

NextEra Energy, Inc. (NEE)

\$81.65 (Stock Price as of 12/12/2025)

Price Target (6-12 Months): **\$84.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 07/23/20)

Prior Recommendation: Outperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: D

Value: D

Growth: C

Momentum: B

Summary

NextEra Energy continues to expand its operations through organic projects and acquisitions. NextEra will add more renewable projects to its portfolio and has nearly 30 GW of renewable projects in backlog. Florida's improving economy is generating demand and boosting its unit, FPL's customer base. NextEra Energy has been managing debt effectively and has top-tier credit ratings. The company will benefit from the decline in the interest rates. Strategic investment is helping NEE to strengthen and expand operations. The stock has outperformed the industry in the past six months. Yet, due to the nature of NEE's business, it is subject to complex rules and regulations. Risks in operating nuclear power-based generation units, unfavorable weather conditions and increasing supply costs can adversely impact earnings.

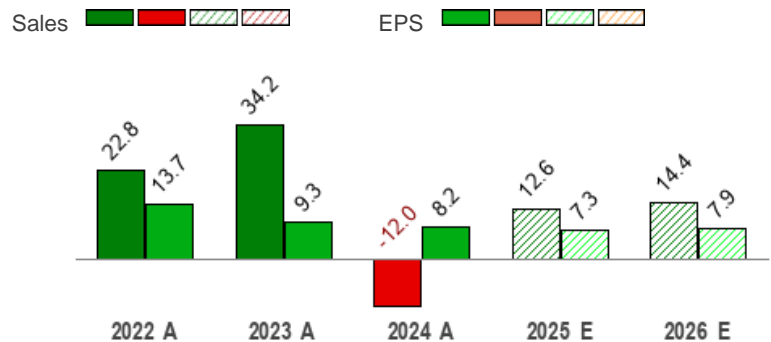
Price, Consensus & Surprise⁽¹⁾



Data Overview

52 Week High-Low	\$87.53 - \$61.72
20 Day Average Volume (sh)	9,952,267
Market Cap	\$170.0 B
YTD Price Change	13.9%
Beta	0.74
Dividend / Div Yld	\$2.27 / 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	8.7%
Last Sales Surprise	-1.9%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	01/23/2026
Earnings ESP	0.0%

Sales Estimates (millions of \$)⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	7,384 E	8,136 E	8,891 E	7,749 E	31,877 E
2025	6,247 A	6,700 A	7,966 A	6,807 E	27,871 E
2024	5,731 A	6,069 A	7,567 A	5,385 A	24,753 A

EPS Estimates⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	0.83 E	1.12 E	1.14 E	0.93 E	3.97 E
2025	0.99 A	1.05 A	1.13 A	0.67 E	3.68 E
2024	0.91 A	0.96 A	1.03 A	0.53 A	3.43 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 12/10/2025.

Overview

Juno Beach, FL-based NextEra Energy Inc. (previously known as FPL Group Inc.) is a public utility holding company engaged in the generation, transmission, distribution, and sale of electric energy. The company has both regulated and non-regulated energy-related products and services, with operations in 40 states in the U.S. and four provinces in Canada. NextEra Energy was founded in 1925. The company serves nearly 12 million people through approximately 6 million customer accounts.

On Dec. 31, 2024, NextEra Energy had approximately 72 gigawatts (GWs) of net generation and storage capacity from a diverse portfolio of assets, primarily including natural gas, wind, solar and nuclear generation facilities and battery storage facilities

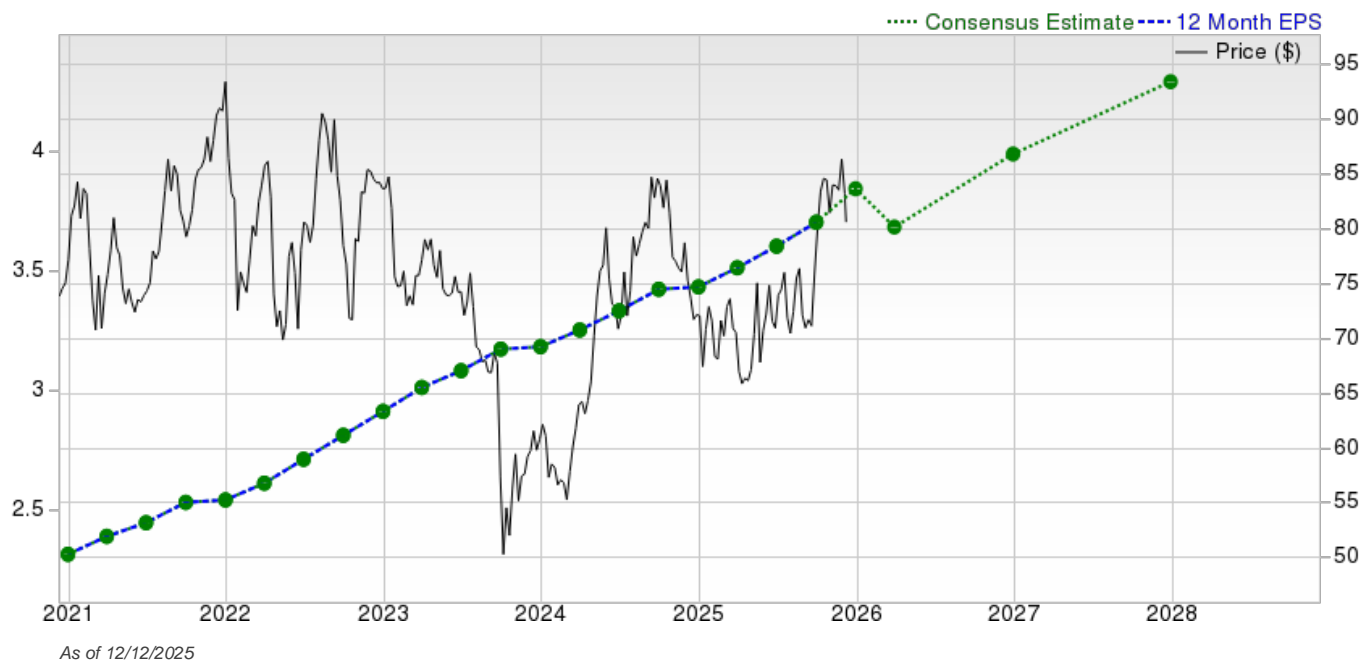
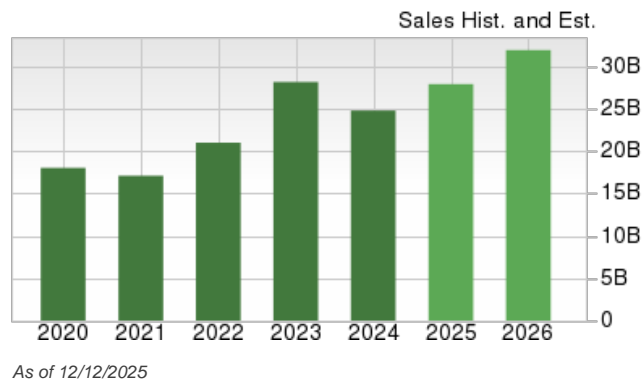
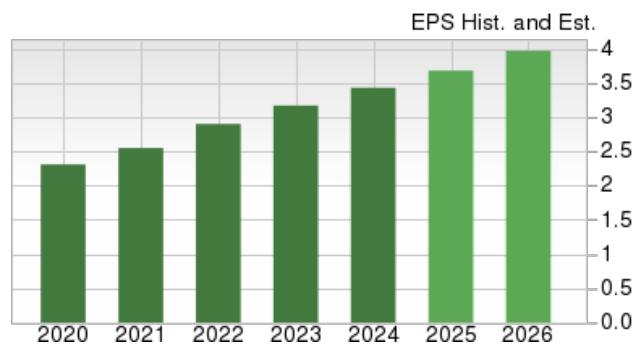
NextEra Energy's primary subsidiaries are Florida Power & Light Company (FPL), Gulf Power Company and NextEra Energy Resources LLC (NEER). NextEra Energy Capital Holdings, Inc. (NEECH) is a wholly owned subsidiary of NextEra, which owns and provides funds for NEER and other operating subsidiaries apart from FPL and its subsidiaries. In 2014, NextEra Energy formed NextEra Energy Partners, LP to own, manage and acquire contracted clean energy projects.

NextEra Energy produces a large volume of electricity from wind and solar energy. The company, through its subsidiaries, is advocating higher usage of clean fuel sources to generate electricity and aiming to reduce total carbon emissions.

FPL and NEER contributed \$17.01 billion and \$7.54 billion to its top line in 2024, respectively. Corporate and Other added \$192 million to the top line in 2024.

As of Dec. 31, 2024, FPL had nearly 35,052 MW of net generating capacity, nearly 91,000 circuit miles of transmission and distribution lines, and 921 substations. As of Dec. 31, 2024, NEER has nearly 37,700 megawatts (MW) of total net generating capacity.

NEER is the competitive energy business of NextEra and plans to add 36,500-46,500 MW of clean power generation assets across the United States over the 2024-2027 time frame. The company's major capital projects continued to proceed as per plan and the addition of new renewable projects continues to boost the renewable portfolio of the company.



Reasons To Buy:

- ▲ NextEra Energy is a premier U.S. utility service provider, offering efficient power and energy services across various states. Nearly 89% of its customers were residential and 11% were commercial. The improvement in the Florida economy is going to revive demand from commercial customers and drive its performance.

NextEra's long-term EPS growth view through 2028 is courtesy of persistent renewable asset additions to the generation portfolio and execution across all business segments. The company expects to witness a compound annual growth rate for earnings in the range of 6% to 8% through 2027 from the base of 2024 adjusted EPS. In the past six months, shares of the company have gained 11% compared with the Utility-Electric Power industry's 9.2% rise.

- ▲ NextEra Energy has been managing debt effectively and has top-tier credit ratings, ranging from A to Baa1, from all major rating agencies. Its times interest earned ("TIE") ratio at the third-quarter end was 2.3. The TIE ratio of more than 1 indicates that the firm will be able to meet debt obligations in the near future without any difficulties.

The ongoing decline in interest rates will have a positive impact on NextEra Energy's margin, as this reduces its capital financing expenses in the long run and boosts margins.

- ▲ Florida Power & Light Company has been making smart investments to provide high-quality services to its customers and plans to invest nearly \$43 billion in the 2025-2029 time period. The company aims to add more than 25 GW of new generation and storage by 2034. From 2025 to 2029, the subsidiary will invest nearly \$19.52 billion in various projects to further enhance clean energy generation. Through its generation modernization efforts and solar portfolio build-out, which continues to be the largest owned and operated solar portfolio in the country, Florida Power & Light Company has saved its customers nearly \$16 billion in fuel costs since 2001.

Out of the total, Florida Power & Light plans to invest nearly \$18.5 billion in Transmission & Distribution projects from 2025 to 2029 to support customer growth and continue hardening the energy grid. FPL operates nearly 91,000 circuit miles of transmission and distribution lines and 921 substations to provide efficient services to its customers. The continued upgrades to these lines, assist the company to cater rising electricity demand.

- ▲ NextEra Energy also makes strategic acquisitions to expand its operations. The acquisition of Gulf Power Company and ownership stakes in two natural gas power plants from Southern Company will further expand natural gas operation of NextEra Energy and be accretive to its earnings over the long term. Acquisitions of a large portfolio of operating landfill gas-to-electric facilities by Energy Resources will support the company's expanding RNG business.

The contribution from organic and inorganic assets results in stable free cash flow, which allows the company to increase shareholders' value through dividends and share repurchases. The current buyback authorization will enable the company to buy back 180 million shares over an unspecified period. The company expects to increase the dividend rate by nearly 10% annually through at least 2026, subject to the approval of its board of directors. NextEra Energy's current dividend yield of 2.85% is better than the Zacks S&P 500 composite's yield of 1.43%.

- ▲ NextEra Energy Resources continues to work on its strategy of making a long-term investment in clean energy assets. The company expects to be able to add 36.5-46.5 GW of new renewables in the 2024-2027 time frame to the generation portfolio via clean energy investments. This unit aims to invest \$31.3 billion in the 2025-2029 time period to further expand and strengthen its existing operations.

At present, NextEra Energy Resources has 29.6 GW in the backlog of signed contracts, which provides clear visibility into the ongoing expansion of clean power generation. In third-quarter 2025, NextEra Energy Resources added nearly 3 GW of renewable projects to the existing backlog. By the end of 2027, Energy Resources expects to operate a more than 70 GW generation and storage portfolio.

A strong investment plan, robust renewable backlog, addition of renewable generation assets, acquisitions and adequate liquidity will boost its performance.

Reasons To Sell:

- ▼ NextEra Energy's financial performance primarily depends on its ability to manage the operations of its transmission and distribution businesses. The transmission and distribution operations sometimes face natural disasters, several operational risks, including breakdown, failure or damage of equipment or processes, accidents and labor disputes. Investment in strengthening the infrastructure has no doubt hardened its facility, even then extreme storms lead to power outages and disrupt operations adversely impacting performance.
- ▼ NextEra Energy's nature of business is subject to complex and comprehensive federal, state and other regulations. The company's regulated entity, FPL, depends on the Florida Public Service Commission for timely rate relief and cost recovery approvals. Any denial of such applications could materially affect the company's operational results. At present, NextEra Energy is working on a few capital projects. If the projects are delayed due to some uncontrollable events, it could result in cost overruns and adversely impact the company's profitability.
- ▼ The operation and maintenance of NextEra's and FPL's nuclear generation facilities involve environmental, health and financial risks that could result in fines or closure of the facilities, as well as increased costs and capital expenditures. If a scheduled outage of the nuclear units lasts longer than anticipated, it will adversely impact the production and profitability of the company. Also, these nuclear operations carry the risk of unplanned outages for maintenance and safety issues, which could adversely impact the production and profitability of the company.
- ▼ Unfavorable supply costs necessary to provide full energy and capacity requirement services could have an undesirable impact on NextEra's earnings. Increasing indirect input costs is also a headwind for the company. The global supply chain for renewable energy components remains complex and any interruption in supply can delay the project completion time.
- ▼ The energy sector is highly competitive, with emerging players in renewable energy posing challenges to the existing ones by utilizing new technology to produce a higher volume of clean energy. If NextEra Energy fails to maintain a competitive edge, it can adversely impact the operation.

Stringent regulations, inherent risk of operating nuclear generation facilities and unfavorable supply costs could adversely impact earnings

Last Earnings Report

NextEra Energy's Q3 Earnings Beat Estimates, Revenues Up Y/Y

NextEra Energy, Inc. reported third-quarter 2025 adjusted earnings of \$1.13 per share, which beat the Zacks Consensus Estimate of \$1.04 by nearly 8.7%. The bottom line was also up nearly 9.7% year over year.

The year-over-year improvement in earnings per share was due to solid financial and operational performance at two of its businesses.

GAAP earnings per share for the third quarter were \$1.18 compared with 90 cents in the year-ago period.

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

Earnings Reporting Date	Oct 28, 2025
Sales Surprise	-1.86%
EPS Surprise	8.65%
Quarterly EPS	1.13
Annual EPS (TTM)	3.70

NextEra Energy's Total Revenues

In the third quarter, NextEra Energy's operating revenues were \$7.96 billion, which missed the Zacks Consensus Estimate of \$8.11 billion by 1.86%. However, the top line improved 5.3% year over year.

Segment Results of NextEra Energy

Florida Power & Light Company: The segment's revenues amounted to nearly \$5.29 billion, up 7% from the prior-year figure of \$4.94 billion. Its earnings were 71 cents per share compared with 63 cents in the year-ago quarter.

NextEra Energy Resources: Its revenues amounted to \$2.56 billion compared with the prior-year figure of \$2.58 billion. The segment's earnings were 53 cents per share compared with 47 cents in the year-ago quarter.

Corporate and Other: Operating revenues for the reported quarter were \$115 million compared with \$43 million in the year-ago period. The operating loss in the third quarter was 11 cents per share, which was wider than the year-ago loss of 7 cents.

Highlights of NextEra Energy's Release

Florida Power & Light Company's ("FPL") growth in the reported quarter was largely fueled by ongoing business investments. FPL recorded capital expenditures of around \$2.5 billion during the quarter, with full-year capital investments projected to be between \$9.3 billion and \$9.8 billion.

NextEra Energy Resources had a strong quarter for new renewables and storage origination, adding 3 gigawatts ("GW") to its backlog. With these additions, NextEra Energy Resources' backlog now totals 29.6 GW after taking into account more than 1.7 GW of new projects placed into service as of Oct. 28, 2025.

Key Developments After Third-Quarter End

NextEra Energy announced that it has signed two transformative agreements with Google, which will strengthen U.S. nuclear leadership and help meet growing energy demand from artificial intelligence with clean, reliable nuclear energy.

To meet 24x7 clean energy requirements, NextEra Energy plans to restart its 615-MW nuclear facility, Duane Arnold Energy Center. Google will purchase carbon-free nuclear energy produced from the Duane Arnold for 25 years.

Financial Update of NextEra Energy

NextEra Energy had cash and cash equivalents of nearly \$2.39 billion as of Sept. 30, 2025, compared with \$1.49 billion on Dec. 31, 2024.

Long-term debt, as of Sept. 30, 2025, was \$84.17 billion, up from \$72.4 billion on Dec. 31, 2024.

Cash flow from operating activities in the first nine months of 2025 was \$9.98 billion compared with \$11.27 billion in the first nine months of 2024.

NextEra Energy's Guidance

NextEra Energy reaffirmed its 2025 earnings guidance. The metric is expected in the range of \$3.45-\$3.70 per share. The midpoint of the guided range is \$3.575 per share, a tad lower than the Zacks Consensus Estimate of \$3.68.

NextEra Energy expects adjusted earnings per share for 2026 and 2027 to be in the range of \$3.63 to \$4.00 and \$3.85 to \$4.32, respectively. The company also continues to expect its earnings per share to grow at a roughly 6-8% range through at least 2026, off a 2024 base.

NextEra Energy's unit, Energy Resources, currently aims to add 36,500-46,500 MW of renewable power projects to its portfolio in the 2024-2027 span.

Recent News

On **Dec. 8, 2025**, NextEra Energy's unit NextEra Energy Transmission and Exelon have decided to move forward with a key project included in the 2025 Regional Transmission Expansion Plan. The companies will jointly develop a 220-mile, 765-kV high-voltage transmission line aimed at strengthening energy safety, reliability, and affordability for communities in Pennsylvania and parts of West Virginia, while also supporting meaningful economic development across the area.

Valuation

NextEra Energy Inc., shares are up 11% in the past six months period, and up 9.4% over the trailing 12-month period. Stocks in the Zacks sub-industry was up 9.2% and the Zacks Utility sector was up 7.4% in the past six months period. Over the past year, the Zacks sub-industry was up 18.5% and sector was up 13.4%

The S&P 500 index is up 16.3% in the past six months period and up 15.7% in the past year.

The stock is currently trading at 20.15X forward 12-months earnings, which compares with 14.8X for the Zacks sub-industry, 15.43X for the Zacks sector and 23.44X for the S&P 500 index.

Over the past five years, the stock has traded as high as 36.18X and as low as 14.83X, with a 5-year median of 23.18X.

Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$84 price target reflects 21.25X forward 12-months earnings.

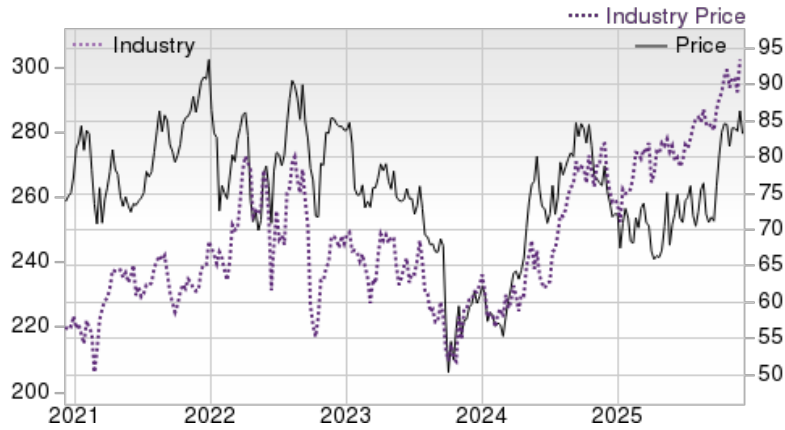
The table below shows summary valuation data for NEE.

Valuation Multiples - NEE					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	20.15	14.8	15.43	23.44
	5-Year High	36.18	16.15	17.86	23.78
	5-Year Low	14.83	12	13.13	15.73
	5-Year Median	23.18	14.68	15.85	21.21
P/S F12M	Current	5.24	3.16	2.98	5.3
	5-Year High	10.34	3.44	3.24	5.5
	5-Year Low	3.46	2.43	2.28	3.83
	5-Year Median	5.57	2.94	2.72	5.05
P/B TTM	Current	2.57	2.54	3.07	8.51
	5-Year High	4.08	2.86	3.28	9.16
	5-Year Low	1.8	2.02	2.38	6.6
	5-Year Median	2.91	2.44	2.87	8.05

As of 12/09/2025

Source: Zacks Investment Research

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



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Energias de Portugal (EDPFY)	Outperform	3
Edison International (EIX)	Outperform	2
American Electric Po... (AEP)	Neutral	3
Dominion Energy Inc. (D)	Neutral	2
DTE Energy Company (DTE)	Neutral	3
Consolidated Edison ... (ED)	Neutral	3
Exelon Corporation (EXC)	Neutral	3
Pacific Gas & Electr... (PCG)	Neutral	2

Industry Comparison⁽¹⁾ Industry: Utility - Electric Power

	NEE	X Industry	S&P 500	AEP	EDPFY	PCG
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Outperform	Neutral
Zacks Rank (Short Term)	3	-	-	3	3	2
VGM Score	D	-	-	C	C	A
Market Cap	170.05 B	16.99 B	39.36 B	60.96 B	0.00 M	33.32 B
# of Analysts	6	3	22	8	1	7
Dividend Yield	2.78%	3.11%	1.39%	3.33%	3.24%	0.66%
Value Score	D	-	-	C	C	A
Cash/Price	0.01	0.02	0.04	0.02	NA	0.02
EV/EBITDA	17.95	11.19	14.58	12.82	NA	9.39
PEG Ratio	2.93	2.69	2.22	2.98	NA	0.64
Price/Book (P/B)	2.63	1.65	3.34	1.94	NA	1.09
Price/Cash Flow (P/CF)	13.09	8.68	15.19	9.53	NA	5.54
P/E (F1)	22.19	18.74	19.74	19.31	12.49	10.11
Price/Sales (P/S)	6.47	2.41	3.02	2.87	NA	1.35
Earnings Yield	4.51%	5.30%	5.01%	5.18%	8.01%	9.89%
Debt/Equity	1.30	1.26	0.57	1.41	NA	1.81
Cash Flow (\$/share)	6.24	5.91	8.99	11.97	NA	2.73
Growth Score	C	-	-	C	D	B
Hist. EPS Growth (3-5 yrs)	10.41%	4.15%	8.13%	6.37%	NA	1.44%
Proj. EPS Growth (F1/F0)	7.29%	6.93%	8.50%	5.16%	NA	10.29%
Curr. Cash Flow Growth	1.84%	6.29%	6.86%	7.77%	NA	12.06%
Hist. Cash Flow Growth (3-5 yrs)	8.47%	5.44%	7.31%	5.67%	NA	6.09%
Current Ratio	0.55	0.91	1.18	0.69	NA	0.94
Debt/Capital	56.58%	55.27%	38.15%	58.43%	NA	63.28%
Net Margin	24.72%	11.12%	12.78%	17.23%	NA	10.93%
Return on Equity	12.42%	9.51%	17.00%	11.00%	NA	11.10%
Sales/Assets	0.13	0.22	0.53	0.20	NA	0.18
Proj. Sales Growth (F1/F0)	12.60%	4.60%	5.75%	8.10%	NA	6.70%
Momentum Score	B	-	-	B	A	D
Daily Price Chg	0.54%	0.14%	-1.07%	-0.11%	0.95%	2.23%
1 Week Price Chg	-3.66%	-3.78%	-0.43%	-5.03%	0.38%	-5.96%
4 Week Price Chg	-2.79%	-2.97%	1.33%	-6.05%	-1.42%	-8.95%
12 Week Price Chg	15.34%	3.49%	2.95%	7.22%	-2.71%	1.74%
52 Week Price Chg	11.51%	10.72%	12.83%	22.92%	30.88%	-23.90%
20 Day Average Volume	9,952,267	994,740	2,755,288	3,216,894	16,064	25,449,100
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.28%	0.00%
(F1) EPS Est 4 week change	0.00%	0.02%	0.00%	0.09%	0.28%	0.00%
(F1) EPS Est 12 week change	0.03%	0.26%	0.68%	0.56%	2.32%	0.00%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	0.17%	NA	0.00%

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	D
Growth Score	C
Momentum Score	B
VGM Score	D

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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