Enterprise Products Partners (EPD)

Updated August 19th, 2026 by Aristofanis Papadatos

Key Metrics

Current Price:	$39	**5 Year CAGR Estimate:**	7.4%	**Market Cap:**	$83 B
Fair Value Price:	$34	**5 Year Growth Estimate:**	5.0%	**Ex-Dividend Date[1]:**	10/30/26
% Fair Value:	116%	**5 Year Valuation Multiple Estimate:**	-2.9%	**Dividend Payment Date:**	11/13/26
Dividend Yield:	5.7%	**5 Year Price Target**	$43	**Years Of Dividend Growth:**	29
Dividend Risk Score:	C	**Sector:**	Energy	**Rating:**	Hold

Overview & Current Events

Founded in 1968, Enterprise Products Partners L.P. is one of the largest midstream energy MLPs, structured as a Master Limited Partnership focused on the storage and transportation of oil, natural gas, and refined products. The company operates an extensive integrated midstream platform spanning over 50,000 miles of pipelines for natural gas, natural gas liquids (NGL), crude oil, and refined products, with strategically positioned storage facilities totaling more than 250 million barrels of capacity. Enterprise's diversified asset base includes natural gas processing plants, NGL fractionation facilities, export terminals, and offshore infrastructure, generating stable fee-based revenues through long-term contracts with producers and shippers. The company's business model prioritizes distributable cash flow generation to support its distribution policy while maintaining a strong balance sheet and financial flexibility for accretive growth opportunities and strategic investments in infrastructure modernization. The MLP has a market capitalization of $83 billion and has raised its distribution for 29 consecutive years.

On July 30th, 2026, Enterprise Products Partners reported results for the second quarter of fiscal 2026. It grew its earnings-per-share 28% over the prior year's quarter, from $0.66 to $0.84, thanks to record operational volumes across the company's integrated midstream platform. The company greatly benefited from the crisis in the Middle East, which resulted in a steep increase in the demand for U.S. oil, refined products and natural gas. Distributable cash flow grew 21%, to $2.3 billion, thus resulting in a strong distribution coverage ratio of 1.9x. Management maintained a constructive outlook, forecasting 3% growth of distributable cash flow in 2026 and approximately 10% in 2027, as major projects reach higher utilization and operational synergies materialize. The strong results underscore Enterprise's competitive advantages in integrated midstream infrastructure, operational scale and disciplined capital allocation.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
DCF/S	$2.45	$2.56	$3.30	$3.43	$2.91	$3.00	$3.52	$3.46	$3.58	$3.66	***$3.74***	***$4.77***
DPS	$1.59	$1.67	$1.71	$1.76	$1.79	$1.80	$1.90	$2.01	$2.10	$2.18	***$2.24***	***$2.78***
Units[2]	2118	2161	2184	2189	2181	2176	2170	2168	2165	2186	***2186***	***2200***

In this report, DCF-per-unit is used instead of earnings-per-share, since DCF is a more accurate measure of cash flow for an MLP. Enterprise has positive growth potential moving forward, thanks to new projects and exports. It has several billion dollars' worth of major capital projects currently under construction. They expect all of these projects to come online in the coming years, boosting cash flows. Exports are also a key growth catalyst. Demand for liquefied petroleum gas and liquefied natural gas, or LPG and LNG respectively, is growing at a high rate across the world, particularly in Asia. That said, the world is also moving rapidly towards renewable energy and the pipeline industry is facing political and regulatory pressures right now, limiting new growth project opportunities. Overall, we expect 5.0% average annual growth of DCF-per-unit through 2031. Unit buybacks and deleveraging are likely to be material growth drivers.

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[1] Estimated date.

[2] Shares 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/DCF	10.2	11.1	10.4	7.2	7.0	6.5	7.4	8.0	8.5	8.5	***10.4***	***9.0***
Avg. Yld.	6.4%	5.9%	5.0%	7.1%	8.8%	9.2%	7.3%	7.3%	6.9%	7.0%	***5.7%***	***6.5%***

We believe that a fair value multiple for Enterprise Products Partners is 9 times DCF, roughly in line with the 10-year average of the stock. The stock is currently trading at a price-to-DCF ratio of 10.4, which is higher than the fair valuation level. If the stock trades at our assumed fair valuation level in five years, it will incur a -2.9% annualized drag in its return.

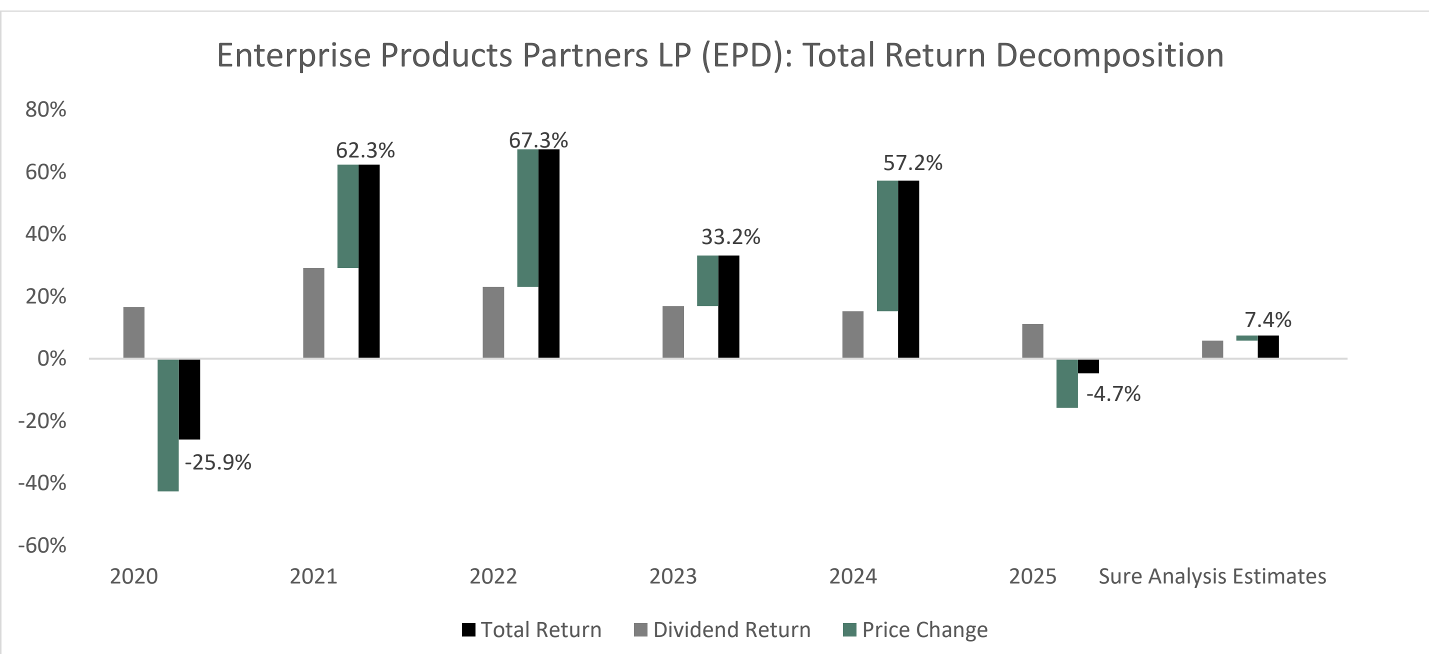
Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	65%	65%	52%	51%	62%	60%	54%	58%	59%	60%	***60%***	***58%***

In terms of safety, Enterprise Products Partners is one of the strongest midstream MLPs. It has credit ratings of BBB+ from Standard & Poor's and Baa1 from Moody's, which are higher ratings than those of most MLPs. It also has a conservative distribution coverage ratio, leaving room for distribution raises and unit repurchases. Enterprise Products' high-quality assets generate strong cash flow, even in recessions. As a result, Enterprise Products has been able to raise its distribution for 29 years in a row. Enterprise Products has tremendous competitive advantages, primarily its vast network of assets. It would be enormously costly to build out a network of pipelines and terminals large enough to compete with Enterprise Products.

Final Thoughts & Recommendation

Enterprise Products Partners has an excellent network of assets and durable competitive advantages. In addition, its cash flow has remained fairly stable through the sharp energy market volatility over the past five years. Enterprise Products Partners has a 5.7% current distribution yield, which is highly attractive for income-oriented investors. The stock can generate a total annual return of 7.4% over the next five years thanks to 5.0% growth and its 5.7% distribution yield, partly offset by a -2.9% valuation drag. The stock receives a hold rating.



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	23,003	29,367	36,862	32,526	26,671	41,567	57,968	49,403	55,684	52,079
Gross Profit	3,321	3,737	5,375	5,513	5,086	6,749	6,467	6,424	6,773	6,713
Gross Margin	14.4%	12.7%	14.6%	16.9%	19.1%	16.2%	11.2%	13.0%	12.2%	12.9%
SG&A Expense	160	181	208	212	220	209	241	231	244	251
D&A Expense	1,552	1,644	1,792	1,992	2,111	1,915	2,033	2,144	2,568	2,732
Operating Profit	3,257	3,668	5,272	5,402	4,977	6,532	6,226	6,193	6,529	6,462
Op. Margin	14.2%	12.5%	14.3%	16.6%	18.7%	15.7%	10.7%	12.5%	11.7%	12.4%
Net Profit	2,540	2,840	4,217	4,659	3,854	4,718	5,569	5,607	5,914	5,821
Net Margin	11.0%	9.7%	11.4%	14.3%	14.4%	11.4%	9.6%	11.3%	10.6%	11.2%
Free Cash Flow	1,113	1,614	1,953	2,052	2,791	6,336	6,173	4,345	3,648	3,039
Income Tax	23	26	60	46	(124)	70	82	44	65	23

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	52,194	54,418	56,970	61,733	64,109	67,529	68,112	71,032	77,228	77,978
Cash & Equivalents	959	224	565	537	1,387	3,201	675	667	1,372	1,679
Acc. Receivable	3,331	4,360	3,676	4,894	4,827	7,003	6,981	7,783	9,249	6,501
Inventories	1,771	1,610	1,522	2,091	3,304	2,681	2,554	3,352	3,955	3,884
Goodwill & Int.	9,609	9,436	9,354	9,194	8,758	8,600	9,573	9,378	9,717	9,871
Total Liabilities	29,928	31,646	32,678	35,906	38,682	41,090	40,410	42,273	47,639	47,408
Accounts Payable	503	929	1,243	1,167	854	799	975	1,394	1,425	1,238
Long-Term Debt	23,698	24,569	26,178	27,797	30,187	29,923	28,685	29,120	32,316	34,832
Total Equity	22,047	22,547	23,854	24,764	24,304	25,329	26,623	27,673	28,732	29,739

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	5.0%	5.3%	7.6%	7.9%	6.1%	7.2%	8.2%	8.1%	8.0%	7.5%
Return on Equity	11.9%	12.6%	17.9%	18.6%	15.0%	18.2%	20.6%	19.9%	20.3%	19.4%
Shares Out.	2118.9	2161.1	2184.9	2189.2	2181.6	2176.4	2170.8	2168.2	2165.7	2186.0
Revenue/Share	11.01	13.69	16.94	14.77	12.11	18.87	26.36	22.52	25.40	23.80
FCF/Share	0.53	0.75	0.90	0.93	1.27	2.88	2.81	1.98	1.66	1.39

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