	5,126	7,102	7,925	7,805	7,434
Gross Profit	785	830	978	1,026	875	1,092	1,487	1,593	1,531	1,390
Gross Margin	15.8%	17.6%	17.8%	17.7%	18.5%	21.3%	20.9%	20.1%	19.6%	18.7%
SG&A Exp.	619	631	705	754	665	731	928	1,022	996	996
D&A Exp.	145	158	185	175	177	169	199	221	236	253
Operating Profit	122	149	203	217	153	308	504	512	467	393
Operating Margin	2.4%	3.2%	3.7%	3.7%	3.2%	6.0%	7.1%	6.5%	6.0%	5.3%
Net Profit	66	172	139	142	115	241	391	347	304	266
Net Margin	1.3%	3.7%	2.5%	2.4%	2.4%	4.7%	5.5%	4.4%	3.9%	3.6%
Free Cash Flow	(141)	(57)	(23)	128	627	255	51	(73)	462	573
Income Tax	42	(36)	44	48	37	72	117	114	93	80

Balance Sheet Metrics

Year	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	2,852	2,890	3,201	3,407	2,985	3,120	3,821	4,364	4,618	4,431
Cash & Equivalents	65	125	132	182	312	148	201	184	228	213
Accts Receivable	121	162	161	151	141	106	180	218	355	238
Inventories	1,061	1,033	1,340	1,326	858	1,020	1,429	1,801	1,788	1,534
Total Liabilities	2,007	1,850	2,134	2,248	1,717	1,653	2,058	2,474	2,456	2,205
Accounts Payable	120	108	127	134	111	122	172	162	244	231
Long-Term Debt	1,503	1,390	1,624	1,624	1,041	966	1,209	1,554	1,490	505
Sh. Equity	845	1,040	1,067	1,159	1,268	1,467	1,744	1,871	2,142	2,203
LTD/E Ratio	1.78	1.34	1.52	1.40	0.82	0.66	0.69	0.83	0.70	0.65

Profitability & Per Share Metrics

Year	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	2.4%	6.3%	4.6%	4.3%	3.6%	7.9%	11.3%	8.5%	6.8%	5.9%
Return on Equity	8.2%	18.1%	13.2%	12.7%	9.5%	17.7%	24.2%	19.0%	15.0%	12.1%
ROIC	2.9%	7.6%	5.4%	5.2%	4.5%	10.2%	14.5%	10.8%	8.6%	7.0%
Shares Out.	92.5	92.2	90.7	84.5	84.4	86.8	85.7	82.1	82.4	80.7
Revenue/Share	53.86	51.12	60.73	68.73	56.14	59.05	82.84	94.66	95.39	92.09
FCF/Share	(1.52)	(0.62)	(0.25)	1.51	7.43	2.94	0.60	(0.87)	5.72	7.10

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