

## Affiliated Managers (AMG)

**\$306.70** (Stock Price as of 01/08/2026)

Price Target (6-12 Months): **\$290.00**

Long Term: 6-12 Months	<b>Zacks Recommendation:</b>	<b>Neutral</b>
	(Since: 12/15/25)	
	Prior Recommendation:	Outperform
Short Term: 1-3 Months	<b>Zacks Rank: (1-5)</b>	<b>3-Hold</b>
	Zacks Style Scores:	VGM: C
	Value: B	Growth: C
		Momentum: F

### Summary

Shares of Affiliated Managers have outperformed the industry in the past three months. The company's diverse product offerings, robust assets under management (AUM) balance and global distribution capability will likely support top-line growth. We project total revenues and total AUM to witness a CAGR of 3.6% and 11.3%, respectively, by 2027. To execute and fund its expansion plan and invest in growth opportunities, Affiliated Managers has sufficient liquidity available. Moreover, a solid balance sheet is expected to help the company sustain efficient capital distribution activities, through which, it will continue to enhance shareholder value. However, net client cash outflows are concerning. Persistently increasing expenses are expected to hurt bottom-line growth to an extent. We expect total consolidated expenses to show a CAGR of 3.9% by 2027.

### Data Overview

52 Week High-Low	<b>\$310.32 - \$139.22</b>
20 Day Average Volume (sh)	<b>402,736</b>
Market Cap	<b>\$8.6 B</b>
YTD Price Change	<b>6.6%</b>
Beta	<b>1.19</b>
Dividend / Div Yld	<b>\$0.04 / 0.0%</b>
Industry	<b><u>Financial - Investment Management</u></b>
Zacks Industry Rank	<b>Bottom 28% (175 out of 244)</b>

Last EPS Surprise	<b>4.6%</b>
Last Sales Surprise	<b>1.3%</b>
EPS F1 Est- 4 week change	<b>-0.1%</b>
Expected Report Date	<b>02/05/2026</b>
Earnings ESP	<b>-1.5%</b>

P/E TTM	<b>13.2</b>
P/E F1	<b>12.4</b>
PEG F1	<b>0.6</b>
P/S TTM	<b>4.2</b>

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



### Sales and EPS Growth Rates (Y/Y %)<sup>(2)</sup>



### Sales Estimates (millions of \$)<sup>(2)</sup>

	Q1	Q2	Q3	Q4	Annual*
2026	543 E	525 E	533 E	568 E	2,169 E
2025	497 A	493 A	528 A	541 E	2,058 E
2024	500 A	500 A	516 A	524 A	2,041 A

### EPS Estimates<sup>(2)</sup>

	Q1	Q2	Q3	Q4	Annual*
2026	6.40 E	6.08 E	6.43 E	8.96 E	27.88 E
2025	5.20 A	5.39 A	6.10 A	8.12 E	24.81 E
2024	5.37 A	4.67 A	4.82 A	6.53 A	21.36 A

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/08/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/16/2025.

## Overview

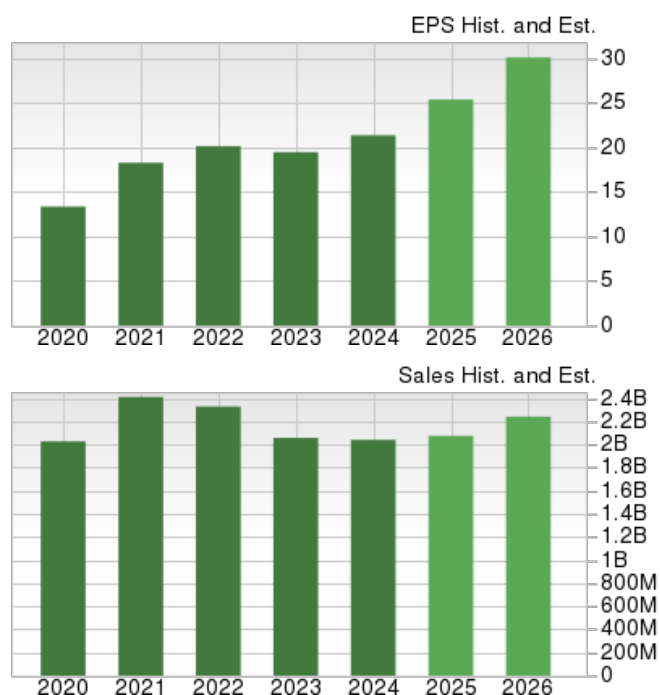
Headquartered in Massachusetts, Affiliated Managers Group is a global asset manager with investments in high-quality, independent partner-owned firms or affiliates.

On the whole, the affiliates manage numerous differentiated strategies across a wide range of return-oriented asset classes and structures across alternatives and differentiated long-only. As of Sept. 30, 2025, Affiliated Managers had a total AUM of \$803.6 billion.

The company operates its business through the following investment styles:

**Alternative Strategies:** This includes Private Markets and Liquid Alternatives. **Private Markets:** These affiliates operate in a diverse number of areas with long-term structural tailwinds, including infrastructure, credit, private market solutions and specialty areas, including industrial decarbonization, life sciences and multi-family real estate. As of Sept. 30, 2025, affiliates managed \$147.7 billion in private market assets. **Liquid Alternatives:** These affiliates have excellent long-term track records across both beta-sensitive and absolute return strategies, including global macro, relative value fixed income and trend-following, which are designed to generate returns that have low or no correlation to broader markets. As of Sept. 30, 2025, affiliates managed \$204.8 billion in liquid alternative assets.

**Differentiated Long-Only Strategies:** Affiliates operate across a range of traditional equity and fixed-income strategies, typically through mutual fund products and separately managed accounts in the United States and international markets. Also, the company has several wealth management affiliates, which manage multi-asset class portfolios on behalf of their clients. As of Sept. 30, 2025, affiliates managed \$326.6 billion in equity assets across several differentiated products and \$124.5 billion in multi-asset & fixed income strategies.



As of 12/16/2025



As of 01/08/2026

## Reasons To Buy:

- ▲ Since 2021, Affiliated Managers has been pivoting toward private markets and liquid alternatives, fueling strong client inflows into these segments and offsetting weakness in traditional asset categories. Aligning with the strategy, in 2025, the company announced four new partnerships – NorthBridge Partners, Verition Fund Management, Qualitas Energy and Montefiore Investment. These new investments will add almost \$24 billion to AUM across private markets and liquid alternatives. Also, in October, the company entered a strategic partnership with Brown Brothers Harriman to expand the reach of BBH's structured and alternative credit strategies into the U.S. wealth marketplace. Further, in the last two years, it acquired minority stakes in Suma Capital, Ara Partners and Forbion Group Holding B.V. As of Sept. 30, 2025, Alternatives constituted almost 44% of total AUM and generated approximately 55% of Affiliated Managers' earnings. In the next few years, the company targets to generate more than 66% of earnings from the alternatives, as it pivots the business mix toward secular growth areas with strong investor preference, positioning it to better counter volatility. Our estimates for alternative strategies AUM suggest a CAGR of 22% by 2027. To execute and fund its expansion plan and invest in growth opportunities, the company has sufficient liquidity available. Since 2023, divestitures of stakes in Peppertree, Veritable LP and Baring Private Equity Asia have significantly bolstered the company's investment capacity. Also, in August 2025, the company announced it would offload its interest in Comvest Partners' private credit business, which will provide additional flexibility to capitalize on lucrative investment opportunities.
- ▲ As of Sept. 30, 2025, Affiliated Managers had total debt worth \$2.37 billion and a cash and cash equivalents balance of \$476.1 million. The company has a \$1.25-billion senior unsecured multicurrency revolving credit facility (maturing in 2029). Further, the company has investment-grade ratings of A3 by Moody's Investors Service and BBB+ by S&P Global Ratings. Thus, the company's earnings strength and decent liquidity seem sufficient to be able to meet debt obligations in the near term, even if the economic situation worsens.
- ▲ Though Affiliated Managers lowered quarterly dividends amid the COVID-19 mayhem, it has an enhanced share repurchase plan in place. The company's board of directors authorized the repurchase of up to 5.4 million, 3.3 million and 3 million shares in July 2024, October 2023 and October 2022, respectively. As of Sept. 30, 2025, almost 3.4 million shares remained available for repurchase. Management expects to buy back shares worth at least \$500 million in 2025, up from the prior target of up to \$400 million. In the first nine months of 2025, it repurchased shares worth \$350 million. Given a robust capital position, the company will likely be able to sustain efficient capital distribution activities.
- ▲ Affiliated Managers' trailing 12-month return on equity (ROE) reflects its superiority in utilizing shareholders' funds. The company's ROE of 16.75% compares favorably with 12.32% for the industry.

Affiliated Managers is well-positioned for growth, driven by focus on alternative strategies, successful partnerships, global distribution capability and strong balance sheet and liquidity position.

---

## Reasons To Sell:

- ▼ Affiliated Managers' revenue growth has been challenging. Its consolidated revenues declined in the last three years due to lower asset-based fees and performance fees. The metric was relatively stable on a year-over-year basis in the first nine months of 2025. The uncertainty of the capital markets performance is expected to keep weighing on the top line in the near term. The company expects performance fees in 2025 to be between \$110 million and \$150 million. Though the company's efforts to evolve its revenue mix look impressive, a significant improvement in the top-line performance is less likely to occur anytime soon. We expect total revenues to grow marginally in 2025.
- ▼ Affiliated Managers' affiliates have been witnessing overall net outflows over the past years. Net client cash outflows were \$13.9 billion in 2024, \$29.2 billion in 2023, \$33 billion in 2022, \$18.5 billion in 2021, \$61.8 billion in 2020 and \$53.5 billion in 2019. The trend reversed in the first nine months of 2025 as the company pivoted toward alternatives. Though the company's differentiated product categories are expected to support cash flows across channels, a tough operating backdrop will likely keep investors on the sidelines in the near term. We project net client cash outflows to be modest in 2025.
- ▼ Elevated operating expenses remain a concern for Affiliated Managers. The company's consolidated expenses have been witnessing a volatile trend over the past few years. Though the metric declined in 2023, it rose in 2024 and the first nine months of 2025. Overall costs are expected to remain elevated due to advertising campaigns, hiring, inflation and technology upgrades. We expect total consolidated expenses to rise 12.7% this year, mainly due to an 10.9% increase in compensation and related expenses.
- ▼ Intangible assets form a substantial portion of Affiliated Managers' balance sheet. These assets are subject to annual impairment reviews. As of Sept. 30, 2025, intangible assets (goodwill and acquired client relationships) of \$4.23 billion constituted 47.3% of total assets. Several factors may initiate the impairment of the book value of such assets, due to which the value of these assets may have to be written down. In such a case, the company's financials will be adversely impacted.

Muted top-line performance, net outflows and elevated costs amid the tough operating backdrop will hurt Affiliated Managers. The presence of substantial intangible assets on its balance sheet is a woe.

## Last Earnings Report

### Affiliated Managers' Q3 Earnings Beat as AUM & Revenues Increase

Affiliated Managers' third-quarter 2025 economic earnings of \$6.10 per share handily surpassed the Zacks Consensus Estimate of \$5.83. The bottom line also jumped 26.6% from the prior-year quarter.

Results benefited from a solid improvement in AUM balance and higher revenues. Also, the company had a robust liquidity position. However, a rise in expenses was the undermining factor.

Economic net income was \$179.7 million, up 17.3% year over year. Our estimate for the metric was \$166.8 million.

### Revenues Rise, Expenses Up

Quarterly total revenues rose 2.2% year over year to \$528 million. The top line beat the Zacks Consensus Estimate of \$521.1 million.

Adjusted EBITDA was \$250.9 million, up 17.2%. We had projected the metric to be \$233.3 million.

Total consolidated expenses rose 9.2% to \$409.7 million. We had estimated total expenses to be \$417.8 million.

### AUM Rises

As of Sept. 30, 2025, total AUM was \$803.6 billion, which increased 10.3%. Our estimate for total AUM was \$780.8 billion.

Moreover, average AUM totaled \$786.9 billion, up 10.6% year over year.

Net client cash outflows were \$2.8 billion in the reported quarter.

### Capital & Liquidity Position Decent

As of Sept. 30, 2025, Affiliated Managers had \$476.1 million in cash and cash equivalents compared with \$950 million as of Dec. 31, 2024. The company had \$2.37 billion of debt, down from \$2.62 billion as of Dec. 31, 2024.

Stockholders' equity as of Sept. 30, 2025, was \$3.34 billion, down from \$3.35 billion as of Dec. 31, 2024.

### Update on Share Repurchases

During the third quarter, Affiliated Managers repurchased shares worth \$77 million.

### Fourth-Quarter 2025 Outlook

Management expects adjusted EBITDA in the \$325-\$370 million range based on the current AUM levels and net performance fees of \$75-\$120 million. This guidance includes a full quarter contribution from the company's investment in Montefiore Investment, final quarter contribution from Comvest's private credit business and no impact from its announced investment in Qualitas Energy and BBH Credit Partners, which are expected to close in the fourth quarter of 2025 and first quarter of 2026, respectively.

Interest expenses are expected to be \$32 million. Controlling interest depreciation is likely to be \$1 million.

Net income (controlling interest) is expected to be between \$189 million and \$223 million. The company's share of reported amortization and impairments is anticipated to be \$29 million.

Intangible-related deferred taxes are projected to be \$15 million. Other economic items, which now include realized gains, are anticipated to be roughly \$1 million.

Economic net income (controlling interest) is projected in the range of \$234-\$267 million.

Economic EPS is expected to be between \$8.10 and \$9.26.

The adjusted weighted average share count is estimated to be \$28.9 million.

**FY Quarter Ending** **12/31/2025**

Earnings Reporting Date	Nov 03, 2025
Sales Surprise	1.32%
EPS Surprise	4.63%
Quarterly EPS	6.10
Annual EPS (TTM)	23.22

---

## Recent News

### Affiliated Managers Divests Comvest's Private Credit Stake for \$285M – Nov. 3, 2025

Affiliated Managers has offloaded its interest in Comvest Partners' private credit business to Manulife Financial Corporation. The all-cash transaction was valued at nearly \$285 million. The company had acquired an interest in Comvest in 2020 for \$125 million.

Comvest is a leading investment firm with expertise in private equity and direct lending, boasting a 25-year track record of providing capital to middle-market companies across North America.

Affiliated Managers' strategic involvement provided Comvest with growth capital and access to its capital formation expertise, helping to accelerate Comvest's credit platform growth from \$2 billion in assets under management at the beginning of their partnership five years ago to \$14 billion today.

As part of the transaction, Affiliated Managers retains an interest in the carry from certain existing private credit funds, a share of Comvest's invested capital in those funds and will continue to hold its stake in Comvest's private equity business.

This move aligns with Affiliated Managers' goal to reallocate its capital into the lucrative investment opportunities.

### Affiliated Managers Acquires Minority Stake in Montefiore – October 2025

Affiliated Managers has acquired a minority stake in Montefiore Investment, a premier middle-market private equity firm in France and Southern Europe. The move underscores the company's strategy of selectively partnering with leading independent asset managers to expand its global footprint and diversify earnings.

Montefiore manages roughly €5 billion across six flagship funds and complementary strategies, focusing on services-sector investments in small- and mid-cap companies. Its deep relationships with business owners and operationally intensive approach have consistently delivered strong returns. Affiliated Managers' investment provides exposure to this resilient segment of European private equity.

Montefiore's leadership, led by co-founders Éric Bismuth and Daniel Elalouf, will retain majority equity and full control of operations and strategy.

Montefiore's strong track record of scaling companies from local players into European leaders supports recurring cash flows, while Affiliated Managers' strategic capabilities, distribution, succession planning and operational expertise are expected to magnify value creation.

This partnership enhances Affiliated Managers' geographic and product diversification, particularly within Europe's private equity market, a space less correlated with traditional public markets. Montefiore's multi-generational positioning also offers the company long-term optionality as the firm continues to grow.

### Affiliated Managers Collaborates With Brown Brothers Harriman – Oct. 1, 2025

Affiliated Managers entered a strategic partnership with Brown Brothers Harriman & Co. (BBH) to expand the reach of BBH's structured and alternative credit strategies into the U.S. wealth marketplace. The transaction is expected to close in the first quarter of 2026, subject to customary closing conditions. Financial terms were not disclosed.

As part of the collaboration, BBH has created a new subsidiary, BBH Credit Partners, which will house its taxable fixed income and structured credit business. Affiliated Managers will provide seed capital for a series of new structured and alternative credit products managed by BBH Credit Partners, while also taking a minority ownership stake in the new subsidiary. BBH will remain fully owned and operated by its 38 general partners, maintaining control of the broader firm.

The partnership combines BBH's \$55 billion taxable fixed income franchise, particularly its differentiated structured credit platform, with Affiliated Managers' strategic capabilities in product development, distribution, and capital seeding. Through BBH Credit Partners, the two firms will launch a range of innovative structured and alternative credit solutions tailored for U.S. wealth clients and their advisors, expanding BBH's reach beyond its traditional institutional base.

Thomas M. Wojcik, president and COO of Affiliated Managers, added that the collaboration "will expand access to BBH's industry-leading credit strategies into the rapidly growing U.S. wealth marketplace," strengthening Affiliated Managers' standing as a key sponsor of alternative strategies.

### AMG Exits Peppertree Stake as TPG Acquires Digital Infrastructure Firm – July 1, 2025

In a strategic portfolio realignment, Affiliated Managers announced the sale of its equity interest in Peppertree Capital Management, Inc., a move aligned with Peppertree's acquisition by global alternative asset manager TPG Inc.

The transaction, valued at approximately \$240 million for Affiliated Managers, marks a successful exit. Of the total consideration, approximately \$102 million was in cash, subject to certain closing adjustments and almost 2.9 million TPG Class A common shares. The company originally partnered with Peppertree to support its expansion in the digital infrastructure space.

Founded in 2004, Peppertree is a niche leader in wireless communications tower investments. Since Affiliated Managers' minority stake, the firm has leveraged Affiliated Managers' strategic guidance and capital formation expertise to scale its operations and enhance its positioning in a



high-growth sector.

## Affiliated Managers to Acquire Minority Stake in Qualitas Energy – May 8, 2025

Affiliated Managers announced a definitive agreement to acquire a minority equity interest in Qualitas Energy, a leading global platform focused on renewable energy, energy transition and sustainable infrastructure. The financial terms of the deal were not disclosed.

The move signals Affiliated Managers' continued commitment to partnering with high-performing, forward-looking asset managers and strengthens its footprint in the accelerating clean energy space.

Founded in 2006, Qualitas Energy has built a robust track record of strong returns, managing approximately €5 billion in capital across six funds and co-investments. With a clear focus on Europe, where energy security and decarbonization have become critical policy priorities, the firm has invested across the full spectrum of sustainable assets, including solar, wind, energy storage, hydro and renewable natural gas. Its vertically integrated model and on-the-ground teams enable localized execution in key geographies, providing a competitive edge in energy transition investing.

Under the agreement, Qualitas Energy's leadership — led by Executive Chairman Iñigo Olaguíbel and CEO Oscar Pérez — will retain majority ownership and operational control. The transaction will preserve the firm's independence while providing strategic support and long-term growth capital.

Set to close in the fourth quarter of 2025, the deal positions Affiliated Managers to benefit from the expanding global push toward decarbonization and sustainable infrastructure.

## Dividend Update

On Nov. 3, Affiliated Managers announced a quarterly dividend of 1 cent per share. The dividend was paid out on Nov. 28 to shareholders on record as of Nov. 13.

## Valuation

Affiliated Managers' shares are up 51% in the past six months and 47.5% over the trailing 12 months. Stocks in the Zacks sub-industry are up 1.2%, while those in the Zacks Finance sector are up 11.7% over the past six months. Over the past year, the Zacks sub-industry is down 13.1% and the sector is up 14.7%.

The S&P 500 index is up 16.6% in the past six months and 14.7% over the past year.

The stock is currently trading at 9.20X forward 12 months earnings, which compares to 15.05X for the Zacks sub-industry, 17.36X for the Zacks sector and 23.35X for the S&P 500 index.

Over the past five years, the stock has traded as high as 10.30X and as low as 5.85X, with a 5-year median of 7.46X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$290 price target reflects 9.69X forward earnings.

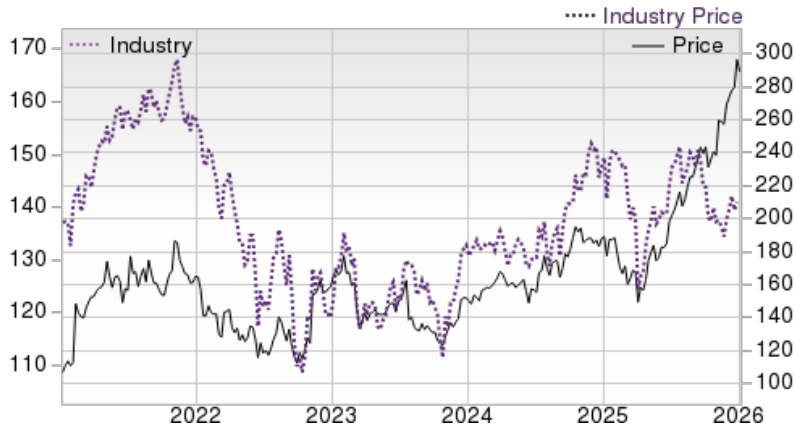
The table below shows summary valuation data for AMG

Valuation Multiples - AMG					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	9.2	15.05	17.36	23.35
	5-Year High	10.30	19.30	18.28	23.78
	5-Year Low	5.85	11.29	12.36	15.73
	5-Year Median	7.46	15.05	16.12	21.22
P/B TTM	Current	1.83	3.49	4.28	8.49
	5-Year High	2.45	4.35	4.37	9.17
	5-Year Low	0.95	1.91	2.87	6.60
	5-Year Median	1.34	3.16	3.52	8.05
P/S F12M	Current	3.47	10.42	9.08	5.27
	5-Year High	3.53	12.82	10.06	5.5
	5-Year Low	1.69	5.52	6.69	3.83
	5-Year Median	2.4	9.47	8.39	5.05

As of 12/15/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Bottom 28% (175 out of 244)



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

Company (Ticker)	Rec	Rank
Artisan Partners Ass...(APAM)	Neutral	3
Apollo Global Manage...(APO)	Neutral	3
Federated Hermes, In...(FHI)	Neutral	3
Hamilton Lane Inc. (HLNE)	Neutral	3
Janus Henderson Grou...(JHG)	Neutral	2
Lazard, Inc. (LAZ)	Neutral	3
SEI Investments Comp...(SEIC)	Neutral	2
T. Rowe Price Group,...(TROW)	Neutral	2

Industry Comparison <sup>(1)</sup> Industry: Financial - Investment Management				Industry Peers		
	AMG	X Industry	S&P 500	JHG	LAZ	SEIC
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	2	3	2
VGM Score	C	-	-	B	B	B
Market Cap	8.64 B	1.17 B	40.73 B	7.40 B	5.72 B	10.68 B
# of Analysts	6	4	22	5	3	4
Dividend Yield	0.01%	1.57%	1.37%	3.34%	3.94%	1.19%
Value Score	B	-	-	B	B	C
Cash/Price	0.06	0.13	0.04	0.14	0.25	0.08
EV/EBITDA	9.59	9.45	15.01	10.32	6.87	12.15
PEG Ratio	0.57	1.08	2.04	0.75	NA	NA
Price/Book (P/B)	2.05	1.69	3.44	1.51	6.51	4.45
Price/Cash Flow (P/CF)	12.48	12.48	15.54	13.03	7.85	17.13
P/E (F1)	12.36	11.11	18.81	10.91	13.39	15.63
Price/Sales (P/S)	4.23	3.63	3.07	2.78	1.86	4.76
Earnings Yield	9.80%	8.64%	5.30%	9.16%	7.47%	6.40%
Debt/Equity	0.56	0.08	0.57	0.08	1.92	0.04
Cash Flow (\$/share)	24.61	1.96	8.98	3.68	6.46	5.09
Growth Score	C	-	-	D	B	C
Hist. EPS Growth (3-5 yrs)	9.09%	2.01%	8.24%	-1.56%	-20.55%	7.76%
Proj. EPS Growth (F1/F0)	16.15%	12.68%	9.21%	10.76%	2.14%	13.15%
Curr. Cash Flow Growth	-4.51%	5.00%	7.00%	31.14%	33.07%	22.41%
Hist. Cash Flow Growth (3-5 yrs)	-3.43%	6.62%	7.49%	0.95%	-1.99%	2.43%
Current Ratio	1.30	1.70	1.19	4.02	2.58	5.73
Debt/Capital	38.27%	14.82%	38.14%	19.21%	66.77%	4.74%
Net Margin	26.01%	18.37%	12.77%	19.82%	8.89%	31.09%
Return on Equity	16.75%	12.32%	17.03%	12.35%	35.02%	30.21%
Sales/Assets	0.23	0.23	0.53	0.37	0.68	0.84
Proj. Sales Growth (F1/F0)	0.80%	7.89%	5.30%	10.60%	3.30%	7.50%
Momentum Score	F	-	-	A	F	A
Daily Price Chg	-0.13%	1.06%	0.01%	-0.19%	-1.27%	-0.30%
1 Week Price Chg	-2.44%	0.00%	1.11%	0.25%	-0.60%	-2.17%
4 Week Price Chg	9.69%	0.91%	0.30%	4.33%	-0.04%	4.63%
12 Week Price Chg	31.41%	3.40%	4.41%	13.53%	4.26%	8.37%
52 Week Price Chg	69.99%	2.89%	16.95%	12.97%	1.38%	7.08%
20 Day Average Volume	402,736	150,907	2,445,854	2,113,360	759,610	572,976
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	-3.73%	0.40%
(F1) EPS Est 4 week change	-0.13%	0.00%	0.00%	1.01%	-4.46%	1.20%
(F1) EPS Est 12 week change	5.58%	0.44%	0.47%	5.02%	-3.73%	1.16%
(Q1) EPS Est Mthly Chg	0.42%	0.00%	0.00%	3.19%	-10.95%	1.84%



## Analyst Earnings Model<sup>(2)</sup>

### Affiliated Managers Group, Inc. (AMG)

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 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	\$2,329.6	\$2,057.8	\$2,040.9	\$496.6	\$493.2	\$528.0	\$540.5	\$2,058.3	\$543.0	\$525.3	\$533.2	\$567.5	\$2,168.9	\$2,266.2
Compensation and Related Expenses	\$1,071.5	\$907.5	\$915.3	\$230.3	\$263.7	\$253.5	\$267.9	\$1,015.4	\$252.9	\$269.8	\$258.7	\$275.5	\$1,056.9	\$1,088.6
Selling, General and Administrative	\$385.5	\$358.2	\$376.5	\$94.7	\$95.7	\$100.5	\$99.9	\$390.8	\$99.3	\$98.8	\$100.0	\$101.2	\$399.3	\$403.4
Intangible Amortization and Impairments	\$51.6	\$48.3	\$29.0	\$83.3	\$6.3	\$6.3	\$6.6	\$102.5	\$4.2	\$5.2	\$5.1	\$4.9	\$19.3	\$15.7
Interest Expense	\$114.4	\$123.8	\$133.3	\$34.1	\$34.5	\$33.2	\$32.3	\$134.1	\$33.2	\$32.5	\$31.9	\$30.3	\$127.9	\$121.5
Depreciation and Other Amortization	\$15.8	\$13.0	\$13.4	\$2.8	\$2.5	\$2.6	\$2.9	\$10.8	\$2.7	\$2.1	\$2.1	\$2.4	\$9.3	\$8.5
Other Expenses, net	\$34.7	\$45.8	\$40.3	\$11.7	\$10.0	\$13.1	\$11.2	\$46.0	\$11.9	\$11.4	\$13.6	\$13.0	\$49.9	\$53.2
Total Consolidated Expenses	\$1,673.5	\$1,496.6	\$1,507.8	\$456.9	\$412.7	\$409.2	\$420.7	\$1,699.5	\$404.2	\$419.8	\$411.5	\$427.3	\$1,662.8	\$1,690.9
Equity Method Income, net	\$338.1	\$280.0	\$312.7	\$75.3	\$65.6	\$88.5	\$122.6	\$352.0	\$96.6	\$104.5	\$109.4	\$113.3	\$423.8	\$419.0
BPEATransaction Gain	\$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
Affiliate Transaction Gain	\$641.9	\$133.1	\$0.0	\$0.0	\$0.0	\$127.6	\$0.0	\$127.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Investment and Other Income (Expense)	\$110.3	\$117.1	\$77.4	\$11.6	\$25.5	\$27.6	\$17.6	\$82.3	\$19.7	\$30.8	\$31.2	\$22.2	\$103.8	\$111.1
Pre-Tax Income	\$1,746.4	\$1,091.4	\$923.2	\$126.6	\$171.6	\$362.5	\$260.0	\$920.7	\$255.0	\$240.9	\$262.3	\$275.6	\$1,033.8	\$1,105.4
Income Tax	\$358.3	\$185.3	\$182.6	\$27.4	\$35.7	\$71.6	\$51.4	\$186.1	\$50.4	\$47.6	\$51.8	\$54.4	\$204.2	\$218.3
Tax Rate	20.5%	17.0%	19.8%	21.6%	20.8%	19.8%	19.8%	20.2%	19.8%	19.8%	19.8%	19.8%	19.8%	19.8%
Net Income Before Non-Controlling Interest	\$1,388.1	\$906.1	\$740.6	\$99.2	\$135.9	\$290.9	\$208.7	\$734.7	\$204.7	\$193.3	\$210.5	\$221.2	\$829.6	\$887.1
Non-Controlling Interest	\$242.2	\$233.2	\$229.0	\$26.8	\$51.6	\$78.5	\$19.1	\$176.0	\$68.0	\$69.0	\$79.8	\$26.3	\$243.1	\$250.7
Net Income (Controlling Interest)	\$1,145.9	\$672.9	\$511.6	\$72.4	\$84.3	\$212.4	\$189.6	\$558.7	\$136.7	\$124.3	\$130.7	\$194.9	\$586.5	\$636.3
Income from Hypothetical Settlement of Redeemable Noncontrolling Interests, Net of Taxes	\$82.9	\$49.0	\$20.5	(\$3.9)	\$0.3	\$10.1	\$10.1	\$16.6	\$10.1	\$10.1	\$10.1	\$10.1	\$40.4	\$40.4
Interest Expense on Junior Convertible Securities, Net of Taxes	\$14.0	\$13.4	\$13.4	\$3.4	\$3.4	\$3.4	\$3.4	\$13.6	\$3.4	\$3.4	\$3.4	\$3.4	\$13.6	\$13.6
Net Income (Controlling Interest), Adjusted	\$1,242.8	\$735.3	\$545.5	\$71.9	\$88.0	\$225.9	\$203.1	\$588.9	\$150.2	\$137.8	\$144.2	\$208.4	\$640.5	\$690.3
Intangible Amortization and Impairments, Adjusted	\$195.0	\$128.5	\$149.2	\$85.8	\$31.0	\$28.7	\$28.7	\$174.2	\$28.7	\$28.7	\$28.7	\$28.7	\$114.8	\$114.8
Intangible-Related Deferred Taxes	\$45.5	\$57.3	\$61.9	(\$0.7)	\$14.6	\$15.6	\$15.0	\$44.5	\$15.0	\$15.0	\$15.0	\$15.0	\$60.0	\$60.0
BPEATransaction	\$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
Other Economic Items	(\$13.2)	(\$18.8)	(\$21.1)	\$1.2	\$29.3	\$24.1	\$1.0	\$55.6	\$1.0	\$1.0	\$1.0	\$1.0	\$4.0	\$4.0
Economic Net Income	\$797.2	\$717.8	\$701.6	\$158.7	\$159.2	\$179.7	\$234.3	\$731.9	\$181.4	\$169.0	\$175.4	\$239.6	\$765.3	\$815.1
Basic Shares Outstanding	38.5	35.1	31.1	29.2	28.5	28.4	27.9	28.5	27.3	26.8	26.3	25.7	26.5	24.4
Diluted Shares Outstanding, Adjusted	39.8	36.8	32.8	30.5	29.5	29.4	28.9	29.6	28.3	27.8	27.3	26.7	27.5	25.4
Diluted Shares Outstanding, GAAP	49.0	42.2	36.1	32.6	31.4	32.9	32.4	32.3	31.8	31.3	30.8	30.2	31.0	28.9
Basic EPS	\$29.77	\$19.18	\$16.45	\$2.48	\$2.96	\$7.47	\$6.80	\$19.71	\$5.00	\$4.64	\$4.97	\$7.57	\$22.19	\$26.19
Diluted EPS	\$25.35	\$17.42	\$15.13	\$2.20	\$2.80	\$6.87	\$6.27	\$18.14	\$4.72	\$4.40	\$4.69	\$6.89	\$20.70	\$23.97
Economic EPS	\$20.02	\$19.48	\$21.36	\$5.20	\$5.39	\$6.10	\$8.12	\$24.81	\$6.40	\$6.08	\$6.43	\$8.96	\$27.88	\$32.20

---

## Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

### Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

### Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

---

### Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

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

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

---

## 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.