

Avnet, Inc. (AVT)

\$49.85 (Stock Price as of 01/09/2026)

Price Target (6-12 Months): **\$52.00**

Long Term: 6-12 Months | **Zacks Recommendation:** **Neutral**
(Since: 10/20/25)
Prior Recommendation: Underperform

Short Term: 1-3 Months | **Zacks Rank:** (1-5) **4-Sell**
Zacks Style Scores: VGM: A
Value: A | Growth: C | Momentum: A

Summary

Avnet is benefiting from the strength of the defense and data center end markets. A continued focus on enhancing IoT capabilities is helping it expand into newer markets and gain customers. Better sales execution is anticipated to aid revenue growth in the near term. Its strategic shift toward high-margin revenue streams will ensure profitability improvement in the long run. Its strong cash flow generation capability and shareholder return policy are praiseworthy. However, enterprises are postponing their large IT spending plans amid macroeconomic uncertainties, which could hurt Avnet's prospects in the near term. Softness in demand and competitive pricing pressure are likely to hurt the Farnell business unit's performance in the near term. Our model estimates that Avnet's fiscal 2026 revenues will grow at a modest rate of 5.1%.

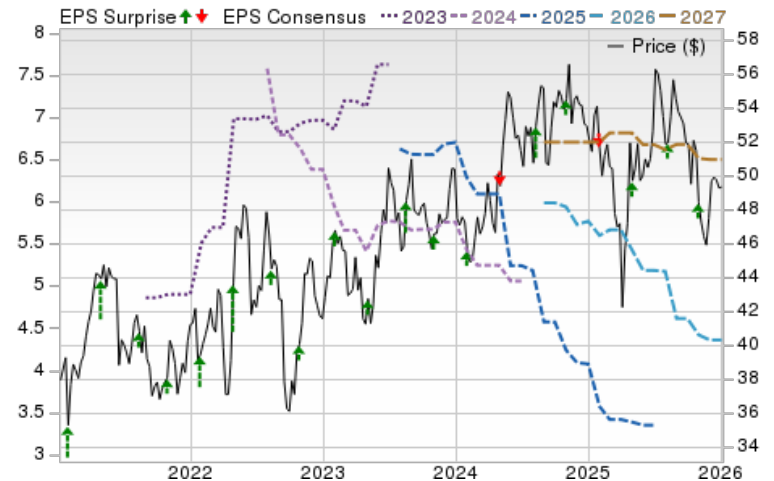
Data Overview

52 Week High-Low	\$57.24 - \$39.22
20 Day Average Volume (sh)	723,340
Market Cap	\$4.1 B
YTD Price Change	3.7%
Beta	0.92
Dividend / Div Yld	\$1.40 / 2.8%
Industry	Electronics - Parts Distribution
Zacks Industry Rank	Bottom 20% (195 out of 244)

Last EPS Surprise	3.7%
Last Sales Surprise	3.5%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/04/2026
Earnings ESP	0.0%

P/E TTM	14.8
P/E F1	11.6
PEG F1	0.3
P/S TTM	0.2

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	6,148 E	6,221 E	5,813 E	5,937 E	24,119 E
2026	5,899 A	6,002 E	5,638 E	5,798 E	23,336 E
2025	5,604 A	5,663 A	5,315 A	5,618 A	22,201 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	1.43 E	1.66 E	1.55 E	1.82 E	6.46 E
2026	0.84 A	0.95 E	1.20 E	1.30 E	4.29 E
2025	0.92 A	0.87 A	0.84 A	0.81 A	3.44 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/09/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 01/05/2026.

Overview

Based in Phoenix, AZ, Avnet Inc., (AVT) is one of the world's largest distributors of electronic components and computer products. The company's customer base includes original equipment manufacturers (OEMs), electronic manufacturing services (EMS) providers, original design manufacturers (ODMs), and value-added resellers (VARs). Avnet maintains an extensive inventory, including electronic products from more than 300 component and system manufacturers, which it distributes to customers worldwide.

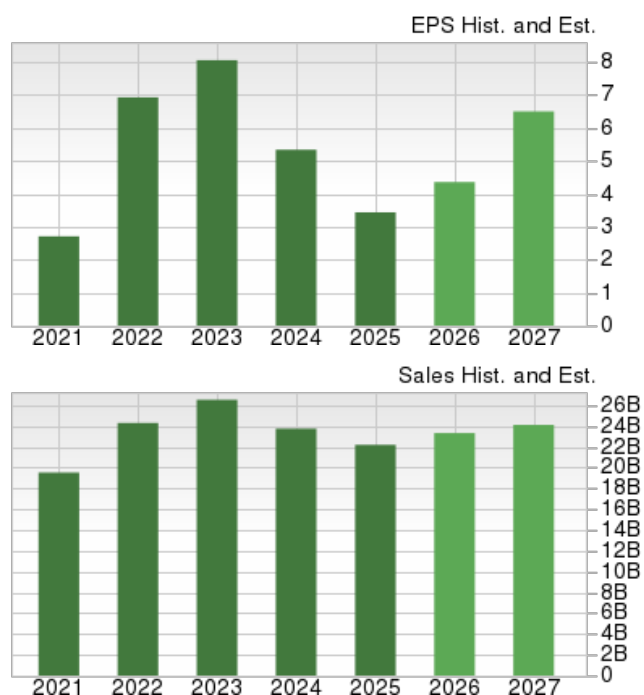
Avnet distributes products for companies like International Business Machines Corp. and Hewlett-Packard Co. As part of its major restructuring initiative to focus on high growth businesses, the company sold its troubled TS business to Tech Data Corp. in a cash-stock deal worth \$2.6 billion during fiscal 2017.

Avnet has two major operating segments — Electronic Components (EC) and Premier Farnell (PF). Through the EC segment, the company distributes semiconductors and Interconnect, passive and electromechanical devices (IP&E), and provides supply chain management, inventory replenishment system and non-complex engineering design services. This segment also offers integrated solutions, including technical design, integration and assembly of embedded products, systems and solutions for industrial applications.

Avnet's PF segment supports low volume customers that require electronic components quickly to develop and test their products. This segment provides a comprehensive suite of kits, tools, electronic components and industrial automation components to both engineers and entrepreneurs.

The company operates across the Americas; Europe, Middle East and Africa (EMEA); and Asia/Pacific (Asia) regions. Region wise, Avnet generated approximately 23.9% of revenues from operations in the Americas in fiscal 2025, while EMEA contributed about 28.9%. Asia accounted for 47.2% of revenues.

Avnet's major competitors include Arrow Electronics Inc., Future Electronics, World Peace Group, Mouser Electronics and Digi-Key Electronics.



As of 01/05/2026



As of 01/09/2026

Reasons To Buy:

- ▲ Avnet holds a formidable position as a premier global technology solutions provider. With decades of experience and expertise in the industry, Avnet has established itself as a trusted partner for customers seeking innovative solutions across various sectors. The company's extensive product portfolio, encompassing electronic components, embedded systems, IT solutions and supply chain services, caters to a diverse range of customer needs. Additionally, Avnet's strategic partnerships with leading technology manufacturers further solidify its market position, allowing it to offer cutting-edge solutions and stay ahead of industry trends. With a presence in more than 140 countries, Avnet has built a robust global footprint, enabling it to effectively serve customers in both developed and emerging markets. Overall, Avnet's strong market position is a testament to its commitment to delivering value-added solutions and driving technological advancements to meet the evolving needs of its customers worldwide.
- ▲ Avnet's ongoing shift toward higher-margin business segments is driving improved profitability. Its Interconnect, Passive & Electromechanical (IP&E) products generate 400 basis points higher margins than traditional semiconductors, and the company is actively expanding its focus in this area. The Embedded business is another high-growth segment, offering turnkey design solutions that deliver twice the margin of standard distribution products. Additionally, Avnet's growing supply chain services and demand creation initiatives are strengthening customer relationships, leading to more recurring revenue opportunities. This strategic shift toward high-margin revenue streams will ensure profitability improvement over the long run.
- ▲ While the semiconductor industry is facing short-term volatility, Avnet is well-positioned to benefit from long-term industry megatrends. The increasing demand for AI, IoT, and 5G-powered semiconductors will drive future growth once market conditions stabilize. The aerospace and defense sector remains a bright spot, providing Avnet with stable revenue streams even during cyclical downturns. Additionally, the rapid adoption of industrial automation and embedded computing solutions is creating new long-term opportunities for Avnet. With its sustained focus on expanding its presence in high-growth sectors, Avnet is poised to capitalize on a recovery cycle in the coming quarters.
- ▲ Over the last few years, Avnet has been trying to expand its presence in the IoT space. The company's acquisition of Dragon Innovation, a manufacturing consultancy and software vendor which enjoys strong presence in the IoT space, is considered to be in the same direction. Therefore, in our opinion, this acquisition will enable Avnet in providing powerful, simple-to-use tools to engineers which will enable them to manufacture and roll out hardware products in a more fast and cost-effective manner. On the IoT front, the company has made several partnerships with the likes of AT&T, as well as acquisitions, such as Premier Farnell and Hackster.io, to enhance its capabilities in this space. Per the company, the aforementioned acquisitions have expanded its reach to over two million customers as well as an active community of more than 750,000 entrepreneurs, makers and engineers.
- ▲ Avnet's digital transformation initiatives are enhancing operational efficiency and increasing margins through e-commerce expansion. Avnet is expanding its e-commerce sales through Farnell and its proprietary platform, which generate higher-margin transactions compared to traditional distribution. The company is also improving website conversion rates and leveraging advanced customer analytics to drive more sales. As Avnet accelerates its digital transformation, it is laying the foundation for greater revenue efficiency and improved customer engagement in an increasingly digital-first industry.
- ▲ Avnet's strong operating cash flow has helped it return cash through regular quarterly dividend payments and share repurchases. In fiscal 2025, it generated an operating cash flow of approximately \$725 million, while returning \$414 million to shareholders through repurchasing stocks worth \$301 million and paying \$113 million in dividends. In the first quarter of fiscal 2026, Avnet repurchased approximately \$138.3 million worth of shares and paid \$28.5 million in dividends. Share repurchases and dividend payments are a good way of returning cash to investors while boosting the company's earnings.

Avnet's leading position in electronics distribution, focus on high-margin business, expansion initiatives across the IoT space, strong cash flow and impressive shareholder return policy are encouraging.

Reasons To Sell:

- ▼ Despite cost controls, Avnet's gross margin contracted 40 basis points in the first quarter of fiscal 2026. While the company's focus on high-margin segments like IP&E and embedded solutions is promising, these efforts have yet to fully offset broader pricing pressures in semiconductor distribution. Additionally, the company's operating margin remains under pressure, with Avnet's adjusted operating margin shrinking 46 basis points (bps) to 2.6% from the year-ago quarter. If pricing challenges persist or Avnet struggles to pass on rising costs to customers, profitability could remain under strain.
- ▼ Avnet's near-term prospects look gloomy as high inventory levels at customers continue to hurt its top-line performance. The company has made progress in reducing inventory, cutting levels by \$414 million in fiscal 2025. However, despite this improvement, inventory days remain elevated, suggesting that demand is not strong enough to fully clear excess stock. The company's decision to continue investing in inventory amid uncertain demand raises risks — if the industry downturn extends into late 2025, Avnet could be forced to implement deeper price cuts, further squeezing margins. Additionally, inventory turnover improvements of only three days indicate that progress in optimizing stock levels remains slower than expected.
- ▼ Avnet's near-term prospects might be hurt by softening IT spending. The still-high interest rates and protracted inflationary conditions are hurting consumer spending. On the other hand, enterprises are postponing their large IT spending plans due to a weakening global economy amid ongoing macroeconomic and geopolitical issues. This does not bode well for Avnet's prospects in the near term. Our estimates suggest that its revenues will show a modest improvement of 5.1% year over year in fiscal 2026.
- ▼ Avnet's domestic and foreign operations are subject to significant competition. It faces stiff competition from Arrow Electronics Inc. — a formidable rival. Arrow's acquisition of eInfochips, ATM Electronic, immixGroup, RDC, Waching's Wireless business, ALTIMATE Group, Global Link Technology, Redemtech and expansion in Sao Paulo, Brazil can turn out to be highly profitable, and pose a serious threat to Avnet, going forward.
- ▼ Avnet is a highly leveraged company. As of Sept. 27, 2025, the company's long-term debt was \$2.79 billion, significantly higher than the cash and cash equivalents of approximately \$175.5 million. Moreover, Avnet's interest and other financial expenses have increased significantly over the past year due to a higher debt burden, which is hurting its bottom-line performance due to high interest and other financial expenses.

Avnet's near-term prospects might be hurt by a weak demand environment, softening IT spending and inventory correction measures adopted by customers.

Last Earnings Report

Avnet's Q1 Earnings and Revenues Beat Estimates

Avnet reported better-than-expected results for the first quarter of fiscal 2026. The company's first-quarter earnings of 84 cents per share surpassed the Zacks Consensus Estimate by 3.7%. However, the bottom line declined 8.7% on a year-over-year basis.

Net sales increased 5.3% year over year to \$5.9 billion and outpaced the consensus mark by 3.5%. The year-over-year growth was primarily driven by strong sales across the company's operating segments.

FY Quarter Ending **6/30/2025**

Earnings Reporting Date	Oct 29, 2025
Sales Surprise	3.46%
EPS Surprise	3.70%
Quarterly EPS	0.84
Annual EPS (TTM)	3.36

Avnet's Q1 2025 Details

The Electronic Components segment's revenues were up 4.6% year over year and 5.1% sequentially to \$5.5 billion. Our estimate for the Electronic Components segment's revenues was pegged at \$5.34 billion.

Farnell sales soared 14.9% year over year and 3.2% sequentially to \$398.9 million. Our estimate for the Farnell segment's revenues was pegged at \$360.4 million.

From a regional perspective, on a year-over-year basis, sales increased 9.9% in Asia to \$2.86 billion and 3% in the Americas to \$1.37 billion. However, sales in the EMEA declined marginally by 0.1% to \$1.67 billion.

The adjusted operating income came in at \$150.7 million, which decreased 10.8% year over year. The adjusted operating income for the Electronic Components segment declined 19.5% to \$159 million, while that for Farnell's jumped ninefold to \$17.1 million from \$1.9 million in the year-ago quarter.

Avnet's adjusted operating margin shrank 46 basis points (bps) to 2.6% from the year-ago quarter. Electronic Components' adjusted operating margin contracted 86 bps to 2.9%, while Farnell's improved 375 bps to 4.3%.

AVT's Balance Sheet & Cash Flow

As of Sept. 27, 2025, AVT had cash and cash equivalents of \$175.5 million compared with \$192.4 million reported as of June 28, 2025.

The long-term debt was \$2.79 billion as of Sept. 27, 2025, lower than \$2.57 billion at the end of the previous quarter. Avnet used \$144.6 million of cash for operational activities during the reported quarter.

In the fiscal first quarter, Avnet repurchased approximately \$138.3 million worth of shares and paid \$28.5 million in dividends.

Avnet Initiates Q2 Guidance

For the second quarter of fiscal 2026, Avnet anticipates revenues in the range of \$5.85-\$6.15 billion (midpoint of \$6 billion).

AVT expects non-GAAP earnings between 90 cents and \$1 per share.

Recent News

On Nov. 20, Avnet announced that its board of directors has approved a regular quarterly cash dividend of 35 cents per share, to be payable on Dec. 17 to shareholders of record as of Dec. 3.

On Sept. 3, Avnet announced the pricing of its upsized \$550 million private offering of 1.75% Convertible Senior Notes due 2030, increased from the previously planned \$500 million. The company also granted initial purchasers an option to buy up to an additional \$100 million of the notes within 13 days of issuance.

On Sept. 2, Avnet announced plans to offer \$500 million in Convertible Senior Notes due 2030 through a private offering, with an option for initial purchasers to buy up to an additional \$75 million within 13 days of issuance.

On Aug. 21, Avnet announced a 6% increase in its quarterly cash dividend to 35 cents per share, payable on Sept. 26, 2025, to shareholders of record as of Sept. 17, 2025.

On May 14, Avnet announced that its board of directors approved a regular quarterly cash dividend of 33 cents per share. The dividend will be paid on June 18 to its shareholders of record as of the close of business on June 4.

On Feb. 21, Avnet announced that its board of directors approved a regular quarterly cash dividend of 33 cents per share. The dividend will be paid on March 19 to its shareholders of record as of the close of business on March 5.

Valuation

Avnet's shares have lost 5.8% in the past three months and declined 10.5% in the past six months. Stocks in the Zacks sub-industry have returned 4% over the past three months, while the Zacks Computer & Technology sector gained 2.8%. In the trailing six months, the Zacks sub-industry gained 8.7%, while the sector grew 19.1%.

The S&P 500 Index returned 2.8% over the past three months and 12.9% in the trailing six months.

The stock is currently trading at 9.20x forward 12-month earnings, which compares with 12.17x for the Zacks sub-industry, 27.78x for the Zacks sector and 23.12x for the S&P 500 Index.

Over the past five years, the stock has traded as high as 17.28x and as low as 5.21x, with a five-year median of 8.46x. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$52 price target reflects 9.66X forward 12-month earnings multiple.

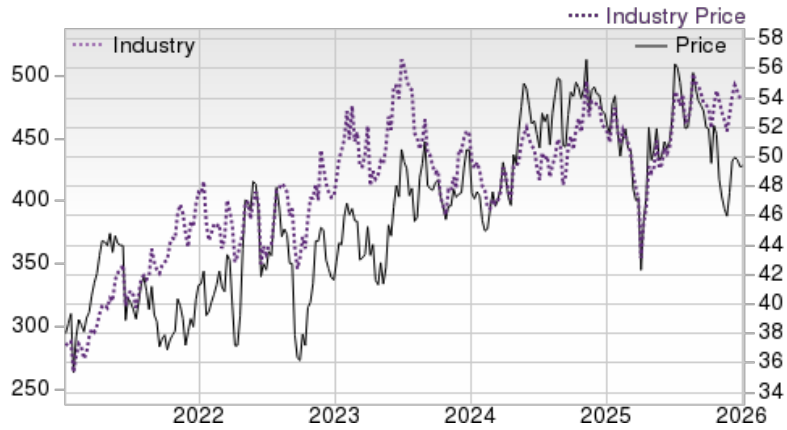
The table below shows a summary of valuation data for AVT.

Valuation Multiples - AVT					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	9.20	12.17	27.78	23.12
	5-Year High	17.28	12.63	29.96	23.80
	5-Year Low	5.21	5.80	18.70	15.74
	5-Year Median	8.46	9.26	26.45	21.21
EV/Sales TTM	Current	0.29	0.44	8.15	5.75
	5-Year High	0.32	0.46	8.37	5.81
	5-Year Low	0.19	0.28	4.15	3.76
	5-Year Median	0.26	0.36	6.90	5.11
EV/EBITDA TTM	Current	9.58	11.39	19.60	18.68
	5-Year High	12.76	11.91	23.62	22.34
	5-Year Low	4.19	5.04	11.99	13.86
	5-Year Median	6.77	7.69	18.30	17.93

As of 01/02/2026

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 20% (195 out of 244)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Amphenol Corporation (APH)	Outperform	1
Arrow Electronics, Inc. (ARW)	Neutral	3
Methode Electronics, Inc. (MEI)	Neutral	3
Q2 Holdings, Inc. (Q TWO)	Neutral	3
Richardson Electronics, Inc. (RELL)	Neutral	3
TD SYNnex Corporation (SNX)	Neutral	4
Tyler Technologies, Inc. (TYL)	Neutral	2
WESCO International, Inc. (WCC)	Neutral	3

Industry Comparison⁽¹⁾ Industry: Electronics - Parts Distribution

	AVT	X Industry	S&P 500	ARW	RELL	WCC
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	4	-	-	3	3	3
VGM Score	A	-	-	C	A	A
Market Cap	4.05 B	4.95 B	40.73 B	5.92 B	153.05 M	13.10 B
# of Analysts	4	4	22	4	2	4
Dividend Yield	2.81%	0.68%	1.37%	0.00%	2.27%	0.67%
Value Score	A	-	-	A	C	B
Cash/Price	0.04	0.05	0.04	0.04	0.23	0.05
EV/EBITDA	10.73	11.36	15.01	9.14	46.04	11.99
PEG Ratio	0.31	1.24	2.04	0.90	1.59	1.72
Price/Book (P/B)	0.84	0.94	3.44	0.91	0.96	2.71
Price/Cash Flow (P/CF)	9.83	12.38	15.54	7.79	20.55	14.92
P/E (F1)	11.62	14.25	18.81	9.66	39.85	17.16
Price/Sales (P/S)	0.18	0.39	3.07	0.20	0.72	0.57
Earnings Yield	8.75%	7.30%	5.30%	10.35%	2.46%	5.83%
Debt/Equity	0.58	0.48	0.57	0.48	0.00	1.18
Cash Flow (\$/share)	5.07	5.07	8.98	14.56	0.50	17.93
Growth Score	C	-	-	F	B	B
Hist. EPS Growth (3-5 yrs)	10.67%	3.61%	8.24%	-3.46%	-38.49%	14.72%
Proj. EPS Growth (F1/F0)	24.71%	24.08%	9.21%	-3.50%	18.18%	8.83%
Curr. Cash Flow Growth	-32.52%	-13.99%	7.00%	-36.17%	51.69%	-13.99%
Hist. Cash Flow Growth (3-5 yrs)	1.39%	12.98%	7.49%	-2.47%	36.11%	24.58%
Current Ratio	2.36	2.09	1.19	1.46	4.40	2.09
Debt/Capital	36.58%	32.51%	38.14%	32.51%	0.00%	54.17%
Net Margin	1.04%	1.33%	12.77%	1.62%	0.38%	2.81%
Return on Equity	5.91%	7.05%	17.03%	8.19%	3.31%	13.12%
Sales/Assets	1.87	1.36	0.53	1.28	1.09	1.45
Proj. Sales Growth (F1/F0)	5.10%	4.98%	5.30%	8.20%	2.90%	7.60%
Momentum Score	A	-	-	B	A	C
Daily Price Chg	1.77%	1.64%	0.01%	1.65%	-11.73%	1.64%
1 Week Price Chg	0.12%	-0.31%	1.11%	-0.31%	1.13%	-0.73%
4 Week Price Chg	-1.17%	-1.59%	0.30%	-1.59%	-8.76%	-3.57%
12 Week Price Chg	-4.79%	-4.79%	4.41%	-3.97%	-9.24%	22.50%
52 Week Price Chg	-3.61%	-3.61%	16.95%	1.14%	-19.83%	45.85%
20 Day Average Volume	723,340	397,450	2,445,854	397,450	69,452	460,877
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.00%	0.00%	0.00%	0.32%	0.00%	0.00%
(F1) EPS Est 12 week change	-5.53%	-2.76%	0.47%	-14.76%	0.00%	2.20%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	-1.99%	0.00%	0.00%

Analyst Earnings Model⁽²⁾

Avnet, Inc. (AVT)

In \$MM, except per share data

	2023A FY Jul-23	2024A FY Jun-24	2025A FY Jun-25	1Q4 28-Sep-24	2Q4 28-Dec-24	2026E 3Q4 29-Mar-25	4Q4 29-Jun-25	FY Jun-25	1Q4 27-Sep-25	2Q4 27-Dec-25	2027E 3Q4 28-Mar-26	4Q4 27-Jun-26	FY Jun-26	2028E FY Jun-27
Income Statement														
Total Revenue	\$26,536.9	\$23,757.1	\$22,200.8	\$5,898.6	\$6,001.5	\$5,637.8	\$5,798.2	\$23,336.2	\$6,147.6	\$6,221.3	\$5,813.3	\$5,937.1	\$24,119.2	\$25,864.0
YoY % Chng	9.2%	(10.5%)	(6.6%)	5.3%	6.0%	6.1%	3.2%	5.1%	4.2%	3.7%	3.1%	2.4%	3.4%	7.2%
Cost of Sales	\$23,354.7	\$20,990.7	\$19,815.8	\$5,283.8	\$5,365.2	\$5,003.4	\$5,145.2	\$20,797.6	\$5,456.9	\$5,503.4	\$5,142.5	\$5,233.9	\$21,336.8	\$22,907.6
YoY % Chng	9.4%	(10.1%)	(5.6%)	5.7%	5.9%	5.8%	2.4%	5.0%	3.3%	2.6%	2.8%	1.7%	2.6%	7.4%
Gross Profit	\$3,182.1	\$2,766.4	\$2,385.0	\$614.8	\$636.4	\$634.4	\$653.0	\$2,538.6	\$690.7	\$717.8	\$670.8	\$703.2	\$2,782.5	\$2,956.4
YoY % Chng	7.3%	(13.1%)	(13.8%)	1.2%	6.8%	7.9%	10.0%	6.4%	12.4%	12.8%	5.7%	7.7%	9.6%	6.3%
Selling, General and Administrative Expenses, Adjusted	\$1,961.3	\$1,866.4	\$1,760.9	\$464.1	\$476.9	\$451.4	\$461.6	\$1,854.0	\$488.5	\$495.5	\$463.3	\$472.6	\$1,919.9	\$2,059.4
YoY % Chng	(0.9%)	(4.8%)	(5.7%)	5.9%	9.2%	3.6%	2.4%	5.3%	5.3%	3.9%	2.6%	2.4%	3.6%	7.3%
Amortization of Intangible Assets and Other	\$6.1	\$3.1	\$1.5	\$0.4	\$0.4	\$0.4	\$0.4	\$1.5	\$0.4	\$0.4	\$0.4	\$0.4	\$1.5	\$1.7
YoY % Chng	(59.7%)	(48.3%)	(53.3%)	(1.1%)	6.4%	0.6%	2.1%	1.9%	8.0%	3.0%	2.1%	2.6%	3.9%	7.3%
Selling, General and Administrative Expenses, GAAP	\$1,967.3	\$1,869.5	\$1,762.4	\$464.4	\$477.3	\$451.7	\$462.0	\$1,855.5	\$488.9	\$495.9	\$463.7	\$473.0	\$1,921.4	\$2,061.0
YoY % Chng	(1.4%)	(5.0%)	(5.7%)	5.8%	9.2%	3.7%	2.4%	5.3%	5.3%	3.9%	2.6%	2.4%	3.6%	7.3%
Restructuring, Integration and Other Expenses	\$28.0	\$52.6	\$108.3	\$8.3	\$9.1	\$10.3	\$9.6	\$37.4	\$9.9	\$10.3	\$9.8	\$9.8	\$39.8	\$42.9
YoY % Chng	431.8%	87.4%	106.1%	(68.5%)	140.5%	13.5%	(86.0%)	(65.5%)	19.1%	12.9%	(5.0%)	1.8%	6.5%	7.8%
Russian-Ukraine Conflict Related Expenses	\$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														
Goodwill and Long-Lived Asset Impairment Expenses (Benefits)	\$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														
Total Operating Expenses, Adjusted	\$1,961.3	\$1,866.4	\$1,760.9	\$464.1	\$476.9	\$451.4	\$461.6	\$1,854.0	\$488.5	\$495.5	\$463.3	\$472.6	\$1,919.9	\$2,059.4
YoY % Chng	(0.9%)	(4.8%)	(5.7%)	5.9%	9.2%	3.6%	2.4%	5.3%	5.3%	3.9%	2.6%	2.4%	3.6%	7.3%
Total Operating Expenses, GAAP	\$1,995.3	\$1,922.1	\$1,870.7	\$472.7	\$486.4	\$462.1	\$471.6	\$1,892.9	\$496.7	\$506.2	\$473.5	\$482.8	\$1,961.2	\$2,103.9
YoY % Chng	(1.5%)	(3.7%)	(2.7%)	1.6%	10.4%	3.9%	(3.3%)	1.2%	5.5%	4.1%	2.5%	2.4%	3.6%	7.3%
EBITDA	\$1,275.4	\$931.1	\$685.9	\$158.9	\$168.2	\$189.6	\$199.1	\$715.8	\$210.5	\$230.6	\$215.0	\$238.4	\$894.4	\$931.0
YoY % Chng	22.5%	(27.0%)	(37.1%)	(2.0%)	(2.4%)	18.8%	116.9%	22.2%	32.5%	37.0%	13.4%	19.7%	24.9%	4.1%
Depreciation and Amortization	\$88.6	\$86.7	\$71.6	\$16.8	\$18.3	\$17.3	\$17.7	\$70.1	\$18.5	\$18.9	\$17.7	\$18.0	\$73.1	\$78.5
YoY % Chng	(13.4%)	(2.1%)	(17.4%)	(15.3%)	7.5%	5.3%	(3.2%)	(2.1%)	9.8%	3.4%	2.4%	1.7%	4.3%	7.4%
Stock Based Compensation	\$38.8	\$33.5	\$36.4	\$9.7	\$9.4	\$8.5	\$8.4	\$36.0	\$9.5	\$9.4	\$8.7	\$8.9	\$36.6	\$39.1
YoY % Chng	5.6%	(13.6%)	8.7%	(6.2%)	(2.5%)	(9.9%)	(4.0%)	(1.0%)	(2.5%)	0.5%	2.5%	6.4%	1.6%	6.8%
Operating Income, Adjusted	\$1,226.9	\$900.0	\$624.0	\$150.7	\$159.5	\$183.1	\$191.4	\$684.6	\$202.2	\$222.3	\$207.5	\$230.5	\$862.6	\$897.1
YoY % Chng	23.9%	(26.2%)	(30.7%)	(10.8%)	(0.0%)	19.9%	33.9%	9.7%	34.2%	39.4%	13.3%	20.5%	26.0%	4.0%
Operating Income, GAAP	\$1,166.8	\$844.4	\$514.3	\$142.0	\$149.9	\$172.4	\$181.4	\$645.7	\$192.0	\$211.6	\$197.3	\$220.3	\$821.2	\$852.5
YoY % Chng	26.4%	(28.9%)	(39.1%)	(0.1%)	(3.5%)	20.3%	146.9%	25.6%	33.2%	41.1%	14.5%	21.3%	27.2%	3.8%
Other (Income) Expenses, Net	(\$9.9)	\$15.7	\$17.3	\$5.5	\$5.2	\$5.5	\$6.0	\$22.2	\$5.9	\$6.0	\$5.7	\$5.8	\$23.3	\$25.2
YoY % Chng	(286.9%)	258.6%	9.8%	79.6%	96.4%	37.9%	(21.2%)	28.5%	7.1%	13.7%	3.5%	(2.7%)	5.1%	7.7%
Interest and Other Financing Expenses, Net	\$250.9	\$282.9	\$246.4	\$59.8	\$59.8	\$59.2	\$59.4	\$238.2	\$59.7	\$59.8	\$58.2	\$58.7	\$236.4	\$234.0
YoY % Chng	149.9%	12.8%	(12.9%)	(7.3%)	(4.2%)	(3.1%)	1.7%	(3.3%)	(0.1%)	(0.1%)	(1.6%)	(1.1%)	(0.7%)	(1.0%)
Gain on Legal Settlement	\$37.0	\$86.5	\$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	133.5%													
Total Interest & Other (Income) Expenses, Adjusted	\$241.0	\$270.9	\$234.1	\$58.7	\$58.7	\$58.1	\$58.3	\$227.8	\$57.0	\$58.6	\$55.3	\$55.8	\$224.6	\$221.1
YoY % Chng	139.2%	12.4%	(13.6%)	(6.3%)	(5.5%)	(3.5%)	5.7%	(2.7%)	(3.0%)	(0.2%)	(1.5%)	(0.9%)	(1.4%)	(1.5%)
Total Interest & Other (Income) Expenses, GAAP	\$203.9	\$212.1	\$283.7	\$65.2	\$65.0	\$64.7	\$65.4	\$260.4	\$65.6	\$65.7	\$63.9	\$64.6	\$259.8	\$259.2
YoY % Chng	93.0%	4.0%	34.3%	(3.3%)	(0.0%)	(0.6%)	(1.0%)	(1.3%)	0.5%	0.1%	(1.2%)	(1.3%)	(0.2%)	(0.2%)
Pre-Tax Income, Adjusted	\$979.9	\$629.2	\$390.0	\$91.9	\$102.8	\$126.9	\$135.1	\$456.7	\$145.3	\$165.7	\$152.2	\$174.8	\$638.0	\$676.0
YoY % Chng	10.7%	(35.8%)	(13.5%)	(13.5%)	3.3%	34.2%	50.7%	17.1%	38.0%	61.3%	19.9%	29.4%	39.7%	5.9%
Pre-Tax Income, GAAP	\$982.9	\$632.3	\$250.6	\$76.8	\$84.9	\$107.7	\$115.9	\$385.3	\$126.4	\$145.9	\$133.4	\$155.8	\$561.4	\$593.3
YoY % Chng	17.9%	(35.7%)	(60.4%)	2.6%	(6.0%)	37.8%	1465.9%	33.8%	64.6%	71.8%	23.9%	34.4%	45.7%	5.7%
Income Tax, Adjusted	\$227.2	\$139.2	\$89.7	\$21.1	\$23.6	\$29.2	\$31.1	\$105.1	\$33.4	\$38.1	\$35.0	\$40.2	\$146.7	\$155.5
YoY % Chng	17.5%	(38.7%)	(35.6%)	(13.5%)	3.3%	34.3%	50.7%	17.1%	58.0%	61.3%	19.9%	29.4%	39.7%	5.9%
Income Tax, GAAP	\$212.0	\$133.6	\$10.4	\$25.1	\$19.5	\$24.8	\$26.7	\$96.0	\$29.1	\$33.6	\$30.7	\$35.8	\$129.1	\$138.5
YoY % Chng	50.4%	(37.0%)	(92.2%)	58.8%	544.4%	253.3%	1927.8%	827.5%	16.0%	33.1%	23.9%	34.4%	34.5%	5.7%
Tax Rate, Adjusted	23.2%	22.1%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%
Tax Rate, GAAP	21.6%	21.1%	4.1%	32.6%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%
Net Income, Adjusted	\$752.8	\$490.0	\$300.3	\$70.8	\$79.1	\$97.7	\$104.0	\$351.7	\$111.9	\$127.6	\$117.2	\$134.6	\$491.3	\$520.5
YoY % Chng	8.9%	(34.9%)	(13.5%)	(13.5%)	(9.3%)	34.2%	50.7%	17.1%	58.0%	61.3%	19.9%	29.4%	39.7%	5.9%
Net Income, GAAP	\$770.8	\$498.7	\$240.2	\$51.7	\$65.4	\$82.9	\$89.3	\$289.3	\$97.3	\$112.3	\$102.7	\$119.9	\$432.3	\$456.8
YoY % Chng	11.3%	(35.3%)	(51.8%)	(12.2%)	(25.1%)	(3.7%)	1366.1%	20.4%	88.1%	71.8%	23.9%	34.4%	49.4%	5.7%
Basic Shares Outstanding	92.0	90.6	86.3	83.0	81.5	80.0	78.5	80.7	77.0	75.5	74.0	72.5	74.7	68.7
YoY % Chng	(6.7%)	(1.6%)	(4.7%)	(5.8%)	(6.2%)	(7.0%)	(6.7%)	(6.4%)	(7.2%)	(7.4%)	(7.5%)	(7.4%)	(7.4%)	(8.0%)
Diluted Shares Outstanding	93.4	91.8	87.4	84.5	83.0	81.5	80.0	82.2	78.5	77.0	75.5	74.0	76.2	70.2
YoY % Chng	(6.5%)	(1.6%)	(4.9%)	(5.5%)	(6.1%)	(6.2%)	(6.0%)	(5.9%)	(7.1%)	(7.2%)	(7.4%)	(7.5%)	(7.5%)	(7.9%)
Basic EPS	\$8.37	\$5.51	\$2.78	\$0.62	\$0.80	\$1.04	\$1.14	\$3.60	\$1.26	\$1.49	\$1.39	\$1.65	\$5.79	\$6.65
YoY % Chng	19.2%	(34.2%)	(49.5%)	(7.5%)	(19.8%)	1.6%	1324.7%	29.3%	103.9%	85.5%	33.9%	45.5%	61.2%	14.7%
Diluted EPS, Adjusted	\$8.06	\$5.34	\$3.44	\$0.84	\$0.95	\$1.20	\$1.30	\$4.29	\$1.43	\$1.66	\$1.55	\$1.82	\$6.46	\$7.41
YoY % Chng	16.3%	(33.7%)	(39.6%)	(8.7%)	9.7%	42.8%	50.6%	24.8%	69.7%	73.8%	39.9%	50.3%	14.8%	14.8%
Diluted EPS, GAAP	\$8.26	\$5.43	\$2.75	\$0.61	\$0.79	\$1.02	\$1.12	\$3.63	\$1.24	\$1.46	\$1.36	\$1.62	\$5.68	\$6.51
YoY % Chng	19.0%	(34.3%)	(49.4%)	(7.6%)	(20.4%)	0.8%	1494.9%	28.4%	103.4%	85.2%	33.7%	45.3%	60.9%	14.5%
Dividend Per Share	\$1.16	\$1.24	\$1.32	\$0.35	\$0.35	\$0.35	\$0.35	\$1.40	\$0.39	\$0.39	\$0.39	\$0.39	\$1.54	\$1.69
YoY % Chng	16.0%	6.8%	6.5%	6.1%	6.1%	6.1%	6.1%	6.1%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%

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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	A
Growth Score	C
Momentum Score	A
VGM Score	A

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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