RPM Intl. Inc. (RPM)

Updated July 31st, 2026, by Nathan Parsh

Key Metrics

Current Price:	$107	**5 Year Annual Expected Total Return:**	13.2%	**Market Cap:**	$13.7 B
Fair Value Price:	$132	**5 Year Growth Estimate:**	7.0%	**Ex-Dividend Date:**	07/14/26
% Fair Value:	81%	**5 Year Valuation Multiple Estimate:**	4.3%	**Dividend Payment Date:**	07/31/26
Dividend Yield:	2.0%	**5 Year Price Target**	$185	**Years Of Dividend Growth:**	52
Dividend Risk Score:	A	**Sector:**	Materials	**Rating:**	Buy

RPM International manufactures, markets and distributes chemical products to industrial, retail and specialty customers. The majority of sales are made to industrial customers. RPM was founded in 1947 and employs more than 17,000 people today.

Beginning June 1st, 2025, RPM distributed the former Specialty Product Group businesses among its other three segments.

On October 2nd, 2025, RPM announced that it was increasing its quarterly dividend 5.9% to $0.54, extending the company's dividend growth streak to 52 consecutive years.

On June 22nd, 2026, RPM announced earnings results for the fourth quarter and fiscal year 2026, which ended May 31st, 2026. For the quarter, revenue grew 7.2% to a quarterly record $2.23 billion, which was $50 million ahead of estimates. Adjusted earnings-per-share of $1.89 was also record, compared favorably to $1.72 in the prior year, and beat expectations by $0.06. For the year, revenue grew 6.7% to a record $7.86 billion while adjusted earnings-per-share reached a record $5.53.

For the quarter, the company had an organic revenue growth of 2.5%, acquisitions net of divestitures added 3.5% to results, and currency exchange was a 1.5% benefit. Organic revenue for the Construction Products Group grew 5.7% as demand for roofing solutions, labor-saving wall systems, and concrete admixtures remained strong. Performance Coatings Group was higher by 2.2% due to strengthening demand throughout the segment. Fireproofing systems and food coatings and ingredients were top performers. The Consumer Group had a 0.8% sales decline due to weaker DIY markets. However, acquisitions and higher prices once again helped this segment reach record net sales.

We forecast that RPM will earn $6.01 per share in fiscal year 2027, which would be an 8.7% improvement from FY 2026. We have initiated our forecast accordingly.

Growth on a Per-Share Basis

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
EPS	$2.47	$2.73	$2.66	$3.07	$4.16	$3.66	$4.30	$4.94	$5.30	$5.53	***$6.01***	***$8.43***
DPS	$1.18	$1.31	$1.40	$1.44	$1.52	$1.58	$1.66	$1.84	$1.99	$2.13	***$2.16***	***$3.03***
Shares[1]	134	134	130	128	128	128	128	128	128	127	***127***	***125***

The last recession had a severe impact on RPM's earnings, which saw a decline of 42% from 2008 to 2009. It was not until 2013 that RPM's earnings numbers recovered above 2008's total. In recent years, growth has been much steadier. From fiscal year 2017 to fiscal year 2026, earnings per share grew at a rate of 9.4% per year. Factoring in the strength of recent results with the likely declines in earnings during the next recession, we reaffirm our prior forecast of annual earnings growth of 7% through fiscal year 2032. Organic revenue growth is expected to be a primary contributor, though acquisitions will also likely add to results.

[1] 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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Growth slowed during the last recession, but RPM was able to maintain and increase its dividend payments to shareholders even in an adverse economic climate. RPM is a Dividend King due to its more than five decades of dividend growth.

Valuation Analysis

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Now	2032
Avg. P/E	21.2	15.9	20.1	24.4	22.5	24.1	18.5	22.7	21.5	19.2	***17.8***	***22.0***
Avg. Yld.	2.2%	2.6%	2.6%	1.9%	1.6%	1.8%	2.1%	1.6%	1.7%	2.0%	***2.0%***	***1.6%***

Shares of RPM remain unchanged since our April 13th, 2026 update. Using expected earnings-per-share for fiscal year 2026, the price-to-earnings ratio is 17.8. We reaffirm our target P/E of 22 from 20 as this is more in-line with the medium-term average valuation and reflects the quality of earnings results over the past few years. If the stock were to trade with this multiple by fiscal 2032, then valuation would add 4.3% to annual returns over this period.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
Payout	48%	47%	53%	47%	37%	43%	39%	36%	38%	39%	***36%***	***36%***

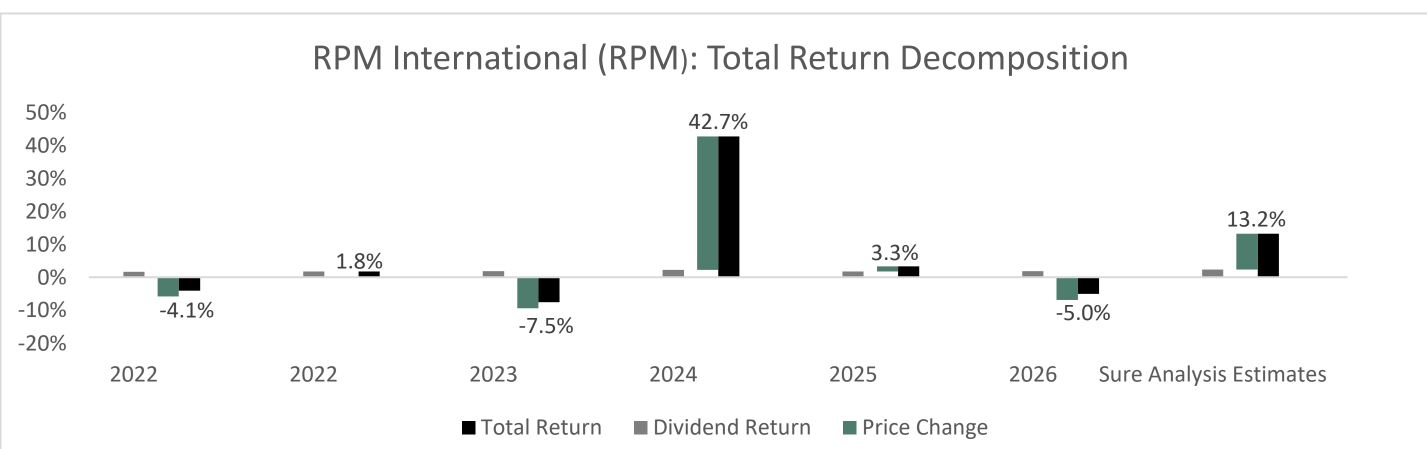
RPM is not recession proof, as shown by the company's decline in earnings, and in the time that it took for earnings growth to return to the company following the last recession. The company also has a high level of debt that could make acquisitions or high dividend growth difficult if earnings were to weaken.

RPM is a leading manufacturer and distributor of paints, coatings, construction chemicals, colorants and adhesives to consumers, contractors, and construction businesses. These businesses perform well when the economy is growing due to the increases in construction and home improvement spending. However, RPM is very susceptible to recessions.

Final Thoughts & Recommendation

Following fourth quarter results, RPM International is now expected to return 13.2% per year through fiscal year 2032, up from our previous estimate of 11.3%. Our forecast stems from a 7% earnings growth rate, a starting yield of 2.0%, and a single-digit tailwind from multiple expansion. RPM International is facing difficult comparable periods but continues to produce record results. Additionally, the company operates in a very cyclical sector, making its dividend growth history even more impressive. We have raised our five-year price target $16 to $185 to reflect estimates for the fiscal year. We continue to rate shares of RPM International as a buy due to projected returns and a strong dividend risk score.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue	4,958	5,322	5,565	5,507	6,106	6,708	7,256	7,335	7,373	7,863
Gross Profit	2,166	2,181	2,262	2,109	2,407	2,433	2,748	3,015	3,050	3,258
Gross Margin	43.7%	41.0%	40.6%	38.3%	39.4%	36.3%	37.9%	41.1%	41.4%	41.4%
SG&A Exp.	1,644	1,663	1,770	1,549	1,664	1,788	1,956	2,114	2,151	2,292
D&A Exp.	117	128	142	157	147	153	155	171	194	213
Operating Profit	526	528	496	554	728	630	782	883	906	983
Operating Margin	10.6%	9.9%	8.9%	10.1%	11.9%	9.4%	10.8%	12.0%	12.3%	12.5%
Net Profit	182	335	266	303	499	489	478	587	688	660
Net Margin	3.7%	6.3%	4.8%	5.5%	8.2%	7.3%	6.6%	8.0%	9.3%	8.4%
Free Cash Flow	260	276	156	402	609	(44)	323	908	538	675
Income Tax	60	78	72	103	165	114	170	198	102	208

Balance Sheet Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Assets	5,090	5,272	5,441	5,631	6,253	6,708	6,782	6,587	7,776	8,345
Cash & Equivalents	440	342	232	233	247	202	216	237	302	318
Accounts Receivable	995	1,114	1,254	1,163	1,314	1,490	1,552	1,477	1,582	1,723
Inventories	788	834	842	810	938	1,213	1,135	956	1,036	1,059
Goodwill & Int. Ass.	1,717	1,776	1,847	1,834	1,974	1,930	1,849	1,822	2,398	2,513
Total Liabilities	3,652	3,638	4,033	4,366	4,510	4,724	4,639	4,074	4,889	5,032
Accounts Payable	535	592	557	535	717	800	681	650	756	854
Long-Term Debt	2,090	2,174	2,526	2,784	2,637	2,952	2,969	2,408	2,964	2,875
Shareholder's Equity	1,436	1,631	1,406	1,262	1,741	1,982	2,141	2,511	2,885	3,312
LTD/E Ratio	1.46	1.33	1.80	2.25	1.55	1.52	1.41	0.99	1.05	0.89

Profitability & Per Share Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Return on Assets	3.7%	6.5%	5.0%	5.5%	8.4%	7.5%	7.1%	8.8%	9.6%	8.2%
Return on Equity	12.9%	21.8%	17.5%	22.7%	33.2%	26.2%	23.1%	25.2%	25.5%	21.3%
ROIC	5.6%	9.1%	6.9%	7.5%	11.7%	10.4%	9.4%	11.6%	12.6%	10.8%
Shares Out.	134	134	130	128	128	128	128	128	128	127
Revenue/Share	36.68	38.80	41.42	42.37	47.36	51.77	56.33	57.16	57.51	61.65
FCF/Share	1.92	2.01	1.16	3.09	4.72	(0.34)	2.50	7.08	4.20	5.29

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