Avient Corporation (AVNT)

Updated August 24th, 2026, by Ian Bezek

Key Metrics

Current Price:	$44	**5 Year Annual Expected Total Return:**	9.9%	**Market Cap:**	$4.1 B
Fair Value Price:	$50	**5 Year Growth Estimate:**	5.0%	**Ex-Dividend Date:**	09/11/26
% Fair Value:	87%	**5 Year Valuation Multiple Estimate:**	2.8%	**Dividend Payment Date:**	10/07/26
Dividend Yield:	2.5%	**5 Year Price Target**	$64	**Years Of Dividend Growth:**	15
Dividend Risk Score:	C	**Sector:**	Materials	**Rating:**	Hold

Overview & Current Events

Avient is a company in the specialty chemicals industry. It primarily produces resins and other plastic additives. The company's PVCs, polymer colorings and other products go into end products such as plastic bottles, flooring, and electronic equipment. Avient emerged in 2020 when its predecessor company, Polyone, acquired Clariant Masterbatch. Polyone itself came about from a merger in 2000 and had historically grown via M&A.

Following its transformation into Avient, the company's acquisitive streak has continued. In 2022, Avient purchased DSM Protective Materials for $1.49 billion. Avient sold off a distribution business to help fund that deal. And since then, Avient has been focusing on paying down debt and managing its interest expenses amid the higher interest rate environment. It has also poured more into R&D. The company generated a record EPS result in 2025 despite a challenging environment for many of the firm's customers.

Avient reported its Q2 earnings on August 6th, 2026. Adjusted earnings-per-share of $0.96 jumped up from the $0.80 reported in the prior year and beat expectations by seven cents. Revenues of $917 million rose 5.8% year-over-year, and topped consensus. Avient continues to deal with challenging macroeconomic conditions. Avient has pointed to its efficiency measures in driving its recent earnings gains. This quarter, organic growth ticked up to 4%, which was a significant improvement from recent quarters, though pricing actions and cost efficiency continue to drive much of the firm's profit margin expansion. Avient management raised its guidance for the rest of the year, citing strength in new product launches and better profitability on existing business.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$2.13	$2.21	$2.43	$1.69	$1.46	$2.51	$2.69	$2.36	$2.66	$2.82	***$3.15***	***$4.02***
DPS	$0.50	$0.58	$0.72	$0.79	$0.82	$0.85	$0.94	$1.00	$1.04	$1.08	***$1.10***	***$1.34***
Shares	83	81	78	77	91	92	91	91	91	92	***92***	***92***

Avient grew its earnings at a rapid pace between 2012 and 2018, with EPS tripling over that stretch. Since that period, however, growth has been much harder to come by. Earnings declined in 2019 and 2020 before posting a strong recovery in 2021. Earnings per share growth has decelerated since 2022 as the company deals with a softer demand picture, though 2025's results ticked up to a new high.

Avient had grown its dividend at a reasonable rate, managing 8.9% annualized growth since 2016 and 5.3% annually over the past five years. Avient's most recent dividend increase was announced on Oct. 8th, 2025 and boosted the quarterly payout by 2% to $0.275 per share. The company has maintained its payout ratio at a low level.

Going forward, we estimate 5.0% annualized earnings growth over the next five years. While industry conditions are challenging for now, the company's acquisitions and R&D have achieved favorable returns on investment. Avient has a highly leveraged balance sheet, so in theory Fed rate cuts should lead to improved profitability. However, with the surge in energy prices and related uptick in interest rates this year, Avient now faces a potential headwind from higher borrowing costs.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	15.2	17.2	16.7	18.4	19.3	19.7	16.0	16.1	16.3	12.4	***14.0***	***16.0***
Avg. Yld.	1.5%	1.5%	1.8%	2.5%	2.9%	2.9%	2.2%	2.6%	2.4%	3.1%	***2.5%***	***2.1%***

Avient has generally maintained a stable P/E ratio of around 15 to 21 times earnings, though shares fell to a 12.4x reading last year. We expect shares to rebound to a 16x P/E ratio over the long-term.

Avient's dividend yield started off the 2010s in the low 1% range. From 2018 and on, the dividend yield started to move up consistently. Today's 2.5% is in-line with Avient's more recent average.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	23%	26%	30%	47%	56%	34%	35%	42%	39%	38%	***35%***	***33%***

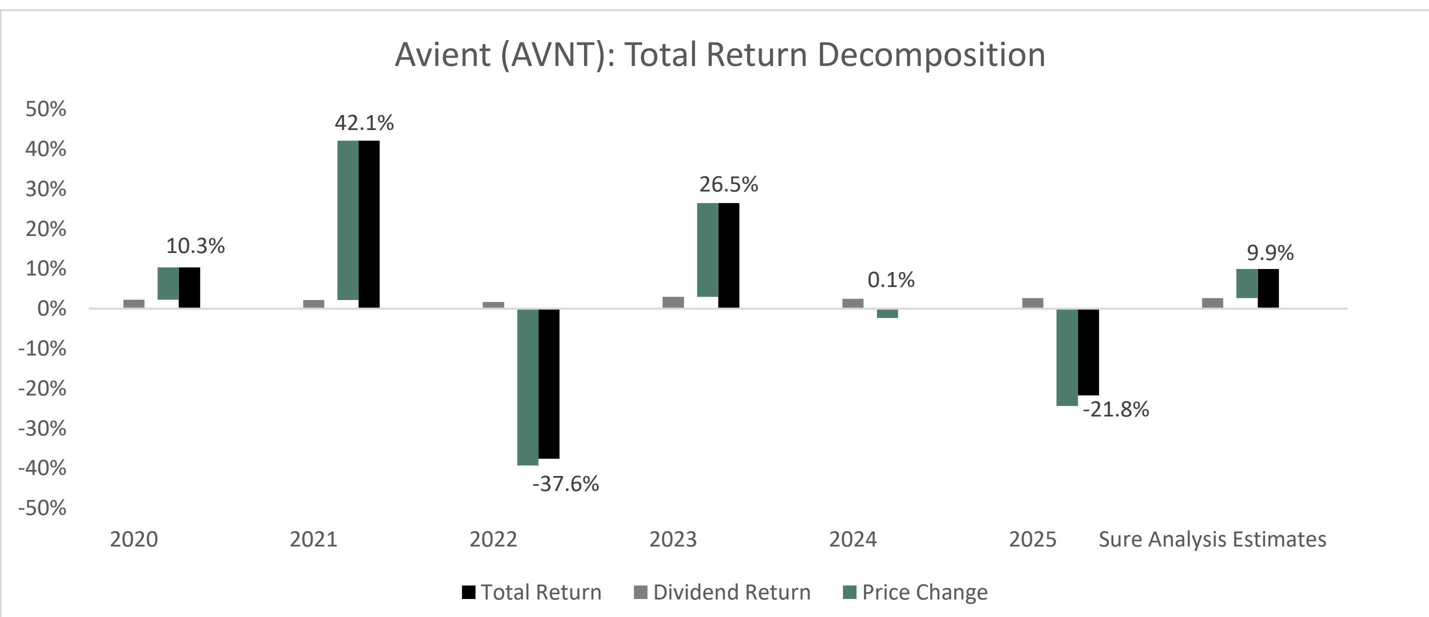
The specialty chemicals industry is known for being highly cyclical. That being the case, Avient's results have been quite strong compared to its sector. Still, as the above payout ratio shows, when earnings dip, such as they did in 2019 and 2020, the company's dividend coverage can slip a notch.

Management has guided to keeping its net debt to adjusted EBITDA ratio below 3.0x. In pursuit of that goal, Avient paid down approximately $150 million of debt in 2025. While Avient would see its prospects slip during a recession, we believe the firm's dividend is sustainable at current levels.

Final Thoughts & Recommendation

Avient has delivered a series of mixed earnings reports over the past year, though Q2 was a significant improvement from recent results. Avient shares have advanced since our last update as traders welcomed the Q2 earnings beat and guidance raise. Despite the significant jump in the stock price, however, shares still appear to be reasonably undervalued. This sets the stage for a solid 9.9% total annualized return outlook. Avient shares earn a hold rating today.

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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	2,939	2,590	2,881	2,863	3,242	4,819	3,397	3,143	3,240	3,260
Gross Profit	676	596	625	657	784	1,100	883	893	1,057	1,035
Gross Margin	23.0%	23.0%	21.7%	23.0%	24.2%	22.8%	26.0%	28.4%	32.6%	31.7%
SG&A Exp.	409	423	446	500	595	718	639	696	727	812
D&A Exp.	106	98	92	88	115	146	163	189	180	186
Operating Profit	268	173	179	157	189	381	243	197	329	250
Op. Margin	9.1%	6.7%	6.2%	5.5%	5.8%	7.9%	7.2%	6.3%	10.2%	7.7%
Net Profit	165	(58)	160	589	132	231	703	76	170	84
Net Margin	5.6%	-2.2%	5.5%	20.6%	4.1%	4.8%	20.7%	2.4%	5.2%	2.6%
Free Cash Flow	143	123	178	219	158	133	293	82	135	191
Income Tax	60	1	14	34	5	74	(19)	11	54	28

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	2,736	2,705	2,723	3,273	4,871	4,997	6,085	5,968	5,811	6,026
Cash & Equivalents	226	244	171	865	650	601	641	546	545	511
Acc. Receivable	326	392	347	330	517	642	441	400	400	435
Inventories	266	328	285	261	328	461	373	347	347	367
Goodwill & Int.	875	1,011	1,062	1,155	2,317	2,212	3,270	3,301	3,110	3,250
Total Liabilities	2,010	2,106	2,183	2,221	3,159	3,207	3,732	3,630	3,482	3,639
Accounts Payable	321	389	305	288	472	554	454	432	417	410
Long-Term Debt	1,258	1,309	1,356	1,229	1,873	1,859	2,179	2,080	2,067	1,982
Total Equity	725	599	540	1,052	1,697	1,775	2,335	2,319	2,314	2,374
LTD/E Ratio	1.74	2.19	2.51	1.17	1.10	1.05	0.93	0.90	0.89	0.84

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	6.2%	-2.1%	5.9%	19.6%	3.2%	4.7%	12.7%	1.3%	2.9%	1.4%
Return on Equity	23.1%	-8.7%	28.1%	73.9%	9.6%	13.3%	34.2%	3.2%	7.3%	3.6%
ROIC	8.6%	-3.0%	8.4%	28.2%	4.5%	6.4%	17.2%	1.7%	3.9%	1.9%
Shares Out.	83	81	78	77	91	92	91	92	92	92
Revenue/Share	34.74	31.55	35.83	36.84	35.78	52.32	36.84	34.24	35.22	35.51
FCF/Share	1.70	1.50	2.21	2.82	1.74	1.45	3.18	0.90	1.47	2.08

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