Molson Coors Beverage Company (TAP)

Updated May 5th, 2026 by Quinn Mohammed

Key Metrics

Current Price:	$42	**5 Year CAGR Estimate:**	15.6%	**Market Cap:**	$7.7 B
Fair Value Price:	$57	**5 Year Growth Estimate:**	6.0%	**Ex-Dividend Date:**	06/06/26
% Fair Value:	73%	**5 Year Valuation Multiple Estimate:**	6.4%	**Dividend Payment Date:**	06/20/26
Dividend Yield:	4.6%	**5 Year Price Target**	$76	**Years Of Dividend Growth:**	6
Dividend Risk Score:	D	**Sector:**	Consumer Staples	**Rating:**	Hold

Overview & Current Events

Molson Coors Beverage Company, previously Molson Coors Brewing Company, was founded in 1873. Since then, it has grown into one of the largest U.S. brewers, with a variety of brands including Coors Light, Molson Canadian, Carling, Blue Moon, Hop Valley, Leinenkugel's, Crispin Cider, and Miller Lite through a joint venture called MillerCoors. The $7.7 billion market cap company has a significant presence outside the U.S. Its international markets include Canada, Europe, Latin America, Asia, and Africa. It is the fourth largest beer company in the world.

In January 2025, Molson purchased an 8.5% stake in Fevertree Drinks plc, which made it the 2nd largest shareholder, advancing its Beyond Beer and premiumization strategy, by expanding into non-alcoholic drinks.

On February 18th, 2026, the company announced a 2% increase to the quarterly dividend to $0.48 per share.

On April 1st, 2026, Molson acquired Atomic Brands, Inc. for $275 million. Atomic Brands produces Monaco Cocktails, a prominent ready-to-drink cocktail brand that broadens Molson's portfolio beyond the beer market.

On April 30th, 2026, Molson Coors reported first quarter 2026 results for the period ending March 31st, 2026. For the quarter, the company generated net sales of $2.35 billion, a 2.0% increase compared to Q1 2025. Net sales rose 1.0% in Americas, and 6.7% in Europe, the Middle East and Africa, and Asia-Pacific. Adjusted EPS jumped 24% year-over-year to $0.62. The company repurchased $169 million of its shares in Q1.

Molson Coors reiterated its 2026 outlook and still expects net sales to remain flat on a constant currency basis, and adjusted EPS to decrease by 11% to 15%.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$3.01	$4.48	$5.04	$4.54	$3.92	$4.15	$4.10	$5.43	$5.96	$5.42	***$4.75***	***$6.36***
DPS	$1.64	$1.64	$1.64	$1.96	$0.57	$0.68	$1.52	$1.64	$1.76	$1.88	***$1.92***	***$2.12***
Shares[1]	224	215	219	216	217	217	217	217	207	196	***185***	***175***

One of the major themes that has characterized Molson Coors' financial performance in recent years is the struggling beer industry. Younger generations are consuming more wine and liquors while traditional beer consumption is dropping. Growth that does still occur in the beer industry is localized within the craft beer segment. The company posted down results in 2019 and 2020 but returned to growth in 2021. Earnings-per-share soared 32% in 2023, rose 10% in 2024, declined 9% in 2025, and we now expect a 12% decline in EPS for 2026.

With several top brands, Molson Coors can pass higher costs on to consumers. The company is also aggressively cutting its headcount in its Americas business (it eliminated 400 positions, roughly 9% of its Americas workforce, in late 2025), and costs in other parts of the business to offset raw material inflation. In addition, Molson Coors is investing in new product categories to generate growth, such as cannabis.

Molson is now executing its Acceleration Plan, which aims to grow core power brands (Coors Light, Miller Lite, Coors Banquet, Molson Canadian, Carling and Ožujsko) revenue, continue to premiumize its portfolio, and expand its scale in

[1] 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.

beyond beer. It is also branching out into non-alcoholic beverages with its stake in Fevertree Drinks and purchase of Atomic Brands, to build a 'total-beverage' portfolio.

The COVID-19 pandemic had a significant impact on the demand for the company's products due to many on-premise restrictions throughout the pandemic. This headwind is now in the rearview as people have put the pandemic behind them and have returned to outside establishments, such as restaurants and bars.

We are forecasting $4.75 in earnings-per-share for 2026 to go along with a 6.0% intermediate term growth rate.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Avg. P/E	32.7	19.9	13.3	12.9	15.3	22.4	14.2	11.0	10.0	9.6	***8.8***	***12.0***
Avg. Yld.	1.7%	1.8%	2.4%	3.4%	1.4%	1.1%	2.3%	2.7%	2.9%	3.5%	***4.6%***	***2.8%***

In the past decade, shares of Molson Coors have traded hands at an average price-to-earnings ratio of 16.1 times earnings. However, this has included instances where earnings fell and the share price held up much better, along with periodic bouts of extreme valuation. We view 12.0 times earnings as a reasonable starting baseline, considering the quality of the business and its potential growth rate. This implies the potential for valuation upside. Meanwhile, the current 4.6% dividend yield is much higher than the five-year average of 2.5%.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	54%	37%	33%	43%	15%	16%	37%	30%	30%	35%	***40%***	***33%***

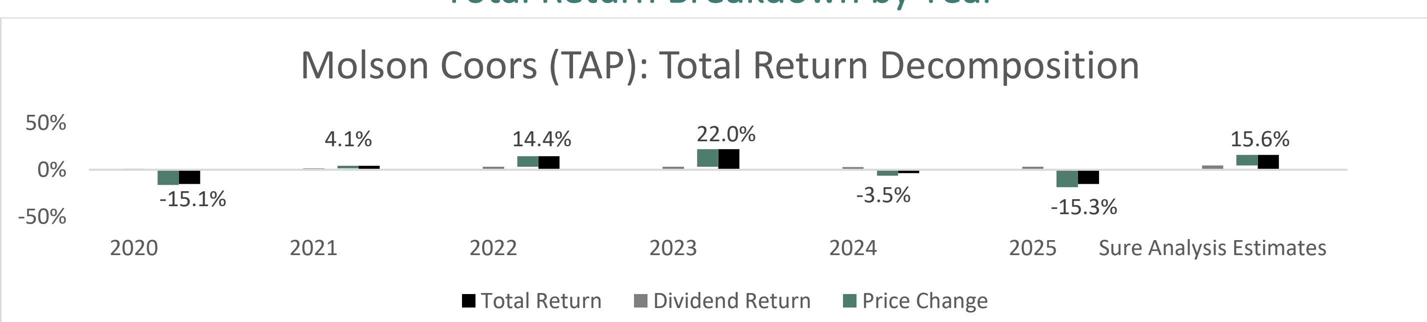
The board elected to suspend the dividend after the first quarter of 2020, which was not welcome news for income investors, especially after significantly increasing the payment in 2019. The payout was reinstated in the second half of 2021, but at a ~40% lower rate. The abrupt change in policy makes us more cautious on the dividend going forward.

Molson Coors has many competitive advantages. It has a number of popular brands, including Coors Light, which was the #4 selling beer brand in the U.S. in 2023. Molson has an extensive production and distribution network, providing the company with economies of scale. In a competitive beer market, the larger operators like Molson can acquire smaller brewers to retain market share. In addition, Molson can withstand recessions very well. Beer is a recession-resistant product, with Molson Coors remaining highly profitable during the Great Recession of 2008-2009. That being said, the covid crisis was different and hurt short-term demand and results, but the company bounced back swiftly.

Final Thoughts & Recommendation

Shares of TAP have decreased by 10% year-to-date. Molson Coors has executed successfully against its Revitalization Plan, resulting in strong results despite a challenging environment, demonstrating the resilience of the industry. Total return potential comes in at 15.6% per annum stemming from 6.0% growth, the 4.6% dividend yield, and 6.4% P/E multiple expansion. Molson earns a hold rating.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	3,568	11003	10,770	10,579	9,654	10,280	10,701	11,700	11630	11,140
Gross Profit	1,436	4,766	4,185	4,201	3,768	4,053	3,655	4,369	4533	3,967
Gross Margin	40.2%	43.3%	38.9%	39.7%	39.0%	39.4%	34.2%	37.3%	39.0%	35.6%
SG&A Exp.	1,038	3,052	2,803	2,728	2,437	2,555	2,619	2,780	2718	2,644
D&A Exp.	314	813	858	859	922	786	685	683	759	711
Operating Profit	398	1,714	1,382	1,473	1,331	1,499	1,036	1,426	1750	1,529
Operating Margin	11.1%	15.6%	12.8%	13.9%	13.8%	14.6%	9.7%	12.2%	15.0%	
Net Profit	395	1,566	1,117	242	-949	1,006	-175	949	1122	-2,180
Net Margin	11.1%	14.2%	10.4%	2.3%	-9.8%	9.8%	-1.6%	8.1%	9.6%	-19.6%
Free Cash Flow	441	1,267	1,680	1,304	1,121	1,051	841	1,408	1236	1,068
Income Tax	62	-205	225	234	302	231	124	296	345	-338

Balance Sheet Metrics

Year	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	12,276	30,247	30,110	28,860	27,331	27,619	25,868	26,380	26060	22,740
Cash & Equivalents	431	419	1,058	523	770	637	600	869	969	896
Acc. Receivable	408	728	736	706	550	663	740	758	693	703
Inventories	179	592	592	616	664	805	793	802	728	716
Goodwill & Int.	6,729	22,702	22,037	21,287	19,707	19,439	18,092	17,940	17780	13,980
Total Liabilities	5,213	17,060	16,374	15,187	14,710	13,955	12,953	12,940	12610	12,200
Accounts Payable	560	1,569	1,617	1,687	1,733	2,098	2,068	3,181	3013	1,823
Long-Term Debt	2,937	11,314	10,488	9,038	8,228	7,162	6,562	6,224	6146	6,420
Total Equity	7,043	12,978	13,507	13,419	12,365	13,417	12,690	13,200	13090	10,230
LTD/E Ratio	0.42	0.87	0.78	0.67	0.67	0.53	0.52	0.47	0.47	0.64

Profitability & Per Share Metrics

Year	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	3.0%	5.3%	3.7%	0.8%	-3.4%	3.7%	-0.7%	3.6%	4.3%	-8.9%
Return on Equity	5.3%	12.8%	8.4%	1.8%	-7.4%	7.8%	-1.3%	7.2%	8.4%	-18.2%
ROIC	3.8%	6.5%	4.6%	1.0%	-4.4%	4.8%	-0.9%	4.9%	5.7%	-11.8%
Shares Out.	185	215	219	216	217	217	217	217	210	199
Revenue/Share	19.14	50.82	49.72	48.78	44.53	47.24	49.34	53.85	55.39	55.96
FCF/Share	2.37	5.85	7.75	6.01	5.17	4.83	3.88	6.48	5.89	5.36

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