

Entergy Corporation (ETR)

\$92.35 (Stock Price as of 12/12/2025)

Price Target (6-12 Months): **\$99.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 02/07/19)

Prior Recommendation: Outperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

2-Buy

Zacks Style Scores:

VGM: C

Value: C

Growth: C

Momentum: B

Summary

Entergy ended the third quarter of 2025 on a solid note, with its earnings and revenues having surpassed their respective Zacks Consensus Estimate. The company plans to invest \$41 billion during 2026-2029 to upgrade its infrastructure and support renewable expansion. The company is also investing significantly in grid hardening to make its transmission and distribution systems more resilient. Entergy is also expanding its nuclear generation capacity. The stock has outperformed the industry in the past year. However, Entergy's current and long-term debts remain higher than its cash reserves, indicating a weak solvency position. Unfavourable geopolitical events may disrupt nuclear fuel price stability, thereby hurting the company. With technological advancements, Entergy may face declining average electricity use per customer.

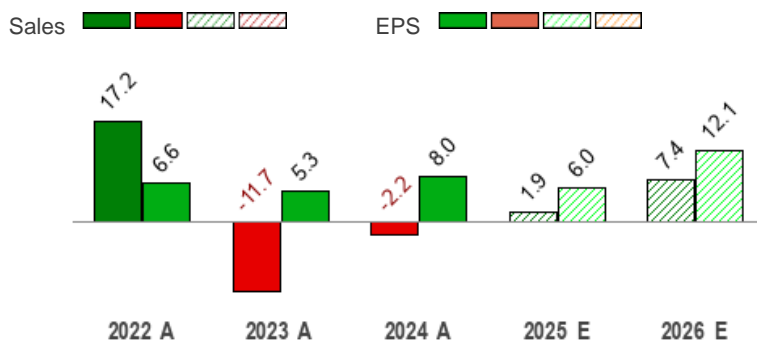
Price, Consensus & Surprise⁽¹⁾



Data Overview

52 Week High-Low	\$98.58 - \$73.15
20 Day Average Volume (sh)	2,700,454
Market Cap	\$41.2 B
YTD Price Change	21.8%
Beta	0.62
Dividend / Div Yld	\$2.56 / 2.8%
Industry	Utility - Electric Power
Zacks Industry Rank	Top 27% (65 out of 243)

Sales and EPS Growth Rates (Y/Y %)⁽¹⁾



Last EPS Surprise	4.8%
Last Sales Surprise	8.6%
EPS F1 Est- 4 week change	0.2%
Expected Report Date	02/17/2026
Earnings ESP	0.0%

Sales Estimates (millions of \$)⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	3,089 E	3,148 E	3,551 E	3,207 E	12,995 E
2025	2,847 A	3,329 A	3,812 A	2,919 E	12,101 E
2024	2,795 A	2,954 A	3,389 A	2,742 A	11,880 A

EPS Estimates⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	0.87 E	1.04 E	1.43 E	1.01 E	4.34 E
2025	0.82 A	1.05 A	1.53 A	0.84 E	3.87 E
2024	0.54 A	0.96 A	1.50 A	0.66 A	3.65 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 12/12/2025.

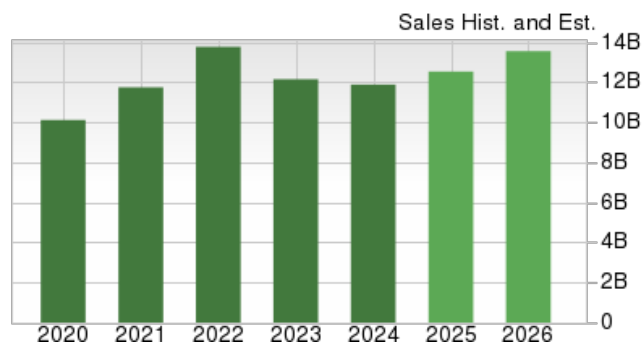
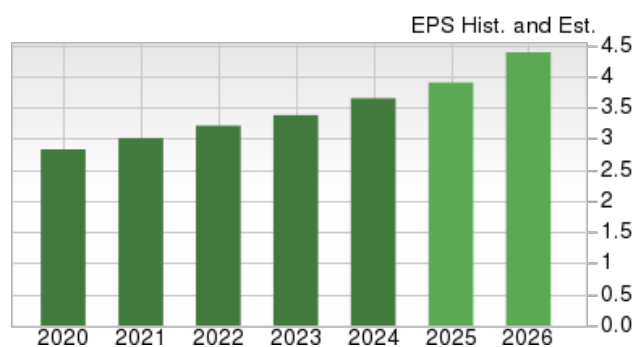
(2) The report's text and the price target are as of 11/20/2025.

Overview

New Orleans, LA-based Entergy Corporation, incorporated in 1913, is primarily engaged in electric power production and retail distribution of power. The company has 25,000 megawatt (MW) of generating capacity, including more than 5,000 MW of nuclear fuel capacity. Entergy's regulated generation fleet includes plants that are fully or partially owned by Entergy's utility companies: Entergy Arkansas, LLC; Entergy Louisiana, LLC; Entergy Mississippi, LLC; Entergy New Orleans, LLC; and Entergy Texas, Inc. It distributes electricity to approximately 3 million customers in Arkansas, Louisiana, Mississippi and Texas. Entergy Corporation's generation mix consisted of 42% Cycle Combustion Turbine units and Combined Cycle Gas Turbine units, 10% legacy gas, 27% nuclear power, 3% coal and 2% renewables.

Currently, Entergy operates primarily through two business segments — Utility and Parent & Other. The Utility business segment includes the generation, transmission, distribution and sale of electric power in portions of Arkansas, Mississippi, Texas and Louisiana, including the City of New Orleans; it also operates a small natural gas distribution business. The company's consolidated net income for this segment in 2024 was \$1,827 million.

The Parent & Other business segment includes portions of Entergy not included in the Utility segment, primarily consisting of the activities of the parent company, Entergy, and other business activities. These include Entergy's non-utility operations business, which owns interests in non-nuclear power plants that sell the electric power produced by those plants to wholesale customers and provides decommissioning services to nuclear power plants owned by non-affiliated entities in the United States. The company's consolidated net loss for this segment in 2024 amounted to \$771 million.



As of 12/12/2025



Reasons To Buy:

▲ U.S. President Donald Trump signed a handful of executive orders in May 2025, which aim at expanding America's nuclear energy capacity from approximately 100 gigawatts (GW) in 2024 to 400 GW by 2050. Such government policies should significantly benefit utility providers like Entergy Corp., which owns and operates a fleet of five reactors in four locations in the Southern United States that generates 27% of its power from nuclear sources. Impressively, Entergy's fleet of nuclear plants prevents the emission of nearly 23 million metric tons of carbon dioxide yearly, which is approximately the amount released by 5 million vehicles each year (as of October 2024). The company aims to add 275 MW of nuclear power through upgrades in its existing nuclear plants, to further expand its nuclear capacity (per an April 2025 report published by Reuters). Entergy has also secured an early site permit for a new nuclear reactor at its Grand Gulf site in Mississippi. These initiatives should further strengthen the company's position in the nuclear energy generation market, leveraging the benefits of the government support as mentioned above.

Entergy's disciplined investment in grid upgrades will give impetus to growth. Entergy also continues to make steady progress on adding renewable generation to its portfolio.

▲ Like other utility providers, Entergy boasts a detailed capital investment plan with the aim to modernize, decarbonize, and diversify its portfolio and potential construction of additional generation. The company currently plans to invest \$41 billion during 2026-2029 to primarily upgrade its distribution, generation and transmission as well as support renewable expansion. Of this four-year capital plan, \$16 billion represents transmission and distribution investments to improve the company's reliability and resilience as a utility provider, along with supporting renewables expansion and customer growth. The investment plan also includes a strategy of \$16 billion for investments in generation projects to modernize, decarbonize, expand and diversify Entergy's portfolio. Valuable returns from these investments should enable Entergy to duly achieve a CAGR of more than 8% for its earnings per share over the 2025-2028 period.

▲ Entergy has also been investing significantly in grid hardening to make its transmission and distribution systems more resilient, thereby improving customer service. During the third quarter, the company invested \$267.1 million in distribution construction to expand the resilience of its distribution system. In January 2025, the Public Utility Commission of Texas (PUCT) unanimously approved Phase I of Entergy Texas's Texas Future Ready Resiliency Plan, which is comprised of investments worth \$335.1 million. It includes distribution and transmission hardening and modernization projects and targeted vegetation management projects to mitigate the risk of wildfire. Earlier in October 2024, the New Orleans City Council Entergy New Orleans' proposal of investing \$100 million through its Accelerated Resilience Plan, while in April, the Louisiana Public Service Commission (LPSC) approved Entergy Louisiana's resilience and grid-hardening plan, which involves \$1.9 billion of investments over five years.

These efforts of Entergy proved to have significantly improved its infrastructural resilience. Evidently, its Port Bolivar and Palms elevated substations in Texas were completed before Hurricane Beryl and easily withstood the effects of that storm. Moreover, its Port Foshan and the coastal city of Grand Isle in Louisiana maintained access to power throughout Hurricane Francine after resilience investments were made there following Hurricane Ida in 2021.

▲ With the major transition that the utility industry is undergoing from using coal as a primary source of electricity to adopting renewables as a preferred resource, economic and environmental, social, and governance (ESG) incentives are available for utility companies like Entergy. Consequently, the company is making steady progress in adding more renewable generation to its portfolio. Notably, as of May 2025, the company has approximately 8,600 megawatts (MW) of renewable energy projects that are either operational or in approval status awaiting construction.

Looking ahead, Entergy Mississippi plans to construct, own and operate the 80-MW Delta Solar facility, which is expected to be in service by the end of 2027, as well as the 190-MW Penton Solar facility, which is expected to be in service by early 2028. Further, Entergy and NextEra Energy Resources are working together to develop up to 4.5 GW of new, utility-owned solar generation and energy storage projects. Such initiatives will enable the company to duly achieve its target to add more than 5,000 MW of solar power by the end of 2028 and up to 14-17 GW of renewable energy in service by the end of 2031. This should duly support the rapidly growing clean energy demand across its customers and thereby boost the company's revenue growth from its renewable generation portfolio. Such efforts of the company to substantially expand its clean energy portfolio must have enabled it to outperform the industry. Entergy's shares have surged 24% in the past year compared with the industry's growth of 18.7%.

Reasons To Sell:

- ▼ Entergy's nuclear operations depend on a mix of fuel contracts and inventory that should ensure enough supply through 2027 at stable prices. However, this stability relies on uranium miners and overall market conditions. Even though Entergy can turn to other suppliers if needed, the cost of replacement uranium will vary with market prices, which have historically been unpredictable.

Fuel price volatility could increase due to tariffs, domestic purchase requirements, supply-chain issues, import limits and geopolitical tensions such as the Russia-Ukraine and Israel-Hamas conflicts and the Nigerien coup. While Entergy's contracts offer some protection, long-term fuel costs remain uncertain. Any major increase in prices or disruptions in supply could affect the company's financial health, liquidity and operations, creating risks for investors.

- ▼ As of Sept. 30, 2025, Entergy's long-term debt totaled \$27.06 billion. Its total cash and cash equivalents amounted to \$1.52 billion and current debt totaled \$3.39 billion as of the same date. Thus, both its current and long-term debts remain higher than its cash reserve level. So, we may conclude that the company has a weak solvency position.

Moreover, the company's current ratio, pegged at 0.71 at the end of the third quarter, being less than one indicates that Entergy might not possess sufficient capital to pay off its short-term debt obligations. The ratio also deteriorated from the prior-quarter level. Such a dismal financial ratio, coupled with its weak solvency position, makes one further skeptical about the company's financial position.

- ▼ Factors like advancements in energy-efficient appliances, smart thermostats, distributed energy resources, energy storage and rooftop solar are causing a decline in traditional electricity sales. As efficiency improves and new technologies continue to advance, Entergy may face declining average electricity use per customer in the residential and commercial segments. These trends pose a risk to long-term revenue growth for Entergy, which might potentially affect the company's financial performance and investor returns.
- ▼ Recent announcements of the U.S. tariffs on imported goods from the majority of its trading partner nations and the resultant changes to international trade policy may impact utility companies like Entergy's business, operations and results of operations. These changes may also disrupt supply chains, causing delays in planned projects.

Weak solvency position and impact of nuclear fuel price volatility pose threat to Entergy's growth prospects.

Last Earnings Report

Entergy's Q3 Earnings Surpass Estimates, Revenues Improve Y/Y

Entergy Corporation reported third-quarter 2025 earnings of \$1.53 per share, which surpassed the Zacks Consensus Estimate of \$1.46 by 4.8%. The bottom line also improved 2% from the year-ago quarter's figure of \$1.50.

ETR's Q3 Revenues

Entergy reported revenues of \$3.81 billion, which beat the Zacks Consensus Estimate of \$3.51 billion by 8.6%. The top line also inched up 12.4% from the year-ago quarter's level of \$3.39 billion.

Entergy's Segmental Results

Utility: The segment's earnings were \$1.79 per share, down from \$1.82 reported in the third quarter of 2024.

Parent & Other: The segment posted a loss of 26 cents per share, reflecting an improvement from a loss of 33 cents in the third quarter of 2024.

Highlights of Entergy's Release

Operating expenses totaled \$2.69 billion, up 19% from \$2.26 billion recorded in the prior-year quarter.

The operating income amounted to \$1.12 billion, down 0.9% from \$1.13 billion registered in the year-ago period.

Total interest expenses were \$324.9 million, up 10% from \$295.1 million reported in the comparable period of 2024.

As of Sept. 30, 2025, the total electric retail customers served by the company increased 0.8% to 3.07 million.

Entergy's Financial Highlights

As of Sept. 30, 2025, Entergy had cash and cash equivalents of \$1.52 billion compared with \$0.86 billion as of Dec. 31, 2024.

Long-term debt totaled \$27.06 billion compared with \$26.61 billion as of Dec. 31, 2024.

During the quarter, ETR generated cash from operating activities of \$2.13 billion compared with \$1.56 billion in the year-ago period.

Entergy's Guidance

Entergy has narrowed its financial guidance for 2025. The company now expects to generate adjusted earnings in the range of \$3.85 to \$3.95 per share compared with the previous guidance of \$3.75-\$3.95.

The Zacks Consensus Estimate for ETR's earnings is currently pegged at \$3.90 per share, which is on par with the midpoint of its revised guided range.

FY Quarter Ending **12/31/2024**

Earnings Reporting Date	Oct 29, 2025
Sales Surprise	8.64%
EPS Surprise	4.79%
Quarterly EPS	1.53
Annual EPS (TTM)	4.06

Valuation

Entergy's shares are up 24.1% in the year-to-date period and 24% in the trailing 12-month period. Stocks in the Zacks sub-industry are up 27.4%, while stocks in the Zacks Utilities sector are up 22.7% in the year-to-date period. Over the past year, the Zacks sub-industry is up 18.7%, whereas the sector is up 14.1%.

The S&P 500 index is up 13.5% in the year-to-date period and 12.9% in the past year.

The stock is currently trading at 21.70X forward 12-month earnings, which compares with 16.22X for the Zacks sub-industry, 17.14X for the Zacks sector and 22.78X for the S&P 500 index.

Over the past five years, the stock has traded as high as 22.92X and as low as 12.57X, with a five-year median of 16.73X.

Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$99 price target reflects 22.85X forward 12-month earnings.

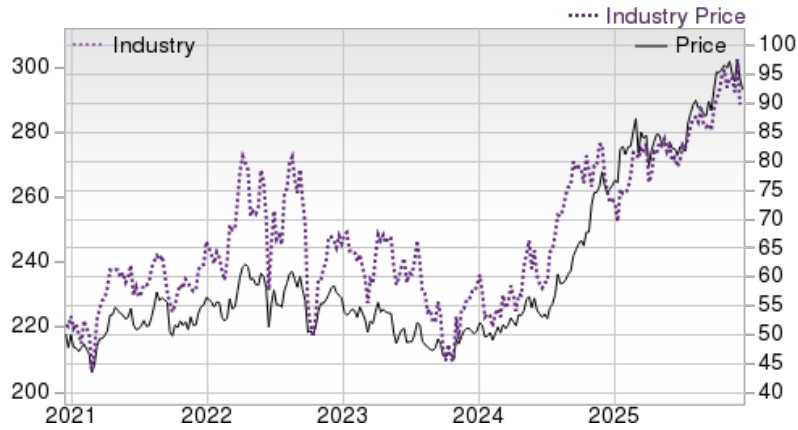
The table below shows summary valuation data for ETR.

Valuation Multiples - ETR					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	21.7	16.22	17.14	22.78
	5-Year High	22.92	16.22	17.84	23.81
	5-Year Low	12.57	12.05	13.13	15.73
	5-Year Median	16.73	14.54	15.86	21.2
P/S F12M	Current	3.13	3.33	3.15	5.18
	5-Year High	3.28	3.49	3.28	5.52
	5-Year Low	1.36	2.45	2.29	3.84
	5-Year Median	1.91	2.96	2.74	5.06
P/B TTM	Current	2.52	2.54	2.98	8.15
	5-Year High	2.62	2.83	3.27	9.19
	5-Year Low	1.37	2.01	2.34	6.62
	5-Year Median	1.88	2.44	2.85	8.05

As of 11/19/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 27% (65 out of 243)



Top Peers ⁽¹⁾

Company (Ticker)	Rec	Rank
The AES Corporation (AES)	Neutral	3
CLP Holdings Ltd. (CLPHY)	Neutral	
CenterPoint Energy, ... (CNP)	Neutral	2
China Resources Powe... (CRPJY)	Neutral	2
DTE Energy Company (DTE)	Neutral	3
Eversource Energy (ES)	Neutral	3
FirstEnergy Corporat... (FE)	Neutral	2
Public Service Enter... (PEG)	Neutral	3

Industry Comparison⁽¹⁾ Industry: Utility - Electric Power

	ETR	X Industry	S&P 500	AES	CNP	ES
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	2	-	-	3	2	3
VGM Score	C	-	-	A	D	B
Market Cap	41.24 B	16.99 B	39.38 B	9.85 B	24.70 B	25.55 B
# of Analysts	8	3	22	4	7	8
Dividend Yield	2.77%	3.11%	1.41%	5.09%	2.33%	4.42%
Value Score	C	-	-	A	C	B
Cash/Price	0.04	0.02	0.04	0.25	0.02	0.01
EV/EBITDA	13.14	11.19	14.60	15.69	12.46	12.62
PEG Ratio	2.64	2.69	2.23	0.57	2.42	2.42
Price/Book (P/B)	2.48	1.65	3.35	1.17	2.24	1.58
Price/Cash Flow (P/CF)	9.83	8.82	15.20	3.42	9.94	7.32
P/E (F1)	23.86	18.74	19.78	6.38	21.43	14.31
Price/Sales (P/S)	3.24	2.41	3.06	0.81	2.71	1.94
Earnings Yield	4.22%	5.30%	4.99%	15.69%	4.68%	6.99%
Debt/Equity	1.62	1.26	0.57	3.15	1.76	1.68
Cash Flow (\$/share)	9.39	5.91	8.99	4.05	3.81	9.31
Growth Score	C	-	-	C	F	C
Hist. EPS Growth (3-5 yrs)	6.68%	4.15%	8.16%	9.71%	2.15%	5.17%
Proj. EPS Growth (F1/F0)	6.03%	6.97%	8.57%	1.40%	9.26%	4.16%
Curr. Cash Flow Growth	9.19%	6.29%	6.75%	2.60%	3.20%	46.16%
Hist. Cash Flow Growth (3-5 yrs)	4.29%	5.44%	7.43%	4.72%	3.19%	9.22%
Current Ratio	0.71	0.91	1.19	0.72	0.51	0.71
Debt/Capital	61.76%	55.27%	38.01%	75.89%	63.74%	62.76%
Net Margin	14.26%	11.12%	12.78%	9.47%	11.37%	10.22%
Return on Equity	11.53%	9.51%	17.00%	18.83%	10.25%	11.06%
Sales/Assets	0.19	0.22	0.53	0.25	0.21	0.22
Proj. Sales Growth (F1/F0)	1.90%	4.60%	5.77%	4.20%	6.20%	17.80%
Momentum Score	B	-	-	C	B	C
Daily Price Chg	-1.04%	0.14%	-1.07%	-1.21%	1.37%	0.90%
1 Week Price Chg	-1.98%	-0.27%	-0.63%	-0.65%	-1.54%	2.05%
4 Week Price Chg	-2.84%	-2.91%	1.39%	0.07%	-4.78%	-7.08%
12 Week Price Chg	4.15%	2.75%	2.45%	5.98%	-0.47%	1.66%
52 Week Price Chg	24.39%	10.84%	12.83%	3.60%	18.47%	14.43%
20 Day Average Volume	2,700,454	1,072,158	2,728,366	6,809,518	4,410,129	2,923,568
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.16%	0.02%	0.00%	0.00%	0.25%	0.12%
(F1) EPS Est 12 week change	0.43%	0.26%	0.69%	1.28%	0.64%	0.18%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	0.00%	-1.22%	-1.02%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	C
Growth Score	C
Momentum Score	B
VGM Score	C

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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