Cintas Corporation (CTAS)

Updated July 21st, 2026, by Josh Arnold

Key Metrics

Current Price:	$202	**5 Year CAGR Estimate:**	10.7%	**Market Cap:**	$81 B
Fair Value Price:	$193	**5 Year Growth Estimate:**	11.0%	**Ex-Dividend Date:**	08/15/26[1]
% Fair Value:	105%	**5 Year Valuation Multiple Estimate:**	-1.0%	**Dividend Payment Date:**	09/13/26
Dividend Yield:	0.9%	**5 Year Price Target**	$324	**Years Of Dividend Growth:**	43
Dividend Risk Score:	A	**Sector:**	Industrials	**Rating:**	Hold

Overview & Current Events

Cintas Corporation is the U.S. industry leader in uniform design, manufacturing & rental. The company also offers first aid supplies, safety services, and other business-related services. Cintas was founded in 1968 and has grown to a market capitalization of $81 billion with annual revenues of more than $12 billion. Cintas qualifies to be a member of the Dividend Aristocrats Index with an impressive 43 years of consecutive dividend increases.

Cintas posted fourth quarter and full-year earnings on July 15th, 2026, and results were better than expected on both the top and bottom lines. Adjusted earnings-per-share came to $1.29, beating estimates by a nickel. Revenue was up 9% year-over-year to $2.91 billion, beating estimates by $40 million. Revenue was up on an organic basis by 8.4% year-over-year, with acquisitions comprising the rest.

Gross margin was up 130 basis points to a record of 51.0% of revenue, while operating income was up 13% year-over-year to $673 million. Operating margin was 23.2% of revenue, up from 22.4% a year earlier, reflecting higher revenue and higher gross margins. Net income was up from $448 million to $511 million year-over-year.

Operating cash flow was $2.28 billion, and $1.65 billion was returned to shareholders through dividends and share repurchases. Management noted the UniFirst acquisition remains on track.

Revenue is expected to be $12.10 billion to $12.25 billion for fiscal 2027, and adjusted earnings-per-share is set to be $5.36 to $5.50; we've set our initial estimate at the top of the range.

Growth on a Per-Share Basis

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
EPS	$1.04	$1.76	$1.90	$2.03	$2.56	$2.81	$3.25	$3.79	$4.40	$4.94	***$5.50***	***$9.27***
DPS	$0.33	$0.41	$0.51	$0.64	$0.70	$0.95	$1.15	$1.25	$1.56	$1.80	***$1.80***	***$2.90***
Shares[2]	420	424	432	428	416	408	408	403	403	400	***397***	***385***

Cintas has compounded its earnings-per-share at a rate of about 16% annually since 2012. Over full economic cycles, we believe the company can deliver continued earnings growth in the range of 11% per year. Applying an 11% growth rate to our 2027 estimate of $5.50 per share gives a 2032 earnings-per-share estimate of $9.27.

Cintas' two primary growth levers are higher organic revenue and higher margins. Cintas has proven it can grow revenue consistently over the years. It is also adept at removing cost redundancies, which drives operating margin higher over time. We see 2026 results as supportive of this thesis with good organic revenue growth, and very high and expanding operating margins. We also see share repurchases as a small tailwind going forward, as management is spending buyback capital heavily, which we find to be slightly misjudged with the valuation still elevated. Energy prices remain a wildcard for Cintas' earnings, in addition to the inherent operating leverage afforded by higher organic revenue. The UniFirst acquisition is yet another growth lever going forward.

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[1] Estimated date

[2] Share count in millions

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Valuation Analysis

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Now	2032
Avg. P/E	21.5	27.2	25.9	30.8	32.2	35.5	36.3	44.2	51.5	34.4	***36.7***	***35.0***
Avg. Yld.	1.2%	1.2%	1.0%	1.0%	0.9%	1.0%	1.0%	0.7%	0.7%	1.1%	***0.9%***	***0.9%***

Cintas' price-to-earnings ratio had varied from ~15 to ~36 over the decade ended 2023, until 2024. However, we see fair value at 35 times earnings. This compares to the current price-to-earnings ratio of 36.7, with higher earnings estimates against a rapidly rising share price. The valuation is slightly above fair value, well off from prior levels. We note the yield is back towards its decade lows, and reiterate Cintas has more than four decades of increases.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
Payout	32%	23%	27%	32%	27%	34%	35%	33%	35%	36%	***33%***	***31%***

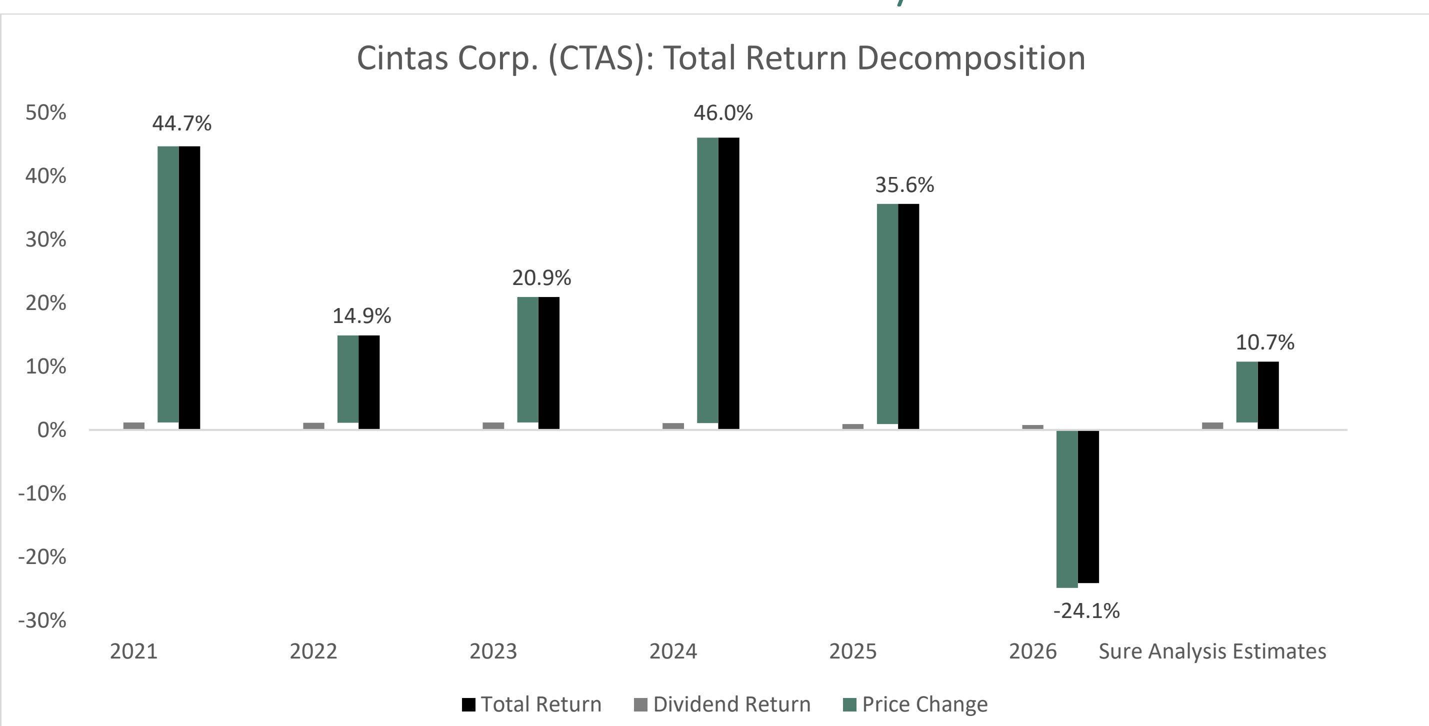
Cintas' payout ratio has always been quite low, and that is no different today. We see the dividend remaining under 40% of earnings for the foreseeable future with years of steady increases on the way.

Cintas' competitive advantage is in its massive size and scale, being the largest company of its kind. It has a huge customer book, and these customers have relatively high switching costs, so retention is strong. However, recessions are not kind to Cintas as it serves businesses, and revenue is dependent upon its customers' headcount. When a recession strikes and unemployment rises, Cintas' earnings will suffer. We note that the slowdown from COVID-19 was better than feared, and that Cintas continues to build upon strength.

Final Thoughts & Recommendation

The fundamentals of Cintas are still attractive as the company is performing very well. The stock is now slightly overvalued. The company's strong forecasted 11% earnings growth rate, a small impact from the valuation, and the 0.9% yield could offer 10.7% total returns in the years to come. With this, we are moving Cintas from buy to hold.

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	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue	5,323	6,477	6,892	7,085	7,116	7,854	8,816	9,597	10,340	11,265
Gross Profit	2,380	2,909	3,129	3,234	3,315	3,632	4,173	4,686	5,174	5,708
Gross Margin	44.7%	44.9%	45.4%	45.6%	46.6%	46.2%	47.3%	48.8%	50.0%	50.7%
SG&A Exp.	1,527	1,917	1,981	2,071	1,929	2,045	2,371	2,618	2,814	3,086
D&A Exp.	197	279	360	379	388	400	409	442	494	513
Operating Profit	853	992	1,148	1,163	1,385	1,587	1,803	2,069	2,360	2,622
Operating Margin	16.0%	15.3%	16.7%	16.4%	19.5%	20.2%	20.5%	21.6%	22.8%	23.3%
Net Profit	481	843	885	876	1,111	1,236	1,348	1,572	1,812	2,000
Net Margin	9.0%	13.0%	12.8%	12.4%	15.6%	15.7%	15.3%	16.4%	17.5%	17.8%
Free Cash Flow	491	692	791	1,061	1,217	1,297	1,267	1,670	1,757	1,881
Income Tax	230	57	220	182	177	263	345	402	452	505

Balance Sheet Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Assets	6,844	6,958	7,437	7,670	8,237	8,147	8,546	9,169	9,825	10,529
Cash & Equivalents	169	139	97	145	494	90	124	342	264	289
Accounts Receivable	736	805	910	870	902	1,006	1,153	1,244	1,417	1,555
Inventories	278	280	335	409	1,292	1,389	1,519	1,450	1,585	446
Goodwill & Int. Ass.	3,406	3,433	3,545	3,551	3,322	3,435	3,403	3,534	3,710	3,832
Total Liabilities	4,541	3,942	4,434	4,435	4,549	4,839	4,682	4,852	5,141	5,389
Accounts Payable	177	215	226	231	231	252	302	339	485	461
Long-Term Debt	3,134	2,535	2,850	2,540	2,542	2,796	2,486	2,476	2,425	2,649
Shareholder's Equity	2,303	3,017	3,003	3,235	3,688	3,308	3,864	4,316	4,684	5,140
LTD/E Ratio	1.36	0.84	0.95	0.79	0.69	0.85	0.64	0.57	0.52	0.53

Profitability & Per Share Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Return on Assets	8.8%	12.2%	12.3%	11.6%	14.0%	15.1%	16.2%	17.7%	19.1%	19.3%
Return on Equity	23.2%	31.7%	29.4%	28.1%	32.1%	35.3%	37.6%	38.4%	40.3%	40.7%
ROIC	11.2%	15.3%	15.5%	15.1%	18.5%	20.0%	21.6%	23.9%	26.1%	26.3%
Shares Out.	105	106	108	107	104	105	103	103	410	406
Revenue/Share	49.39	58.98	62.95	66.21	66.07	74.43	85.28	92.84	25.20	27.73
FCF/Share	4.55	6.31	7.23	9.92	11.30	12.29	12.25	16.16	4.28	4.63

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