Freeport-McMoRan Inc. (NYSE: FCX) - Q2 FY2026 Results, FY2026 Guidance & Valuation

Fiscal second quarter ended June 30, 2026 · reported results, the company's own FY2026 guidance, and standard market-based valuation multiples. FCX is one of the world's largest copper producers (with meaningful gold and molybdenum by-products), mining in the U.S., Peru, Chile and Indonesia (Grasberg). Earnings are highly geared to the copper price.

A factual snapshot built from Freeport's public filings - reported results, the company's own forward guidance, and public market data. It contains no Blackspear forecast, price target, or recommendation.

REVENUE (Q2'26)	ADJ. NET INCOME / SH	COPPER REALIZED	ADJ. EBITDA / OP. CASH FLOW
$7.03B	**$0.74**	**$6.17**	**$2.9B**
▼ 7% vs $7.58B in Q2'25 lower volumes on Grasberg ramp	GAAP $0.68 vs $0.53 net income $984M	▲ 36% vs $4.54/lb per pound, Q2'26	OCF $2.0B; unit net cash cost $1.97/lb

VOLUMES & REALIZED PRICES - Q2 FY2026

METAL	PRODUCTION	SALES	REALIZED
Copper (M lbs)	786	710	$6.17/lb
Gold (K oz)	192	123	$4,520/oz
Molybdenum (M lbs)	23	25	$28.75/lb
Unit net cash cost (Cu)			**$1.97/lb**

Copper and gold volumes are down YoY as PTFI's Grasberg Block Cave ramps back up after the September 2025 mud-rush incident, but sharply higher metal prices more than offset the volume dip on realized-price and margin.

COPPER BY REGION - Q2 FY2026

REGION	CU SALES	NET CASH COST
United States	312M lbs	$2.94/lb
South America	245M lbs	$2.48/lb
Indonesia (Grasberg)	153M lbs	$(0.81)/lb
Consolidated	**710M lbs**	**$1.97/lb**

Indonesia runs a **negative** net cash cost (a credit) because Grasberg's gold by-product more than covers cash costs - so FCX's low headline consolidated cost of $1.97/lb is partly a gold-credit artifact, not pure copper efficiency. The company guides ~$1.90/lb for FY2026.

FY2026 GUIDANCE - AS ISSUED WITH THE JULY 23, 2026 RELEASE

COMPANY FY2026 OUTLOOK

Assumes $6.00/lb copper, $4,000 gold, $30 moly for H2

COPPER SALES	UNIT NET CASH COST	OPERATING CASH FLOW	CAPITAL EXPENDITURES
~3.1B lbs	**~$1.90/lb**	**~$8.3B**	**~$4.3B**
gold ~650K oz moly ~93M lbs	copper, net of by-product credits	net of $0.3B working capital	incl. ~$3.0B major mining projects

Grasberg Block Cave production is expected to reach ~65% of capacity in H2 2026, ~80% by mid-2027 and approach full capacity by end-2027. Cash-flow guidance is highly sensitive to the copper price: FCX estimates ~$300M of operating cash flow (and ~$390M of EBITDA) for each $0.10/lb change in copper (2027e–28e basis).

VALUATION SNAPSHOT - AS OF AUGUST 7, 2026 CLOSE

Share price	**~$69.62**	P / E (trailing, GAAP)	**~34x**
Market capitalization (~1.44B sh.)	**~$100.0B**	Fwd P / E (FY26E EPS $2.94)	**~24x**
Net debt (consol.); ex-PTFI downstream	**~$5.3B; ~$2.1B**	Fwd P / E (FY27E EPS $4.12)	**~17x**
Noncontrolling interests (book)	**~$12.1B**	Price / FY26E oper. cash flow (~$8.3B)	**~12x**
Enterprise value (incl. NCI)	**~$117.4B**	EV / EBITDA (FY26E ~$12B est.)	**~10x**
Dividend ($0.60/yr) & yield	**0.86%**	52-week range	**$35.15–$72.28**

Multiples move with the share price and the copper price - refresh before relying on them. The stock is near its 52-week high; the falling forward P/E (34x trailing → ~24x → ~17x) reflects earnings expected to roughly double in 2026 on high copper plus the Grasberg volume recovery. EV includes ~$12.1B of noncontrolling interests (FCX owns 48.76% of PTFI/Grasberg, 55.66% of Cerro Verde, 51% of El Abra but consolidates them). FY26E EBITDA (~$12B) is a Blackspear estimate from the 1H26 run-rate (1H26 adjusted EBITDA was $5.4B); share-based comp in adjusted EBITDA is immaterial (~$103M in 1H26, ~2%). The $0.60 dividend is a base ($0.30) plus a variable, performance-based component and can fluctuate.

WHAT'S MOST IMPACTFUL TO FUTURE EARNINGS

- **The copper price dominates everything.** FCX estimates ~$390M of EBITDA and ~$300M of operating cash flow per $0.10/lb move in copper - so a $1/lb swing is ~$3.9B of EBITDA. Copper is near record levels (~$6.5/lb COMEX; FCX realized $6.17 in Q2), which is why 2026 earnings roughly double. A reversion toward mid-cycle prices is the single biggest risk to the numbers.
- **Grasberg ramp recovery.** After the Sept-2025 mud-rush incident, PTFI's Grasberg Block Cave is ramping (mining rate 34→55→69 kt/d, Apr–Jun); ~65% of capacity in H2 2026, ~80% by mid-2027, ~full by end-2027 - the near-term driver of copper/gold volume and gold by-product credits.
- **Multi-year volume growth.** Copper sales are guided from 3.1B lbs (2026e) to 3.8B (2027e) and 4.1B (2028e); leach initiatives target ~300M lbs/yr by YE26 and ~800M by 2030, with brownfield options (Bagdad 2X, Safford/Lone Star, El Abra +700M lbs, Kucing Liar) lifting U.S. output ~60% by 2030.
- **Balance sheet & shareholder returns.** Net debt (ex-Indonesia downstream) of ~$2.1B, investment-grade rated; policy returns ~50% of available cash flow via a base + variable dividend and buybacks (~50% funds growth). ~$6.3B distributed since mid-2021.
- **Key risks.** Copper-price reversion (the U.S. COMEX premium reflects 2025 Section-232 tariffs and may not persist); Indonesia political/permitting risk (IUPK/operating-rights extension beyond 2041; FCX's PTFI economics step down to ~37% from 2042); rising capex ($4.3B→$4.8B); and execution on the Grasberg ramp.

HOW TO READ THE NUMBERS

- "Unit net cash cost" is cash cost per pound of copper net of gold/moly by-product credits; Indonesia's is negative (a credit) because gold more than covers cash costs.
- Adjusted results exclude idle-facility and restoration costs tied to the Sept-2025 PTFI mud rush ($284M in Q2). GAAP diluted EPS was $0.68.
- Realized prices reflect provisional pricing; U.S. (COMEX) copper trades above the London (LME) price due to 2025 U.S. copper tariffs, benefiting FCX's U.S. sales.
- FY26 guidance assumes $6.00/lb copper, $4,000 gold and $30 moly for H2 - results are highly sensitive to those assumptions.

Full Excel model - linked tabs (historicals, volumes/costs by region, copper-price sensitivity, valuation, source tie-outs) - available on request. Email **info@blackspearllc.com** for a copy.

Freeport-McMoRan Inc. (NYSE: FCX) - Valuation vs. the Copper Price

FCX is a leveraged bet on copper. Its share price tracks the copper price closely; the stock is near record highs because copper is near record highs - with a Grasberg-driven volume recovery layered on top.

History from FCX disclosures and public market data; forward EPS estimates are analyst consensus; P/E, EV/EBITDA and sensitivity figures are Blackspear calculations or FCX-disclosed sensitivities. Nothing here is a Blackspear price target or recommendation.

SHARE PRICE RANGE VS. AVERAGE REALIZED COPPER PRICE - FY2021–FY2026

FWD P/E (FY26E)	FWD P/E (FY27E)	COPPER LEVERAGE	DIVIDEND YIELD
~24×	**~17×**	**$390M**	**0.86%**
on FY26E $2.94	on FY27E $4.12	EBITDA per $0.10/lb Cu	base + variable ($0.60)

VALUATION & LEVERAGE TO COPPER

Current price (7 Aug 2026)	**~$69.62**
Trailing P/E (GAAP)	**~34×**
Forward P/E (FY26E $2.94)	**~24×**
Forward P/E (FY27E $4.12)	**~17×**
EV / EBITDA (FY26E ~$12B est., incl. NCI)	**~10×**
Copper realized: 2025 → 1H26	**$4.75 → $6.04**
EBITDA per $0.10/lb copper	**~$390M**
Copper sales: 2026e → 2028e	**3.1B → 4.1B lbs**

WHAT ARE YOU ACTUALLY BUYING?

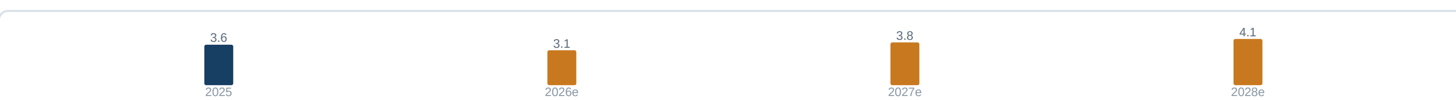
A LEVERAGED COPPER BET AT RECORD PRICES

A copper-price call, plus a volume ramp

FCX's price has tracked copper for years; today both sit near records. The falling forward P/E (~24× FY26E → ~17× FY27E) reflects expected earnings growth, but rests on copper staying near ~$6/lb: at ~$3.9B of EBITDA per $1/lb, a reversion to mid-cycle (~$4–4.50) would roughly halve earnings and lift the multiple sharply. Layered on top is a **volume** story - Grasberg recovery plus leach/brownfield growth lifting copper sales from 3.1B lbs (2026e) to 4.1B (2028e). This frames both sides; it is not a Blackspear view on copper or the stock.

The catch: the bull case (copper super-cycle from electrification, AI/data-centres and defence, with limited new supply - plus FCX's growth pipeline and ~50% cash return) and the bear case (a cyclical peak, a U.S. COMEX tariff premium that may fade, Indonesia/permitting risk, and rising capex) both hinge on the copper price. This is as much a commodity view as a company view.

COPPER SALES VOLUME - THE GRASBERG-DRIVEN RAMP, FY2025–FY2028E



Consolidated copper sales (billion lbs) dip to ~3.1B in 2026e as Grasberg ramps back up after the Sept-2025 incident, then recover to ~3.8B (2027e) and ~4.1B (2028e) - company estimates. Longer term, leach initiatives (~300M lbs/yr by YE26 targeting ~800M by 2030) and brownfield options (Bagdad, Safford/Lone Star, El Abra, Kucing Liar) support further growth; 2026e–2028e are FCX estimates dependent on the Grasberg ramp and market conditions.

> **On forward estimates.** Forward EPS of ~$2.94 (FY2026) and ~$4.12 (FY2027) are analyst consensus; FCX does not guide EPS. FY2026E EBITDA (~$12B) is a Blackspear estimate from the 1H26 run-rate ($5.4B adjusted EBITDA in 1H26); EV/EBITDA of ~10× includes ~$12.1B of noncontrolling interests. The copper-leverage figure (~$390M EBITDA / ~$300M operating cash flow per $0.10/lb) is FCX-disclosed. All estimates are inherently uncertain, highly sensitive to commodity prices, and subject to revision.