Cintas Corporation (CTAS)

Updated October 17th, 2026, by Josh Arnold

Key Metrics

Current Price:	$214	**5 Year CAGR Estimate:**	11.2%	**Market Cap:**	$85 B
Fair Value Price:	$208	**5 Year Growth Estimate:**	11.0%	**Ex-Dividend Date:**	11/15/26[1]
% Fair Value:	103%	**5 Year Valuation Multiple Estimate:**	-0.6%	**Dividend Payment Date:**	12/13/26
Dividend Yield:	1.0%	**5 Year Price Target**	$351	**Years Of Dividend Growth:**	44
Dividend Risk Score:	A	**Sector:** Industrials		**Rating:**	Hold

Overview & Current Events

Cintas Corporation is the U.S. industry leader in uniform design, manufacturing & rental. The company also offers first aid supplies, safety services, and other business-related services. Cintas was founded in 1968 and has grown to a market capitalization of $85 billion with annual revenues of more than $12 billion. Cintas qualifies to be a member of the Dividend Aristocrats Index with an impressive 44 years of consecutive dividend increases.

Cintas posted first quarter earnings on September 23rd, 2026, and results were better than expected on both the top and bottom lines. Earnings came to $1.39 per share on an adjusted basis, beating estimates by four cents. Revenue was up almost 11% year-over-year to $3.01 billion, beating estimates by $30 million. Organic growth came to 8.9%, which excludes certain items from revenue including acquisitions, forex translations, and number of workdays.

Gross margins expanded by 120 basis points while operating margin rose 90 basis points, both as a percentage of revenue. Gross margin dollars rose 13.7% to $712 million. In addition, the company saw net income rise from $491 million to $552 million year-over-year.

Management raised the full-year forecast to $12.15 billion to $12.27 billion in revenue, both up about $20 million from prior. Earnings are now expected to be between $5.45 and $5.54, but we've set our estimate at $5.55 for now given the company's penchant for under-promising on earnings.

Cintas also boosted its dividend for the 44th consecutive year, this time boosting the payout to an annualized rate of $2.08 per share.

Growth on a Per-Share Basis

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
EPS	$1.04	$1.76	$1.90	$2.03	$2.56	$2.81	$3.25	$3.79	$4.40	$4.94	***$5.55***	***$9.35***
DPS	$0.33	$0.41	$0.51	$0.64	$0.70	$0.95	$1.15	$1.25	$1.56	$1.80	***$2.08***	***$3.35***
Shares[2]	420	424	432	428	416	408	408	403	403	400	***397***	***385***

Cintas has compounded its earnings-per-share at a rate of about 16% annually since 2012. Over full economic cycles, we believe the company can deliver continued earnings growth in the range of 11% per year. Applying an 11% growth rate to our 2027 estimate of $5.55 per share gives a 2032 earnings-per-share estimate of $9.35.

Cintas' two primary growth levers are higher organic revenue and higher margins. Cintas has proven it can grow revenue consistently over the years. It is also adept at removing cost redundancies, which drives operating margin higher over time. We see 2026 results as supportive of this thesis with good organic revenue growth, and very high and expanding operating margins. We also see share repurchases as a small tailwind going forward, as management is spending buyback capital heavily, which we find to be slightly misjudged with the valuation still elevated. Energy prices remain a wildcard for Cintas' earnings, in addition to the inherent operating leverage afforded by higher organic revenue. The UniFirst acquisition is yet another growth lever going forward.

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[1] Estimated date

[2] Share count in millions

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Valuation Analysis

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Now	2032
Avg. P/E	21.5	27.2	25.9	30.8	32.2	35.5	36.3	44.2	51.5	34.4	***38.6***	***37.5***
Avg. Yld.	1.2%	1.2%	1.0%	1.0%	0.9%	1.0%	1.0%	0.7%	0.7%	1.1%	***1.0%***	***1.0%***

Cintas' price-to-earnings ratio had varied from ~15 to ~36 over the decade ended 2023, until 2024. However, we see fair value at 37.5 times earnings. This compares to the current price-to-earnings ratio of 38.6, with higher earnings estimates against a rapidly rising share price. The valuation is slightly above fair value, but still well off from prior levels. We note the yield is back to its historical norms, and reiterate Cintas has more than four decades of increases.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
Payout	32%	23%	27%	32%	27%	34%	35%	33%	35%	36%	***37%***	***36%***

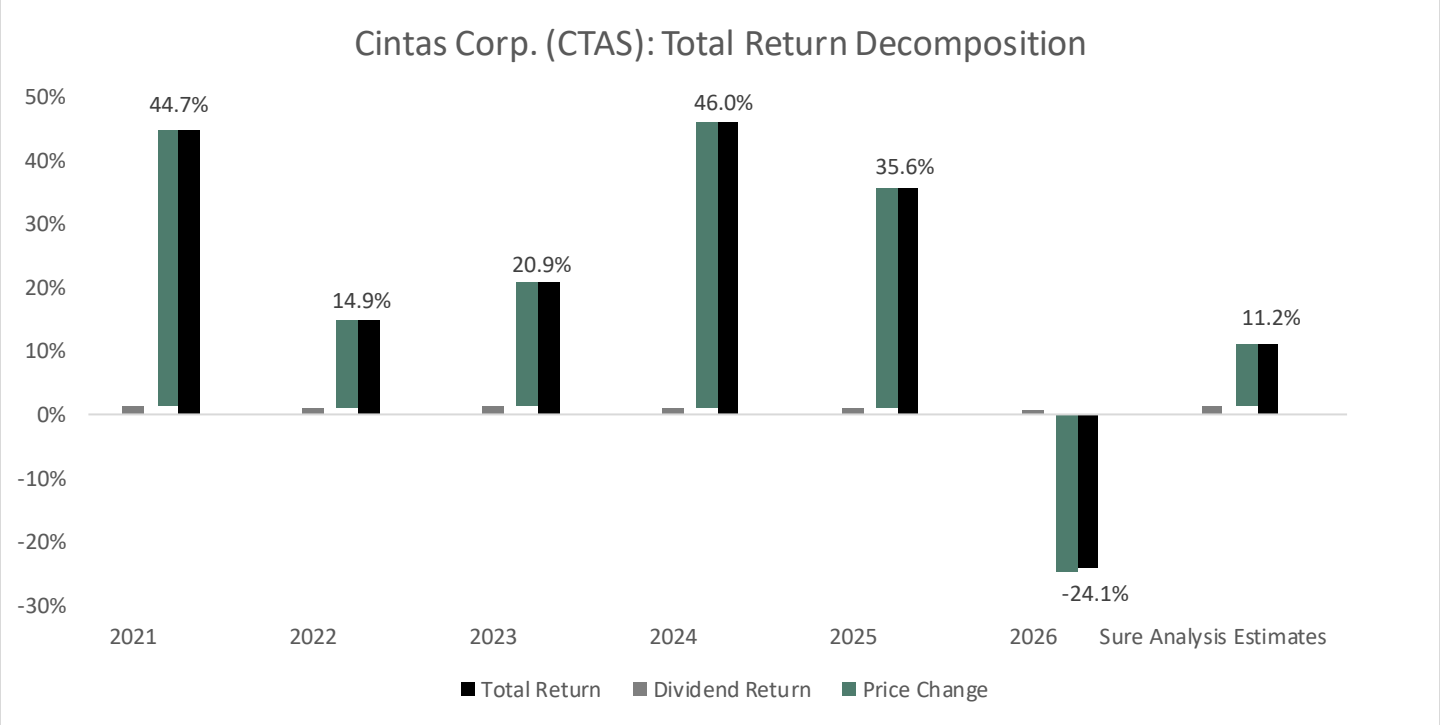
Cintas' payout ratio has always been quite low, and that is no different today. We see the dividend remaining under 40% of earnings for the foreseeable future with years of steady increases on the way.

Cintas' competitive advantage is in its massive size and scale, being the largest company of its kind. It has a huge customer book, and these customers have relatively high switching costs, so retention is strong. However, recessions are not kind to Cintas as it serves businesses, and revenue is dependent upon its customers' headcount. When a recession strikes and unemployment rises, Cintas' earnings will suffer. We note that the slowdown from COVID-19 was better than feared, and that Cintas continues to build upon strength.

Final Thoughts & Recommendation

The fundamentals of Cintas are still attractive as the company is performing very well. The stock is still slightly overvalued. The company's strong forecasted 11% earnings growth rate, a small impact from the valuation, and the 1% yield could offer 11.2% total returns in the years to come. With this, we are reiterating the stock at a hold rating.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	4,796	5,323	6,477	6,892	7,085	7,116	7,854	8,816	9,597	10,340
Gross Profit	2,101	2,380	2,909	3,129	3,234	3,315	3,632	4,173	4,686	5,174
Gross Margin	43.8%	44.7%	44.9%	45.4%	45.6%	46.6%	46.2%	47.3%	48.8%	50.0%
SG&A Exp.	1,332	1,527	1,917	1,981	2,071	1,929	2,045	2,371	2,618	2,814
D&A Exp.	165	197	279	360	379	388	400	409	442	494
Operating Profit	769	853	992	1,148	1,163	1,385	1,587	1,803	2,069	2,360
Operating Margin	16.0%	16.0%	15.3%	16.7%	16.4%	19.5%	20.2%	20.5%	21.6%	22.8%
Net Profit	694	481	843	885	876	1,111	1,236	1,348	1,572	1,812
Net Margin	14.5%	9.0%	13.0%	12.8%	12.4%	15.6%	15.7%	15.3%	16.4%	17.5%
Free Cash Flow	190	491	692	791	1,061	1,217	1,297	1,267	1,670	1,757
Income Tax	257	230	57	220	182	177	263	345	402	452

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	4,099	6,844	6,958	7,437	7,670	8,237	8,147	8,546	9,169	9,825
Cash & Equivalents	139	169	139	97	145	494	90	124	342	264
Accounts Receivable	546	736	805	910	870	902	1,006	1,153	1,244	1,417
Inventories	249	278	280	335	409	1,292	1,389	1,519	1,450	1,585
Goodwill & Int. Ass.	1,356	3,406	3,433	3,545	3,551	3,322	3,435	3,403	3,534	3,710
Total Liabilities	2,256	4,541	3,942	4,434	4,435	4,549	4,839	4,682	4,852	5,141
Accounts Payable	111	177	215	226	231	231	252	302	339	485
Long-Term Debt	1,294	3,134	2,535	2,850	2,540	2,542	2,796	2,486	2,476	2,425
Shareholder's Equity	1,843	2,303	3,017	3,003	3,235	3,688	3,308	3,864	4,316	4,684
LTD/E Ratio	0.70	1.36	0.84	0.95	0.79	0.69	0.85	0.64	0.57	0.52

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	16.7%	8.8%	12.2%	12.3%	11.6%	14.0%	15.1%	16.2%	17.7%	19.1%
Return on Equity	36.7%	23.2%	31.7%	29.4%	28.1%	32.1%	35.3%	37.6%	38.4%	40.3%
ROIC	21.8%	11.2%	15.3%	15.5%	15.1%	18.5%	20.0%	21.6%	23.9%	26.1%
Shares Out.	104	105	106	108	107	104	105	103	103	410
Revenue/Share	43.62	49.39	58.98	62.95	66.21	66.07	74.43	85.28	92.84	25.20
FCF/Share	1.73	4.55	6.31	7.23	9.92	11.30	12.29	12.25	16.16	4.28

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

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