

Alaska Air Group, Inc. (ALK)

\$50.73 (Stock Price as of 01/06/2026)

Price Target (6-12 Months): **\$62.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 12/05/25)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: B

Value: A

Growth: D

Momentum: B

Summary

Alaska Air shares have gained 17% in the past one month, outperforming the industry's growth of 10.7%. Improvement in air-travel demand bodes well for Alaska Air's top line. ALK's fleet-modernization initiatives look encouraging. Consistency in rewarding shareholders through share repurchases boost investor confidence and positively impacts the bottom line. Despite these positives, we advise investors not to buy ALK shares now due to headwinds like escalating labor costs and volatility of share prices. High debt acts as another major headwind. Considering all these factors, we advise investors to wait for a better entry point. For those who already own the stock, it will be prudent to stay invested. Our thesis is supported by our Neutral recommendation.

Price, Consensus & Surprise⁽¹⁾



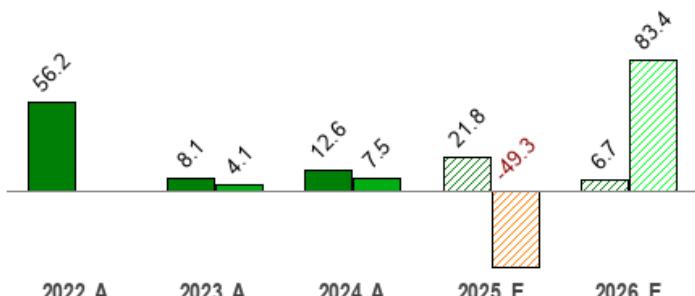
Data Overview

52 Week High-Low	\$78.08 - \$37.63
20 Day Average Volume (sh)	2,328,287
Market Cap	\$5.9 B
YTD Price Change	0.9%
Beta	1.22
Dividend / Div Yld	\$0.00 / 0.0%
Industry	Transportation - Airline
Zacks Industry Rank	Bottom 25% (184 out of 244)

Last EPS Surprise	-5.4%
Last Sales Surprise	0.3%
EPS F1 Est- 4 week change	1.8%
Expected Report Date	01/28/2026
Earnings ESP	-28.8%

Sales and EPS Growth Rates (Y/Y %)⁽²⁾

Sales EPS



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	3,410 E	3,957 E	3,944 E	3,932 E	15,243 E
2025	3,137 A	3,704 A	3,766 A	3,682 E	14,289 E
2024	2,232 A	2,897 A	3,072 A	3,534 A	11,735 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	0.41 E	1.78 E	1.43 E	0.92 E	4.53 E
2025	-0.77 A	1.78 A	1.05 A	0.41 E	2.47 E
2024	-0.92 A	2.55 A	2.25 A	0.97 A	4.87 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/06/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/08/2025.

Overview

Alaska Air Group, together with its partner regional carriers, serves more than 120 cities across North America. Alaska Air Group operates two airlines, Alaska and Horizon.

Horizon Air, which serves nearly 7 million passengers annually, sells its entire capacity to Alaska Airlines under a capacity purchase arrangement. Alaska Airlines was founded in 1932.

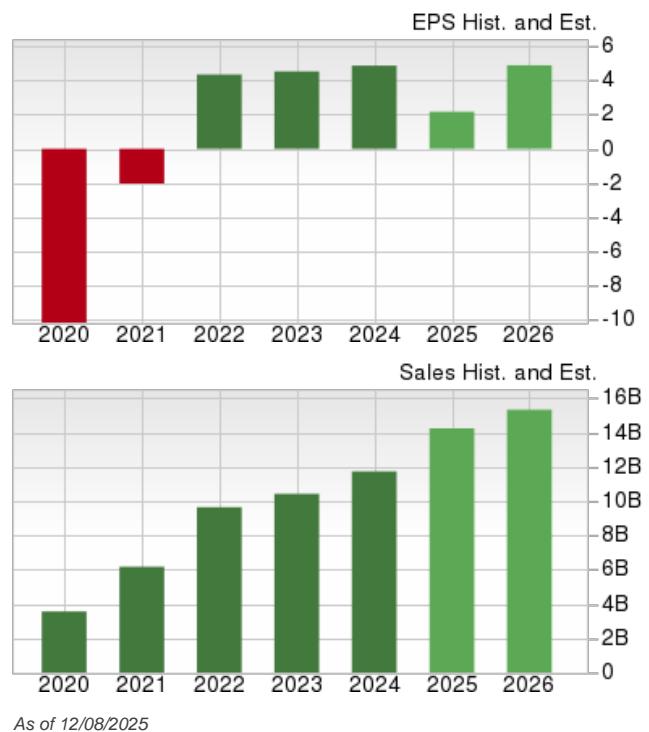
Through its mainline operations, Alaska Air Group covers western United States, Canada and Mexico. It also offers passenger and cargo services to/within Alaska. Furthermore, the company operates on long-haul east/west routes to Hawaii and multiple cities in the mid-continental and eastern United States, primarily from Seattle. The carrier's mainline operating fleet included 231 B737 jet aircrafts as of Dec 31, 2023. In 2023, ALK retired all Airbus aircraft and completed the transition of its mainline operations to an all-Boeing 737 fleet.

In 2023, ALK transitioned its regional operations to an all-Embraer E175 fleet. At Dec 31, 2023, Horizon's operating fleet consisted of 41 E175 aircraft. The regional fleet operated by SkyWest consisted of 42 E175 aircraft. All Bombardier Q400 aircraft were retired from ALK's fleet by January 2023.

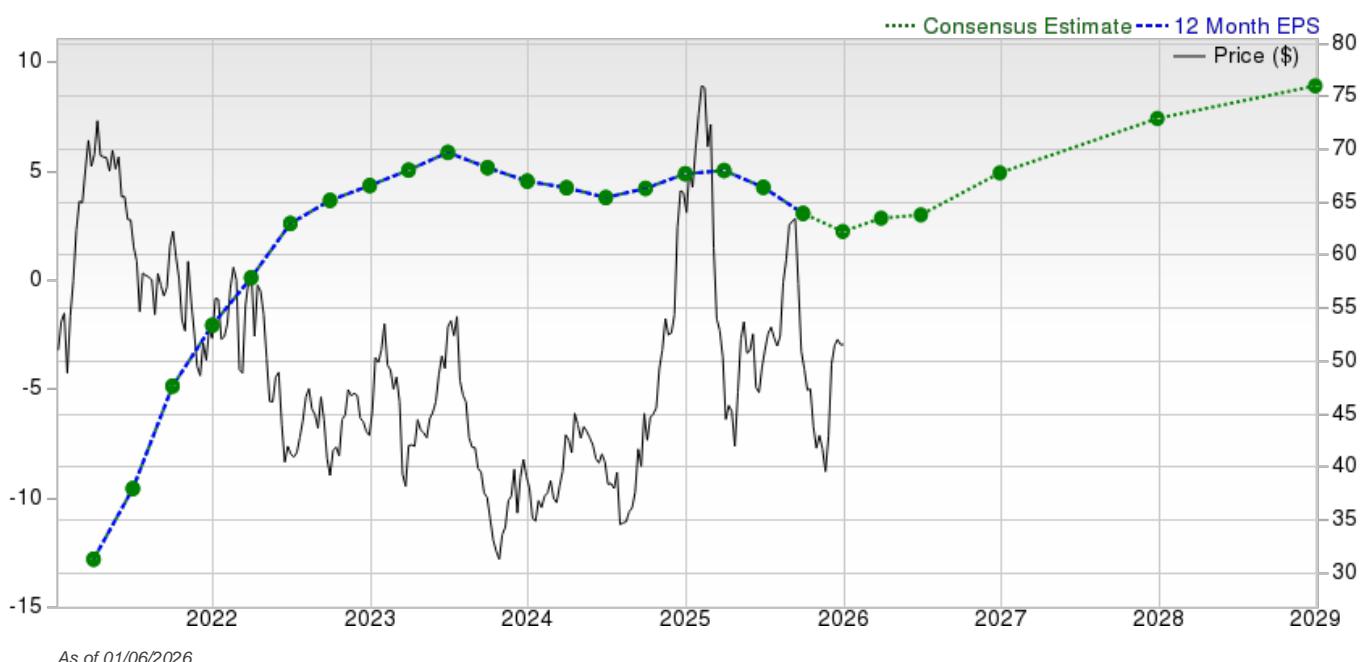
The bulk of the company's revenue is generated through passenger operations. In 2023, passenger revenues contributed 91% (of which 84.1% came from passenger tickets, 10.9% from mileage plan passenger revenues and the rest from passenger ancillary revenues) to the company's top line of \$10.43 billion. Mileage Plan and cargo and other revenues contributed 6% and 3% respectively to the company's top line in 2023. For 2023, passenger revenues from mainline and regional operations were 85.7% and 14.2%, respectively. Balance was accounted for by its wholly-owned regional operator Horizon Air.

In 2020, the carrier announced the West Coast International Alliance with American Airlines, which has provided more destinations, greater utility and more value for ALK's guests and loyalty members. The alliance allows Alaska Mileage Plan members to enjoy benefits across both airlines.

The acquisition of Virgin America, completed in Dec 2016, has significantly expanded Alaska Air Group's presence. Alaska Air Group is based in Seattle, WA. The company's fiscal year coincides with the calendar year.



As of 12/08/2025



As of 01/06/2026

Reasons To Buy:

- ▲ **Improvement in air-travel demand**, following the normalization of economic activities, bodes well for Alaska Air's top line. With people taking to the skies again following the end of the pandemic, total revenues at ALK jumped 23% year over year in third-quarter 2025, with passenger revenues accounting for 90.9% of the top line and increasing 21% owing to consistency in air-travel demand. Driven by strong advanced bookings, available seat miles (a measure of capacity) is anticipated to increase 2% on a year-over-year basis in 2025. ALK anticipates 2025 adjusted earnings per share to be greater than 3.25.
- ▲ Alaska Air's **fleet-modernization** initiatives are encouraging. Inclusion of modern planes in its fleet and retirement of the old ones is in line with its environmentally friendly approach. The new inclusions, apart from having all basic amenities, result in an improvement in fuel efficiency. Latest-generation aircraft require up to 30% less fuel than the old ones and emit correspondingly less carbon dioxide. In March 2023, the company modified its Boeing order to include the bigger MAX 10s and longer-range MAX 8s. The carrier's contract consists of 145 firm orders and options for Boeing 737-9 aircraft, scheduled for delivery between 2021-2026. The \$1.9 billion deal to acquire Hawaiian Holdings has been closed. It has boosted Alaska Air's fleet size to 365 narrow-body and wide-body planes.
- ▲ On a **shareholder-friendly** note, ALK's management resumed share buybacks in 2023. The restrictions, under the CARES Act, prohibited airlines from paying dividends or buying back shares till Sep 30, 2022. In the fourth quarter of 2024 and full year 2024, ALK repurchased shares worth \$248 million and \$312 million, respectively. Following the repurchases, ALK has successfully reduced its outstanding share count to 123 million shares, resulting in a share count that is now on par with 2019 levels. During the first nine months of 2025, ALK repurchased 10.6 million shares for \$540 million.

Strong air-travel demand, fleet modernization and shareholder-friendly moves bode well for Alaska Air.

Reasons To Sell:

▼ **Rise in labor and airport costs** will likely continue to dent bottom-line performance. Operating expenses were up 11% during 2024, with expenses on wages and benefits and variable incentive pay increasing 18% and 79%, respectively. The trend has continued in 2025. Operating expenses are up 32% in the third-quarter of 2025, primarily driven by high labor costs which increased by 39% and aircraft maintenance expenses by 70% on a year over year basis. ALK expects Unit costs for the fourth quarter are anticipated to increase by low single-digits year-over-year and reflect significant cost synergies. Fuel costs are expected to remain a headwind due to ongoing volatility in West Coast refining costs.

▼ ALK has a debt-laden **balance sheet**. Alaska Air exited third-quarter 2025 with \$778 million of cash and cash equivalents compared with long-term debt (net of current portion) of \$4.49 billion. Additionally, at the end of the third quarter of 2025, ALK's current ratio was pegged at 0.52. A current ratio of less than 1 (current liabilities exceeding current assets) is not desirable as it indicates that the company may have problems meeting its short-term obligations.

▼ In the current scenario, stock prices of airline companies like ALK are notoriously **volatile**. As such, shares of ALK may not be suitable for investors who are not comfortable with often substantial day-to-day volatility.

Escalating labor costs and high debt act as headwinds for Alaska Air.

Last Earnings Report

Alaska Air Miss on Earnings in Q3

Alaska Air reported third-quarter 2025 earnings of \$1.05 per share, which missed the Zacks Consensus Estimate of \$1.11 per share and declined 53.3% year over year.

Operating revenues of \$3.76 billion surpassed the Zacks Consensus Estimate of \$3.75 billion. The top line jumped 23% year over year, with passenger revenues accounting for 90.9% of the top line and increasing 21% owing to consistency in air-travel demand.

FY Quarter Ending	12/31/2025
Earnings Reporting Date	Oct 23, 2025
Sales Surprise	0.31%
EPS Surprise	-5.41%
Quarterly EPS	1.05
Annual EPS (TTM)	3.03

Passenger revenues totaled \$3.42 billion in the reported quarter. On a year-over-year basis, cargo and other revenues increased 78% to \$142 million. Loyalty program other revenues grew 17% year over year to \$200 million.

Other Details of ALK's Q3 Earnings

All comparisons have been presented on a year-over-year basis unless mentioned otherwise.

Revenue per available seat mile (RASM: a key measure of unit revenues) fell 0.5% to 15.41 cents. Yield decreased 0.7% to 16.51 cents.

Reflecting the uptick in air-travel demand, consolidated traffic (measured in revenue passenger miles) grew 22.2% to 20.73 billion. To cater to this increased demand, capacity (measured in average seat miles) rose 23.2% to 24.44 billion. Although traffic improved on a year-over-year basis, it failed to outpace capacity expansion. As a result, the load factor (percentage of seats filled by passengers) fell to 84.8% from 85.5% in the prior-year period.

In the third quarter, total operating expenses (on a reported basis) grew 32% to \$3.62 billion.

Economic fuel price per gallon fell 3.8% to \$2.51.

Consolidated operating costs per available seat mile (excluding fuel and special items) grew 10.5%.

Liquidity

As of Sept. 30, 2025, Alaska Air had \$778 million of cash and cash equivalents compared with \$750 million at the end of the prior quarter. ALK exited the third quarter of 2025 with long-term debt (net of current portion) of \$4.49 billion compared with \$4.44 billion at the end of the prior quarter.

During the first nine months of 2025, ALK repurchased 10.6 million shares for \$540 million.

ALK's Outlook

ALK anticipates fourth-quarter 2025 adjusted earnings per share to be \$0.40. The Zacks Consensus Estimate is currently pegged at 56 cents per share.

Fourth-quarter unit revenues are expected to increase by low single digits on a year-over-year basis. Unit costs for the fourth quarter are anticipated to increase by low single-digits year-over-year and reflect significant cost synergies, with fourth-quarter capacity expected to grow 2%-3% on a year-over-year basis. Fuel costs are expected to remain a headwind due to ongoing volatility in West Coast refining costs.

For 2025, adjusted earnings per share is expected to be at least \$2.40. The Zacks Consensus Estimate is currently pegged at \$2.56 per share.

Full-year unit revenues are expected to increase by low single digits on a year-over-year basis. Unit costs for 2025 are anticipated to increase by mid-single-digits year-over-year, with fourth-quarter capacity expected to grow 2% on a year-over-year basis.

Adjusted earnings per share guidance assumes economic fuel price per gallon between \$2.50 and \$2.60, non-operating expense of nearly \$50 million and a tax rate of 32%.

Recent News

Bearish Fourth Quarter 2025 Guidance - Dec 3, 2025

ALK cited several headwinds that led to an impact of nearly 55-60 cents per share, hurting its fourth quarter. This includes an internal IT and cloud service provider outage (25 cents), lost revenue owing to the government shutdown (15 cents), higher fuel costs (15 cents) and a higher book tax rate for the fourth quarter.

ALK now anticipates its fourth-quarter 2025 adjusted earnings per share to be around 10 cents per share, down from the prior view of 40 cents per share. The Zacks Consensus Estimate is currently pegged at 42 cents per share.

Fourth-quarter unit revenues or revenue per available seat miles are now expected to be up 1% compared with the prior expectation to be up low single digits on a year-over-year basis. Fourth-quarter capacity (measured in average seat miles) is now expected to be up 2% compared with the prior guided range of up 2%-3% on a year-over-year basis.

Consolidated operating costs per available seat mile (excluding fuel and special items) for the fourth quarter are now anticipated to be up 3% compared with the prior expectation to increase by low single-digits year over year.

ALK has been witnessing high West Coast refining margins due to continued supply disruptions. This has led to an increase in fuel cost expectation to \$2.65 per gallon from the prior range of \$2.50–\$2.60 per gallon.

Alaska Airlines Expands STARLUX Partnership - Oct 1, 2025

Alaska Airlines, the wholly owned subsidiary of Alaska Air Group, is deepening its transpacific presence through an expanded codeshare partnership with Taiwan-based luxury carrier STARLUX Airlines, adding 12 U.S. cities to the existing network. The move enables travelers from 20 U.S. cities to reach Taipei on a single itinerary via the carrier's key hubs in Seattle and San Francisco. The newly added codeshare flights include Atlanta, Tampa, Anchorage, Orlando, Washington Dulles, Kansas City and Philadelphia from Seattle, and Newark from San Francisco.

Alaska Air's Arm to Provide Enhanced Lounge Services in San Diego - Sep 22, 2025

In a bid to widen its popularity in terms of services, Alaska Airlines, a wholly owned subsidiary of Alaska Air Group, is gearing up to modify and renovate its Lounge network with expansive and modern spaces. This move is aimed at better serving guests while they relax in their respective airports before their flights take off. Alaska Airlines' latest lounge expansion initiative is in San Diego, which is an important growing hub for Alaska Airlines and Hawaiian Airlines.

Valuation

Alaska Air Group's shares are down 23.3% year to date. Shares declined 8.3% over the trailing 12-month period. Stocks in the Zacks sub-industry are up 11% while those in the Zacks Transportation sector are down 0.1%. Over the past year, the Zacks sub-industry has been up 10.4%, and the Zacks Transportation sector is down 6%.

The S&P 500 index is up 19% year to date and 16.2% in a year.

The stock is currently trading at 0.38X forward 12-month price-to-sales, which compares to 0.53X for the Zacks sub-industry, 1.46X for the Zacks sector and 5.41X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 1.49X and as low as 0.29X, with a 5-year median of 0.54X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$62.00 price target reflects 0.48X forward 12-month sales.

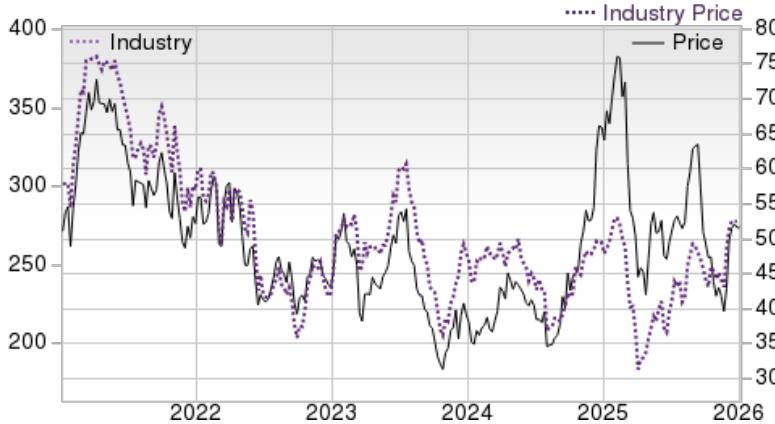
The table below shows summary valuation data for ALK

Valuation Multiples - ALK					
	Stock	Sub-Industry	Sector	S&P 500	
P/S F12M	Current	0.38	0.53	1.46	5.41
	5-Year High	1.49	1.09	2.72	5.55
	5-Year Low	0.29	0.31	1.36	3.84
	5-Year Median	0.54	0.46	1.73	5.01
EV/S TTM	Current	0.56	0.67	2.06	5.66
	5-Year High	2.92	3.33	4.17	5.84
	5-Year Low	0.38	0.45	1.76	3.79
	5-Year Median	0.63	0.69	2.37	5.07

As of 12/05/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 25% (184 out of 244)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Cathay Pacific Airwa...(CPCAY)	Neutral	3
JetBlue Airways Corp...(JBLU)	Neutral	3
LATAM Airlines Group...(LTM)	Neutral	2
Ryanair Holdings PLC (RYAAY)	Neutral	2
Japan Airlines Ltd (JAPSY)	Underperform	5
ANA Holdings Inc. (ALNPY)	NA	
easyjet PLC (EJTF)	NA	
KLM Royal Dutch Airl...(KLMR)	NA	

Industry Comparison⁽¹⁾ Industry: Transportation - Airline

	ALK	X Industry	S&P 500	JAPSY	LTM
Zacks Recommendation (Long Term)	Neutral		-	Underperform	Neutral
Zacks Rank (Short Term)	3		-	5	2
VGM Score	B	-	-	A	A
Market Cap	5.88 B	4.17 B	40.27 B	8.27 B	17.08 B
# of Analysts	8	4	22	1	2
Dividend Yield	0.00%	0.00%	1.35%	1.85%	1.58%
Value Score	A	-	-	A	A
Cash/Price	0.38	0.24	0.04	0.80	0.12
EV/EBITDA	6.25	5.22	14.84	3.14	8.03
PEG Ratio	-5.79	0.64	2.06	NA	0.40
Price/Book (P/B)	1.45	1.68	3.44	0.97	15.61
Price/Cash Flow (P/CF)	5.33	5.33	15.60	4.77	17.49
P/E (F1)	20.54	9.73	18.94	10.18	9.73
Price/Sales (P/S)	0.42	0.69	3.12	0.64	1.23
Earnings Yield	9.66%	9.87%	5.28%	9.82%	10.28%
Debt/Equity	1.12	0.68	0.57	0.60	0.00
Cash Flow (\$/share)	9.52	2.36	8.98	1.98	3.23
Growth Score	D	-	-	B	A
Hist. EPS Growth (3-5 yrs)	51.07%	32.57%	8.24%	31.21%	NA
Proj. EPS Growth (F1/F0)	-49.28%	50.64%	9.18%	16.25%	52.63%
Curr. Cash Flow Growth	16.83%	-3.89%	7.00%	2.09%	67.91%
Hist. Cash Flow Growth (3-5 yrs)	-0.21%	0.47%	7.49%	-0.95%	38.68%
Current Ratio	0.52	0.68	1.19	1.46	0.60
Debt/Capital	52.93%	44.00%	38.14%	37.33%	0.00%
Net Margin	1.06%	4.45%	12.77%	6.48%	8.99%
Return on Equity	8.93%	12.26%	17.03%	11.17%	136.76%
Sales/Assets	0.71	0.71	0.53	0.66	0.86
Proj. Sales Growth (F1/F0)	21.80%	6.96%	5.29%	5.50%	12.40%
Momentum Score	B	-	-	A	C
Daily Price Chg	-2.39%	0.00%	0.62%	0.85%	-0.42%
1 Week Price Chg	0.06%	-0.28%	0.70%	0.32%	1.07%
4 Week Price Chg	2.40%	7.48%	1.52%	4.99%	10.89%
12 Week Price Chg	2.65%	8.88%	4.52%	0.00%	28.48%
52 Week Price Chg	-22.57%	13.69%	17.53%	21.41%	109.37%
20 Day Average Volume	2,328,287	242,278	2,426,458	36,633	638,206
(F1) EPS Est 1 week change	0.15%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	1.84%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 12 week change	-16.41%	1.05%	0.44%	-4.12%	4.49%
(Q1) EPS Est Mthly Chg	-288.23%	0.00%	0.00%	NA	0.00%

Analyst Earnings Model⁽²⁾

Alaska Air Group, Inc. (ALK)

In SMM, except per share data

	2022A	2023A	2024A	2025E				2026E				2027E			
	FY FY Ends December 31st	FY Dec-22	FY Dec-23	FY Dec-24	1Q 31-Mar-25	2Q 30-Jun-25	3Q 30-Sep-25	4QE 31-Dec-25	FY Dec-25	1QE 31-Mar-26	2QE 30-Jun-26	3QE 30-Sep-26	4QE 31-Dec-26	FY Dec-26	FY Dec-27
Proforma Income Statement															
Operating Revenues		\$13,140.0	\$13,779.0	\$3,137.0	\$3,704.0	\$3,766.0	\$3,682.1	\$14,289.1	\$3,410.0	\$3,956.5	\$3,944.3	\$3,931.8	\$15,242.5	\$15,956.8	
YoY % Chng				4.9%	9.0%	2.1%	0.7%	4.2%	3.7%	8.7%	6.8%	4.7%	6.8%	6.7%	4.7%
Aircraft Fuel, Including Hedging Gains And Losses		\$3,439.0	\$3,045.0	\$681.0	\$700.0	\$761.0	\$742.7	\$2,884.7	\$690.4	\$786.6	\$793.8	\$790.5	\$3,061.3	\$3,204.0	
YoY % Chng				(11.5%)	(10.3%)	(12.6%)	(2.8%)	5.8%	(5.3%)	1.4%	12.4%	4.3%	6.4%	6.1%	4.7%
Total Operating Expenses, GAAP		\$13,087.0	\$13,469.0	\$3,334.0	\$3,427.0	\$3,618.0	\$3,623.2	\$14,002.2	\$3,352.6	\$3,672.8	\$3,723.6	\$3,797.6	\$14,546.6	\$14,718.4	
YoY % Chng				2.9%	4.1%	1.6%	5.4%	4.7%	4.0%	0.6%	7.2%	2.9%	4.8%	3.9%	1.2%
Operating Income, GAAP		\$53.0	\$310.0	(\$197.0)	\$277.0	\$148.0	\$58.9	\$286.9	\$57.3	\$283.8	\$220.7	\$134.2	\$696.0	\$1,238.4	
YoY % Chng				484.9%	39.4%	8.2%	(51.6%)	(19.4%)	(7.5%)	129.1%	2.4%	49.1%	127.9%	142.6%	77.9%
Total Non-Operating Income (Expense)		\$89.0	\$82.0	(\$36.0)	(\$39.0)	(\$37.0)	(\$50.0)	(\$162.0)	(\$50.0)	(\$50.0)	(\$50.0)	(\$50.0)	(\$200.0)	(\$200.0)	
YoY % Chng				(7.9%)	(100.0%)	(105.3%)	27.5%	(93.3%)	(297.6%)	(38.9%)	(28.2%)	(35.1%)	0.0%	(23.5%)	0.0%
Pre-Tax Income, Adjusted		\$358.0	\$524.0	(\$140.0)	\$295.0	\$173.0	\$70.9	\$398.9	\$69.3	\$295.8	\$232.7	\$146.2	\$744.0	\$1,286.4	
YoY % Chng				46.4%	57.6%	(21.1%)	(49.6%)	(48.3%)	(23.9%)	149.5%	0.3%	34.5%	106.3%	86.5%	72.9%
Special items - Operating and Net Non-Operating		\$394.0	\$296.0	\$93.0	\$57.0	\$62.0	\$62.0	\$274.0	\$62.0	\$62.0	\$62.0	\$62.0	\$248.0	\$248.0	
YoY % Chng				(24.9%)	615.4%	(58.4%)	(29.5%)	6.9%	(7.4%)	(33.3%)	8.8%	0.0%	0.0%	(9.5%)	0.0%
Pre-Tax Income, GAAP		(\$36.0)	\$228.0	(\$233.0)	\$238.0	\$111.0	\$8.9	\$124.9	\$7.3	\$233.8	\$170.7	\$84.2	\$496.0	\$1,038.4	
YoY % Chng				733.3%	32.1%	0.4%	(56.5%)	(88.8%)	(45.2%)	103.2%	(1.8%)	53.8%	849.9%	297.2%	109.4%
Income Tax, Adjusted		\$125.0	\$234.4	(\$45.0)	\$80.0	\$50.0	\$22.7	\$107.7	\$22.2	\$94.6	\$74.5	\$46.8	\$238.1	\$411.7	
YoY % Chng				87.5%	25.0%	(37.0%)	(53.3%)	(40.9%)	(54.1%)	149.3%	18.3%	48.9%	106.3%	121.1%	72.9%
Income Tax, GAAP		\$14.0	\$126.0	(\$67.0)	\$66.0	\$38.0	\$3.0	\$40.0	\$2.5	\$80.0	\$58.4	\$28.8	\$169.8	\$355.5	
YoY % Chng				800.0%	(4.7%)	(29.0%)	(57.3%)	(62.1%)	(68.2%)	103.8%	21.3%	53.8%	849.9%	324.1%	109.4%
Tax Rate, Adjusted				34.9%	44.7%	32.1%	27.1%	28.9%	32.0%	27.0%	32.0%	32.0%	32.0%	32.0%	32.0%
Tax Rate, GAAP				(38.9%)	55.3%	28.8%	27.7%	34.2%	34.2%	32.1%	34.2%	34.2%	34.2%	34.2%	34.2%
Net Income, Proforma		\$233.0	\$338.0	(\$95.0)	\$215.0	\$123.0	\$48.2	\$291.2	\$47.2	\$201.1	\$158.2	\$99.4	\$505.9	\$874.8	
YoY % Chng				45.1%	64.8%	(13.0%)	(47.9%)	(61.5%)	(13.9%)	149.6%	(6.5%)	28.7%	106.3%	73.7%	72.9%
Net Income, GAAP		(\$50.0)	\$102.0	(\$166.0)	\$172.0	\$73.0	\$5.8	\$84.8	\$4.8	\$153.7	\$112.3	\$55.3	\$326.2	\$682.9	
YoY % Chng				304.0%	40.5%	19.4%	(56.0%)	(91.8%)	(16.8%)	102.9%	(10.6%)	53.8%	849.9%	284.5%	109.4%
Basic Shares Outstanding		127.4	126.1	123.1	118.8	115.3	115.2	118.1	113.0	110.8	108.6	106.4	109.7	101.4	
YoY % Chng				(1.0%)	(2.3%)	(5.9%)	(8.6%)	(8.6%)	(6.4%)	(8.2%)	(6.8%)	(5.8%)	(7.1%)	(7.5%)	
Diluted Shares Outstanding		128.7	128.4	123.1	120.9	117.5	117.4	119.7	115.2	113.0	110.8	108.6	111.9	103.7	
YoY % Chng				(0.3%)	(2.3%)	(5.8%)	(8.6%)	(8.9%)	(6.7%)	(6.4%)	(6.6%)	(5.7%)	(6.5%)	(7.4%)	
Basic EPS		(\$0.87)	\$1.36	(\$1.35)	\$1.45	\$0.63	\$0.05	\$0.78	\$0.04	\$1.39	\$1.03	\$0.52	\$2.98	\$6.74	
YoY % Chng				256.1%	39.1%	27.2%	(66.3%)	(91.0%)	(42.4%)	103.2%	(4.3%)	64.1%	928.5%	281.4%	125.8%
Diluted EPS, Proforma		\$1.81	\$2.63	(\$0.77)	\$1.78	\$1.05	\$0.41	\$2.47	\$0.41	\$1.78	\$1.43	\$0.92	\$4.53	\$8.45	
YoY % Chng				45.4%	64.0%	(7.5%)	(42.8%)	(57.7%)	(6.2%)	153.1%	(0.0%)	36.0%	123.0%	83.6%	86.3%
Diluted EPS, GAAP		(\$0.86)	\$0.75	(\$1.35)	\$1.42	\$0.62	\$0.05	\$0.75	\$0.04	\$1.36	\$1.01	\$0.51	\$2.93	\$6.59	
YoY % Chng				187.1%	39.1%	26.7%	(51.9%)	(91.0%)	(0.5%)	103.1%	(4.3%)	63.1%	926.9%	292.6%	125.4%

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	A
Growth Score	D
Momentum Score	B
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.

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