Thor Industries (THO)

Updated June 18th, 2026 by Quinn Mohammed

Key Metrics

Current Price:	$73	**5 Year CAGR Estimate:**	19.7%	**Market Cap:**	$3.7 B
Fair Value Price:	$49	**5 Year Growth Estimate:**	28.0%	**Ex-Dividend Date[1]:**	07/01/2026
% Fair Value:	150%	**5 Year Valuation Multiple Estimate:**	-7.8%	**Dividend Payment Date[1]:**	07/15/2026
Dividend Yield:	2.8%	**5 Year Price Target**	$167	**Years Of Dividend Growth:**	16
Dividend Risk Score:	C	**Sector:**	Consumer Discretionary	**Rating:**	Hold

Overview & Current Events

Thor Industries was founded on August 29th, 1980 from the acquisition of Airstream, a highly recognized name in the travel trailer industry. In 1982, Thor purchased the Canadian company General Coach, which manufactured travel trailers and fifth wheels. Thor became a public company and listed on the NYSE in 1984, under the ticker symbol THO. Since its founding, Thor has focused on a large series of acquisitions up to the present. The recreation vehicles manufacturer has a market capitalization of $3.7 billion. It reports results through its three segments: North American towable recreational vehicles, North American motorized recreational vehicles, and European recreational vehicles. Thor generated $9.6 billion in fiscal 2025 and ended its fiscal year with an RV order backlog of $3.1 billion.

On October 8th, 2025, Thor Industries announced a 4% dividend increase, from $0.50 to $0.52 per share quarterly.

Thor reported third quarter FY 2026 results on June 3rd, 2026, for the quarter ended April 30, 2026. The corporation reported net sales declined by 3.9% compared to the third quarter of 2025, to $2.78 billion. Thor reported EPS of $1.86 per share, 27% lower compared to $2.53 a year earlier. Its consolidated RV backlog as of April 30th was $2.51 billion, a 12.3% decrease over the prior year's $2.86 billion.

Management updated its full-year fiscal 2026 guidance, expecting net sales between $9.0 to $9.5 billion and earnings-per-share of $3.30 to $3.80 (from $3.75 to $4.25 prior), for a midpoint of $3.55.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$4.91	$7.09	$8.14	$6.40	$4.02	$11.85	$20.59	$6.95	$4.94	$4.84	***$3.55***	***$12.20***
DPS	$1.20	$1.32	$1.48	$1.56	$1.60	$1.66	$1.72	$1.80	$1.92	$2.00	***$2.08***	***$2.65***
Shares[2]	52.5	52.6	52.7	55.1	55.2	55.2	55.2	53.9	53.5	53.0	***52.4***	***51.5***

Thor achieved robust earnings growth from fiscal year 2017 to fiscal year 2022, recording a compound annual growth rate of 24%. However, the company's performance entered a downward cycle in 2023. Examining the longer-term trend since 2016, Thor's EPS has declined at an average annual rate of 0.2%. Demand for Thor's products softened in FY 2023 through 2025, and this persists in FY 2026. Furthermore, the company's backlog declined 12% year-over-year, reaching $2.51 billion in the latest quarter, compared to net sales of $9.6 billion for FY 2025. We believe that earnings reached a cyclical high in 2022 after tremendous growth, and that results will continue their downtrend with this year's earnings estimate of $3.55. Beyond 2026, we estimate the company's EPS will grow by 28% in the intermediate term as it works through the remaining backlog and improves operating efficiency from the pit of its current down cycle.

The company will fund opportunistic strategic investments (such as increasing production capacity), of which acquisitions are a large part, to continue growing. Additionally, it will repurchase shares as the opportunities arise. In fiscal 2024, Thor repurchased 721K shares for $68.4 million, and in FY 2025, it repurchased 587K shares for $52.6 million.

[1] Estimate

[2] In millions

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Thor Industries is also expecting increases in its customer base. According to its 2024 annual camping report, Kampgrounds of America (KOA) claims that the number of camping households increased 23% in the last decade, with active camping households soaring 68%. Furthermore, the number of households that camped three or more times per year has nearly doubled since 2014. Also, the number of RV rentals in 2020 and 2021 grew greatly amid the pandemic. These new campers and RV renters are likely to become purchasers of RVs and sustain the demand for Thor's products, as these have historically been frequent paths-to-purchase for first-time RV buyers.

On the other hand, tariffs on vehicles, and elevated gas prices, are likely to drive a meaningful headwind to the business in the near term.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	11.9	13.3	14.7	10.7	13.2	12.9	4.6	11.0	21.0	18.8	***20.6***	***13.7***
Avg. Yld.	2.1%	1.4%	1.2%	2.3%	2.3%	1.4%	2.0%	1.9%	1.8%	2.2%	***2.8%***	***1.6%***

Thor's price-to-earnings multiple appears to be overvalued based on lower FY 2026 earnings and a still elevated share price, and we see the valuation shrinking to meet our fair value estimate of 13.7 times earnings, which is its 5-year average valuation. We therefore expect a -7.8% headwind to total annual returns from valuation contraction over time.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	24%	19%	18%	24%	40%	14%	8%	26%	39%	41%	***59%***	***22%***

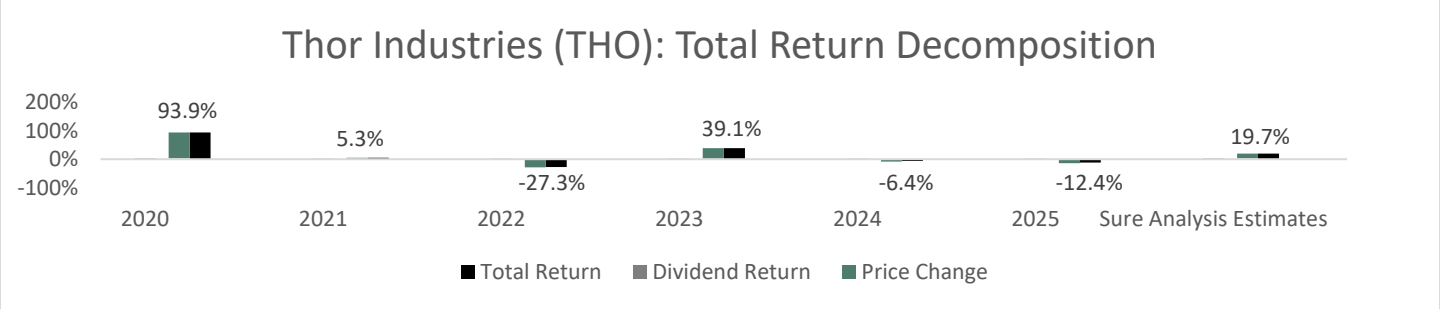
The payout ratio is elevated against its average, but remains fairly covered, so the dividend can be considered safe in the absence of a prolonged downturn, and should continue to grow in the years to come, we forecast by around 5.0%. Its leverage ratio is also reasonable with net debt at 0.8 times trailing adjusted EBITDA, which is below its target ratio of 1.0X.

Thor took a beating in the great financial crisis, as earnings of $2.41 in 2007 fell to $0.31 at the bottom of 2009. By 2007, the dividend was cut almost in half. It does not have strong recession resiliency. The company exceeded its 2007 results as of 2014 and since then has performed well. THO operates in a competitive market with low barriers to entry, and it believes the price, design, value, and quality of its products plus the warranty coverage and service it offers allow it to compete favorably.

Final Thoughts & Recommendation

We see Thor Industries as a strong growth stock in the vehicle manufacturing business, which has been weighed down by higher interest rates, cautious consumers, and tariff policy. Still, the company has a backlog worth approximately $2.5 billion. Going forward, Thor could produce 19.7% total annualized returns, stemming from 28% EPS growth, and a 2.8% dividend yield, partly offset by a -7.8% valuation headwind. THO earns a hold rating for risk-tolerant investors.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	4,582	7,247	8,329	7,865	8,168	12,317	16,313	11,120	10040	9580
Gross Profit	726	1,044	1,165	973	1,118	1,895	2,806	1,596	1452	1197
Gross Margin	15.9%	14.4%	14.0%	12.4%	13.7%	15.4%	17.2%	14.4%	14.5%	12.5%
SG&A Exp.	306	420	477	536	634	870	1,116	870	895	0
D&A Exp.	53	98	93	149	196	231	284	277	277	271
Operating Profit	392	560	632	361	387	908	1,533	585	424	300
Operating Margin	8.6%	7.7%	7.6%	4.6%	4.7%	7.4%	9.4%	5.3%	4.2%	3.1%
Net Profit	257	374	430	133	223	660	1,138	374	265	257
Net Margin	5.6%	5.2%	5.2%	1.7%	2.7%	5.4%	7.0%	3.4%	2.6%	2.7%
Free Cash Flow	289	304	328	378	434	398	748	773	405	0
Income Tax	125	182	203	52	52	184	322	125	83	40

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	2,325	2,558	2,779	5,660	5,771	6,654	7,408	7,261	7021	7065
Cash & Equivalents	210	223	275	426	539	446	312	441	501	587
Accounts Receivable	370	454	467	479	588	796	849	544	502	542
Inventories	404	460	538	828	716	1,369	1,755	1,653	1367	1352
Goodwill & Int.	885	821	766	2,329	2,391	2,500	2,922	2,797	2648	2600
Total Liabilities	1,060	981	841	3,565	3,426	3,706	3,807	3,277	2947	2776
Accounts Payable	264	329	287	552	637	915	822	736	628	738
Long-Term Debt	360	145	0	1,903	1,667	1,607	1,767	1,303	1134	
Shareholder's Equity	1,265	1,577	1,938	2,084	2,320	2,922	3,593	3,976	4067	4288
D/E Ratio	0.28	0.09	0.00	0.91	0.72	0.55	0.49	0.33	0.28	

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	13.4%	15.3%	16.1%	3.2%	3.9%	10.6%	16.2%	5.10%	3.72%	
Return on Equity	22.0%	26.3%	24.5%	6.6%	10.1%	25.2%	34.9%	9.89%	6.59%	
ROIC	19.1%	22.4%	23.5%	4.5%	5.6%	15.4%	22.9%	7.0%	5.06%	
Shares Out.	52.5	52.6	52.7	55.1	55.2	55.2	55.0	53.9	53.7	53.4
Revenue/Share	87.13	137.4	157.6	145.6	147.4	221.2	295.17	206.50	187.07	179.4
FCF/Share	5.50	5.77	6.21	6.99	7.84	7.14	13.53	14.36	7.56	

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

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