Broadridge Financial Solutions (BR)

Updated August 9th, 2026 by Quinn Mohammed

Key Metrics

Current Price:	$167	**5 Year CAGR Estimate:**	17.3%	**Market Cap:**	$19 B
Fair Value Price:	$211	**5 Year Growth Estimate:**	10.0%	**Ex-Dividend Date[1]:**	09/03/2026
% Fair Value:	79%	**5 Year Valuation Multiple Estimate:**	4.9%	**Payment Date[1]:**	10/05/2026
Dividend Yield:	2.6%	**5 Year Price Target**	$340	**Years of Dividend Growth:**	20
Dividend Risk Score:	A	**Sector:**	Industrials	**Rating:**	Buy

Overview & Current Events

Broadridge Financial Solutions, Inc. provides investor communications services and technology-related solutions to the financial services industry. Broadridge was spun off from Automatic Data Processing, Inc. (NYSE: ADP) in 2007, where it had been the brokerage service division of ADP since 1962. Broadridge processes millions of trades a day involving trillions of dollars, provides investor communications which reach 75% of North American households, and also manage shareholder voting in ~120 countries. Broadridge has also expanded into blockchain solutions and has secured a blockchain patent for proxy processing and repurchase agreements. The company serves clients across the globe, but the majority of customers are in the U.S., Canada, and the U.K. Broadridge trades under the ticker symbol BR on the NYSE. BR is headquartered in New York and trades at a market capitalization of $19 billion. The company generates about $5 billion annual revenues.

In Q4 2024, Broadridge announced three acquisitions, including the acquisition of Kyndryl Securities Industry Services (SIS), AdvisorTarget, and CompSci Resources. It completed the acquisition of SIS on November 1st, 2024 for $185M.

On January 5th, 2026, Broadridge completed the acquisition of Acolin Group Holdco Limited, a leading European provider of cross-border fund distribution and regulatory services, for $70 million.

On August 4th, 2026, Broadridge increased its dividend by 12% to $4.36 per share annually, marking 20 years of consecutive increases.

On April 30th, 2026, Broadridge acquired CQG, an execution management system for futures and options, for $173M.

Broadridge Financial Solutions reported fourth quarter 2026 results on August 4th, 2026. Total revenues for the quarter improved by 7% to $2,220 million. Recurring revenue grew 8% year-over-year to $1,542 million from $1,424 million and made up 69% of total revenues in the fourth quarter. Adjusted EPS rose 8% YoY to $3.82 per share.

Leadership initiated its FY 2027 guidance for 6% to 8% recurring revenue growth, and adjusted EPS growth of 8% to 12%. It also approved a new share repurchase program for $1.5 billion of its common shares, overriding its previous repurchase plan.

Growth on a Per-Share Basis

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
EPS	$2.70	$4.19	$4.66	$5.03	$5.66	$6.46	$7.01	$7.73	$8.55	$9.60	***$10.56***	***$17.01***
DPS	$1.46	$1.94	$2.16	$2.30	$2.56	$2.65	$2.90	$3.20	$3.52	$3.90	***$4.36***	***$7.02***
Shares[2]	116.5	116.3	114.3	115.1	117.8	118.5	118.5	118.7	118.3	115.6	***107.0***	***105.0***

Recent results are driven by long-term trends that we expect to continue over the intermediate term, including increased digitization, and the ongoing democratization of investing, as more people enter the world of financial markets. Investments in the company's products and technology platforms, such as Wealth and Global Post-Trade Management, should support further growth and help improve customer retention. The company is also scaling agentic

[1] Estimated date
[2] In millions
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AI across its capital markets and wealth operations, delivering notable efficiency gains for clients and internally. Recent acquisitions, including Itiviti, SIS, and CQG, allow the company to offer more value to clients and expand its geographic reach.

The company recently completed its three-year growth plan for FY24 to FY26 and delivered on all its goals, which saw organic recurring revenue growth of 6%, adjusted operating income margin expansion of 32 basis points per year, and adjusted earnings per share growth of 11%. Broadridge has increased earnings-per-share on average by 15% since 2017, and 11% in the past five years.

Based on the impressive earnings growth that Broadridge has accomplished, combined with its solid growth strategies, we forecast it could increase earnings-per-share by 10% annually over the next five years.

Valuation Analysis

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Now	2032
Avg. P/E	25.3	22.4	24.4	23.9	27.8	23.1	21.6	26.0	27.9	17.3	***15.8***	***20.0***
Avg. Yld.	1.9%	1.6%	1.7%	1.8%	1.4%	1.7%	1.8%	1.6%	1.4%	2.3%	***2.6%***	***2.1%***

We peg fair value for this stock at 20 times earnings and today shares trade for 15.8 times estimated earnings, which implies the potential for a valuation tailwind. Broadridge's average 5-year and 10-year PE ratio stand at 23.2 and 24.0 as the company has produced solid earnings growth. We forecast the dividend will grow at the same rate as earnings, and the yield will remain around the 2% mark.

Safety, Quality, Competitive Advantage, & Recession Resiliency

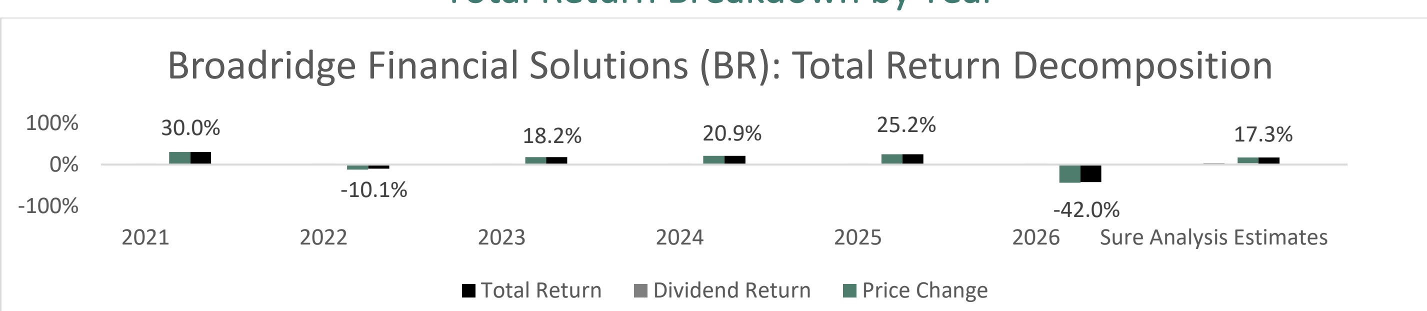
Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
Payout	54%	46%	46%	46%	45%	41%	41%	41%	41%	41%	***41%***	***41%***

Broadridge doesn't possess a stand-out competitive advantage, but its unique combination of people, industry knowledge and solution expertise make them a valuable partner in financial technology services. In fact, BR believes that partnering with them would be a competitive advantage for their clients as they can drive business transformation and achieve business value. The company's payout ratio of 41% is quite safe, especially considering that the majority of revenues are recurring. Broadridge was spun off into its own entity just as the great financial crisis began to hit, so we can't compare it to prior results, but earnings remained positive throughout the recession, and the dividend was increased the entire time, since inception.

Final Thoughts & Recommendation

We see steady growth ahead for Broadridge and forecast annualized total returns of 17.3% in the intermediate term. We like the defensive nature of the business, and the company is trading at 79% of our estimate of fair value. Annualized total returns of 17.3% are excellent, and the bulk of this should come from growth. We rate Broadridge as a buy for the growth and dividend growth investor, but the yield may be lacking for income investors.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue	4143	4330	4362	4529	4994	5709	6061	6507	6,889	7,477
Gross Profit	1035	1163	1230	1264	1423	1592	1785	1934	2,137	2,376
Gross Margin	25.0%	26.8%	28.2%	27.9%	28.5%	27.9%	29.5%	29.7%	31.0%	31.8%
SG&A Exp.	501	565	578	639	744	832	849	917	948	1,076
D&A Exp.	141	164	173	197	221	333	299	478	327	341
Operating Profit	534	598	653	625	679	760	936	1017	1,189	1,301
Operating Margin	12.9%	13.8%	15.0%	13.8%	13.6%	13.3%	15.4%	15.6%	17.3%	17.4%
Net Profit	327	428	482	463	548	539	631	698	840	1,124
Net Margin	7.9%	9.9%	11.1%	10.2%	11.0%	9.4%	10.4%	10.7%	12.2%	15.0%
Free Cash Flow	312	556	544	500	539	370	748	943	1,056	1,233
Income Tax	161	133	125	117	149	133	164	179	219	322

Balance Sheet Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Assets	3150	3305	3881	4890	8120	8169	8233	8242	8,545	8,945
Cash & Equivalents	271	264	273	477	275	225	252	304	562	403
Accounts Receivable	590	615	664	711	820	947	974	1066	1,077	1,129
Goodwill & Int.	1646	1749	2056	2258	5145	4562	4929	4777	4,887	4,987
Total Liabilities	2146	2210	2753	3543	6311	6250	5993	6074	5,890	6,105
Accounts Payable	167	156	134	152	249	245	157	314	220	150
Long-Term Debt	1102	1053	1470	1788	3888	3793	3413	3355	2,753	3,255
Shareholder's Equity	1004	1094	1128	1347	1809	1919	2241	2168	2,655	2,841
D/E Ratio	1.10	0.96	1.30	1.33	2.15	1.98	1.52	1.55	1.23	1.24

Profitability & Per Share Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Return on Assets	10.9%	13.3%	13.4%	10.5%	8.4%	6.6%	7.7%	8.5%	10.0%	12.9%
Return on Equity	31.9%	40.8%	43.4%	37.4%	34.7%	28.9%	30.3%	31.7%	34.8%	40.9%
ROIC	15.7%	20.1%	20.3%	16.1%	12.4%	9.5%	11.1%	12.5%	14.7%	12.7%
Shares Out.	117	116	114.3	115.1	115.1	118.5	119.0	119.1	118.3	117.1
Revenue/Share	34.29	35.96	36.72	38.71	42.39	48.18	50.93	54.63	58.23	63.85
FCF/Share	2.58	4.62	4.58	4.27	4.58	3.13	6.29	7.92	8.93	10.53

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

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