

Akamai Technologies (AKAM)

\$89.22 (Stock Price as of 12/19/2025)

Price Target (6-12 Months): **\$92.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 08/11/25)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: B

Value: B

Growth: C

Momentum: C

Summary

Akamai is benefiting from solid momentum in the security and compute verticals across multiple end markets. Strong demand for the Guardicore platform, API security solutions and cloud infrastructure services is a key growth driver. The company is well-positioned to gain from the significant growth of mobile data traffic driven by the increasing adoption of mobile data/apps. With the acquisitions of Neosec and Noname Security, Akamai has accelerated the advancement of its AI-powered API security solution. Strong focus on innovation is a positive. However, Akamai has experienced a downward trend in the Delivery segment in the last several quarters. Rising geopolitical unrest in Europe and the Middle East can disrupt its operations. Persistence of macroeconomic headwinds is also affecting customers' spending decisions.

Data Overview

52 Week High-Low	\$103.75 - \$67.51
20 Day Average Volume (sh)	3,378,093
Market Cap	\$12.8 B
YTD Price Change	-6.7%
Beta	0.68
Dividend / Div Yld	\$0.00 / 0.0%
Industry	Internet - Services
Zacks Industry Rank	Top 32% (76 out of 243)

Last EPS Surprise	13.4%
Last Sales Surprise	1.2%
EPS F1 Est- 4 week change	1.3%
Expected Report Date	02/19/2026
Earnings ESP	-5.8%

P/E TTM	12.8
P/E F1	12.9
PEG F1	6.2
P/S TTM	3.1

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1,048 E	1,089 E	1,100 E	1,141 E	4,377 E
2025	1,015 A	1,043 A	1,055 A	1,074 E	4,187 E
2024	987 A	980 A	1,005 A	1,020 A	3,991 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1.61 E	1.63 E	1.68 E	1.83 E	6.75 E
2025	1.70 A	1.73 A	1.86 A	1.65 E	6.94 E
2024	1.64 A	1.58 A	1.59 A	1.66 A	6.48 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/19/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/10/2025.

Overview

Akamai Technologies, Inc. is a global provider of content delivery network (CDN) and cloud infrastructure services.

The company's solutions accelerate and improve the delivery of content over the Internet, enabling faster response to requests for web pages, streaming of video & audio, business applications, etc. Its offerings are intended to reduce the impact of traffic congestion, bandwidth constraints and capacity limitations on customers.

Moreover, Akamai's solutions allow customers to operate their web transactions anywhere anytime with cost-effective outsourced infrastructure and carry out predictable, scalable and secure e-business at low cost.

These solutions are built on the Akamai Intelligent Edge Platform, which is the technological platform for its business solutions and hosts some of the world's best-known Internet brand names.

The company's cloud optimization solutions help organizations to improve performance, increase availability and enhance the security of applications and key web assets delivered from data-centers to the end user.

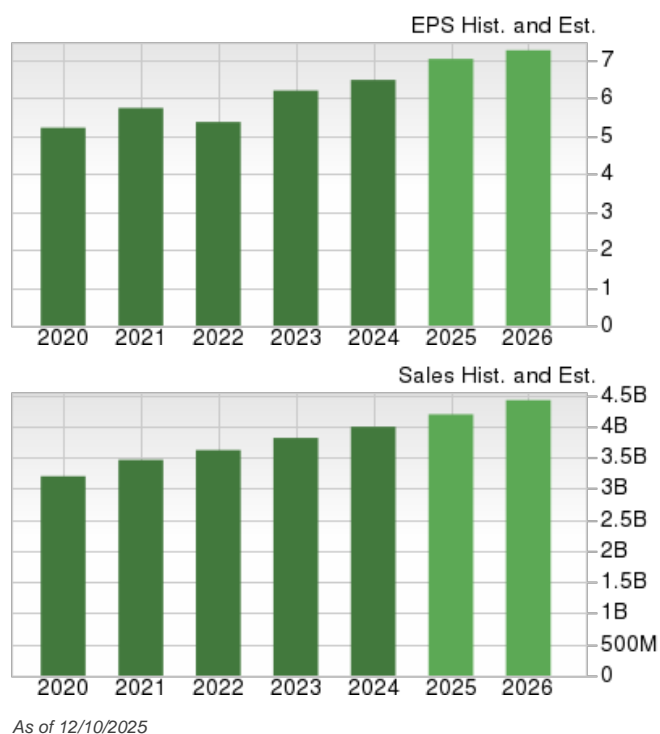
Akamai's platform comprises more than 350,000 servers located in over 1,300 networks around the world.

Headquartered in Cambridge, MA, Akamai reported revenues of \$4 billion in 2024.

The company has three operating segments: Security, Delivery and Compute. In 2024, Security and Delivery segment accounted for 51.2% and 33% of total revenues, respectively; while revenues from Compute accounted for 15.8%.

In 2024, Akamai generated 52% of total revenues from the U.S., while revenues from international footprint accounted for 48%.

Akamai markets and sells its services and solutions both domestically and internationally through direct sales and more than 100 active channel partners, including AT&T, Orange Business Services, IBM, Deutsche Telecom and Telefonica Group.



Reasons To Buy:

- ▲ Akamai is a **leading provider of CDN services** as its platform handles approximately two trillion web interactions on a daily basis. Its solutions help customers to address the challenges of bandwidth constraints and Internet traffic, and at the same time reduce the need for additional hardware to manage traffic loads. Software distribution plays an important role in bolstering the business as the company benefits from rapid growth in Internet-based distribution of applications, operating system software and online game software. Its Feb 2022 acquisition of Linode, a leading Infrastructure-as-a-service platform provider, for almost \$900 million augments Akamai's leading position in the market and helping it leapfrog others as the world's most distributed compute platform, from cloud to edge. We believe that strong growth in demand for online media and entertainment (High-Definition video) over the Internet and gaming will drive bandwidth requirements, thereby accelerating demand for the company's solutions in the long haul.
- ▲ We believe that the **increasing adoption of cloud computing technologies** will be a major growth driver for Akamai. The company's cloud optimization solutions help organizations to improve performance, increase availability and enhance the security of applications and key web assets delivered from data-centers to the end user. Since a large portion of the revenues is recurring in nature, the company is expected to boost its sales force as well as investments by developing and selling new products to achieve its long-term annual revenue target of \$5 billion.
- ▲ Akamai expanded its cloud computing production through the introduction of **Akamai Connected Cloud** and various cloud computing services. The Akamai Connected Cloud is a massively scaled edge network, which provides improved security and greater scalability to help businesses enhance their IT infrastructure. The acquisition of Ondat, a U.K.-based cloud storage technology company will further enhance Akamai's robust cloud computing portfolio. Management expects that Ondat's technology and expertise will strengthen Akamai's enterprise-grade storage solution for the Akamai Connected Cloud.
- ▲ We believe that the **increasing demand for Akamai's security solutions** will translate into a significant growth opportunity over the long term. With the rapid adoption of cloud computing, security has become a major concern for enterprises. Hackers are using new and sophisticated techniques to take advantage of the security loopholes of the cloud. Large enterprises are expected to increase their security budgets to efficiently address security concerns and instill confidence in cloud computing. The company's security offerings are also poised to gain from higher demand for data computing at the edge, triggered by the rapid deployment of 5G and IoT devices. The market for API (application programming interface) security is expected to witness substantial growth in the coming years. Akamai is actively pursuing the opportunity. With the acquisitions of Neosec and Noname Security, Akamai has accelerated the advancement of its AI-powered API security solution. By leveraging AI capabilities, the solution effectively analyzes APIs, detects vulnerabilities and minimizes risks. With the growing use of APIs, the demand for such solutions is poised to rise among enterprises. These strategic initiatives are expected to drive commercial expansion and generate long-term benefits.
- ▲ Akamai is well-positioned to **gain from the huge growth of mobile data traffic driven by increasing adoption of mobile data/apps**. Given this aggressive growth, mobile networks are likely to face significant congestion and will thus require technological advancements from content delivery networks. We believe that the company has significant growth opportunities in the mobile segment, based on its strong and innovative product portfolio. Furthermore, major sports events are expected to boost the demand for online media, thereby accelerating demand for the company's solutions going forward. Moreover, accelerated deployment of 5G is expected to act as a tailwind over the long haul.
- ▲ Akamai is witnessing **healthy demand trends in the Compute segment** across several sectors. In the third quarter of 2025, the segment registered \$179.7 million in revenues, up from \$166.9 million in the prior-year quarter. Healthy traction among enterprise customers and multiple deal wins in various verticals drove net sales in this segment. Per our estimate, the company is projected to generate \$723.8 million in revenues in 2025, indicating a year over year growth of 14.8%.

Increasing demand for cloud infrastructure solutions, security, mobile products and online video amid growing data traffic are favoring the company's growth prospects.

Reasons To Sell:

- ▼ Akamai is facing **increasing competition and pricing pressure** as new competitors and non-traditional players like Amazon, Netflix, Verizon and Comcast enter the market, joining traditional players like Limelight Network and Packeteer. Amazon Web Services has been consistently gaining traction and can pose serious challenges for Akamai's business. Amazon's entry into the digital audio, video streaming and cloud computing lines of business is an added risk.
- ▼ Akamai has traditionally charged a higher premium compared to what its competitors like Limelight, EdgeCast (acquired by Verizon) and Level3 (acquired by CenturyLink) charge for content delivery. However, the company is becoming **more aggressive in terms of pricing**, especially in the case of video content, to attract more customers and traffic to its network. We believe this aggressive pricing will hurt profitability in the quarters ahead.
- ▼ Akamai's business is being hurt by the **DIY initiatives of some key clients** in the CDN space. Some big players like Netflix and Apple have developed their own CDN. This allows companies to reduce their dependence on providers like Akamai. Loss of similar large customers is expected to have a negative impact on the company's top line.
- ▼ Growth in the **mobile Internet market has created a period of uncertainty**. Mobile traffic growth is both a result of higher Internet usage and the shift of some traffic from wireline to wireless networks. This shift in data usage could hurt Akamai's wireline CDN business if the company is unable to quickly adapt to the change. Wireless service providers are also encouraged to incorporate their own CDN-like technologies because this would enable them to manage data traffic more flexibly, resulting in fresh competition for the company.
- ▼ Akamai has experienced a **downward trend in the Delivery segment** in the last several quarters. The company witnessed strong traffic growth following the pandemic due to greater consumption of media and online games during that period. However, as those effects have now decreased and more return-to-work policies have been adopted, the company is witnessing a slowdown in traffic growth. Additionally, pricing pressure from growing competition and fluctuations in content traffic are impacting revenues in this segment. Persistence of economic headwinds is also affecting customers' spending decisions. In the third quarter of 2025, the Delivery segment contributed \$306.5 million, down from \$329.1 million in the year-earlier quarter. Per our estimate, the company is expected to generate \$1.17 billion in revenues from the Delivery segment suggesting an 10.6% decline year over year.
- ▼ Akamai has vast global operations and generates a **substantial portion of revenues from the international market**. Growing geopolitical unrest in Europe and the Middle East can disrupt its operations and impede revenue growth. Global presence also makes it vulnerable to forex volatility.

Akamai's business is being hurt by the DIY initiatives of some key clients in the CDN space amid increasing total bandwidth costs.

Last Earnings Report

Akamai Q3 Earnings Surpass Estimates, Revenues Increase Y/Y

Akamai reported strong third-quarter 2025 results, with both the top and bottom lines surpassing the Zacks Consensus Estimate.

The company reported a top-line expansion year over year, driven by healthy demand trends in multiple end markets. Strong demand for the Guardicore platform, API security solutions and cloud infrastructure services is a key growth driver.

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

Earnings Reporting Date	Nov 06, 2025
Sales Surprise	1.23%
EPS Surprise	13.41%
Quarterly EPS	1.86
Annual EPS (TTM)	6.95

Net Income

GAAP net income increased to \$140.2 million or 97 cents per share from \$57.9 million or 38 cents per share in the year-ago quarter. High revenues and lower operating expenses boosted the net income.

Non-GAAP net income was \$268.9 million or \$1.86 per share compared with \$243.5 million or \$1.59 per share a year ago. The bottom line beat the Zacks Consensus Estimate by 22 cents.

Revenues

Quarterly net sales were \$1.05 billion compared with \$1 billion reported in the year-ago quarter. The 5% year-over-year uptick was driven by strong momentum in the Security and Compute verticals. Revenues surpassed the Zacks Consensus Estimate of \$1.04 billion.

By product groups, revenues from the Security Technology Group were \$568.4 million compared with \$518.7 million in the year-ago quarter. The 10% year-over-year growth was primarily backed by growing demand for Guardicore Segmentation Solution. The company is experiencing healthy traction for its API security solutions in various end markets, including financial services, retail, electric vehicles and more. However, net sales missed our estimate of \$579.2 million.

The Delivery segment contributed \$306.5 million, down from \$319.1 million in the year-ago quarter. However, the segment's revenues surpassed our estimate of \$268.4 million.

The Cloud Computing segment registered \$179.7 million in revenues, up from \$166.9 million in the prior-year quarter. The growth was driven by healthy demand for cloud infrastructure services. The segment's revenues missed our estimate of \$192 million.

Region-wise, net sales from the United States came in at \$530 million, up 1% year over year. International revenues totaled \$524.6 million, up from \$480.1 million in the year-earlier quarter.

Other Details

In the September quarter, total operating expenses fell to \$888.6 million from \$934 million reported in the prior-year period. Non-GAAP income from operations improved to \$322 million from \$295.7 million, with margins of 31% and 29%, respectively. Adjusted EBITDA was \$458.4 million, up from \$426.3 million in the year-ago quarter.

Cash Flow & Liquidity

In the third quarter of 2025, Akamai generated \$441.8 million in cash from operating activities compared with \$392.5 million in the prior-year quarter. As of Sept. 30, 2025, the company had \$927.9 million in cash and cash equivalents, with \$281.3 million of operating lease liabilities.

Outlook

For the fourth quarter of 2025, Akamai expects revenues in the range of \$1.065 billion to \$1.085 billion. Non-GAAP operating margin is projected to be 28-30%. Non-GAAP operating expense is projected to be higher than in the third quarter. EBITDA margin is forecasted at 42-43%. Non-GAAP earnings are forecasted to be in the range of \$1.65-\$1.85 per share.

For 2025, Akamai expects revenues in the range of \$4.178 billion to \$4.198 billion. It expects a non-GAAP operating margin of 29-30%. Non-GAAP earnings are now projected to be in the range of \$6.93-\$7.13 per share.

Recent News

On Oct 06, 2025, Akamai announced the launch of Hype Event Protection to deliver advanced Bot protection to businesses.

On Aug 13, 2025, Akamai announced that it has joined forces with Aptum, a leading managed hybrid cloud services provider. Aptum offers tailored infrastructure design and implementation, consulting and managed services that help organizations to solve critical IT challenges. The partnership of AKAM and Aptum will primarily focus on mitigating complexities in cloud transition processes, expediting cloud-based application development and ensuring cost efficiency.

On Aug 12, 2025, Akamai announced that it has teamed up with LevelBlue to enhance web application and API (application programming interface) security with the launch of LevelBlue's Managed Web Application and API Protection (WAAP) service. The new service delivers adaptive, always-on protection aimed at reducing risk and operational overhead, powered by Akamai's App & API Protector technology.

On July 29, 2025, Akamai announced that it has formed a strategic collaboration with Aqua Security. With this partnership, the companies aim to work on developing an integrated solution to ensure comprehensive protection for AI applications.

On Jun 11, 2025, Akamai announced that it has formed a collaboration with Cloudinary, an industry leading image and video platform provider. By leveraging Cloudinary's AI-powered image and video optimization Akamai aims to streamline video management and delivery, mitigating common video challenges, including performance optimization and time-intensive post-production work.

On May 05, 2025, Akamai announced that it has joined forces with P3M Works, a UK-based cyber resilience and transformation consultancy to provide zero trust identity, credential, and access management solutions for UK government and defense supply chains.

Valuation

Akamai's shares are up 9.6% in the past six months but down 14.4% over the trailing 12-month period. Stocks in the Zacks sub-industry are up 69.8% but the Zacks Computer and Technology sector are up 26.6% in the past six months, respectively. Over the past year, the Zacks sub-industry is up 56.4% and the sector is up 24.7%.

The S&P 500 Index is up 16.3% in the past six months and up 14.6% in the past year.

The stock is currently trading at 11.82X trailing 12-month earnings, which compares to 28.92X for the Zacks sub-industry, 29.04X for the Zacks sector and 23.46X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 27.53X and as low as 11.82X, with a five-year median of 21.25X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$92 price target reflects 7.78X forward 12-month earnings.

The table below shows summary valuation data for AKAM.

Valuation Multiples - AKAM					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	11.82	28.92	29.04	23.46
	5-Year High	27.53	34.53	29.92	23.78
	5-Year Low	11.82	17.17	18.7	15.73
	5-Year Median	21.25	21.70	26.62	21.21
P/S F12M	Current	2.8	7.65	6.79	5.3
	5-Year High	5.76	7.78	7.4	5.5
	5-Year Low	2.38	3.69	4.24	3.83
	5-Year Median	3.76	5.12	6.29	5.05
EV/Sales TTM	Current	2.7	7.57	8.26	5.74
	5-Year High	5.79	7.75	8.36	5.81
	5-Year Low	2.15	2.82	4.17	3.78
	5-Year Median	3.77	4.71	6.92	5.12

As of 12/09/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 32% (76 out of 243)

Top Peers⁽¹⁾



Company (Ticker)	Rec	Rank
CommScope Holding Co...(COMM)	Outperform	1
Bilibili Inc. Sponso...(BILI)	Neutral	2
Cogent Communication...(CCOI)	Neutral	3
Cambium Networks Cor...(CMBM)	Neutral	2
Dropbox, Inc. (DBX)	Neutral	3
Lyft, Inc. (LYFT)	Neutral	2
Zscaler, Inc. (ZS)	Neutral	3
CyberAgent (CYGIY)	NA	

Industry Comparison⁽¹⁾ Industry: Internet - Services

Industry Peers

	AKAM	X Industry	S&P 500	BILI	COMM	LYFT
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Outperform	Neutral
Zacks Rank (Short Term)	3	-	-	2	1	2
VGM Score	B	-	-	F	C	A
Market Cap	12.84 B	581.78 M	38.78 B	10.36 B	4.05 B	7.76 B
# of Analysts	10	2	22	2	2	6
Dividend Yield	0.00%	0.00%	1.39%	0.00%	0.00%	0.00%
Value Score	B	-	-	D	A	B
Cash/Price	0.09	0.24	0.04	0.32	0.17	0.26
EV/EBITDA	12.47	7.20	14.61	49.80	16.36	57.52
PEG Ratio	6.24	1.78	2.19	NA	0.82	0.67
Price/Book (P/B)	2.70	2.29	3.32	4.98	NA	13.61
Price/Cash Flow (P/CF)	9.92	13.61	15.20	54.84	11.50	74.29
P/E (F1)	12.86	20.05	19.70	30.41	11.09	16.32
Price/Sales (P/S)	3.11	1.52	3.10	2.50	0.76	1.24
Earnings Yield	7.88%	3.44%	5.07%	3.27%	9.02%	6.13%
Debt/Equity	0.87	0.00	0.56	0.54	-3.09	1.76
Cash Flow (\$/share)	9.00	0.62	8.99	0.45	1.59	0.26
Growth Score	C	-	-	C	D	A
Hist. EPS Growth (3-5 yrs)	-0.39%	7.06%	8.16%	NA	-29.38%	NA
Proj. EPS Growth (F1/F0)	7.10%	19.20%	8.50%	NA	NA	25.26%
Curr. Cash Flow Growth	6.74%	-7.25%	6.86%	-180.73%	-49.46%	-156.05%
Hist. Cash Flow Growth (3-5 yrs)	4.53%	11.85%	7.43%	68.85%	-21.89%	15.44%
Current Ratio	2.28	1.73	1.19	1.64	2.25	0.72
Debt/Capital	46.44%	1.62%	38.01%	35.11%	NA	63.80%
Net Margin	12.26%	3.62%	12.78%	2.60%	17.57%	2.40%
Return on Equity	14.16%	4.67%	17.00%	6.99%	-13.70%	18.29%
Sales/Assets	0.40	0.75	0.53	0.83	0.66	1.12
Proj. Sales Growth (F1/F0)	4.90%	0.00%	5.81%	15.50%	33.90%	12.30%
Momentum Score	C	-	-	F	D	C
Daily Price Chg	0.82%	0.00%	0.88%	0.32%	2.46%	-2.22%
1 Week Price Chg	3.89%	0.00%	0.10%	0.73%	-5.92%	-4.66%
4 Week Price Chg	0.24%	0.00%	3.51%	0.32%	6.34%	-1.82%
12 Week Price Chg	17.32%	-7.69%	2.87%	-5.02%	18.77%	-11.20%
52 Week Price Chg	-6.96%	1.64%	15.24%	26.49%	227.78%	43.11%
20 Day Average Volume	3,378,093	92,955	3,013,825	1,406,627	4,247,325	12,198,139
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	1.33%	0.00%	0.00%	0.00%	0.65%	0.00%
(F1) EPS Est 12 week change	7.46%	6.17%	0.69%	18.92%	27.87%	19.77%
(Q1) EPS Est Mthly Chg	0.89%	0.00%	0.00%	0.00%	-4.85%	0.00%

Analyst Earnings Model⁽²⁾

Akamai Technologies, Inc. (AKAM)

In \$MM, except per share data

	2020A	2021A	2022A	2023A	2024A	2025E					2026E				2027E
	FY	FY	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY
FY Ends December 31st	Dec-20	Dec-21	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
Income Statement															
Total Revenue	\$3,198.1	\$3,461.2	\$3,616.7	\$3,811.9	\$3,991.2	\$1,015.1	\$1,043.5	\$1,054.6	\$1,074.0	\$4,187.2	\$1,047.5	\$1,089.0	\$1,099.8	\$1,140.6	\$4,376.9
Cost of Revenue, Non-GAAP	\$754.4	\$821.0	\$896.5	\$1,025.5	\$1,069.2	\$270.1	\$276.0	\$277.8	\$296.1	\$1,120.0	\$288.4	\$289.9	\$300.5	\$306.0	\$1,184.8
Cost of Revenue, GAAP	\$1,132.7	\$1,269.0	\$1,383.8	\$1,511.1	\$1,620.8	\$418.9	\$426.5	\$429.5	\$456.2	\$1,731.3	\$429.4	\$420.7	\$452.7	\$467.4	\$1,770.3
Gross Profit, Non-GAAP	\$2,443.8	\$2,640.2	\$2,720.1	\$2,786.4	\$2,921.9	\$745.0	\$767.5	\$776.8	\$777.9	\$3,067.2	\$759.1	\$799.1	\$799.3	\$834.6	\$3,192.1
Gross Profit, GAAP	\$2,065.5	\$2,192.3	\$2,232.8	\$2,300.9	\$2,370.4	\$596.2	\$617.0	\$625.1	\$617.7	\$2,456.0	\$618.1	\$668.3	\$647.1	\$673.2	\$2,606.7
Research and Development, Non-GAAP	\$220.5	\$269.4	\$310.5	\$281.4	\$318.8	\$81.3	\$86.0	\$82.3	\$85.0	\$334.6	\$87.8	\$111.3	\$96.5	\$95.4	\$391.0
Research and Development, GAAP	\$269.3	\$335.4	\$391.4	\$406.0	\$470.9	\$123.5	\$125.8	\$124.7	\$117.9	\$492.0	\$129.4	\$151.4	\$126.4	\$124.9	\$532.0
Sales and Marketing, Non-GAAP	\$445.1	\$415.6	\$452.5	\$465.4	\$479.2	\$111.7	\$124.0	\$122.5	\$126.5	\$484.6	\$135.2	\$144.5	\$161.9	\$159.4	\$601.0
Sales and Marketing, GAAP	\$510.4	\$462.0	\$502.4	\$533.2	\$556.8	\$134.1	\$146.2	\$144.9	\$153.0	\$578.2	\$166.0	\$168.4	\$187.4	\$181.4	\$703.3
General and Administrative, Non-GAAP	\$380.7	\$394.2	\$427.5	\$432.0	\$442.3	\$110.7	\$113.1	\$113.6	\$110.6	\$448.1	\$118.6	\$121.4	\$114.6	\$112.2	\$466.8
General and Administrative, GAAP	\$547.9	\$553.0	\$584.2	\$600.9	\$621.8	\$155.9	\$162.6	\$161.7	\$158.8	\$639.0	\$163.3	\$172.5	\$166.1	\$162.8	\$664.7
Amortization of Other Intangible Assets	\$42.0	\$48.0	\$65.0	\$66.8	\$92.1	\$27.6	\$27.7	\$27.8	\$21.6	\$104.7	\$23.0	\$23.6	\$25.4	\$23.6	\$95.7
Restructuring Charge (Benefits)	\$37.3	\$10.7	\$13.5	\$56.6	\$95.4	\$0.4	\$3.1	(\$0.0)	(\$0.0)	\$3.4	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.1)
Total Operating Expenses, Non-GAAP	\$1,046.3	\$1,079.3	\$1,190.4	\$1,178.9	\$1,240.3	\$303.7	\$323.1	\$318.4	\$322.1	\$1,267.3	\$341.6	\$377.2	\$373.0	\$367.0	\$1,458.8
Total Operating Expenses, GAAP	\$1,406.9	\$1,409.1	\$1,556.6	\$1,663.5	\$1,837.0	\$441.6	\$465.5	\$459.1	\$451.2	\$1,817.4	\$481.6	\$515.9	\$505.4	\$492.7	\$1,995.7
Adjusted EBITDA	\$1,397.5	\$1,560.9	\$1,529.7	\$1,607.6	\$1,681.7	\$441.3	\$444.4	\$458.4	\$455.8	\$1,799.9	\$417.5	\$421.9	\$426.3	\$467.6	\$1,733.3
Depreciation and Amortization	\$403.2	\$467.0	\$496.9	\$472.0	\$514.5	\$134.3	\$135.8	\$136.4	\$143.7	\$550.2	\$133.2	\$139.1	\$141.2	\$146.9	\$560.5
Operating Income, Non-GAAP	\$994.3	\$1,093.9	\$1,032.8	\$1,135.5	\$1,167.2	\$307.0	\$308.6	\$322.0	\$312.1	\$1,249.7	\$284.3	\$282.8	\$285.0	\$320.7	\$1,172.8
Operating Income, GAAP	\$658.5	\$783.1	\$676.3	\$637.3	\$533.4	\$154.6	\$151.5	\$166.0	\$166.5	\$638.6	\$136.4	\$152.4	\$141.7	\$180.5	\$611.0
Interest and Marketable Securities (Loss) Income, net	\$29.1	\$15.6	\$3.3	\$45.2	\$100.3	\$19.5	\$14.1	\$18.9	\$7.9	\$60.5	\$13.3	\$11.1	\$20.4	\$15.3	\$60.2
Interest Expense	\$69.1	\$72.3	\$11.1	\$17.7	\$27.1	\$6.8	\$8.2	\$7.9	\$13.5	\$36.4	\$11.0	\$6.6	\$4.2	\$9.9	\$31.8
Other (Income) Expense, net	\$2.5	(\$1.8)	\$10.4	\$12.3	\$19.6	(\$6.0)	\$5.5	\$3.8	\$15.4	\$18.7	\$3.9	\$2.7	\$7.3	\$7.9	\$21.7
Pre-Tax Income, Non-GAAP	\$951.9	\$1,038.9	\$1,014.5	\$1,150.7	\$1,220.8	\$325.8	\$309.1	\$329.1	\$291.1	\$1,255.1	\$282.8	\$284.6	\$293.9	\$318.2	\$1,179.5
Pre-Tax Income, GAAP	\$616.1	\$728.2	\$658.0	\$652.5	\$587.0	\$173.4	\$151.9	\$173.2	\$145.5	\$644.0	\$134.9	\$154.2	\$150.5	\$178.0	\$617.6
Income Tax, Non-GAAP	\$93.6	\$96.4	\$156.8	\$190.7	\$225.2	\$69.7	\$57.7	\$60.2	\$52.4	\$240.1	\$50.9	\$51.2	\$52.9	\$57.3	\$212.3
Income Tax, GAAP	\$45.9	\$62.6	\$126.7	\$106.4	\$82.1	\$50.2	\$48.3	\$33.0	\$27.6	\$159.2	\$25.6	\$29.3	\$28.6	\$33.8	\$117.3
Tax Rate, Non-GAAP	15.0%	14.0%	16.0%	17.0%	19.0%	19.0%	19.0%	19.0%	18.0%	19.1%	18.0%	18.0%	18.0%	18.0%	18.0%
Tax Rate, GAAP	7.0%	9.0%	19.0%	16.0%	14.0%	29.0%	32.0%	19.0%	19.0%	24.7%	19.0%	19.0%	19.0%	19.0%	19.0%
Loss from Equity Method Investment	\$13.1	\$14.0	\$7.6	(\$1.5)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Income, Non-GAAP	\$858.3	\$942.6	\$857.7	\$960.0	\$995.6	\$256.1	\$251.4	\$268.9	\$238.7	\$1,015.0	\$231.9	\$233.4	\$241.0	\$261.0	\$967.2
Net Income, GAAP	\$557.1	\$651.6	\$523.7	\$547.6	\$504.9	\$123.2	\$103.6	\$140.2	\$117.8	\$484.8	\$109.3	\$124.9	\$121.9	\$144.2	\$500.3
Basic Shares Outstanding	162.5	162.7	159.1	152.5	151.4	149.1	144.8	143.6	143.6	145.2	142.6	142.1	141.9	141.7	142.1
Diluted Shares Outstanding, Non-GAAP	164.3	164.2	159.7	154.8	153.6	151.1	145.2	144.8	144.8	146.5	143.8	143.3	143.1	142.9	143.3
Diluted Shares Outstanding, GAAP	165.2	165.8	160.5	155.4	154.3	151.1	145.2	144.8	144.8	146.5	143.8	143.3	143.1	142.9	143.3
Basic EPS	\$3.43	\$4.01	\$3.29	\$3.59	\$3.34	\$0.83	\$0.72	\$0.98	\$0.82	\$3.35	\$0.77	\$0.88	\$0.86	\$1.02	\$3.52
Diluted EPS, Non-GAAP	\$5.22	\$5.74	\$5.37	\$6.20	\$6.48	\$1.70	\$1.73	\$1.86	\$1.65	\$6.94	\$1.61	\$1.63	\$1.68	\$1.83	\$6.75
Diluted EPS, GAAP	\$3.37	\$3.93	\$3.26	\$3.52	\$3.27	\$0.82	\$0.71	\$0.97	\$0.81	\$3.31	\$0.76	\$0.87	\$0.85	\$1.01	\$3.49

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
Growth Score	C
Momentum Score	C
VGM Score	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.

Disclosures

This report contains independent commentary to be used for informational purposes only. The analysts contributing to this report do not hold any shares of this stock. The analysts contributing to this report do not serve on the board of the company that issued this stock. The EPS and revenue forecasts are the Zacks Consensus estimates, unless otherwise indicated in the report's first-page footnote. Additionally, the analysts contributing to this report certify that the views expressed herein accurately reflect the analysts' personal views as to the subject securities and issuers. ZIR certifies that no part of the analysts' compensation was, is, or will be, directly or indirectly, related to the specific recommendation or views expressed by the analyst in the report.

Additional information on the securities mentioned in this report is available upon request. This report is based on data obtained from sources we believe to be reliable, but is not guaranteed as to accuracy and does not purport to be complete. Any opinions expressed herein are subject to change.

ZIR is not an investment advisor and the report should not be construed as advice designed to meet the particular investment needs of any investor. Prior to making any investment decision, you are advised to consult with your broker, investment advisor, or other appropriate tax or financial professional to determine the suitability of any investment. This report and others like it are published regularly and not in response to episodic market activity or events affecting the securities industry.

This report is not to be construed as an offer or the solicitation of an offer to buy or sell the securities herein mentioned. ZIR or its officers, employees or customers may have a position long or short in the securities mentioned and buy or sell the securities from time to time. ZIR is not a broker-dealer. ZIR may enter into arms-length agreements with broker-dealers to provide this research to their clients. Zacks and its staff are not involved in investment banking activities for the stock issuer covered in this report.

ZIR uses the following rating system for the securities it covers. **Outperform-** ZIR expects that the subject company will outperform the broader U.S. equities markets over the next six to twelve months. **Neutral-** ZIR expects that the company will perform in line with the broader U.S. equities markets over the next six to twelve months. **Underperform-** ZIR expects the company will underperform the broader U.S. equities markets over the next six to twelve months.

No part of this report can be reprinted, republished or transmitted electronically without the prior written authorization of ZIR.