Eastern Bankshares, Inc. (EBC)

Updated July 24th, 2026, by Sure Dividend Analyst

Key Metrics

Current Price:	$23.30	**5 Year Annual Expected Total Return:**	12.4%	**Market Cap:**	$5.0 B
Fair Value Price:	$28.50	**5 Year Growth Estimate:**	6.0%	**Ex-Dividend Date[1]:**	09/08/26
% Fair Value:	82%	**5 Year Valuation Multiple Estimate:**	4.1%	**Dividend Payment Date[1]:**	09/22/26
Dividend Yield:	2.6%	**5 Year Price Target**	$38	**Years Of Dividend Growth:**	27
Dividend Risk Score:	A	**Sector:**	Financials	**Rating:**	Buy

Overview & Current Events

Eastern Bankshares Inc. provides commercial banking products and services primarily to retail, commercial and small business customers. It provides banking, trust, and investment services, as well as insurance services, through its full-service bank branches and insurance offices. Eastern Bankshares Inc. is based in Boston, Massachusetts. Eastern Bank made a major move to expand its private banking with a $528 million acquisition of Cambridge Trust (CATC), which was completed in July 2024. Simultaneously, the bank sold its insurance business for $510 million to brokerage giant Arthur J. Gallagher & Co. in 2023. As of June 30th, 2026, Eastern Bankshares, Inc. had total consolidated assets of $31.14 billion, total gross loans of $23.71 billion, and total deposits of $25.92 billion. The company was founded in 1818 and has 1,750 employees.

On July 23rd, 2026, Eastern Bankshares, Inc. announced its second-quarter 2026 results for the period ending June 30th, 2026. For the quarter, the company reported net income of $105.2 million, compared to $65.3 million in the first quarter of 2026 and $99.5 million in the fourth quarter of 2025, reflecting a strong sequential increase despite remaining non-operating merger-related costs. Reported earnings per diluted share for the same periods were $0.48, $0.29, and $0.46, respectively. Operating net income reached a record $106.5 million, compared to $88.6 million in the first quarter and $94.7 million in the fourth quarter, reflecting positive operating leverage, higher revenues, and lower expenses.

Net interest income was $251.9 million, increasing $7.3 million, or 3.0% sequentially, from $244.7 million in the first quarter, driven primarily by higher asset yields, which more than offset increased funding costs. The net interest margin on a fully taxable-equivalent basis expanded 3 basis points to 3.66%. Wealth Management assets under management reached a record $10.6 billion, with total wealth assets of $11.5 billion, reflecting continued momentum in the Wealth business. The HarborOne integration continued to support expense performance, with cost synergies achieved following the February core-system conversion.

Total deposits were $25.9 billion, an increase of 3.2% sequentially, reflecting seasonal municipal inflows and broad-based growth across business lines. Asset quality improved, with non-performing loans to total loans declining to 0.47%, while net charge-offs remained 0.17% of average total loans.

The company highlighted record quarter-end commercial loan pipelines of nearly $1 billion and continued opportunities for organic loan growth, while noting that the deposit environment remained highly competitive and that deposit balances increased with a modest rise in costs.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	--	--	--	--	$0.13	$0.90	$1.21	$1.43	$0.66	$0.43	***$1.90***	***$2.54***
DPS	--	--	--	--	$0.00	$0.30	$0.40	$0.41	$0.45	$0.52	***$0.60***	***$0.80***
Shares[2]	--	--	--	--	172	172	166	162	162	162	***216***	***215***

[1] Estimated date
[2] In millions.

Eastern Bankshares, Inc. (EBC)

Updated July 24th, 2026, by Sure Dividend Analyst

We have elected to use CATC's historical information through 2023 for average earnings growth and valuation averages. Based on CATC's historical information, the company has grown earnings by 1.5% per year over the past decade and declined by 4.1% over the past five years. We expect earnings to increase by 6% per year for the next five years. Eastern Bankshares has been able to increase its dividend for 27 consecutive years, including its predecessor banks' streaks. Over the last five years, the average annual dividend growth rate is 14.9%. In April 2026, the company increased its quarterly dividend by 15.4% from $0.13 to $0.15 per share.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	--	--	--	--	--	35.0	46.9	17.0	17.3	11.3	***12.3***	***15.0***
Avg. Yld.	--	--	--	--	--	1.5%	2.3%	2.9%	2.8%	3.0%	***2.6%***	***2.1%***

As a reference, during the past decade shares of Cambridge Bancorp have traded with an average price-to-earnings ratio of about 13 and today, the merger combination company PE-ratio stands at 12.3. We are using 15 times earnings as a fair value baseline, implying the potential for a valuation tailwind. The company's dividend yield is currently 2.6% which is below the historical average yield of Cambridge Bancorp over the past decade of 3.2% and above 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	--	--	--	--	--	33%	33%	29%	68%	121%	***32%***	***32%***

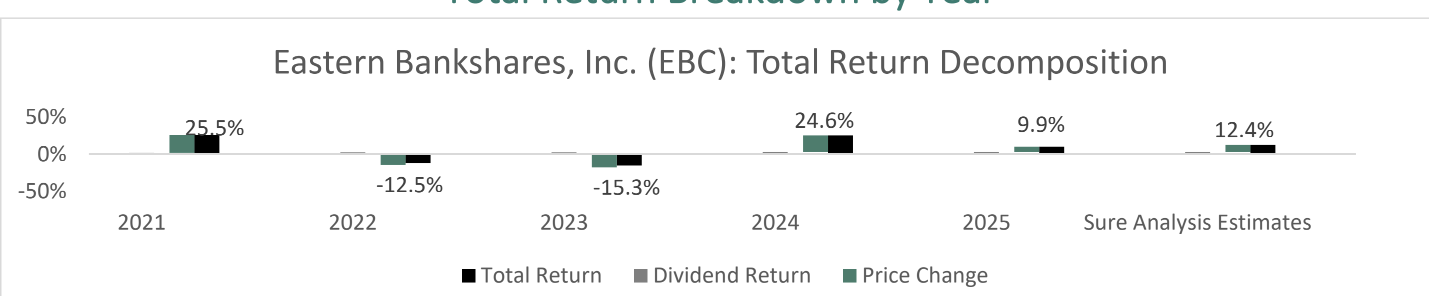
During the past five years, the company's dividend payout ratio has averaged around 55%. Eastern Bankshares' dividend is comfortably covered by earnings. Given the expected earnings growth, there is room for the dividend to continue to grow at least at the same pace and keep the payout ratio below the 50% level for the years to come.

Eastern Bankshares is strategically positioned as a dominant player in the New England banking market, particularly following its merger with Cambridge Bancorp. This combination has solidified EBC's status as the largest independent bank headquartered in Boston, with significant scale advantages. This positions EBC as the largest bank-owned independent investment advisor in Massachusetts, giving it a competitive edge in attracting both retail and commercial clients. The integration of Cambridge Bancorp introduces complexity and potential risks, particularly in managing the combined entity's commercial real estate portfolio, which includes office loans—a sector currently under pressure due to shifts in work patterns and higher interest rates. EBC's capital position remains strong, with a CET1 ratio of 13%. However, the ongoing economic uncertainties and competitive pressures in the deposit market could challenge its ability to maintain this advantage.

Final Thoughts & Recommendation

Eastern Bankshares is a well-established financial institution with deep roots in New England, particularly in Massachusetts. The bank has a reputation for prudent management, which has allowed it to maintain a solid dividend yield of 2.6%. We estimate total return potential of 12.4% per year for the next five years based on a 6% earnings-per-share growth, the dividend yield, and a valuation tailwind. Shares earn a buy 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.

Eastern Bankshares, Inc. (EBC)

Updated July 24th, 2026, by Sure Dividend Analyst

Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	---	---	567	589	570	518	638	308	732	1,054
SG&A Exp.	---	---	255	264	274	240	249	283	324	---
D&A Exp.	---	---	20	19	28	23	23	24	38	---
Net Profit	---	---	123	135	23	155	200	232	120	88
Net Margin	---	---	21.7%	22.9%	4.0%	29.8%	31.3%	75.3%	16.4%	8.3%
Free Cash Flow	---	---	196	189	65	169	221	254	270	418
Income Tax	---	---	35	39	13	30	52	(63)	36	11

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	---	---	11,378	11,629	15,964	23,512	22,647	21,133	25,560	30,710
Cash & Equivalents	---	---	260	363	2,054	1,232	170	693	1,007	126
Goodwill & Int.	---	---	381	378	377	650	568	566	1,050	1,301
Total Liabilities	---	---	9,945	10,029	12,536	20,106	20,175	18,158	21,950	26,370
Long-Term Debt	---	---	166	34	28	34	741	48	45	296
Total Equity	---	---	1,433	1,600	3,428	3,406	2,472	2,975	3,612	4,341
LTD/E Ratio	---	---	0.12	0.02	0.01	0.01	0.30	0.02	0.01	0.07

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	---	---	---	1.2%	0.2%	0.8%	0.9%	1.1%	0.5%	0.3%
Return on Equity	---	---	---	8.9%	0.9%	4.5%	6.8%	8.5%	3.6%	2.2%
ROIC	---	---	---	8.4%	0.9%	4.5%	6.0%	7.4%	3.6%	2.1%
Shares Out.	---	---	---	---	172	172	166	162	182	204.3
Revenue/Share	---	---	2.70	2.80	3.32	3.01	3.85	1.90	4.02	5.16
FCF/Share	---	---	0.93	0.90	0.38	0.98	1.34	1.56	1.48	2.05

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