# Simpson Manufacturing Co., Inc. (SSD)

*Updated May 1st, 2026, by Kody Kester*

## Key Metrics

| | | | | | |
|---|---|---|---|---|---|
| **Current Price:** | $192 | **5 Year CAGR Estimate:** | 9.2% | **Market Cap:** | $7.9B |
| **Fair Value Price:** | $189 | **5 Year Growth Estimate:** | 9.0% | **Ex-Dividend Date:** | 07/02/26[1] |
| **% Fair Value:** | 101% | **5 Year Valuation Multiple Estimate:** | -0.3% | **Dividend Payment Date:** | 07/23/26[1] |
| **Dividend Yield:** | 0.6% | **5 Year Price Target** | $291 | **Years Of Dividend Growth:** | 13 |
| **Dividend Risk Score:** | B | **Sector:** | Industrials | **Rating:** | Hold |

## Overview & Current Events

Founded in 1956, Simpson Manufacturing Co., Inc. is a major designer and manufacturer of wood construction products and concrete construction products via the eponymous Simpson Strong-Tie brand. The former product category includes truss plates and fastening systems. The latter category consists of adhesives, specialty chemicals, and mechanical anchors. These products are sold around the world to residential construction customers, commercial construction customers, and the remodeling and do-it-yourself markets. Additionally, SSD provides engineering/design services and software solutions to support the use of its products. The company is geographically organized into the following three reporting segments:

1. North America: This segment consists of the company's operations in the United States and Canada. In 2025, more than three-quarters (77.8%) of the $2.33 billion in total net sales were derived from this segment.
2. Europe: Included in this segment are SSD's operations in various European Union countries, such as Germany, France, and Italy. Non-EU nations consist of the United Kingdom and Norway. This made up another 21.4% of the company's total net sales in 2025.
3. Asia/Pacific: The Asia/Pacific segment sells its products and services in China, Taiwan, Vietnam, New Zealand, and Australia. The remaining 0.8% of 2025 net sales were produced in these markets.

On April 27th, SSD released its earnings report for the first quarter ended March 31st, 2026. The company's net sales rose by 9.1% year-over-year to $588 million during the quarter. Net sales growth in the North America and Europe segments (+9.8% to $461.9 million and +6.3% to $113.9 million) fueled this topline growth in the quarter. Greater pricing and higher volume in the former and higher prices and favorable foreign currency translation in the latter contributed to these results for the quarter. SSD's diluted EPS surged 15.1% over the year-ago period to $2.13 during the quarter. That topped the analyst consensus in the quarter by $0.26. This was made possible by a more than 50-basis-point expansion in the net profit margin to 15% and a slight year-over-year reduction in the share count for the quarter. This is how diluted EPS growth outpaced net sales growth during the quarter.

## Growth on a Per-Share Basis

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2031 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **EPS** | $1.86 | $1.98 | $2.78 | $2.98 | $4.27 | $6.12 | $7.76 | $8.26 | $7.60 | $8.24 | ***$9.00*** | ***$13.85*** |
| **DPS** | $0.68 | $0.78 | $0.86 | $0.90 | $0.92 | $0.96 | $1.02 | $1.06 | $1.10 | $1.14 | ***$1.16*** | ***$1.55*** |
| **Shares[2]** | 47.4 | 46.5 | 45.0 | 44.2 | 43.3 | 43.2 | 42.6 | 42.3 | 42.2 | 41.5 | ***41.2*** | ***39.0*** |

Over the past decade, SSD has compounded its diluted EPS at 18.0% annually. In the years ahead, we believe that 9% annual diluted EPS growth off a 2026 base of $9.00 (the company continues to forecast 19.5% to 20.5% operating income margin in 2026, which would be up a bit at the midpoint from the 2025 figure of 19.6%) is realistic through 2031. SSD's new product launch schedule for dozens of new products each year, facility expansions, and incremental acquisitions are all tailwinds that can drive further growth.

[1] Estimated dates based on past dividend dates.

[2] Share count is in millions.

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## Valuation Analysis

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2031 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Avg. P/E** | 23.5 | 29.0 | 19.4 | 27.2 | 21.9 | 22.7 | 11.4 | 24.0 | 21.8 | 19.9 | ***21.3*** | ***21.0*** |
| **Avg. Yld.** | 1.6% | 1.4% | 1.6% | 1.1% | 1.0% | 0.7% | 1.2% | 0.5% | 0.7% | 0.7% | ***0.6%*** | ***0.5%*** |

Going back to 2016, SSD's valuation multiple has varied from the low double-digits to the high 20s. Throughout that time, the average P/E ratio has been 22.1. Looking ahead, we believe that a P/E ratio of approximately 21 is a reasonable projection (splitting the difference between the five-year and 10-year averages). That's because when factoring in SSD's much larger size and scale, its growth profile is holding up. Compared to the current P/E ratio of 21.3, shares appear to now be trading just above fair value.

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

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2031 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Payout** | 37% | 39% | 31% | 30% | 22% | 16% | 13% | 13% | 14% | 14% | ***13%*** | ***11%*** |

SSD has established itself as an industry leader thanks to a few differentiating factors: Product availability with on-demand delivery in 24 to 48 hours. Comprehensive customer support for engineers, contractors, and building officials. Not to mention that SSD has substantial product testing means through its cutting-edge test lab. These variables provide customers with convenience and the utmost confidence in the company's products. This has allowed SSD to consistently grow diluted EPS over the years.

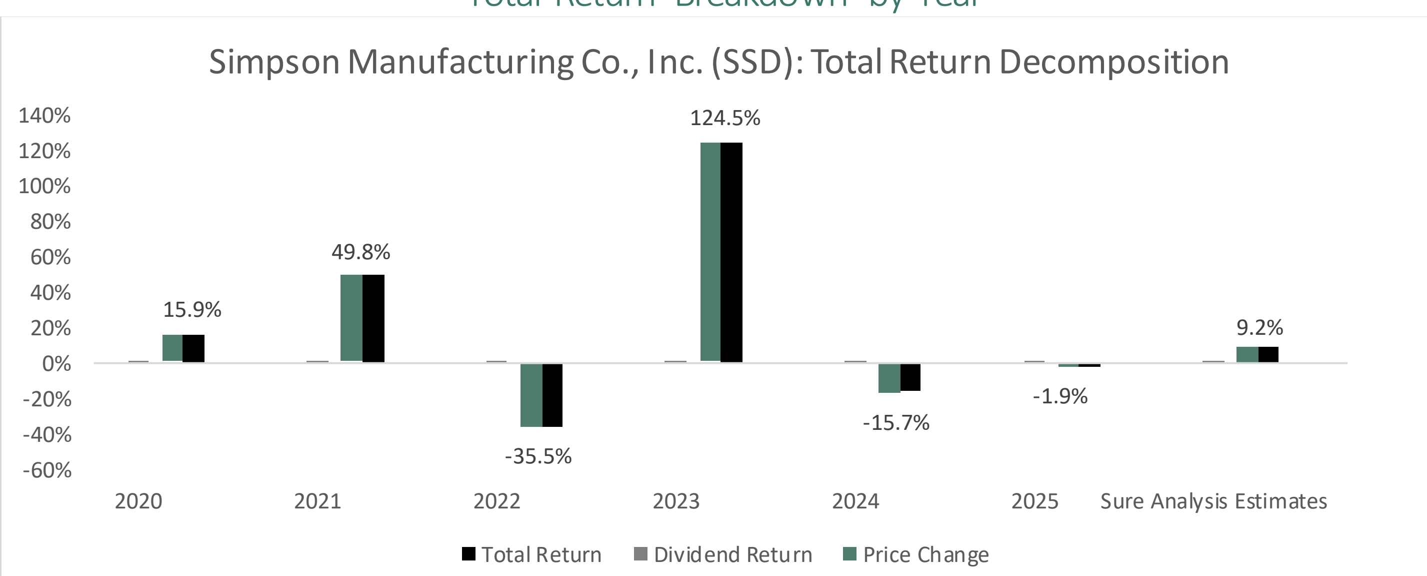
The company's financial health is also enviable. In Q1 2026, it posted $4.4 million in interest income. Generating net interest income when many companies are burdened by outsized interest expenses is a testament to SSD's overall financial positioning.

The company's appeal doesn't stop at its consistent EPS growth and robust balance sheet, either. The company's payout ratio is set to be in the low teens in 2026. This puts SSD in a position to build on its 13-year dividend growth streak for the foreseeable future.

## Final Thoughts & Recommendation

SSD's 0.6% dividend yield, 9.0% annual diluted EPS growth prospects, and 0.3% annual valuation multiple downside potential could deliver 9.2% annual total returns through 2031. This is why we're maintaining our 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 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | 861 | 977 | 1,079 | 1,137 | 1,268 | 1,573 | 2,116 | 2,214 | 2,232 | 2,333 |
| Gross Profit | 412 | 446 | 481 | 491 | 576 | 755 | 941 | 1,044 | 1,026 | 1,070 |
| Gross Margin | 47.9% | 45.7% | 44.5% | 43.2% | 45.4% | 48.0% | 44.5% | 47.2% | 46.0% | 45.9% |
| SG&A Exp. | 228 | 260 | 269 | 270 | 274 | 328 | 398 | 472 | 497 | 544 |
| D&A Exp. | 28 | 34 | 39 | 38 | 46 | 52 | 72 | 75 | 85 | 90 |
| Operating Profit | 140 | 139 | 168 | 175 | 252 | 367 | 475 | 480 | 436 | 443 |
| Operating Margin | 16.2% | 14.2% | 15.6% | 15.4% | 19.9% | 23.4% | 22.4% | 21.7% | 19.5% | 19.0% |
| Net Profit | 90 | 93 | 127 | 134 | 187 | 266 | 334 | 354 | 322 | 345 |
| Net Margin | 10.4% | 9.5% | 11.7% | 11.8% | 14.7% | 16.9% | 15.8% | 16.0% | 14.4% | 14.8% |
| Free Cash Flow | 52 | 61 | 131 | 168 | 170 | 102 | 333 | 338 | 158 | 296 |
| Income Tax | 49 | 52 | 45 | 44 | 63 | 92 | 114 | 123 | 112 | 117 |

## Balance Sheet Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Assets | 980 | 1,038 | 1,022 | 1,095 | 1,233 | 1,484 | 2,504 | 2,705 | 2,736 | 3,074 |
| Cash & Equivalent | 227 | 169 | 160 | 230 | 275 | 301 | 301 | 430 | 239 | 384 |
| Accounts Receivable | 112 | 136 | 146 | 139 | 165 | 231 | 269 | 284 | 284 | 303 |
| Inventories | 232 | 253 | 276 | 252 | 284 | 444 | 557 | 552 | 593 | 594 |
| Goodwill & Int. | 147 | 166 | 155 | 157 | 163 | 160 | 859 | 868 | 887 | 946 |
| Total Liabilities | 114 | 153 | 166 | 203 | 252 | 300 | 1,091 | 1,025 | 923 | 1,038 |
| Accounts Payable | 28 | 32 | 34 | 33 | 48 | 57 | 98 | 108 | 101 | 91 |
| Long-Term Debt | - | 4 | 3 | 29 | 38 | 37 | 624 | 537 | 461 | 467 |
| Shareholder's Equity | 866 | 885 | 856 | 892 | 981 | 1,184 | 1,413 | 1,680 | 1,805 | 2,030 |
| LTD/E Ratio | - | 0.00 | 0.00 | 0.04 | 0.05 | 0.04 | 0.45 | 0.33 | 0.27 | 0.24 |

## Profitability & Per Share Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Return on Assets | 9.2% | 9.2% | 12.3% | 12.7% | 16.1% | 19.6% | 16.7% | 13.6% | 11.8% | 11.9% |
| Return on Equity | 10.5% | 10.6% | 14.6% | 15.3% | 20.0% | 24.6% | 25.7% | 22.9% | 18.5% | 18.0% |
| ROIC | 10.5% | 10.6% | 14.5% | 15.0% | 19.1% | 23.6% | 20.4% | 16.5% | 14.3% | 14.4% |
| Shares Out. | 47.4 | 46.5 | 45.0 | 44.2 | 43.3 | 43.2 | 42.6 | 42.3 | 42.2 | 41.5 |
| Revenue/Share | 17.82 | 20.45 | 23.18 | 25.30 | 28.92 | 36.14 | 49.16 | 51.68 | 52.67 | 55.73 |
| FCF/Share | 1.07 | 1.28 | 2.81 | 3.74 | 3.87 | 2.34 | 7.73 | 7.90 | 3.72 | 7.06 |

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