Fifth Third Bancorp (FITB)

Updated July 18th, 2026, by Nathan Parsh

Key Metrics

Current Price:	$58	**5 Year Annual Expected Total Return:**	1.2%	**Market Cap:**	$53 billion
Fair Value Price:	$46	**5 Year Growth Estimate:**	3.0%	**Ex-Dividend Date:**	09/30/2026[1]
% Fair Value:	127%	**5 Year Valuation Multiple Estimate:**	-4.7%	**Dividend Payment Date:**	10/15/2026[2]
Dividend Yield:	2.8%	**5 Year Price Target**	$53	**Years Of Dividend Growth:**	15
Dividend Risk Score:	C	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Fifth Third Bancorp owns and operates banks in 12 midwestern and southern U.S. states, including Georgia, Florida, Michigan, and Ohio. The company has nearly 1,500 offices and has an expanding commercial and specialty lending presence in states such as Texas and Arizona. Fifth Third Bancorp has a market capitalization of ~$53 billion and generates annual revenues of ~$9 billion.

On September 12th, 2025, Fifth Third Bancorp announced that it was increasing its quarterly dividend 8.1% to $0.40 for the October 15th, 2025 payment date, extending the company's dividend growth streak to 15 years.

On July 17th, 2026, Fifth Third Bancorp announced second quarter results for the period ending June 30th, 2026. For the quarter, revenue was up 44% to $3.2 billion, but this was $10 million less than expected. Adjusted earnings-per-share of $1.02 compared favorably to $0.90 in the prior year and was $0.04 above estimates.

Results were once again greatly impacted from the addition of Comerica Incorporated, with the transaction closing February 1st, 2026. For the quarter, average portfolio loans and leases of $177.6 billion represented growth of 44% year-over-year and a nearly 13% improvement from Q1 2026. Provisions for credit losses of $129 million compared to $227 million a year ago and to $173 million in the preceding quarter. The nonperforming asset ratio of 0.60% was lower by 12 basis points compared to the prior year's period, but up 3 basis points on a sequential basis. Average deposits of $231.5 billion represented an increase of 41.5% year-over-year and growth of 10.5% quarter-over-quarter. Net interest income of $2.2 billion grew 48% compared to prior year and improved 14.5% from the preceding quarter. Net interest margin of 3.36% expanded 24 basis points from last year and were up 6 basis points Q1 2026. Compared to the prior year, Fifth Third Bancorp had return on average tangible common equity of 15.6% versus 17.6%, return on average common equity of 9.5% versus 12.8%, and return on average assets of 1.08% versus 1.20%.

Fifth Third Bancorp is expected to earn $4.14 per share in 2026, up from $4.12 previously.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
FFO	$1.93	$2.65	$2.55	$2.77	$2.16	$3.77	$3.41	$3.22	$3.14	$3.53	***$4.14***	***$4.80***
DPS	$0.53	$0.60	$0.74	$0.94	$1.08	$1.20	$1.26	$1.34	$1.42	$1.54	***$1.60***	***$1.85***
Shares[3]	750	694	647	709	713	698	694	688	671	669	***912***	***912***

Fifth Third Bancorp's earnings-per-share had a compound annual growth rate (CAGR) of 6.9% for the 2016 to 2025 period, but this rate drops to 1.9% per year over the last five years. The COVID-19 pandemic greatly impacted the banking sector in general and Fifth Third Bancorp in particular in 2020, setting up a very easy comparison for 2021. The 2010 to 2019 -year period saw a CAGR of almost 16%. That said, even this growth rate is deceiving as the bank was in the midst of a recovery from the 2007-2009 recession and EPS started from a low base. We feel that a 3% earnings growth rate going forward is appropriate.

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[1] Estimated ex-dividend date.
[2] Estimated dividend payment date.
[3] Share count 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	Now	2031
Avg. P/E	10.0	10.1	11.7	10.0	10.3	11.6	9.6	9.6	13.5	13.2	***14.0***	***11.0***
Avg. Yld.	2.7%	2.2%	2.5%	3.4%	4.9%	2.5%	3.8%	3.9%	3.4%	3.3%	***2.8%***	***3.5%***

Shares of Fifth Third Bancorp have gained $8, or 16%, since our April 20th, 2026 report. The stock has traded with an incredibly consistent valuation range over the last decade, rarely dropping below a price-to-earnings ratio of 9 and rarely averaging above 13. However, the valuation is now at its highest level in more than a decade as the market has reacted to the addition of Comerica Incorporated.

We have raised our five-year target multiple to 11 times earnings, up from 10 previously, as we feel that this valuation better reflects the company's business prospects and reflects the medium- and long-term average price-to-earnings ratios. At the current valuation, this implies a 4.7% headwind to annual returns from multiple contraction through 2031.

Shares yield more than two times the average yield of the S&P 500 index. The dividend has a 10-year CAGR of almost 13%, though this deaccelerates to 5.9% when looking at the last five years.

Safety, Quality, Competitive Advantage, & Recession Resiliency

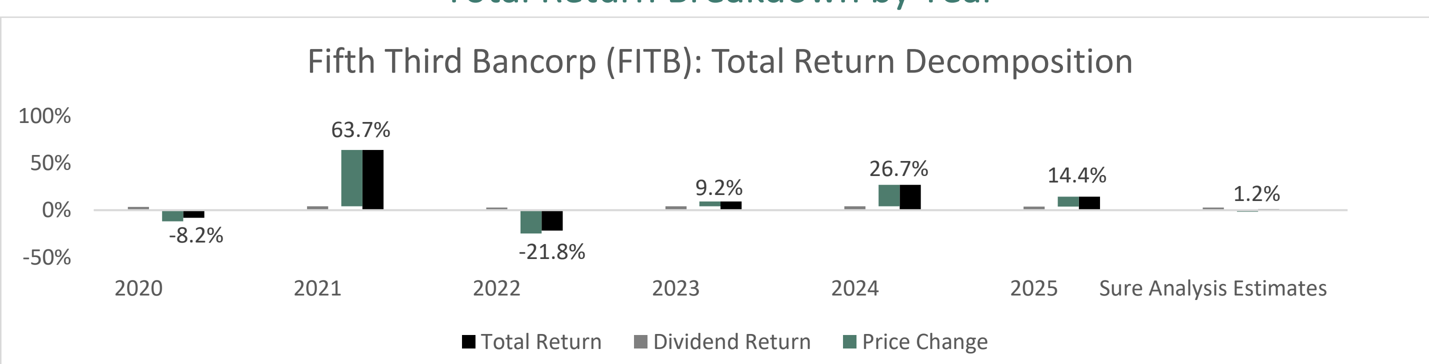
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	27%	23%	29%	34%	50%	32%	37%	37%	45%	44%	***39%***	***39%***

Along with much of the banking sector, Fifth Third Bancorp suffered significant losses during the financial crisis recession. Earnings-per-share totaled $1.70, -$3.94, and $0.67 for 2007, 2008 and 2009 respectively. At the same time, the dividend was cut twice for a total reduction of 98%. It took the company until 2013 to establish a new earnings-per-share high and the dividend still has not recovered from its pre-Great Recession levels. Growth since has been mixed, even without the impact of the COVID-19 pandemic. Therefore, we do not believe that Fifth Third Bancorp is a recession-proof name. We also do not find that Fifth Third Bancorp possesses any significant advantages to its peers. The company does have a presence in certain growing states, such as Florida, but much of its core business is in the Midwest, which has seen population decline in recent years.

Final Thoughts & Recommendation

Fifth Third Bancorp is now expected to return 1.2% annually through 2031, down from our prior forecast of 2.5%. Our projected return stems from a 3% earnings growth rate and a starting yield of 2.8%, offset by a mid-single-digit headwind from multiple compression. The addition of Comerica should give the company a larger foot print, but the stock still trades ahead of our fair value target. We have raised our five-year price target $5 to $53 due to earnings estimates for 2026 and a higher target multiple. We continue to view shares of Fifth Third Bancorp as a hold due to projected returns and a mediocre dividend risk score.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	6,498	7,565	7,450	9,158	7,792	8,144	9,623	12,477	13,251	12,938
SG&A Exp.	-	-	-	-	-	-	-	-	-	-
D&A Exp.	453	341	360	472	492	349	436	462	495	
Net Profit	1,545	2,171	2,170	2,491	1,421	2,763	2,444	2,349	2,314	2,522
Net Margin	23.8%	28.7%	29.1%	27.2%	18.2%	33.9%	25.4%	18.8%	17.5%	19.5%
Free Cash Flow	2,008	2,560	3,291	3,319	26	1,746	5,760	4,190	2,424	
Income Tax	505	577	572	690	370	747	647	639	602	689

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	142177	142193	146069	169369	204680	211116	207452	214574	212927	214376
Cash & Equivalents	2392	2514	2681	3278	3147	2994	3466	3142	3014	3499
Goodwill & Int.	2425	2472	2518	4453	4397	4670	5084	5044	5008	5016
Total Liabilities	125945	125808	129819	148166	181569	188906	190125	195402	193282	192652
Long-Term Debt	14388	14904	14426	15435	15414	11967	14222	16888	14851	13589
Total Equity	14874	15034	14919	19433	20995	20094	15211	17056	17529	19954
LTD/E Ratio	1.11	1.17	1.04	0.79	0.74	0.60	0.87	1.05	1.00	0.67

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.1%	1.5%	1.5%	1.6%	0.8%	1.3%	1.2%	1.1%	1.1%	1.2%
Return on Equity	9.6%	13.3%	13.3%	13.3%	6.4%	12.2%	12.4%	12.9%	11.9%	12.2%
ROIC	4.6%	6.2%	6.3%	7.0%	3.6%	7.3%	7.2%	6.6%	5.9%	6.7%
Shares Out.	750	694	647	709	713	698	694	688	671	669
Revenue/Share	8.50	10.21	10.87	12.72	10.83	11.45	13.85	18.14	19.28	19.24
FCF/Share	2.63	3.46	4.80	4.61	0.04	2.46	8.29	6.09	3.53	

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