

## National Fuel Gas Co. (NFG)

**\$78.37** (Stock Price as of 01/09/2026)

Price Target (6-12 Months): **\$86.00**

Long Term: 6-12 Months	<b>Zacks Recommendation:</b>	<b>Neutral</b>
	(Since: 08/18/25)	
	Prior Recommendation: Outperform	
Short Term: 1-3 Months	<b>Zacks Rank: (1-5)</b>	<b>3-Hold</b>
	Zacks Style Scores:	VGM: C
	Value: B	Growth: C
		Momentum: F

### Summary

National Fuel Gas' fourth-quarter fiscal 2025 earnings topped expectations. Its systematic investments should strengthen its operations and reduce greenhouse gas emissions. The company's steady process of replacing and modernizing the existing pipelines should further boost earnings. NFG agreed to acquire CenterPoint Energy's Ohio natural gas utility business to further expand its operations. Shares of the company have outperformed the industry in the past year. However, it has to comply with the stringent regulations associated with exploration and production activities and incur additional expenses to meet the regulations. National Fuel Gas' dependence on the performance of its subsidiaries to meet financial obligations is a headwind. New charges result in high operating expenses, which may lower its future earnings.

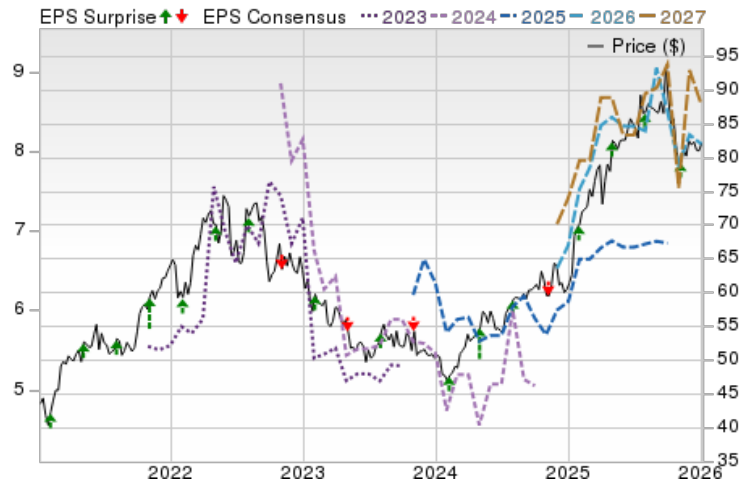
### Data Overview

52 Week High-Low	<b>\$94.13 - \$62.03</b>
20 Day Average Volume (sh)	<b>692,470</b>
Market Cap	<b>\$7.4 B</b>
YTD Price Change	<b>-2.5%</b>
Beta	<b>0.61</b>
Dividend / Div Yld	<b>\$2.14 / 2.7%</b>
Industry	<b><u>Oil and Gas - Integrated - United States</u></b>
Zacks Industry Rank	<b>Top 45% (110 out of 244)</b>

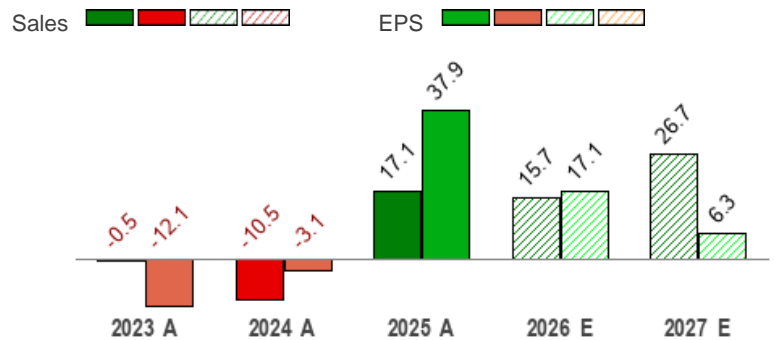
Last EPS Surprise	<b>13.0%</b>
Last Sales Surprise	<b>-16.6%</b>
EPS F1 Est- 4 week change	<b>-9.5%</b>
Expected Report Date	<b>02/04/2026</b>
Earnings ESP	<b>-2.5%</b>

P/E TTM	<b>11.3</b>
P/E F1	<b>10.3</b>
PEG F1	<b>0.9</b>
P/S TTM	<b>3.3</b>

### Price, Consensus & Surprise<sup>(1)</sup>



### Sales and EPS Growth Rates (Y/Y %)<sup>(1)</sup>



### Sales Estimates (millions of \$)<sup>(1)</sup>

	Q1	Q2	Q3	Q4	Annual*
2027	885 E	1,038 E	729 E	638 E	3,292 E
2026	643 E	730 E	612 E	572 E	2,557 E
2025	549 A	730 A	532 A	456 A	2,278 A

### EPS Estimates<sup>(1)</sup>

	Q1	Q2	Q3	Q4	Annual*
2027	2.40 E	2.38 E	1.54 E	1.23 E	8.36 E
2026	1.90 E	2.09 E	1.80 E	1.68 E	7.61 E
2025	1.66 A	2.39 A	1.64 A	1.22 A	6.91 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 01/09/2026.

(2) The report's text and the price target are as of 12/18/2025.

## Overview

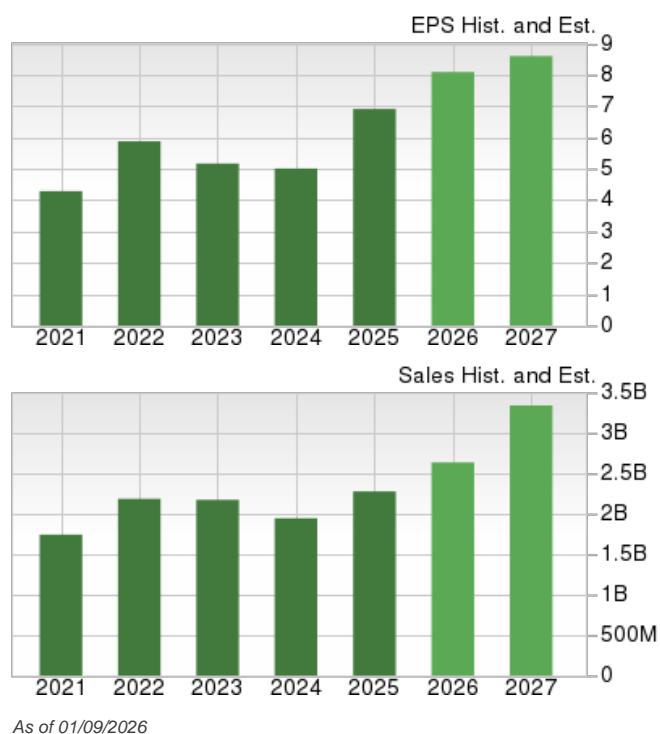
Founded in 1902, Williamsville, New York-based National Fuel Gas Company is an integrated energy company, which has natural gas assets located in the prolific Appalachian basin and oil-producing assets in California. The company operates through the following segments, namely Exploration and Production and Other, Pipeline and Storage and Gathering, and Utility and Energy Marketing.

The company operates an integrated business, with assets centered in Western New York and Pennsylvania that are utilized for the production and transportation of natural gas from the Appalachian basin. The current development activities are focused primarily in the Marcellus and Utica shales.

The integrated business model enables the company to adjust to the changing commodity price environment. National Fuel Gas Company's presence across the natural gas value chain through Upstream, Midstream and Downstream activities gives it a competitive advantage and allows it to lower operating costs. The company aims to further expand the pipeline transportation and distribution business by investing more than \$500 million in the same over the next five years.

The company completed the highly-accretive acquisition of Appalachian upstream and midstream gathering assets in July 2020. This acquisition boosted production levels and proved reserves of the company.

Total proved reserves at the end of fiscal 2025 increased 5% to 5 trillion cubic feet equivalent (Tcfe) from the prior-year level. The company replaced 154% of production in fiscal 2025. Net production at the end of fiscal 2025 was 426.5 billion cubic feet equivalent (Bcfe), up 9% over fiscal 2024.



## Reasons To Buy:

- ▲ National Fuel Gas' focus on the Marcellus and Utica shale formations provides a strong foundation for future growth in production volumes as well as revenues. The company's efforts to increase production and improve operational efficiencies, particularly in the E&P segment, lead to higher volumes and lower unit costs, boosting profitability. NFG also benefits from extensive midstream infrastructure, including gathering pipelines and compressor stations, facilitating efficient transportation and delivery of natural gas.

NFG is also well-positioned to capitalize on opportunities in artificial intelligence and data centers. Its integrated assets are uniquely situated to meet the needs of power and data center development. NFG announced a project that will support the repowering of a 3.6 gigawatt power generation facility and co-located data center. This will generate an estimated annual revenue of \$15 million. It is expected to be in service by late calendar year 2026. NFG sees opportunities to expand transportation and storage infrastructure to connect new load growth. It is set to supply reliable, low-cost, responsibly sourced gas.

Consistent capital investment, the acquisition of Shell's assets, strong presence in the Appalachian region, and expanding upstream and midstream operation are tailwinds.

- ▲ The acquisition of Shell's assets added 684 billion cubic feet of natural gas reserves at F&D cost of less than 40 cents per thousand cubic feet equivalent (Mcf), lower than what the company currently incurs. National Fuel Gas Company's increased scale and contiguous operations are expected to further reduce the per-cash-unit costs, boosting the company's margin. On Oct. 21, 2025, the company agreed to acquire CenterPoint Energy's Ohio natural gas utility business for \$2.62 billion, doubling its gas utility rate base and expanding its operations.
- ▲ The company's systematic capital spending to strengthen its natural gas and oil operations is positively impacting total production. It has been consistently increasing its total production since fiscal 2015. The company is also investing to reduce greenhouse gas emissions from its delivery system. National Fuel Gas aims to lower GHG emissions by 75% within 2030 and by 90% within 2050 from the 1990 levels. Shares of the company have risen 38.4% in the past year against the industry's 5.3% decline.

National Fuel Gas invested \$912.8 million in fiscal 2025. It projects capital spending of \$0.96-\$1.07 billion in fiscal 2026. Net E&P production totaled 426 Bcfe in fiscal 2025 and is expected to rise further in fiscal 2026. The company's production for fiscal 2026 is now expected to be in the range of 440-455 Bcf. E&P capital expenditure amounted to \$605 million in fiscal 2025 and is anticipated to be in the \$560-\$610 million range in fiscal 2026. Such systematic capital expenditure and rising production volumes make the stock attractive.

- ▲ Since 2010, National Fuel Gas Company has invested \$2 billion in midstream operations to expand and modernize its pipeline infrastructure to gain access to Appalachian production. Its midstream operation currently has 4.5 million dekatherms (Dth) of daily interstate pipeline capacity under contract. Seneca and FERC pipeline businesses have been focused on developing additional outlets for the former's growing production in Tioga County. The company's Marcellus pad in Tioga County came online. The Tioga Pathway project creates organic growth with a capacity of 190,000 Dth per day. An estimated cost of \$100 million is expected to drive additional revenue growth in a future rate case. In September 2025, the company inked an agreement with a third-party pipeline to add 250 MMcf/d of takeaway capacity from Tioga County beginning in late 2028. This additional capacity, together with the Tioga Pathway project, is expected to come online in late 2026.

The company continues to replace and modernize the existing pipelines and expects to replace them further in the long run. It plans to invest further in improving reliability and pipeline distribution system safety. The company wants to accelerate the old pipeline replacement rate from the present level and provide more reliable services to customers.

- ▲ Expanding operations of National Fuel Gas Company enables it to generate a stable cash flow and allows management to carry on with shareholder-friendly initiatives. The company has paid nearly \$1.6 billion in dividends to shareholders over the past 10 years. The company has been paying dividends for the past 123 years. It has also raised the dividend rate consecutively over the preceding 55 years. Its current dividend yield is 2.61%, higher than the Zacks S&P 500 composite's average of 1.42%.

During the year ended Sept. 30, 2025, the company repurchased shares worth \$54.4 million compared with the prior-year figure of \$64.1 million. This would further increase its shareholders' value.

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## Reasons To Sell:

- ▼ Strong competition exists in the natural gas industry among providers of natural gas, and also between natural gas and other sources of energy such as fuel oil and electricity. So, a drop in the prices of alternate fuel and electricity could adversely impact natural gas demand and hurt the company's prospects.
- ▼ The company's business operations are subject to federal, state, and local laws and regulations related to environmental protection. It is also subject to the costs of compliance and liabilities that could affect its results of operations, financial condition, and cash flow. New regulations associated with exploration and production activities, including hydraulic fracturing, could also impact the company.
- ▼ National Fuel Gas Company is a holding company with no significant assets other than the stocks of its operating subsidiaries. In order to meet financial needs, it relies exclusively on repayments of principal and interest on intercompany loans made by the company to operating subsidiaries, as well as income from dividends. Such operating subsidiaries may not generate sufficient net income to pay upstream dividends or generate sufficient cash flow for making payments of principal or interest on such intercompany loans. This can adversely impact its capacity to meet financial obligations.
- ▼ The company's operations rely heavily on natural gas gathering, storage and transmission infrastructure, including third-party midstream facilities that are outside its control. Any disruption or unavailability of these facilities, whether due to maintenance activities or mechanical failures, could force significant production curtailments or hinder the delivery of natural gas to its utility customers, potentially having an adverse impact on the company's business operations and financial condition.

Strong competition, stringent regulations, dependence on the performance of its subsidiaries to meet financial obligations are headwinds.

## Last Earnings Report

### National Fuel Gas Q4 Earnings Beat Estimates, Revenues Increase Y/Y

National Fuel Gas Company reported fourth-quarter fiscal 2025 adjusted operating earnings of \$1.22 per share, which beat the Zacks Consensus Estimate of \$1.08 by 12.96%. The bottom line also increased 58% from the year-ago quarter's reported figure of 77 cents.

GAAP earnings for the quarter were \$1.18 per share against a loss of \$1.84 per share in the year-ago quarter.

Fiscal full-year operating earnings were \$6.91 per share, up 37.9% from \$5.01 in fiscal 2024.

### NFG's Total Revenues

NFG reported sales of \$456.4 million, which missed the Zacks Consensus Estimate of \$547 million by 16.6%. However, the top line increased 22.6% from the prior-year recorded figure of \$372.1 million.

Fiscal full-year revenues totaled \$2.28 billion, up 17.1% from \$1.94 billion in fiscal 2024.

### NFG's Segmental Revenues

**Utility:** Revenues totaled \$87.8 million, up 10% from \$79.8 million in the year-ago quarter.

**Integrated upstream and Gathering and Other:** Revenues totaled \$300.4 million, up 33.6% from \$224.9 million in the year-ago quarter.

**Pipeline and Storage:** Revenues amounted to \$68.2 million, reflecting a 1.3% increase from \$67.3 million recorded in the year-ago quarter.

### Highlights of NFG's Q4 Release

Total operating expenses were \$276.6 million, down 51.35% from \$568.6 million in the year-ago quarter.

Operating income totaled \$179.8 million against an operating loss of \$196.6 million in the year-ago quarter.

Interest expense on long-term debt totaled \$33.5 million compared with \$33 million in the year-ago quarter.

During the fiscal fourth quarter, Seneca produced 112 billion cubic feet (Bcf) of natural gas, reflecting an increase of 20 Bcf, or 21%, from the prior-year level. Two highly prolific Utica pads turned in line this year in Tioga County were the main drivers behind this increase in production.

NFG announced the acquisition of CenterPoint Energy's Ohio natural gas utility for \$2.62 billion, which is expected to double the Utility segment's rate base and is targeted to close in the fourth quarter of 2026.

### NFG's Financial Highlights

As of Sept. 30, 2025, National Fuel Gas had cash and temporary cash investments of \$43.2 million compared with \$38.2 million as of Sept. 30, 2024.

Net cash provided by operating activities for fiscal 2025 totaled \$1.1 billion compared with \$1.07 billion in the previous year.

### NFG's Guidance

National Fuel provided its formal guidance for adjusted earnings per share for fiscal 2026 between \$7.60 and \$8.10. The Zacks Consensus Estimate for the same is pegged at \$7.83, which is lower than the midpoint of the company's guided range.

The company expects capital expenditure for fiscal 2026 to be in the \$0.96-\$1.07 billion range.

Production for fiscal 2026 is expected to be in the range of 440-455 Bcf.

**FY Quarter Ending** **9/30/2025**

Earnings Reporting Date	Nov 05, 2025
Sales Surprise	-16.59%
EPS Surprise	12.96%
Quarterly EPS	1.22
Annual EPS (TTM)	6.91

## Valuation

National Fuel Gas Company shares are down 3.9% in the past six months period and up 38.4% over the trailing 12-month period. Stocks in the Zacks sub-industry was down 7.4% and the Zacks oils-energy sector was up 1.5% in the past six months period. Over the past year, the Zacks sub-industry is down 5.3% and sector is up 8.4%.

The S&P 500 index is up 17.9% in the past six months period and up 16.3% in the past year.

The stock is currently trading at 9.76X forward 12-months earnings, which compares with 18.47X for the Zacks sub-industry, 13.17X for the Zacks sector and 23.21X for the S&P 500 index.

Over the past five years, the stock has traded as high as 13.51X and as low as 8.06X, with a 5-year median of 10.22X.

Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$86 price target reflects 10.22X forward 12-months earnings.

The table below shows summary valuation data for NFG.

Valuation Multiples - NFG					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	9.76	18.47	13.17	23.21
	5-Year High	13.51	NA	19.1	23.78
	5-Year Low	8.06	6.39	5.87	15.73
	5-Year Median	10.22	12.36	9.74	21.22
P/S F12M	Current	2.66	1.51	1.2	5.24
	5-Year High	3.52	1.7	1.23	5.5
	5-Year Low	1.67	1.08	0.74	3.83
	5-Year Median	2.25	1.47	0.97	5.05
P/B TTM	Current	2.4	1.35	1.67	8.45
	5-Year High	3.7	2.72	1.92	9.17
	5-Year Low	1.33	1.22	1.18	6.6
	5-Year Median	2.26	1.97	1.67	8.05

As of 12/17/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Top 45% (110 out of 244)



## Top Peers<sup>(1)</sup>

Company (Ticker)	Rec	Rank
Atmos Energy Corpora...(ATO)	Neutral	2
Clean Energy Fuels C...(CLNE)	Neutral	3
Chesapeake Utilities...(CPK)	Neutral	4
NewJersey Resources ...(NJR)	Neutral	3
Northwest Natural Ga...(NWN)	Neutral	3
ONE Gas, Inc. (OGS)	Neutral	2
Spire Inc. (SR)	Neutral	2
Sempra Energy (SRE)	Neutral	3

## Industry Comparison<sup>(1)</sup> Industry: Oil And Gas - Integrated - United States

	NFG	X Industry	S&P 500	NJR	OGS	SRE
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	2	3
VGM Score	C	-	-	D	D	D
Market Cap	7.42 B	1.35 B	40.73 B	4.69 B	4.64 B	57.46 B
# of Analysts	3	3.5	22	3	5	4
Dividend Yield	2.74%	0.00%	1.37%	4.08%	3.46%	2.93%
Value Score	B	-	-	B	B	D
Cash/Price	0.01	0.04	0.04	0.00	0.00	0.00
EV/EBITDA	7.47	5.67	15.01	10.68	9.92	15.45
PEG Ratio	0.89	2.38	2.04	NA	2.47	2.35
Price/Book (P/B)	2.28	2.02	3.44	1.96	1.46	1.50
Price/Cash Flow (P/CF)	6.49	6.98	15.54	9.02	8.44	10.23
P/E (F1)	10.32	17.54	18.81	14.80	16.45	17.26
Price/Sales (P/S)	3.27	2.54	3.07	2.30	1.96	4.19
Earnings Yield	9.74%	5.29%	5.30%	6.76%	6.07%	5.79%
Debt/Equity	0.77	0.35	0.57	1.36	0.74	0.76
Cash Flow (\$/share)	12.03	0.94	8.98	5.16	9.17	8.61
Growth Score	C	-	-	D	F	D
Hist. EPS Growth (3-5 yrs)	10.86%	8.54%	8.24%	9.93%	2.07%	3.90%
Proj. EPS Growth (F1/F0)	10.13%	12.35%	9.21%	-3.67%	11.76%	-2.15%
Curr. Cash Flow Growth	18.19%	-0.10%	7.00%	13.34%	1.66%	4.99%
Hist. Cash Flow Growth (3-5 yrs)	14.02%	10.85%	7.49%	11.29%	7.19%	9.12%
Current Ratio	0.44	1.26	1.19	0.73	0.47	1.59
Debt/Capital	43.50%	27.94%	38.14%	57.61%	42.53%	43.09%
Net Margin	22.86%	13.56%	12.77%	16.48%	10.76%	15.63%
Return on Equity	21.76%	10.21%	17.03%	13.73%	8.06%	8.67%
Sales/Assets	0.27	0.31	0.53	0.28	0.28	0.14
Proj. Sales Growth (F1/F0)	12.20%	1.47%	5.30%	12.20%	15.80%	3.10%
Momentum Score	F	-	-	D	C	C
Daily Price Chg	-0.78%	2.37%	0.01%	0.76%	0.73%	1.93%
1 Week Price Chg	1.40%	1.67%	1.11%	-0.15%	-0.31%	1.24%
4 Week Price Chg	-5.46%	-0.62%	0.30%	1.44%	0.42%	-1.06%
12 Week Price Chg	-8.38%	0.00%	4.41%	0.34%	-4.67%	-3.41%
52 Week Price Chg	25.42%	-23.42%	16.95%	0.32%	13.20%	6.29%
20 Day Average Volume	692,470	643,450	2,445,854	518,891	383,257	2,667,492
(F1) EPS Est 1 week change	-5.93%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	-9.48%	0.00%	0.00%	0.00%	0.09%	0.15%
(F1) EPS Est 12 week change	-5.82%	-8.64%	0.47%	0.43%	3.08%	0.05%
(Q1) EPS Est Mthly Chg	-12.76%	0.00%	0.00%	0.00%	1.27%	0.75%



## 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	<b>B</b>
Growth Score	<b>C</b>
Momentum Score	<b>F</b>
VGM Score	<b>C</b>

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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