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Zacks Report Date: December 14, 2025

Arrow Electronics (ARW)

$113.59 (Stock Price as of 12/12/2025)

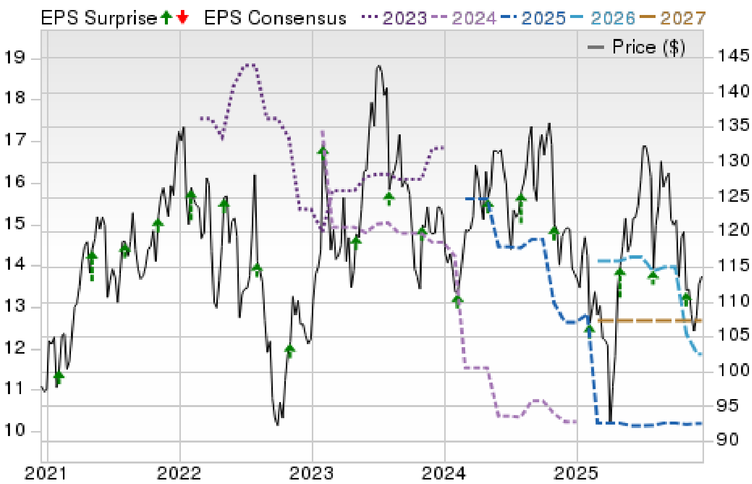
Price Target (6-12 Months): **$119.00**

Long Term: 6-12 Months	**Zacks Recommendation:** (Since: 11/14/25) Prior Recommendation: Outperform	**Neutral**
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**3-Hold**
	Zacks Style Scores:	VGM: D
	Value: B | Growth: F	Momentum: C

Summary

ARW benefits from strong positioning in the AI and advanced computing infrastructure market, serving as a critical distribution partner for semiconductor manufacturers. The company's diverse customer portfolio of over 200,000 clients across multiple industries provides revenue stability and reduces concentration risk. Strong cash flow generation from its asset-light model supports share buybacks and strategic investments. We expect 2025 net sales to increase 8.2% from fiscal 2024. However, intense competition from larger rivals, digital-native distributors and direct manufacturer sales channels compresses margins. Profitability metrics, including operating margins and return on equity have deteriorated. The balance sheet shows elevated debt of $3.12 billion with limited financial flexibility given cyclical industry dynamics.

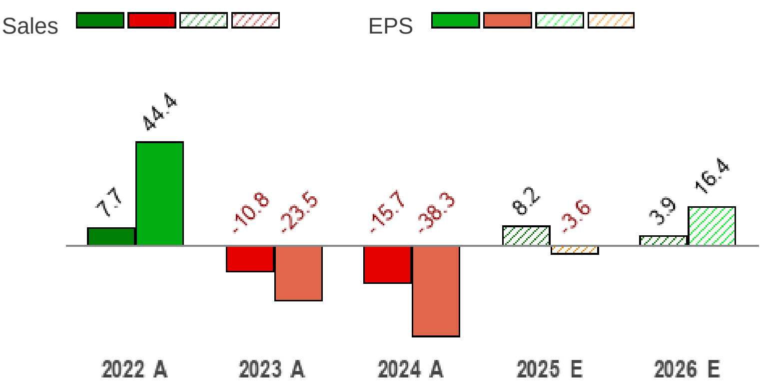
Price, Consensus & Surprise(1)



Data Overview

52 Week High-Low	$134.74 - $86.50
20 Day Average Volume (sh)	445,578
Market Cap	$5.9 B
YTD Price Change	0.4%
Beta	1.04
Dividend / Div Yld	$0.00 / 0.0%
Industry	Electronics - Parts Distribution
Zacks Industry Rank	Top 39% (95 out of 243)
Last EPS Surprise	5.7%
Last Sales Surprise	0.6%
EPS F1 Est- 4 week change	0.2%
Expected Report Date	02/05/2026
Earnings ESP	-0.2%
P/E TTM	11.8
P/E F1	11.2
PEG F1	1.9
P/S TTM	0.2

Sales and EPS Growth Rates (Y/Y %)(2)



Sales Estimates (millions of $)(2)

	Q1	Q2	Q3	Q4	Annual*
2026	7,314 E	7,796 E	7,853 E	8,412 E	31,374 E
2025	6,814 A	7,580 A	7,713 A	8,100 E	30,207 E
2024	6,924 A	6,893 A	6,823 A	7,283 A	27,923 A

EPS Estimates(2)

	Q1	Q2	Q3	Q4	Annual*
2026	2.39 E	2.81 E	2.99 E	3.65 E	11.85 E
2025	1.80 A	2.43 A	2.41 A	3.54 E	10.18 E
2024	2.41 A	2.78 A	2.38 A	2.97 A	10.56 A

*Quarterly figures may not add up to annual.

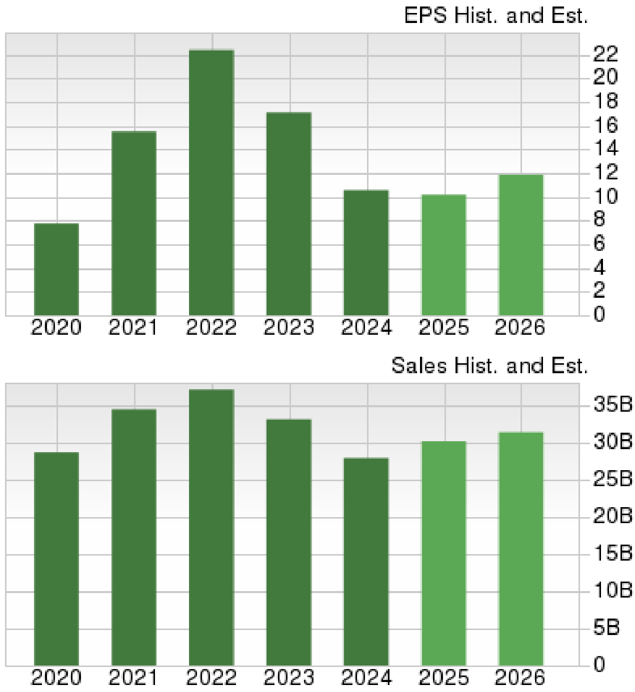
(1) The data in the charts and tables, except the estimates, is as of 12/12/2025.
(2) The report's text, the analyst-provided estimates, and the price target are as of 12/09/2025.

Overview

New York-based Arrow Electronics Inc. is one of the world's largest distributors of electronic components and enterprise computing products. Arrow provides one of the broadest product ranges in the electronic components and enterprise computing solutions distribution industries. Along with these, the company provides a wide range of value-added services to help customers reduce their marketing time, lower the total cost of ownership, introduce innovative products through demand creation opportunities and enhance their overall competitiveness.

The company serves over 150,000 customers — original equipment manufacturers (OEMs), contract manufactures (CMs) and commercial customers — through 180 sales facilities and 39 distribution centers in over 85 countries. The company's customer base comprises OEMs, CMs, value-added resellers (VARs) and other commercial users. The company's products primarily target the industrial sector (companies manufacturing machine tools, factory automation equipment or robotics equipment).
Arrow's offerings can be broadly divided into two categories:

Global Components (71.5% of 2024 revenues): Arrow distributes electronic components to OEMs and CMs through its global components business segment. This segment deals in semiconductor products and related services; passive, electro-mechanical and interconnect products such as capacitors, resistors, potentiometers, power supplies, relays, switches and connectors; and computing and memory. Within this segment, semiconductor products and related services contributed nearly 79% of total Global Components sales in 2023.



As of 12/09/2025

Global Enterprise Computing Solutions (28.4%): Arrow provides enterprise computing solutions to VARs through its global ECS business segment. The computing segment includes products like servers, workstations, storage products, microcomputer boards and systems, design systems, desktop computer systems, software, monitors, printers, flat panel displays, system chassis and enclosures, controllers and communication control equipment.

The company and its affiliates employed nearly 21,520 employees worldwide as of Dec 31, 2024.

As of 12/12/2025

Reasons To Buy:

Robust cash flow generation, diversified customer base and strong position in AI are key positives for Arrow Electronics.

- Arrow Electronics stands exceptionally well-positioned to capitalize on the explosive growth in artificial intelligence and advanced computing infrastructure. The company serves as a critical distribution partner for semiconductor and electronic component manufacturers targeting AI applications, including data center accelerators, edge computing devices, and intelligent IoT systems. Arrow's engineering services division provides value-added design support that helps customers integrate complex AI chipsets and solutions, creating sticky relationships that generate recurring revenue. The global AI chip market is projected to grow at compound annual rates exceeding 30% through the decade, and Arrow's established relationships with leading semiconductor vendors position it as an essential intermediary in this supply chain. Furthermore, the company's technical expertise in high-performance computing, memory solutions, and specialized processors gives it competitive advantages in serving customers developing AI-enabled products across automotive, industrial, healthcare, and telecommunications sectors.

- Arrow Electronics benefits from an exceptionally diverse customer portfolio spanning multiple industries and geographies, which provides fundamental stability and growth opportunities. The company serves over 200,000 customers globally, ranging from multinational corporations to innovative startups, ensuring no single client relationship creates undue concentration risk. This customer diversity extends across end markets including aerospace and defense, automotive electronics, industrial automation, telecommunications infrastructure, medical devices, and consumer electronics. Each sector operates on different economic cycles and technology adoption curves, allowing Arrow to maintain steadier revenue streams when individual markets face headwinds. The company's scale and breadth enable it to identify emerging technology trends early and reallocate resources toward high-growth opportunities. Additionally, Arrow's ability to serve both original equipment manufacturers and contract manufacturers provides multiple pathways to the same end markets, further enhancing revenue resilience and creating natural hedges against customer-specific challenges.

- Arrow Electronics demonstrates impressive cash flow generation capabilities that provide fundamental value for shareholders while funding strategic investments. The company's asset-light distribution model requires minimal capital expenditure relative to revenue, typically running below 1% of sales, which allows the vast majority of operating cash flow to be returned to shareholders or deployed for growth initiatives. Arrow has consistently generated substantial free cash flow across various economic conditions, demonstrating the resilience of its business model. This strong cash generation supports an active share repurchase program that has meaningfully reduced share count over time, enhancing per-share metrics for remaining shareholders. The company's working capital management has improved significantly, with initiatives to optimize inventory turns and accounts receivable collection accelerating cash conversion cycles. Furthermore, Arrow's solid cash position provides financial flexibility to pursue strategic acquisitions, invest in digital platform enhancements, and weather potential industry disruptions without compromising its financial stability.

Reasons To Sell:

> A weakening balance sheet, deteriorating profitability and intensifying competition remain concerns for Arrow Electronics.

- The electronic components distribution industry has become brutally competitive, with Arrow Electronics facing mounting pressure from multiple fronts. Larger competitors with superior scale advantages can negotiate better terms with suppliers and offer more competitive pricing to customers. Meanwhile, digital-native distributors are capturing market share by offering superior customer experiences and more efficient ordering systems. Manufacturers are increasingly exploring direct-to-customer sales channels, effectively disintermediating traditional distributors like Arrow and squeezing their revenue opportunities. Regional players with specialized expertise in high-growth segments are carving out profitable niches that Arrow struggles to penetrate. This competitive intensity is compressing margins across the board, making it difficult for Arrow to maintain profitability without sacrificing market share. The company's broad-market approach, once considered a strength, now appears to be a weakness as specialized competitors outmaneuver them in specific segments. Without a clear competitive advantage or differentiated value proposition, Arrow faces a prolonged period of margin compression and market share erosion that will inevitably impact shareholder returns.

- Arrow Electronics' profitability metrics have been heading in the wrong direction, reflecting fundamental operational issues that management seems unable to address effectively. Operating margins have compressed as the company struggles to control costs while facing pricing pressure from competitors. Return on equity has deteriorated, indicating that Arrow is generating less profit from shareholder capital than in previous periods. The company's gross profit margins are under sustained pressure as it operates in an increasingly commoditized market where differentiation is difficult to achieve. Selling, general and administrative expenses remain stubbornly high relative to revenue, suggesting inefficiencies in the business model that management has failed to rectify. Return on invested capital has declined, demonstrating poor capital allocation decisions and an inability to generate adequate returns from business investments. These deteriorating profitability metrics suggest structural problems rather than temporary cyclical headwinds. Unless Arrow can fundamentally restructure its operations and find new sources of profitability, shareholders face the prospect of diminishing returns and continued value destruction over the near term.

- Arrow Electronics' balance sheet has shown concerning signs of weakness that should alarm investors. The company's debt levels have remained elevated while its ability to generate consistent cash flow has become increasingly uncertain in a challenging semiconductor market environment. The debt-to-equity ratio paints an unfavorable picture, suggesting limited financial flexibility to navigate market downturns or invest in growth initiatives. With interest rates remaining higher for longer, the company's debt servicing costs are eating into profitability margins. Free cash flow generation has been inconsistent, raising questions about Arrow's ability to meet its financial obligations while simultaneously funding necessary operational improvements. The weakening balance sheet leaves the company vulnerable to economic shocks and reduces its capacity to compete effectively with better-capitalized rivals. This financial fragility becomes particularly problematic given the cyclical nature of the electronics distribution business, where strong balance sheets are essential for weathering industry downturns and maintaining supplier relationships during challenging periods. As of Sept. 27, 2025, cash and cash equivalents totaled $214 million, which increased from $189 million as of Dec. 31, 2024. The long-term debt was $3.12 billion, up from $2.77 billion at the end of the previous year.

Last Earnings Report

Arrow Electronics Q3 Earnings Beat Estimates, Revenues Rise Y/Y

FY Quarter Ending	12/31/2024
Earnings Reporting Date	Oct 30, 2025
Sales Surprise	0.59%
EPS Surprise	5.70%
Quarterly EPS	2.41
Annual EPS (TTM)	9.61

Arrow Electronics reported adjusted earnings of $2.41 per share for the third quarter of 2025, which beat Zacks consensus estimates by 5.7%. However, the bottom line increased only 1% year over year. In the third quarter, ARW reported revenues of $7.71 billion, reflecting a 13% year-over-year increase and beat the consensus mark by 0.59%. At constant currency (cc), revenues increased 11% year over year. ARW's earnings beat estimates in the trailing four quarters, maintaining its track record of outperformance. The company continues to exceed expectations consistently.

ARW's Q3 Revenue Details

In the third quarter of 2025, Global Component sales increased 12% year over year on a reported basis and 11% on a cc basis to $5.56 billion. Region-wise, revenues from the Americas increased 4% year over year, Asia-Pacific components increased 19% year over year, while EMEA components increased 12% year over year on a reported basis and 6% at cc. Global Enterprise Computing Solutions (ECS) revenues were $2.16 billion, which increased 15% year over year on a reported basis and 12% at cc. Region-wise, EMEA ECS segment revenues increased 34% year over year on a reported basis and 27% at cc, while Americas ECS decreased 1% year over year.

ARW's Q3 Operating Details

Consolidated non-GAAP gross margin was 10.8%, down 70 basis points on a year-over-year basis. The Global ECS segment experienced a $21 million charge on multi-year contracts that have underperformed. Global components operating income was $197 million, up 5% year over year, while Global components non-GAAP operating income was $199 million, up 3% year over year. Global ECS operating income was $64 million, down 16% year over year due to $21 million of charges on multi-year contracts. Arrow Electronics' consolidated operating income was $179 million in the third quarter of 2025. The consolidated operating margin as a percentage of sales was 2.3% based on reported operating income.

Balance Sheet & Cash Flow

As of Sept. 27, 2025, cash and cash equivalents totaled $214 million, which increased from $189 million as of Dec. 31, 2024. The long-term debt was $3.12 billion, up from $2.77 billion at the end of the previous year. In the reported quarter, cash flow used for operating activities was $282 million compared with positive $81 million in the same quarter of the previous year. Gross balance sheet debt at the end of the third quarter was $3.1 billion. Inventories remained at $4.73 billion at the end of the third quarter.

ARW Offers Positive Q4 Guidance

For the fourth quarter of 2025, consolidated sales are estimated between $7.8 billion and $8.4 billion. Global Components sales are projected between $5.1 billion and $5.5 billion. Global ECS sales are anticipated between $2.7 billion and $2.9 billion. Net income per share on a diluted basis is expected between $3.08 and $3.28, and non-GAAP net income per share on a diluted basis between $3.44 and $3.64.

Recent News

On Oct. 23, eInfochips, an Arrow Electronics company and NXP Semiconductors, announced a multi-year collaboration focused on software distribution and customer services.

On Sept. 29, Arrow Electronics and EMASS announced a collaboration to accelerate the deployment of ultra-low-power edge AI solutions across wearables, industrial IoT and smart sensing devices, using EMASS's ECS-DoT System on Chip (SoC).

On Sept. 25, Arrow Electronics announced the integration of several Check Point cybersecurity solutions into its ArrowSphere Cloud platform across 17 EMEA countries, enabling automated provisioning, consolidated billing, and expanded service delivery for partners.

On Sept. 9, Arrow Electronics announced it has extended its distribution agreement with Molex by adding AirBorn to its interconnect, passive, and electromechanical components (IP&E) portfolio in North America and EMEA.

Valuation

Arrow's shares declined 9.8% in the past six months and decreased 6.1% in the past year. Stocks in the Zacks sub-industry increased 18.8% and the Zacks Computer & Technology sector appreciated 26.1% in the past six months. Over the past year, the Zacks sub-industry increased 14.5% while the sector returned 27.2%.

The S&P 500 Index has increased 15.9% in the past six months and 15.7% in the past year.

The stock is currently trading at 9.6X forward 12-month earnings, which compares with 12.82X 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 11.80X and as low as 4.69X, with a 5-year median of 8.81X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our $119 price target reflects 10.08X forward 12-month earnings.

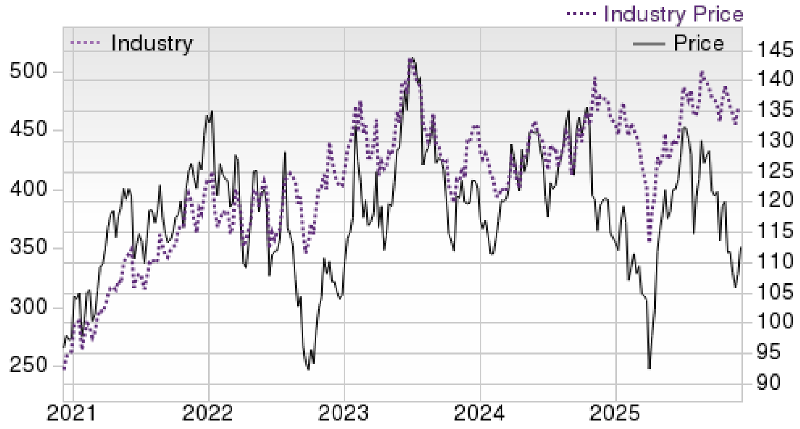
The table below shows summary valuation data for ARW

Valuation Multiples - ARW

		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	9.60	12.82	29.04	23.46
	5-Year High	11.80	12.82	29.92	23.78
	5-Year Low	4.69	5.80	18.70	15.73
	5-Year Median	8.81	9.37	26.62	21.21
EV/Sales TTM	Current	0.30	0.45	8.26	5.74
	5-Year High	0.35	0.45	8.36	5.81
	5-Year Low	0.23	0.28	4.17	3.78
	5-Year Median	0.30	0.36	6.92	5.12
EV/EBITDA TTM	Current	9.48	11.69	19.85	18.64
	5-Year High	10.17	11.75	23.68	22.41
	5-Year Low	3.90	5.04	12.03	13.87
	5-Year Median	6.52	7.69	18.35	17.96

As of 12/08/2025 *Source: Zacks Investment Research*

Industry Analysis[1] Zacks Industry Rank: Top 39% (95 out of 243)



Top Peers [1]

Company (Ticker)	Rec	Rank
Avnet, Inc. **(AVT)**	Neutral	4
Dell Technologies In...**(DELL)**	Neutral	3
Paylocity Holding Co...**(PCTY)**	Neutral	3
Richardson Electroni...**(RELL)**	Neutral	3
Warner Bros. Discove...**(WBD)**	Neutral	3
WESCO International,...**(WCC)**	Neutral	2
Zoom Communications,...**(ZM)**	Neutral	2

Industry Comparison[1] Industry: Electronics - Parts Distribution

Industry Peers

	ARW	X Industry	S&P 500	AVT	RELL	WCC
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	4	3	2
VGM Score	D	-	-	B	B	B
Market Cap	5.85 B	4.96 B	39.38 B	4.06 B	158.99 M	12.67 B
# of Analysts	4	4	22	4	2	4
Dividend Yield	0.00%	0.70%	1.41%	2.80%	2.19%	0.70%
Value Score	B	-	-	A	C	B
Cash/Price	0.04	0.04	0.04	0.04	0.22	0.05
EV/EBITDA	9.15	11.25	14.60	10.74	49.91	11.76
PEG Ratio	1.88	1.37	2.23	0.39	1.69	1.96
Price/Book (P/B)	0.90	0.90	3.35	0.84	1.00	2.62
Price/Cash Flow (P/CF)	7.80	12.18	15.20	9.84	21.86	14.52
P/E (F1)	11.16	15.52	19.78	11.46	42.19	19.57
Price/Sales (P/S)	0.20	0.38	3.06	0.18	0.76	0.55
Earnings Yield	8.97%	6.92%	4.99%	8.73%	2.37%	5.11%
Debt/Equity	0.48	0.48	0.57	0.58	0.00	1.18
Cash Flow ($/share)	14.56	5.07	8.99	5.07	0.50	17.93
Growth Score	F	-	-	C	A	B
Hist. EPS Growth (3-5 yrs)	-3.46%	3.61%	8.16%	10.67%	-38.49%	14.72%
Proj. EPS Growth (F1/F0)	-3.60%	19.24%	8.57%	26.74%	18.18%	8.83%
Curr. Cash Flow Growth	-36.17%	-13.99%	6.75%	-32.52%	51.69%	-13.99%
Hist. Cash Flow Growth (3-5 yrs)	-2.47%	12.98%	7.43%	1.39%	36.11%	24.58%
Current Ratio	1.46	2.09	1.19	2.36	4.40	2.09
Debt/Capital	32.51%	32.51%	38.01%	36.58%	0.00%	54.17%
Net Margin	1.62%	1.33%	12.78%	1.04%	0.08%	2.81%
Return on Equity	8.19%	7.05%	17.00%	5.91%	2.91%	13.12%
Sales/Assets	1.28	1.36	0.53	1.87	1.07	1.45
Proj. Sales Growth (F1/F0)	8.20%	6.58%	5.77%	6.60%	2.90%	7.60%
Momentum Score	C	-	-	C	C	F
Daily Price Chg	-1.40%	-2.92%	-1.07%	-1.13%	-2.92%	-6.14%
1 Week Price Chg	0.99%	0.50%	-0.63%	0.50%	3.88%	-4.74%
4 Week Price Chg	5.02%	5.02%	1.39%	7.47%	5.68%	1.42%
12 Week Price Chg	-6.68%	-5.95%	2.45%	-5.95%	9.59%	24.73%
52 Week Price Chg	-5.58%	-7.83%	12.83%	-7.83%	-22.53%	36.48%
20 Day Average Volume	445,578	445,578	2,728,366	749,181	51,285	479,928
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.22%	0.00%	0.00%	0.00%	0.00%	-0.09%
(F1) EPS Est 12 week change	-0.12%	1.20%	0.69%	-5.53%	57.58%	2.53%
(Q1) EPS Est Mthly Chg	-0.35%	0.00%	0.00%	0.00%	0.00%	2.21%

Analyst Earnings Model(2)

Arrow Electronics, Inc. (ARW)

In $MM, except per share data

	2022A	2023A	2024A			2025E					2026E			2027E
	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement														
Total Revenue	**$37,124.4**	**$33,107.1**	**$27,923.3**	**$6,814.0**	**$7,579.9**	**$7,712.5**	**$8,100.3**	**$30,206.8**	**$7,313.5**	**$7,796.1**	**$7,852.8**	**$8,411.7**	**$31,374.1**	**$32,404.9**
YoY % Chng	7.7%	(10.8%)	(15.7%)	(1.6%)	10.0%	13.0%	11.2%	8.2%	7.3%	2.9%	1.8%	3.8%	3.9%	3.3%
Cost of Revenue	$32,287.8	$28,958.1	$24,630.9	$6,040.0	$6,731.3	$6,877.2	$7,112.8	$26,761.4	$6,416.5	$6,821.7	$6,896.9	$7,339.8	$27,474.9	$28,145.1
YoY % Chng	6.6%	(10.3%)	(14.9%)	(0.4%)	11.3%	13.9%	9.8%	8.6%	6.2%	1.3%	0.3%	3.2%	2.7%	2.4%
Gross Profit	**$4,836.6**	**$4,149.0**	**$3,292.4**	**$774.0**	**$848.7**	**$835.3**	**$987.5**	**$3,445.5**	**$897.0**	**$974.4**	**$955.9**	**$1,071.9**	**$3,899.2**	**$4,259.8**
YoY % Chng	15.1%	(14.2%)	(20.6%)	(9.8%)	0.3%	6.4%	22.9%	4.6%	15.9%	14.8%	14.4%	8.5%	13.2%	9.2%
Selling, General, and Administrative Expenses	$2,567.0	$2,412.8	$2,217.9	$562.3	$601.0	$587.9	$641.7	$2,392.9	$629.7	$672.9	$643.6	$702.6	$2,648.8	$2,927.5
YoY % Chng	5.4%	(6.0%)	(8.1%)	(3.6%)	8.8%	10.0%	17.2%	7.9%	12.0%	12.0%	9.5%	9.5%	10.7%	10.5%
Depreciation & Amortization	$187.4	$181.1	$163.0	$35.8	$35.2	$32.8	$42.8	$146.5	$43.0	$41.6	$41.4	$45.5	$171.5	$177.0
YoY % Chng	(4.0%)	(3.3%)	(10.0%)	(14.2%)	(14.3%)	(19.2%)	7.9%	(10.1%)	20.0%	18.4%	26.3%	6.4%	17.1%	3.2%
Impairments	$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
YoY % Chng														
Restructuring, Integration, and Other Charges (Credits)	$13.7	$83.9	$142.9	$17.3	$21.9	$35.6	$35.6	$110.5	$35.6	$35.6	$35.6	$35.6	$142.6	$142.6
YoY % Chng	25.9%	510.7%	70.3%	(63.1%)	(45.9%)	3.4%	69.3%	(22.7%)	105.9%	62.6%	0.0%	0.0%	29.0%	0.0%
Total Operating Expense	**$2,768.1**	**$2,677.9**	**$2,523.9**	**$615.4**	**$658.1**	**$656.3**	**$720.1**	**$2,650.0**	**$708.3**	**$750.2**	**$720.7**	**$783.7**	**$2,962.9**	**$3,247.2**
YoY % Chng	4.6%	(3.3%)	(5.8%)	(8.4%)	3.8%	7.7%	18.4%	5.0%	15.1%	14.0%	9.8%	8.8%	11.8%	9.6%
EBITDA, Proforma	**$2,304.3**	**$1,767.4**	**$1,164.6**	**$214.6**	**$250.5**	**$250.2**	**$348.5**	**$1,063.9**	**$270.1**	**$304.3**	**$315.0**	**$372.1**	**$1,261.5**	**$1,343.3**
YoY % Chng	27.7%	(23.3%)	(34.1%)	(26.6%)	(17.3%)	(2.2%)	11.2%	(8.6%)	25.9%	21.5%	25.9%	6.7%	18.6%	6.5%
EBITDA, GAAP	**$2,255.9**	**$1,652.3**	**$931.6**	**$194.4**	**$225.7**	**$211.8**	**$310.1**	**$942.0**	**$231.7**	**$265.9**	**$276.6**	**$333.6**	**$1,107.8**	**$1,189.6**
YoY % Chng	28.8%	(26.8%)	(43.6%)	(14.6%)	(10.9%)	(1.9%)	32.1%	1.1%	19.2%	17.8%	30.6%	7.6%	17.6%	7.4%
Operating Income, Proforma	**$2,116.9**	**$1,586.3**	**$1,001.6**	**$178.8**	**$215.4**	**$217.4**	**$305.8**	**$917.4**	**$227.2**	**$262.6**	**$273.6**	**$326.6**	**$1,090.0**	**$1,166.3**
YoY % Chng	31.6%	(25.1%)	(36.9%)	(28.7%)	(17.8%)	1.0%	11.7%	(8.4%)	27.1%	21.9%	25.8%	6.8%	18.8%	7.0%
Operating Income, GAAP	**$2,068.5**	**$1,471.2**	**$768.6**	**$158.6**	**$190.6**	**$179.0**	**$267.4**	**$795.5**	**$188.7**	**$224.2**	**$235.2**	**$288.2**	**$936.3**	**$1,012.6**
YoY % Chng	32.9%	(28.9%)	(47.8%)	(14.7%)	(10.2%)	2.1%	37.0%	3.5%	19.0%	17.6%	31.4%	7.8%	17.7%	8.2%
Equity in (Losses) Earnings of Affiliated Companies	$7.7	$6.4	$1.4	$1.3	($0.7)	$0.5	($1.1)	$0.0	$1.1	$1.2	$1.0	$0.1	$3.4	$5.0
Gain on Investments, Net	($2.9)	$19.3	($4.8)	$0.1	$104.0	$4.9	$5.9	$114.9	($0.7)	$35.6	$1.1	$1.5	$37.5	$50.4
Loss on Extinguishment of Debt			($1.7)	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Employee Benefit Plan Expense, Net	($3.5)	($3.8)	($4.3)	($0.6)	($0.7)	($0.7)	($1.2)	($3.2)	($0.8)	($0.8)	($0.9)	($1.4)	($3.9)	($4.1)
Interest and Other Financing Expense, Net	$185.6	$328.7	$269.8	$56.2	$60.3	$54.9	$60.5	$231.9	$66.0	$71.8	$69.6	$73.5	$280.9	$300.2
Pre-Tax Income, Proforma	**$1,935.4**	**$1,260.2**	**$728.8**	**$123.3**	**$153.8**	**$162.4**	**$243.0**	**$682.4**	**$161.5**	**$191.2**	**$204.1**	**$251.8**	**$808.5**	**$866.9**
YoY % Chng	31.1%	(34.9%)	(42.2%)	(27.4%)	(21.3%)	6.6%	14.9%	(6.4%)	31.0%	24.3%	25.7%	3.6%	18.5%	7.2%
Pre-Tax Income, GAAP	**$1,884.2**	**$1,164.4**	**$489.3**	**$103.2**	**$233.0**	**$128.8**	**$210.5**	**$675.4**	**$122.3**	**$188.4**	**$166.7**	**$214.9**	**$692.3**	**$763.6**
YoY % Chng	31.2%	(38.2%)	(58.0%)	(1.8%)	67.1%	10.9%	63.5%	38.0%	18.5%	(19.1%)	29.5%	2.1%	2.5%	10.3%
Income Tax, Proforma	$461.5	$277.2	$159.0	$28.2	$27.1	$36.6	$57.1	$148.9	$37.9	$44.9	$48.0	$59.2	$190.0	$203.7
Income Tax, GAAP	$449.0	$255.0	$95.8	$23.3	$45.9	$19.5	$49.5	$138.3	$28.8	$44.3	$39.2	$50.5	$162.7	$179.4
Tax Rate, Proforma	23.8%	22.0%	21.8%	22.9%	17.6%	22.5%	23.5%	21.8%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%
Tax Rate, GAAP	23.8%	21.9%	19.6%	22.6%	19.7%	15.2%	23.5%	20.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%
Non-Controlling Interest, Proforma	$8.8	$6.4	$2.0	$0.3	($0.7)	$0.1	$1.3	$0.9	($1.3)	($0.3)	$0.0	$2.3	$0.7	$2.6
Non-Controlling Interest, GAAP	$8.3	$5.9	$1.4	$0.1	($0.7)	$0.1	($0.7)	($1.2)	$0.2	($0.2)	$0.0	$0.7	$0.7	($0.1)
Net Income, Proforma	**$1,465.2**	**$976.6**	**$567.9**	**$94.8**	**$127.4**	**$125.7**	**$184.6**	**$532.5**	**$124.8**	**$146.5**	**$156.1**	**$190.4**	**$617.8**	**$660.6**
YoY % Chng	28.8%	(33.3%)	(41.9%)	(28.1%)	(15.3%)	(1.4%)	16.8%	(6.2%)	31.6%	15.0%	24.1%	3.1%	16.0%	6.9%
Net Income, GAAP	**$1,426.9**	**$903.5**	**$392.1**	**$79.7**	**$187.7**	**$109.2**	**$161.7**	**$538.4**	**$93.4**	**$144.4**	**$127.5**	**$163.7**	**$529.0**	**$584.2**
YoY % Chng	28.8%	(36.7%)	(56.6%)	(4.6%)	72.7%	8.6%	63.0%	37.3%	17.2%	(23.1%)	16.8%	1.2%	(1.7%)	10.4%
Diluted Shares Outstanding	65.5	57.0	53.8	52.7	52.3	52.1	52.1	52.3	52.1	52.1	52.1	52.1	52.1	52.1
YoY % Chng	(10.8%)	(12.9%)	(5.7%)	(3.9%)	(3.4%)	(2.5%)	(2.0%)	(2.7%)	(1.0%)	(0.4%)	0.0%	0.0%	(0.4%)	0.0%
Diluted EPS, Proforma	**$22.38**	**$17.12**	**$10.56**	**$1.80**	**$2.43**	**$2.41**	**$3.54**	**$10.18**	**$2.39**	**$2.81**	**$2.99**	**$3.65**	**$11.85**	**$12.67**
YoY % Chng	44.4%	(23.5%)	(38.3%)	(25.3%)	(12.6%)	1.3%	19.2%	(3.6%)	33.0%	15.7%	24.2%	3.1%	16.4%	6.9%
Diluted EPS, GAAP	**$21.80**	**$15.84**	**$7.29**	**$1.51**	**$3.59**	**$2.09**	**$3.10**	**$10.29**	**$1.79**	**$2.77**	**$2.45**	**$3.14**	**$10.15**	**$11.21**
YoY % Chng	44.4%	(27.3%)	(54.0%)	(1.3%)	78.6%	11.2%	66.7%	41.2%	18.7%	(22.9%)	17.0%	1.2%	(1.4%)	10.4%

Zacks Stock Rating System

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Zacks Rank

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

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Value Score	B
Growth Score	F
Momentum Score	C
VGM Score	D

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

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