



Simpson Manufacturing Co., Inc. (SSD)

Updated July 31st, 2026, by Kody Kester

Key Metrics

Current Price:	\$188	5 Year CAGR Estimate:	10.1%	Market Cap:	\$7.7B
Fair Value Price:	\$193	5 Year Growth Estimate:	9.0%	Ex-Dividend Date:	10/01/26
% Fair Value:	97%	5 Year Valuation Multiple Estimate:	0.6%	Dividend Payment Date:	10/22/26
Dividend Yield:	0.6%	5 Year Price Target	\$297	Years Of Dividend Growth:	14
Dividend Risk Score:	B	Sector:	Industrials	Rating:	Hold

Overview & Current Events

Founded in 1956, Simpson Manufacturing Co., Inc. is a major designer and manufacturer of wood construction products and concrete construction products via the eponymous Simpson Strong-Tie brand. The former product category includes truss plates and fastening systems. The latter category consists of adhesives, specialty chemicals, and mechanical anchors. These products are sold around the world to residential construction customers, commercial construction customers, and the remodeling and do-it-yourself markets. Additionally, SSD provides engineering/design services and software solutions to support the use of its products. The company is geographically organized into the following three reporting segments:

1. **North America:** This segment consists of the company's operations in the United States and Canada. In 2025, more than three-quarters (77.8%) of the \$2.33 billion in total net sales were derived from this segment.
2. **Europe:** Included in this segment are SSD's operations in various European Union countries, such as Germany, France, and Italy. Non-EU nations consist of the United Kingdom and Norway. This made up another 21.4% of the company's total net sales in 2025.
3. **Asia/Pacific:** The Asia/Pacific segment sells its products and services in China, Taiwan, Vietnam, New Zealand, and Australia. The remaining 0.8% of 2025 net sales were produced in these markets.

On Jul. 27, SSD shared its financial results for the second quarter ended Jun. 30, 2026. The company's net sales grew by 6.3% over the year-ago period to \$671.1 million in the quarter. Net sales growth in the two predominant North America and Europe segments (+6.0% to \$522.3 million and +7.6% to \$143.5 million, respectively) again powered this topline growth during the quarter. Higher pricing in the North America segment was only partially offset by lower volumes linked to a softer market. Greater unit sales volumes, price increases, and \$3.7 million of favorable foreign currency translation each contributed to the topline growth for the quarter for the Europe segment. SSD's diluted EPS surged 25.1% higher year-over-year to \$3.09 in the quarter. That was \$0.37 ahead of the analyst consensus during the quarter. This was made possible by a 250 basis point expansion in the net profit margin to 18.9% for the quarter and a 1.8% decrease in the share count over the year-ago period. On May 7, SSD upped its quarterly dividend per share by 3.4% to \$0.30, its 14th consecutive year of dividend growth.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$1.86	\$1.98	\$2.78	\$2.98	\$4.27	\$6.12	\$7.76	\$8.26	\$7.60	\$8.24	\$9.20	\$14.16
DPS	\$0.68	\$0.78	\$0.86	\$0.90	\$0.92	\$0.96	\$1.02	\$1.06	\$1.10	\$1.14	\$1.20	\$1.61
Shares²	47.4	46.5	45.0	44.2	43.3	43.2	42.6	42.3	42.2	41.5	41.1	38.0

Over the past decade, SSD has compounded its diluted EPS at 18.0% annually. In the years ahead, we believe that 9% annual diluted EPS growth off a 2026 base of \$9.20 (the company is forecasting 19.7% to 20.5% operating income margin in 2026, which would be up from the 2025 figure of 19.6%) is realistic through 2031. SSD's new product launch schedule for dozens of new products each year, facility expansions, and incremental acquisitions are all tailwinds.

¹Estimated dates based on past dividend dates.

² Share count is in millions.



Simpson Manufacturing Co., Inc. (SSD)

Updated July 31st, 2026, by Kody Kester

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Avg. P/E	23.5	29.0	19.4	27.2	21.9	22.7	11.4	24.0	21.8	19.9	20.4	21.0
Avg. Yld.	1.6%	1.4%	1.6%	1.1%	1.0%	0.7%	1.2%	0.5%	0.7%	0.7%	0.6%	0.5%

Going back to 2016, SSD's valuation multiple has ranged from the low double-digits to the high 20s. Throughout that time, the average P/E ratio has been 22.1. Looking ahead, we believe that a P/E ratio of approximately 21 is a reasonable projection (splitting the difference between the five-year and 10-year averages). That's because when factoring in SSD's much larger size and scale, its growth profile is intact. Compared to the current P/E ratio of 20.4, shares are trading just below our fair value estimate.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	37%	39%	31%	30%	22%	16%	13%	13%	14%	14%	13%	11%

SSD has established itself as an industry leader thanks to a few differentiating factors: Product availability with on-demand delivery in 24 to 48 hours. Comprehensive customer support for engineers, contractors, and building officials. Not to mention that SSD has substantial product testing means through its cutting-edge test lab. These variables provide customers with convenience and the utmost confidence in the company's products. This has allowed SSD to consistently grow diluted EPS over the years.

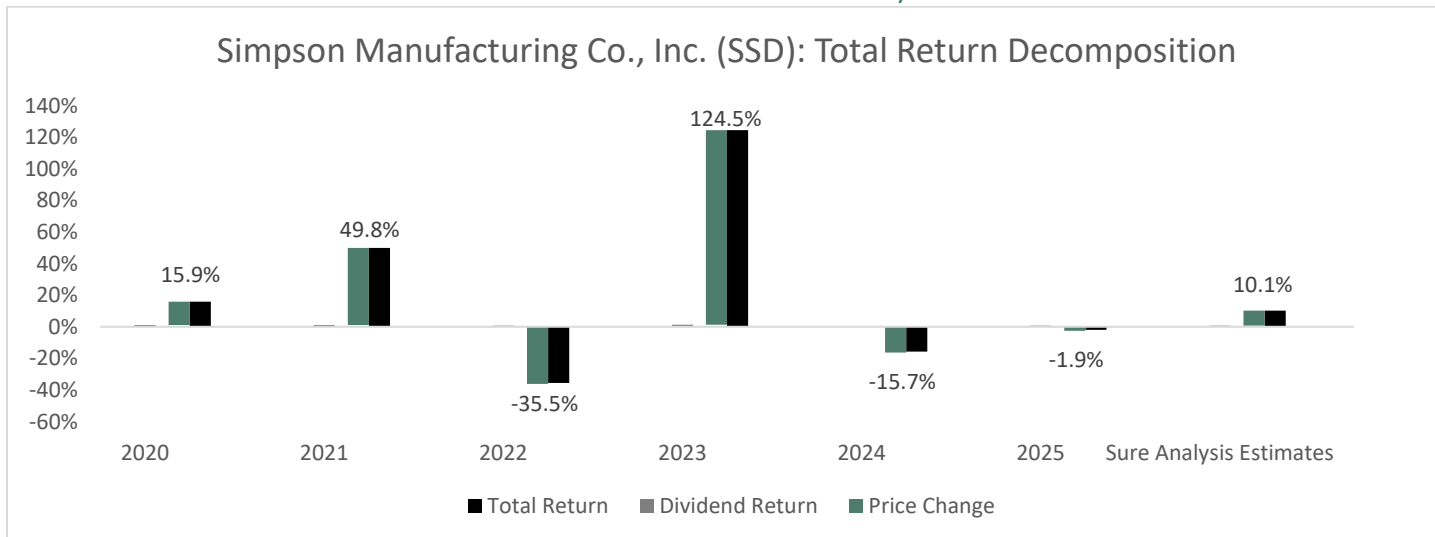
The company's financial health is also enviable. In the first half of 2026, it posted \$8.6 million in interest income. Generating net interest income when many companies are burdened by outsized interest expenses is a testament to SSD's overall financial positioning.

The company's appeal doesn't stop at its consistent EPS growth and robust balance sheet, either. The company's payout ratio is set to be in the low teens in 2026. This puts SSD in a position to build on its 14-year dividend growth streak for the foreseeable future.

Final Thoughts & Recommendation

SSD's 0.6% dividend yield, 9.0% annual diluted EPS growth prospects, and 0.6% annual valuation multiple upside potential could deliver 10.1% annual total returns through 2031. Because management tends to prioritize share buybacks over dividend raises, this is why we're sticking with our Hold rating.

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.



Simpson Manufacturing Co., Inc. (SSD)

Updated July 31st, 2026, by Kody Kester

Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	861	977	1,079	1,137	1,268	1,573	2,116	2,214	2,232	2,333
Gross Profit	412	446	481	491	576	755	941	1,044	1,026	1,070
Gross Margin	47.9%	45.7%	44.5%	43.2%	45.4%	48.0%	44.5%	47.2%	46.0%	45.9%
SG&A Exp.	228	260	269	270	274	328	398	472	497	544
D&A Exp.	28	34	39	38	46	52	72	75	85	90
Operating Profit	140	139	168	175	252	367	475	480	436	443
Operating Margin	16.2%	14.2%	15.6%	15.4%	19.9%	23.4%	22.4%	21.7%	19.5%	19.0%
Net Profit	90	93	127	134	187	266	334	354	322	345
Net Margin	10.4%	9.5%	11.7%	11.8%	14.7%	16.9%	15.8%	16.0%	14.4%	14.8%
Free Cash Flow	52	61	131	168	170	102	333	338	158	296
Income Tax	49	52	45	44	63	92	114	123	112	117

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	980	1,038	1,022	1,095	1,233	1,484	2,504	2,705	2,736	3,074
Cash & Equivalent	227	169	160	230	275	301	301	430	239	384
Accounts Receivable	112	136	146	139	165	231	269	284	284	303
Inventories	232	253	276	252	284	444	557	552	593	594
Goodwill & Int.	147	166	155	157	163	160	859	868	887	946
Total Liabilities	114	153	166	203	252	300	1,091	1,025	923	1,038
Accounts Payable	28	32	34	33	48	57	98	108	101	91
Long-Term Debt	-	4	3	29	38	37	624	537	461	467
Shareholder's Equity	866	885	856	892	981	1,184	1,413	1,680	1,805	2,030
LTD/E Ratio	-	0.00	0.00	0.04	0.05	0.04	0.45	0.33	0.27	0.24

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	9.2%	9.2%	12.3%	12.7%	16.1%	19.6%	16.7%	13.6%	11.8%	11.9%
Return on Equity	10.5%	10.6%	14.6%	15.3%	20.0%	24.6%	25.7%	22.9%	18.5%	18.0%
ROIC	10.5%	10.6%	14.5%	15.0%	19.1%	23.6%	20.4%	16.5%	14.3%	14.4%
Shares Out.	47.4	46.5	45.0	44.2	43.3	43.2	42.6	42.3	42.2	41.5
Revenue/Share	17.82	20.45	23.18	25.30	28.92	36.14	49.16	51.68	52.67	55.73
FCF/Share	1.07	1.28	2.81	3.74	3.87	2.34	7.73	7.90	3.72	7.06

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

Disclaimer

Nothing presented herein is, or is intended to constitute, specific investment advice. Nothing in this research report should be construed as a recommendation to follow any investment strategy or allocation. Any forward-looking statements or forecasts are based on assumptions and actual results are expected to vary from any such statements or forecasts. No reliance should be placed on any such statements or forecasts when making any investment decision. While Sure Dividend has used reasonable efforts to obtain information from reliable sources, we make no representations or warranties as to the accuracy, reliability, or completeness of third-party information presented herein. No guarantee of investment performance is being provided, and no inference to the contrary should be made. There is a risk of loss from an investment in marketable securities. Past performance is not a guarantee of future performance.