

Advanced Energy (AEIS)

\$215.16 (Stock Price as of 12/16/2025)

Price Target (6-12 Months): **\$237.00**

Long Term: 6-12 Months

Zacks Recommendation:

Outperform

(Since: 09/10/25)

Prior Recommendation: Neutral

Short Term: 1-3 Months

Zacks Rank: (1-5)

1-Strong Buy

Zacks Style Scores:

VGM: D

Value: F

Growth: C

Momentum: B

Summary

Advanced Energy shares have outperformed the industry in the year-to-date period. The company is benefiting from higher demand in the semiconductor and data center computing markets. Growth in the semiconductor market is driven by strong customer demand for EVOS, eVerest, and NavX products. The data center computing market is benefiting from hyperscale expansion and AI investments. AEIS expects overall 2025 revenue growth to be approximately 20% with Data Center revenues to double. In the industrial and medical markets, AEIS has secured design wins for innovative platforms like the high-power density Evergreen series and NeoPower line, which are expected to drive steady revenue growth. AEIS is expected to benefit from its new Thailand factory, ready to scale production and generate more than \$1 billion in annual revenues.

Data Overview

52 Week High-Low	\$232.05 - \$75.01
20 Day Average	367,608
Volume (sh)	
Market Cap	\$8.2 B
YTD Price Change	87.6%
Beta	1.38
Dividend / Div Yld	\$0.40 / 0.2%
Industry	Semiconductor Equipment - Wafer Fabrication
Zacks Industry Rank	Top 2% (6 out of 243)

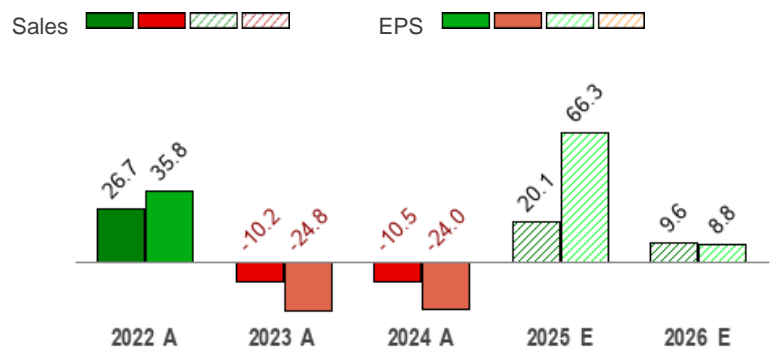
Last EPS Surprise	18.4%
Last Sales Surprise	5.1%
EPS F1 Est- 4 week change	2.6%
Expected Report Date	02/11/2026
Earnings ESP	-3.5%

P/E TTM	37.6
P/E F1	34.9
PEG F1	1.0
P/S TTM	4.8

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	448 E	474 E	493 E	535 E	1,950 E
2025	405 A	442 A	463 A	470 E	1,780 E
2024	327 A	365 A	374 A	415 A	1,482 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1.26 E	1.52 E	1.40 E	2.53 E	6.71 E
2025	1.23 A	1.50 A	1.74 A	1.70 E	6.17 E
2024	0.58 A	0.85 A	0.98 A	1.30 A	3.71 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/16/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 11/25/2025.

Overview

Based in Fort Collins, Colorado, Advanced Energy Industries is a power technology company. The company is one of the leading suppliers of power subsystems and process-control technologies to the semiconductor industry.

Advanced Energy had undergone a major restructuring in 2015, exiting the solar inverter business.

The company now focuses primarily on power-conversion solutions, including direct current, pulsed DC, low frequency, high voltage, and radio frequency (RF) power supplies, as well as matching networks and remote plasma sources for reactive gas applications and RF instrumentation to leverage the semiconductor, flat panel display, and industrial markets.

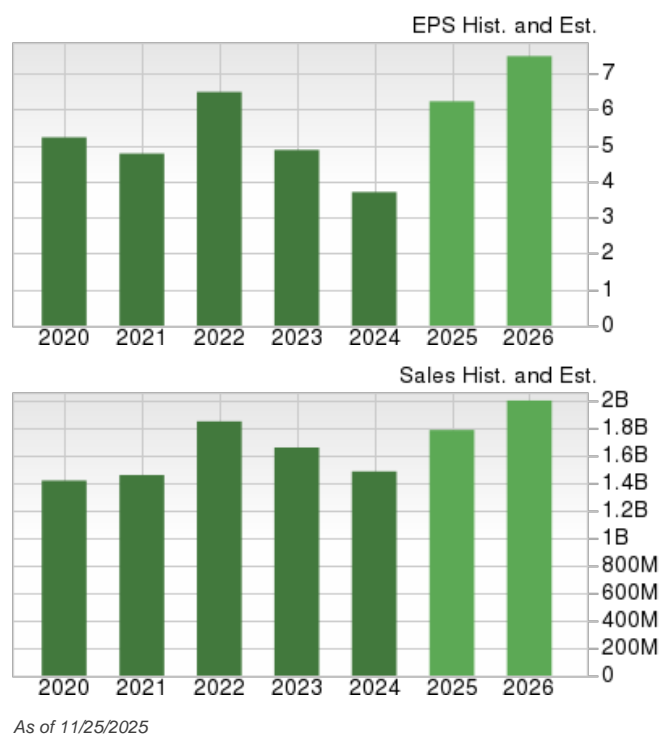
In 2024, Advanced Energy generated \$1.49 billion in revenues. Semiconductor Equipment accounted for 53.4% of sales, Industrial & Medical contributed 21.3%, Data Center Computing accounted for 16.7% and Telecom & Networking contributed the remaining 6.01%.

Customers in the semiconductor capital market incorporate products into equipment that make integrated circuits (ICs).

On the other hand, the industrial power capital market is comprised of products for Thin Films Industrial Power and Specialty Power applications.

Further, Advanced Energy made a foray into two new growth markets – data center computing and telecom and networking on the back of the Artesyn Embedded Power acquisition.

Additionally, the company maintains its facilities throughout Asia, Europe and North America.



Reasons To Buy:

- ▲ Several factors are expected to drive Advanced Energy's semiconductor revenue base. The most crucial factor is the growing demand for the company's power solutions in advanced semiconductor applications. Increasing investments in complex 3D NAND devices, DRAM and logic are a big positive for the company. Moreover, NAND manufacturers focus on adding more layers. The additional layers should also drive demand for its power-control modules. In 2024, AEIS launched 35 new products across its markets. Based on its portfolio strength, Advanced Energy is well-positioned among the leading players, which should help the company generate substantial revenues in the upcoming years.
- ▲ Advanced Energy's Industrial Revenues should continue to grow in the near future. The increasing international customer base and new design wins in China and Korea, among others, present significant growth opportunity for Advanced Energy's Industrial business. Also, the acquisitions of Trek and Excelsys Holdings add to Advanced Energy's industrial portfolio, further expanding its opportunities in this market.
- ▲ Advanced Energy has been supplementing organizational growth with strategic acquisitions. When deciding on a target, management generally looks out for a particular niche expertise, which will complement one of its many product lines or round out its portfolio. Further, the company completed the buyout of LumaSense Technologies. This has expanded the company's product portfolio with the addition of photonic-based measurement and monitoring solutions. Moreover, the deal provides a wider exposure to Advanced Energy in the power-intensive industrial applications space. Further, the company's acquisition of Trek has added high voltage and electrostatic technology products to its specialty power products portfolio. The company's acquisition of Artesyn Embedded Power, which helped it in making its foray into two new growth markets — data center computing and telecom and networking, remains noteworthy. This deal is expected to continue aiding its top-line growth soon. The acquisition of SL Power added complementary products to Advanced Energy's medical power offerings, thereby extending its presence in several advanced industrial markets. In June 2024, Advanced Energy acquired Airity Technologies, a high-voltage power conversion firm, enhancing its precision power solutions for semiconductor, industrial, and medical applications.
- ▲ AEIS has a strong balance sheet. As of Sept. 30, 2025, cash and cash equivalents were \$758.6 million. During the third quarter of 2025, the company generated \$79 million of cash flow from operations. A strong liquidity position will help it pursue growth opportunities, including acquisitions and sustain dividend payout.

Advanced Energy's leading market position, strong semi and industrial demand, strategic acquisitions and impressive balance sheet are major positives.

Risks⁽²⁾

- Customer concentration is a major risk. Advanced Energy's growth profile highly depends on its two large original equipment manufacturers (OEMs) - Applied Materials and Lam Research, which accounted for 26% and 11% of the total sales in 2024, respectively. In 2023 Applied Materials contributed 22% to total sales. Hence, customer concentration seems to be a perennial problem related to the nature of the technology it offers.
 - Advanced Energy is exposed to fluctuations in foreign-currency rates as international revenues account for a significant portion of its total revenues. Customers outside the United States represented 66% of AEIS 2024 sales. The company generates a significant portion of sales internationally, and relies on international suppliers, manufacturing partners and distributors. Therefore, fluctuations in foreign-currency rates, changes in political or economic conditions and regulatory requirements, among others, could negatively impact the company's operations in the future.
 - Acquisitions are part of Advanced Energy's growth strategy to supplement the top line. However, the company's inability to identify suitable acquisition candidates, unsuccessful execution and integration of new acquisitions, as well as an increase in acquisition costs due to stiff competition could negatively impact sales/margin performance. Large number of acquisitions increases risks of integration issues.
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Last Earnings Report

AEIS Q3 Earnings Beat Estimates, Revenues Up Year Over Year

Advanced Energy Industries reported third-quarter 2025 non-GAAP earnings of \$1.74 per share, beating the Zacks Consensus Estimate by 18.37%. The bottom line jumped 77.6% year over year and 16% sequentially.

Revenues of \$463.3 million beat the Zacks Consensus Estimate by 5.14% and increased 23.8% year over year. Sequentially, revenues increased 5%.

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

Earnings Reporting Date	Nov 04, 2025
Sales Surprise	5.14%
EPS Surprise	18.37%
Quarterly EPS	1.74
Annual EPS (TTM)	5.77

AEIS' Q3 Top-Line in Detail

Semiconductor Equipment revenues (42.4% of total revenues) decreased 0.5% year over year to \$196.6 million. Sequentially, segment revenues fell 6.2%.

Industrial & Medical revenues (15.4% of the total revenues) fell 7.4% year over year to \$71.2 million. Sequentially, segment revenues increased 3.8%.

Data Center Computing revenues (37% of the total revenues) were \$171.6 million, up 113% year over year. Sequentially, segment revenues jumped 21.2%.

Telecom & Networking revenues (5.2% of the total revenues) were \$24 million, up 24.5% year over year. Sequentially, segment revenues increased 9.6%.

AEIS' Q3 Operating Results

In the third quarter of 2025, the non-GAAP gross margin was 39.1%, up 280 basis points (bps) on a year-over-year basis and 100 bps sequentially. Gross margin benefited from China factory closure, better factory loading, and lower near-term tariff costs.

Non-GAAP operating expenses were \$103.4 million, up 6.8% year over year but down 0.2% sequentially. As a percentage of revenues, the figure declined 360 bps year over year and 110 bps quarter over quarter to 22.3% in the reported quarter.

The non-GAAP operating margin was 20.8% compared with 9.6% AEIS reported in the year-ago quarter. Sequentially, non-GAAP operating margin expanded 360 bps.

AEIS' Balance Sheet & Cash Flow

As of Sept. 30, 2025, cash and cash equivalents were \$758.6 million compared with \$713.5 million as of June 30.

In the third quarter of 2025, cash flow from operations was \$79 million, up from \$46.5 million in the second quarter of 2025.

Advanced Energy made dividend payments of \$3.9 million in the reported quarter.

AEIS Offers Positive Q4 Guidance

For the fourth quarter of 2025, Advanced Energy expects non-GAAP earnings of \$1.75 per share (+/- 25 cents). Tariffs are expected to increase in the current quarter and will have a negative impact of 100 bps. Fourth-quarter 2025 gross margin is expected between 39% and 40%. Operating expenses are expected to increase to roughly \$107 million.

The company anticipates revenues of \$470 million (+/- \$20 million), up sequentially. Semiconductor revenues are expected to decline slightly on a sequential basis. Data center computing revenues are expected to increase modestly on a sequential basis.

Industrial & Medical revenues are expected to grow modestly on a sequential basis.

AEIS expects sequential growth in the Telecom and Networking end-market in the current quarter.

Advanced Energy expects overall 2025 revenue growth to be approximately 20% with Data Center revenues to double.

AEIS expects 2025 capital expenditure to be at the high end of its 5% to 6% of sales range and to remain high over the next few quarters due to investments in expanding data center capacity and infrastructure capability, as well as the factory consolidation strategy.

Recent News

On Oct. 7, Advanced Energy unveiled the 401M mid-infrared optical pyrometer at SEMICON West 2025, offering ultra-fast, high-precision, non-contact temperature measurement for advanced semiconductor and industrial processes.

On Oct 6, Advanced Energy will preview its next-generation M-1200 fiber optic thermometry converter at SEMICON West 2025, showcasing faster, more accurate temperature measurement for semiconductor innovation.

On Sept. 25, Advanced Energy unveiled the SLE33SPD series, 33W USB-C wall-mount adapters with medical-grade certification, dual MOPP isolation, and broad protocol compatibility for safer, more efficient medical and industrial device power.

On Aug. 27, Advanced Energy announced the expansion of its ultra-efficient non-isolated bus converter (NIBC) family with two new quarter-brick modules, NDQ1300 and NDQ1600, delivering up to 98% efficiency for 48V to 12V power conversion in high-performance ICT and industrial applications.

On Jul 28, Advanced Energy Industries announced a quarterly cash dividend of \$0.10 per share, payable on Sept. 5, 2025, to shareholders of record as of Aug. 25, 2025.

On June 10, Advanced Energy introduced the Thyro-XD, a high-performance silicon-controlled rectifier (SCR) power controller delivering ultra-fast, precise temperature control for advanced semiconductor and industrial heating applications.

On April. 28, Advanced Energy announced a quarterly cash dividend of \$0.10 per share, payable on June 6, 2025, to shareholders of record as of May. 24.

On Feb, 3, Advanced Energy showcased its latest medical and industrial power supplies and sensors at MD&M West 2025, featuring innovations like the NGB800 Series, NCF660, and FC2500. These technologies enhance efficiency and reliability in critical applications.

On Dec. 5, Advanced Energy expanded its NeoPower family of ultra-high-density configurable power supplies, introducing the NP05 model. The NP05 delivers 2.4 kW in a 2.5-inch form factor, offering five single-slot, low-noise modules and a PowerPro Ethernet adapter. These additions enhance connectivity, reduce voltage ripple, and optimize designs for industrial and medical applications.

On Nov. 4, Advanced Energy announced the '3x5 Program' with distribution partner Sager Electronics to speed up the delivery of fully configured, modular power supplies for design and testing. It aims to enable faster design and application prototyping by allowing clients to order up to three configured power supplies, guaranteed to be delivered in under five days.

On Oct. 31, Advanced Energy authorized a quarterly cash dividend of 10 cents per share, payable on Dec. 6 to shareholders of record as of Nov. 25 2024.

On Sept. 25, Advanced Energy announced the release of its ultra-efficient 1,300 W DC-DC converter module, the Artesyn ADH1300-48S28, designed for telecom wireless base stations, featuring nearly 96% efficiency and integrated remote digital control capabilities.

On Sept. 23, Advanced Energy announced the launch of its SL Power NCF150 series of high-isolation, low-leakage current AC-DC power supplies, designed to meet the cardiac floating (CF) requirements of the IEC 60601-1 medical safety standard for medical equipment.

On Sept. 19, Advanced Energy announced the opening of a new design and service center in Wilmington, MA, to advance power technologies for semiconductor, industrial and medical applications, supporting its rapid growth strategy.

Valuation

Advanced Energy shares are up 78.1% in the year-to-date period and 75.8% over the trailing 12-month period. Stocks in the Zacks sub-industry are up 43% whereas the Zacks Computer and Technology sector increased 24.9% in the year-to-date period. Over the past year, the Zacks sub-industry increased 47.4% whereas the sector increased 26.7%.

The S&P 500 index is up 16.4% in the year-to-date period and 14.3% in the past year.

The stock is currently trading at 4.03X forward 12-month sales, which compares to 9.31X for the Zacks sub-industry, 6.61X for the Zacks sector, and 5.23X for the S&P 500 index.

Over the past five years, the stock has traded as high as 4.66X and as low as 1.46X, with a 5-year median of 2.27X. Our Outperform recommendation indicates that the stock will perform better than the market. Our \$237 price target reflects 4.63X forward 12-month earnings.

The table below shows summary valuation data for AEIS

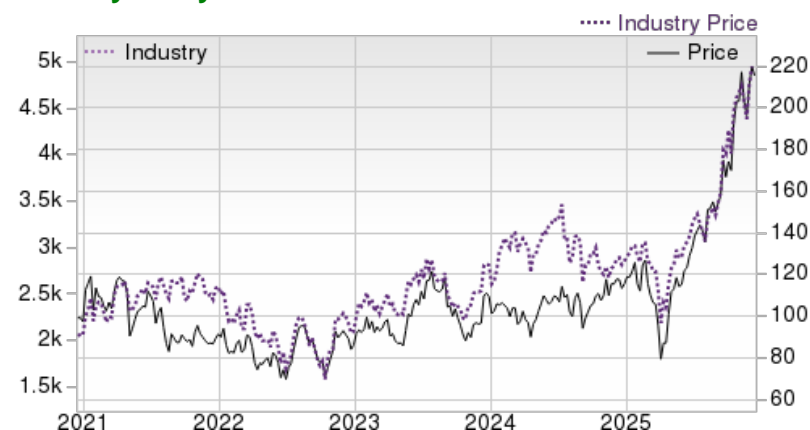
Valuation Multiples - AEIS					
		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	4.03	9.31	6.61	5.23
	5-Year High	4.66	12.88	7.4	5.5
	5-Year Low	1.46	6.33	4.25	3.83
	5-Year Median	2.27	8.85	6.3	5.04

EV/Sales TTM	Current	4.4	10.13	7.98	5.62
	5-Year High	4.83	17.01	8.35	5.81
	5-Year Low	1.48	6.42	4.17	3.77
	5-Year Median	2.27	10.25	6.93	5.11
EV/EBITDA TTM	Current	31.02	27.8	19.19	18.25
	5-Year High	34.07	46.48	23.69	22.4
	5-Year Low	8.77	17.11	12.05	13.87
	5-Year Median	13.73	27.35	18.37	17.95

As of 11/24/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 2% (6 out of 243)



Top Peers ⁽¹⁾

Company (Ticker)	Rec	Rank
Teradyne, Inc. (TER)	Outperform	2
Applied Materials, I..(AMAT)	Neutral	3
AMETEK, Inc. (AME)	Neutral	2
ASML Holding N.V. (ASML)	Neutral	3
Bruker Corporation (BRKR)	Neutral	3
KLA Corporation (KLAC)	Neutral	3
Lam Research Corpora...(LRCX)	Neutral	2
MKS Inc. (MKSI)	Neutral	3

Industry Comparison⁽¹⁾

Industry: Semiconductor Equipment - Wafer Fabrication

Industry Peers

	AEIS	X Industry	S&P 500	AMAT	ASML	LRCX
Zacks Recommendation (Long Term)	Outperform	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	1	-	-	3	3	2
VGM Score	D	-	-	B	F	B
Market Cap	8.19 B	218.00 B	39.20 B	207.17 B	427.82 B	206.37 B
# of Analysts	5	4	22	11	5	12
Dividend Yield	0.18%	0.38%	1.4%	0.70%	0.58%	0.63%
Value Score	F	-	-	D	F	D
Cash/Price	0.09	0.05	0.04	0.04	0.01	0.03
EV/EBITDA	53.40	46.41	14.73	20.56	39.43	32.06
PEG Ratio	1.00	1.37	2.24	2.71	1.69	1.69
Price/Book (P/B)	6.26	12.77	3.35	10.19	19.27	20.25
Price/Cash Flow (P/CF)	46.36	46.46	15.24	25.88	46.56	36.76
P/E (F1)	34.61	36.16	19.90	27.38	37.50	34.30
Price/Sales (P/S)	4.75	8.40	3.09	7.30	12.04	10.53
Earnings Yield	2.87%	2.77%	5.01%	3.65%	2.67%	2.92%
Debt/Equity	0.43	0.29	0.57	0.32	0.14	0.37
Cash Flow (\$/share)	4.68	14.02	8.99	10.10	23.36	4.47
Growth Score	C	-	-	B	F	A
Hist. EPS Growth (3-5 yrs)	-9.36%	2.62%	8.16%	11.67%	14.60%	8.25%
Proj. EPS Growth (F1/F0)	66.31%	70.64%	8.57%	1.27%	39.34%	15.70%
Curr. Cash Flow Growth	-22.61%	-11.82%	6.75%	5.79%	-1.03%	31.19%
Hist. Cash Flow Growth (3-5 yrs)	9.03%	15.49%	7.43%	13.76%	21.95%	16.65%
Current Ratio	4.10	2.71	1.18	2.61	1.31	2.21
Debt/Capital	30.25%	21.36%	38.01%	24.02%	12.47%	26.79%
Net Margin	8.41%	17.75%	12.78%	24.67%	27.08%	29.66%
Return on Equity	14.27%	31.01%	17.00%	39.26%	47.74%	60.60%
Sales/Assets	0.74	0.72	0.53	0.83	0.70	0.94
Proj. Sales Growth (F1/F0)	20.10%	21.76%	5.77%	2.00%	23.10%	14.10%
Momentum Score	B	-	-	B	A	D
Daily Price Chg	0.84%	0.74%	-0.16%	0.79%	0.64%	2.35%
1 Week Price Chg	-1.96%	-1.83%	-0.44%	-3.28%	-1.69%	1.15%
4 Week Price Chg	9.23%	7.94%	2.16%	14.24%	6.65%	11.42%
12 Week Price Chg	24.09%	18.83%	1.83%	30.30%	13.57%	24.28%
52 Week Price Chg	76.72%	63.65%	12.22%	54.22%	50.59%	111.10%
20 Day Average Volume	367,608	895,152	2,744,252	6,967,779	1,422,695	10,048,622
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	2.61%	1.32%	0.00%	0.24%	0.02%	0.05%
(F1) EPS Est 12 week change	10.90%	6.95%	0.69%	0.73%	2.99%	8.51%
(Q1) EPS Est Mthly Chg	-1.28%	-0.62%	0.00%	-0.10%	0.04%	0.00%

Analyst Earnings Model⁽²⁾

Advanced Energy Industries, Inc. (AEIS)

In \$MM, except per share data

	2022A	2023A	2024A	2025E				2026E				2027E		
	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement														
Total Revenue	\$1,845.4	\$1,655.8	\$1,482.0	\$404.6	\$441.5	\$463.3	\$470.1	\$1,779.5	\$448.2	\$474.1	\$493.4	\$534.5	\$1,950.3	\$2,041.2
Cost of Revenue, Adjusted	\$1,163.4	\$1,058.8	\$944.3	\$251.2	\$273.4	\$282.1	\$284.5	\$1,091.2	\$275.1	\$282.9	\$308.7	\$284.8	\$1,151.5	\$1,205.6
Cost of Revenue, GAAP	\$1,169.9	\$1,063.4	\$952.7	\$254.1	\$278.1	\$288.9	\$286.8	\$1,107.9	\$277.7	\$285.4	\$313.5	\$287.8	\$1,164.3	\$1,245.2
Gross Profit, Adjusted	\$682.0	\$597.0	\$537.7	\$153.4	\$168.1	\$181.2	\$185.7	\$688.4	\$173.1	\$191.2	\$184.8	\$249.7	\$798.8	\$835.6
Gross Profit, GAAP	\$675.5	\$592.4	\$529.3	\$150.5	\$163.4	\$174.4	\$183.3	\$671.6	\$170.5	\$188.7	\$180.0	\$246.7	\$785.9	\$796.0
Research and Development	\$191.0	\$202.4	\$211.8	\$54.2	\$59.0	\$59.1	\$70.1	\$242.4	\$69.9	\$72.8	\$69.7	\$77.5	\$289.9	\$300.2
Selling, General, and Administrative	\$218.5	\$221.0	\$224.5	\$59.0	\$60.2	\$59.8	\$59.2	\$238.2	\$57.4	\$61.8	\$64.6	\$69.9	\$253.7	\$268.0
Amortization of Intangible Assets	\$26.1	\$28.3	\$26.0	\$5.5	\$5.6	\$5.6	\$5.4	\$22.1	\$5.7	\$5.8	\$5.8	\$5.9	\$23.2	\$18.4
Restructuring Expense	\$6.8	\$27.0	\$30.3	\$1.2	\$7.0	\$0.7	\$10.0	\$18.9	\$0.9	\$5.2	\$2.3	\$5.4	\$13.9	\$3.8
Total Operating Expenses, Adjusted	\$382.5	\$390.3	\$387.2	\$98.6	\$103.6	\$103.4	\$107.0	\$412.6	\$117.7	\$124.0	\$123.2	\$136.6	\$501.6	\$553.4
Total Operating Expenses, GAAP	\$442.4	\$478.7	\$492.7	\$119.9	\$131.8	\$125.2	\$144.7	\$521.6	\$133.9	\$145.6	\$142.5	\$158.8	\$580.7	\$590.5
Adjusted EBITDA	\$333.6	\$245.1	\$192.9	\$65.4	\$74.5	\$87.3	\$89.4	\$316.6	\$67.2	\$78.7	\$73.7	\$126.2	\$345.8	\$334.4
Depreciation	\$34.2	\$38.3	\$42.4	\$10.6	\$10.0	\$9.5	\$10.7	\$40.8	\$11.8	\$11.5	\$12.2	\$13.1	\$48.6	\$52.2
Depreciation & Amortization	\$60.3	\$66.5	\$68.5	\$16.1	\$15.6	\$15.1	\$16.2	\$63.0	\$17.5	\$17.3	\$18.0	\$19.0	\$71.8	\$70.6
Operating Income, Adjusted	\$299.5	\$206.7	\$150.5	\$54.8	\$64.5	\$77.8	\$78.7	\$275.8	\$55.4	\$67.2	\$61.5	\$113.1	\$297.2	\$282.2
Operating Income, GAAP	\$233.1	\$113.7	\$36.6	\$30.6	\$31.6	\$49.2	\$38.6	\$150.0	\$36.7	\$43.2	\$37.5	\$87.9	\$205.3	\$205.5
Interest Expense	\$7.3	\$16.6	\$25.1	\$4.2	\$4.2	\$4.2	\$4.7	\$17.3	\$4.4	\$4.5	\$4.7	\$5.2	\$18.9	\$19.7
Interest Income	\$4.1	\$27.1	\$42.9	\$6.9	\$6.6	\$6.6	\$6.6	\$26.7	\$9.0	\$9.9	\$11.0	\$13.0	\$42.9	\$60.7
Other Expense (Income) , Net	(\$11.8)	\$1.8	\$2.0	\$3.4	\$4.7	(\$0.7)	(\$1.5)	\$5.9	\$3.9	\$4.1	\$4.0	\$5.7	\$17.6	\$33.6
Other Expense (Income), net, Adjusted	\$7.3	(\$7.2)	(\$15.1)	(\$0.9)	(\$2.3)	(\$1.7)	(\$0.3)	(\$5.2)	(\$2.8)	(\$2.8)	(\$3.0)	(\$3.1)	(\$11.6)	(\$13.1)
Other Expense (Income), net, GAAP	(\$8.6)	(\$8.8)	(\$15.8)	\$0.7	\$2.3	(\$3.1)	(\$3.4)	(\$3.5)	(\$0.8)	(\$1.2)	(\$2.2)	(\$2.1)	(\$6.4)	(\$7.3)
Pre-Tax Income, Adjusted	\$292.1	\$213.9	\$165.5	\$55.7	\$66.8	\$79.6	\$79.0	\$281.1	\$58.2	\$69.9	\$64.5	\$116.2	\$308.8	\$295.3
Pre-Tax Income, GAAP	\$241.7	\$122.5	\$52.4	\$29.9	\$29.3	\$52.3	\$42.0	\$153.5	\$37.4	\$44.4	\$39.7	\$90.1	\$211.6	\$212.8
Income Tax, Adjusted	\$47.3	\$29.9	\$25.3	\$8.8	\$10.2	\$13.2	\$13.4	\$45.6	\$9.9	\$11.9	\$11.0	\$19.8	\$52.5	\$50.2
Income Tax, GAAP	\$39.9	(\$8.3)	(\$3.9)	\$5.0	\$3.8	\$5.9	\$7.1	\$21.8	\$6.4	\$7.5	\$6.8	\$15.3	\$36.0	\$36.2
Tax Rate, Adjusted	16.2%	14.0%	15.3%	15.8%	15.3%	16.6%	17.0%	16.2%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%
Tax Rate, GAAP	16.5%	(6.8%)	(7.5%)	16.7%	13.0%	11.3%	17.0%	14.2%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%
Non-Controlling Interest	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Income from Continuing Operations, Adjusted	\$244.8	\$184.0	\$140.3	\$46.9	\$56.6	\$66.4	\$65.6	\$235.5	\$48.3	\$58.0	\$53.5	\$96.4	\$256.3	\$245.1
Net Income from Continuing Operations, GAAP	\$201.9	\$130.7	\$56.3	\$24.9	\$25.5	\$46.4	\$34.9	\$131.7	\$31.1	\$36.8	\$33.0	\$74.8	\$175.7	\$176.6
Net Income (Loss) from Discontinued Operations	(\$2.2)	(\$2.5)	(\$2.1)	(\$0.2)	(\$0.3)	(\$0.2)	(\$0.2)	(\$0.9)	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.8)	(\$0.8)
Net Income, GAAP	\$199.7	\$128.3	\$54.2	\$24.7	\$25.2	\$46.2	\$34.7	\$130.8	\$30.9	\$36.6	\$32.8	\$74.6	\$174.9	\$175.8
Basic Shares Outstanding	37.5	37.5	37.5	37.6	37.6	37.6	37.6	37.6	37.5	37.4	37.3	37.2	37.4	37.0
Diluted Shares Outstanding	37.7	37.8	37.8	38.1	37.8	38.5	38.5	38.2	38.4	38.3	38.2	38.1	38.3	37.9
Basic EPS	\$5.33	\$3.42	\$1.45	\$0.66	\$0.67	\$1.23	\$0.92	\$3.48	\$0.82	\$0.98	\$0.88	\$2.00	\$4.69	\$4.76
Diluted EPS from Continuing Operations, Adjusted	\$6.49	\$4.88	\$3.71	\$1.23	\$1.50	\$1.74	\$1.70	\$6.17	\$1.26	\$1.52	\$1.40	\$2.53	\$6.71	\$6.48
Diluted EPS from Continuing Operations, GAAP	\$5.35	\$3.46	\$1.49	\$0.65	\$0.67	\$1.21	\$0.91	\$3.44	\$0.81	\$0.96	\$0.86	\$1.96	\$4.60	\$4.67
Diluted EPS, GAAP	\$5.29	\$3.40	\$1.43	\$0.65	\$0.67	\$1.20	\$0.90	\$3.42	\$0.80	\$0.96	\$0.86	\$1.96	\$4.58	\$4.65
Dividend per Share	\$0.40	\$0.40	\$0.40	\$0.10	\$0.10	\$0.10	\$0.10	\$0.40	\$0.10	\$0.10	\$0.10	\$0.10	\$0.40	\$0.40

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.

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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	F
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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