LCI Industries (LCII)

Updated June 15th, 2026 by Felix Martinez

Key Metrics

Current Price:	$192	**5 Year Annual Expected Total Return:**	16.4%	**Market Cap:**	$2.3 B
Fair Value Price:	$135	**5 Year Growth Estimate:**	5.0%	**Ex-Dividend Date:**	08/29/26
% Fair Value:	69%	**5 Year Valuation Multiple Estimate:**	7.8%	**Dividend Payment Date:**	09/12/26
Dividend Yield:	5.0%	**5 Year Price Target**	$172	**Years Of Dividend Growth:**	9
Dividend Risk Score:	D	**Sector:**	Consumer Cyclical	**Rating:**	Hold

Overview & Current Events

LCI Industries (NYSE: LCII), founded in 1956, is a leading supplier of engineered components for the recreational vehicle (RV) and transportation industries. Headquartered in Elkhart, Indiana, the company manufactures and distributes a wide range of products, including chassis, awnings, furniture, and appliances, serving both original equipment manufacturers (OEMs) and the aftermarket. LCI Industries has built a reputation for innovation, with its CURT towing and suspension products among its standout offerings. Its market presence spans North America and Europe, making it a key player in the RV and adjacent markets. LCI Industries has a market capitalization of approximately $2.3 billion.

On May 5th, 2026, LCI Industries reported first quarter Fiscal Year 2026 results. The company reported first-quarter 2026 net sales of $1.09 billion, up 4.3% year-over-year. Net income increased 27% to $63 million, or $2.53 per diluted share. Adjusted diluted EPS rose 18% to $2.59, beating estimates by $0.42. Operating profit margin expanded 90 basis points to 8.7%, while adjusted EBITDA grew 13% to $125 million, or 11.5% of net sales. The results reflect strong execution, innovation-driven content growth, and cost optimization despite soft RV industry volumes.

The OEM segment posted a 4% sales increase to $853 million, supported by acquisitions, pricing actions to offset material costs, and higher mix of premium fifth-wheel units. Aftermarket sales grew 7% to $238 million, aided by pricing and acquisitions. Margin improvement across both segments was driven by material sourcing strategies, footprint optimizations, and favorable product mix, partially offset by tariff-related cost pressures and commodity inflation. Towable RV content per unit rose 13% to $5,826.

LCI generated robust cash flow from operations and ended the quarter with strong liquidity of $737 million. It returned $28 million to shareholders through dividends. The company reaffirmed and tightened its 2026 guidance: revenue of $4.2–$4.3 billion, operating profit margin of 7.5%–8.0%, and adjusted EPS of $8.75–$9.25. CEO Jason Lippert highlighted the success of innovation, operational improvements, and diversification efforts, positioning the company for long-term earnings growth regardless of macro conditions in the RV market.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$5.20	$5.76	$5.86	$5.84	$6.49	$11.32	$15.48	$2.52	$5.60	$7.46	***$8.98***	***$11.46***
DPS	$1.40	$2.05	$2.35	$2.55	$2.80	$3.45	$4.05	$4.20	$4.30	$4.60	***$4.60***	***$5.60***
Shares[1]	24.9	25.4	25.5	25.1	25.3	25.4	25.5	25.4	25.5	24.8	***24.0***	***22.0***

LCI Industries' growth prospects are anchored in its focus on innovation, market share expansion, and strategic diversification. The company has consistently introduced new, high-demand products, such as its CURT towing and suspension lines, which have strengthened its presence across key RV and automotive markets. Additionally, its strategic acquisitions and investment in operational efficiencies should allow it to capitalize on a rebound in demand for recreational vehicles and marine products. The company delivered a 4.1% compound annual growth rate (CAGR) over the past decade, over the last five years it has been -4.5%. We expect the company to grow EPS by 5% through 2031.

[1] 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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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Avg. P/E	20.7	22.6	11.1	18.3	19.9	13.8	6.0	48.5	18.5	16.7	***10.3***	***15.00***
Avg. Yld.	1.3%	1.6%	3.5%	2.4%	2.2%	2.2%	4.4%	3.3%	4.2%	3.8%	***5.0%***	***3.3%***

The company has a current valuation of 10.3x earnings, lower than its ten-year average of 19.6x earnings. However, a fair PE of 15X earnings is a good base case. Thus, this suggests that the company has a 7.8% valuation tailwind. The current dividend yield is higher than its ten-year average of 2.8%.

Safety, Quality, Competitive Advantage, & Recession Resiliency

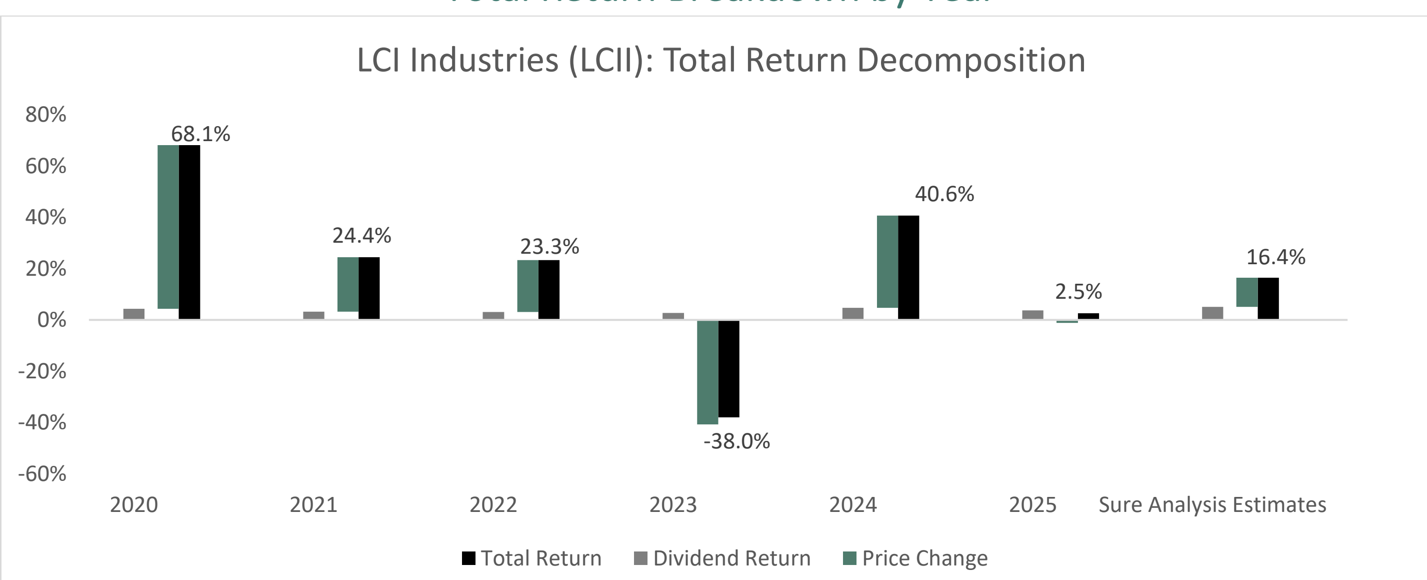
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	27%	36%	40%	44%	43%	30%	26%	167%	77%	62%	***51%***	***49%***

LCI Industries possesses a competitive advantage through its diverse product portfolio, innovation-driven strategy, and dominant market position in the RV industry. Its ability to capture market share with proprietary products, such as CURT towing systems and RV components, enhances customer loyalty and strengthens its brand. During the Great Recession, the company demonstrated resilience by leveraging its diversified revenue streams, focusing on operational efficiencies, and expanding its aftermarket business to offset weaker OEM demand. Similarly, in recent downturns, LCI Industries has shown adaptability by capitalizing on growth in adjacent markets and sustaining profitability through disciplined cost management and strategic acquisitions. The company as a good book balance. The company has a debt/equity ratio of 0.9 and an interest coverage of 8.1.

Final Thoughts & Recommendation

Investing in LCI Industries carries risks tied to its dependence on the cyclical recreational vehicle (RV) and marine markets, which are highly sensitive to economic downturns and consumer discretionary spending. Additionally, rising interest rates, inflation, and supply chain disruptions could further pressure demand and operational costs. The company's growth prospects also rely on successful innovation and strategic acquisitions, which may not always yield the anticipated returns. We expect the company to have an annually rate of return of 16.4% for the next five years. However, we rate the company as a hold at the current price.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	1,679	2,148	2,476	2,371	2,796	4,473	5,207	3,785	3,741	4,122
Gross Profit	429	493	520	539	706	1,043	1,273	776	880	980
Gross Margin	25.5%	23.0%	21.0%	22.7%	25.3%	23.3%	24.5%	20.5%	23.5%	23.8%
SG&A Exp.	228	279	322	339	483	645	720	653	661	495
D&A Exp.	46	55	68	75	98	112	129	132	126	121
Operating Profit	201	214	199	200	223	398	553	123	218	280
Operating Margin	12.0%	10.0%	8.0%	8.4%	8.0%	8.9%	10.6%	3.3%	5.8%	6.8%
Net Profit	130	133	149	147	158	288	395	64	143	188
Net Margin	7.7%	6.2%	6.0%	6.2%	5.7%	6.4%	7.6%	1.7%	3.8%	4.6%
Free Cash Flow	157	65	37	211	174	(210)	472	465	328	278
Income Tax	70	80	44	45	51	94	130	19	46	67

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	787	946	1,244	1,863	2,298	3,288	3,247	2,959	2,895	3,176
Cash & Equivalents	86	26	15	35	52	63	47	66	166	223
Accounts Receivable	57	82	122	200	269	320	214	215	200	243
Inventories	189	275	341	394	494	1,096	1,030	768	737	809
Goodwill & Int.	202	254	357	693	876	1,063	1,070	1,038	978	1,025
Total Liabilities	237	293	538	1,062	1,390	2,195	1,866	1,604	1,508	1,815
Accounts Payable	51	79	78	99	185	282	144	184	188	202
Long-Term Debt	50	50	294	631	738	1,303	1,119	847	757	942
Shareholder's Equity	550	653	706	801	908	1,093	1,381	1,355	1,387	1,361
D/E Ratio	0.09	0.08	0.42	0.79	0.81	1.19	0.81	0.63	0.55	0.91

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	18.4%	15.3%	13.6%	9.4%	7.6%	10.3%	12.1%	2.1%	4.9%	6.2%
Return on Equity	26.2%	22.1%	21.9%	19.4%	18.5%	28.8%	31.9%	4.7%	10.4%	13.7%
ROIC	23.8%	20.4%	17.4%	12.0%	10.3%	14.2%	16.1%	2.7%	6.6%	8.0%
Shares Out.	24.9	25.4	25.5	25.1	25.3	25.4	25.5	25.4	25.5	24.9
Revenue/Share	67.34	84.64	97.23	94.51	110.72	175.90	204.09	148.80	146.67	165.84
FCF/Share	6.30	2.58	1.44	8.42	6.89	(8.26)	18.49	18.28	12.86	11.20

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