AstraZeneca plc (AZN)

$93.32 (Stock Price as of 11/26/2025)

Price Target (6-12 Months): **$98.00**

Long Term: 6-12 Months	**Zacks Recommendation:** (Since: 03/04/22) Prior Recommendation: Underperform	**Neutral**
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**3-Hold**
	Zacks Style Scores:	VGM: A
	Value: B | Growth: B | Momentum: B	

Summary

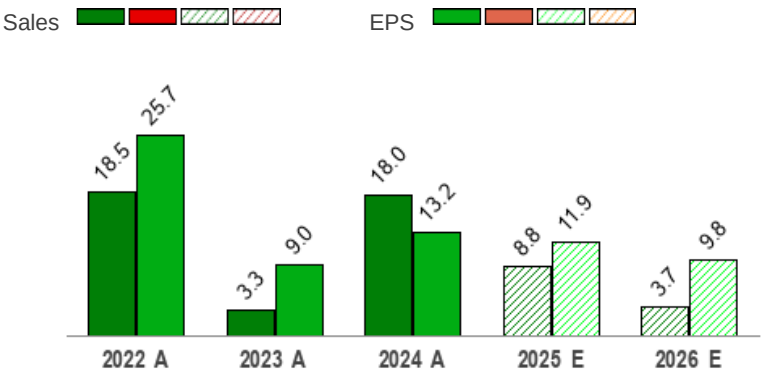
AstraZeneca third-quarter earnings and sales beat estimates. Its key drugs like Lynparza, Tagrisso, Imfinzi, Farxiga and Fasenra should keep driving revenues, more than offsetting the loss of exclusivity of some mature brands. AstraZeneca's pipeline is strong, with pivotal pipeline data readouts lined up for 2026. It has also been engaged in external acquisitions and strategic collaborations to boost its pipeline while investing in geographic areas of high growth like emerging markets. Backed by its new products and pipeline drugs, AstraZeneca believes it can post industry-leading top-line growth in the 2025-2030 period. However, the impact of Part D redesign on U.S. oncology sales and biosimilar/generic erosion of some key drugs are key top-line headwinds in 2025. Shares have outperformed the industry so far this year.

Price, Consensus & Surprise(1)

Data Overview

52 Week High-Low	**$94.02 - $61.24**
20 Day Average Volume (sh)	**5,179,661**
Market Cap	**$289.4 B**
YTD Price Change	**42.4%**
Beta	**0.34**
Dividend / Div Yld	**$1.01 / 1.1%**
Industry	**Medical - Biomedical and Genetics**
Zacks Industry Rank	**Top 36% (88 out of 243)**
Last EPS Surprise	**4.4%**
Last Sales Surprise	**2.1%**
EPS F1 Est- 4 week change	**0.8%**
Expected Report Date	**02/05/2026**
Earnings ESP	**-0.7%**
P/E TTM	**20.4**
P/E F1	**20.3**
PEG F1	**1.9**
P/S TTM	**5.0**

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



Sales Estimates (millions of $)(2)

	Q1	Q2	Q3	Q4	Annual*
2026	14,200 E	15,097 E	15,759 E	15,959 E	61,016 E
2025	13,588 A	14,457 A	15,191 A	15,602 E	58,838 E
2024	12,679 A	12,938 A	13,565 A	14,891 A	54,073 A

EPS Estimates(2)

	Q1	Q2	Q3	Q4	Annual*
2026	1.17 E	1.23 E	1.31 E	1.34 E	5.05 E
2025	1.24 A	1.09 A	1.19 A	1.08 E	4.60 E
2024	1.03 A	0.99 A	1.04 A	1.05 A	4.11 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 11/26/2025.
(2) The report's text, the analyst-provided estimates, and the price target are as of 11/27/2025.

Overview

AstraZeneca plc, headquartered in London, UK, is one of the largest biopharmaceutical companies in the world. AstraZeneca was formed on Apr 6, 1999, through the merger of Sweden's Astra AB and UK's Zeneca Group plc. AstraZeneca's business can be broken down into separate lines based on therapeutic classes. These include CVRM (cardiovascular, renal and metabolism), Respiratory & Immunology (R&I), Oncology, Rare Diseases, Vaccines and Other.

Among some key deals, in 2021, AstraZeneca acquired rare disease drugmaker Alexion, which added the latter's five marketed rare disease products and its pipeline of immune-mediated rare disease candidates. In 2007, AstraZeneca acquired biotechnology company MedImmune which strengthened its product portfolio. In order to bolster its respiratory portfolio, AstraZeneca acquired rights to Allergan's branded respiratory business in the U.S. and Canada in Mar 2015. The company also acquired Takeda's core respiratory business in May 2016.

As regards some recent acquisitions, in 2023, AstraZeneca acquired CinCor Pharma and Neogene Therapeutics. In 2024, it acquired Gracell Biotechnologies, Fusion Pharmaceuticals and vaccine maker, Icosavax.

In a bid to add late-stage candidates to its pipeline, AstraZeneca entered into a number of deals (Almirall's respiratory franchise, Bristol-Myers' diabetes portfolio, Pearl Therapeutics and Omthera Pharmaceuticals) and struck agreements with companies such as FibroGen and Daiichi Sankyo.

As of 11/27/2025

In 2024, total sales rose 21% (CER) to $54.07 billion. Its top-selling medicines are Farxiga (14% of total revenues), Tagrisso (12%), Imfinzi (9%), Lynparza (7%), Ultomiris (7%), Calquence (6%), Symbicort (5%), Soliris (5%), Enhertu (4%) and Fasenra (3%).

As of 11/26/2025

Reasons To Buy:

> AstraZeneca's key drugs like Lynparza, Tagrisso, Imfinzi, Fasenra should keep driving revenues. AstraZeneca's pipeline is strong, with pivotal late and mid-stage pipeline data readouts lined up.

- **Historic Drug Pricing Deal With Government Removes Uncertainty:** In October, AstraZeneca signed a drug pricing agreement with the Trump administration. The firm has offered to cut prescription drug prices and align prices with those in other developed countries. AstraZeneca also agreed to boost domestic investments in exchange for a three-year exemption from tariffs on pharmaceutical imports. In July, it announced plans to invest $50 billion in U.S. manufacturing and R&D by 2030.

- **Strong Diversified Portfolio with Several Blockbusters:** AstraZeneca boasts a diversified geographical footprint as well as product portfolio with several blockbuster medicines. Key drugs like Imfinzi (several cancers), Lynparza (four types of cancer), Farxiga/Forxiga (type II diabetes), Ultomiris (rare diseases) and Tagrisso (lung cancer) are driving top-line growth, with AstraZeneca launching them in more markets and in an increased number of indications. AstraZeneca now has 16 blockbuster medicines in its portfolio with sales (product sales and alliance revenues) exceeding $1 billion, including Tagrisso, Fasenra, Farxiga, Imfinzi, Lynparza, Soliris and Ultomiris. AstraZeneca is looking for further label expansion of all these drugs.

  Almost every new product it has launched in recent years has done well. The company is confident of seeing sustained growth for several years, driven by sales growth of its key medicines, Tagrisso, Imfinzi, Lynparza, Ultomiris, Farxiga and Fasenra.

  AstraZeneca's shares have risen 42.4% this year so far, outperforming the industry's 19.5% increase.

- **Focus on Oncology:** AstraZeneca is working on strengthening its oncology product portfolio through label expansions of existing products and progressing oncology pipeline candidates. Oncology sales now comprise around 43% of AstraZeneca's total revenues and rose 19% in 2022, 21% in 2023, 24% in 2024 and 16% in the nine months of 2025. The strong oncology performance was driven by robust demand for drugs like Tagrisso, Lynparza Imfinzi, Calquence and Enhertu (in partnership with Daiichi Sankyo).

  Enhertu is approved globally for HER2-mutated breast, lung and gastric cancers and for solid tumors. Lynparza is approved for four cancer types, ovarian, breast, prostate and pancreatic. Lynparza is also being evaluated in an earlier-line setting for the approved cancer indications as well as some other cancer types like endometrial cancer (in combination with Imfinzi). Tagrisso is also being evaluated in earlier-line settings for lung cancer. Imfinzi, either as a monotherapy or in combination with other drugs, is approved for advanced liver cancer, NSCLC, limited-stage SCLC, endometrial cancer, bile-duct and gallbladder cancer and muscle-invasive bladder cancer. Imfinzi is being evaluated in phase III trials in earlier settings in its approved indications, while regulatory applications seeking approval of Imfinzi for early-stage gastric and gastroesophageal junction cancers are under regulatory review.

  Calquence is now approved for the larger chronic lymphocytic leukemia indication (in frontline as well as relapsed/recurrent disease setting) in several countries, which has significantly expanded the drug's eligible patient population and is driving sales. Truqap/capivasertib was approved for HR-positive, HER2-negative locally advanced or metastatic breast cancer in the United States in November 2023 and in Europe in June 2024. Datroway/datopotamab deruxtecan (Dato-DXd), in partnership with Daiichi, was approved for EGFR-mutated NSCLC and HR+ HER2- breast cancer in the United States and EU in 2025. Datroway is being studied in various settings for breast cancer and NSCLC as well as for advanced solid tumors.

  Key oncology pipeline candidates are camizestrant (HR+ HER2- metastatic breast cancer – phase III), volrustomig (high-risk locally advanced cervical cancer, unresectable malignant pleural mesothelioma, first-line metastatic NSCLC and unresected, locally advanced HNSCC – phase III), sonesitatug vedotin (advanced or metastatic gastric or GEJ adenocarcinoma – phase III), surovatamig (CD19 CD3 T-cell engager for previously untreated follicular lymphoma – phase III) and rilvegostomig (NSCLC – phase III).

  AstraZeneca expects continued growth of its oncology medicines in 2026. Our estimates for AstraZeneca's total oncology portfolio suggest a CAGR growth of 11.2% over the next three years.

- **Non-Cancer Pipeline Progress:** AstraZeneca has been making significant progress with its non-oncology pipeline as well.

  Wainua/eplontersen for hereditary transthyretin-mediated amyloidosis, commonly referred to as ATTRv-PN, respiratory syncytial virus ("RSV"), antibody Beyfortus (in partnership with Sanofi) to protect newborns and infants and Airsupra, a pressurized metered-dose inhaler (pMDI), as-needed treatment or prevention of bronchoconstriction and to reduce the risk of exacerbations were approved in the United States in 2023. While Wainua was approved in the EU (as Wainzua) in March 2025, Beyfortus was approved in the region in 2022.

  In 2023, Farxiga was approved for heart failure regardless of left ventricular ejection fraction status in the United States. It was approved for the treatment of chronic kidney disease (CKD) in the United States and the EU in 2021. AstraZeneca is also conducting a fixed-dose combination study of zibotentan with Farxiga in patients with CKD and high proteinuria.

  Fasenra was approved for EGPA in the United States, the EU and Japan in 2024 and is under review in these countries for hypereosinophilic syndrome.

  Promising non-oncology pipeline candidates include Wainua/eplontersen (ATTR-cardiomyopathy or ATTR-CM and ATTR-polyneuropathy or ATTRv-PN – phase III), baxdrostat (treatment-resistant hypertension – phase III), Saphnelo (systemic sclerosis – phase III), eneboparatide (chronic hypoparathyroidism – phase III), laroprovstat/AZD0780 (PCSK9 inhibitor for dyslipidaemia – phase III), gefurulimab (generalised myasthenia gravis – phase III), anselamimab (severe light chain amyloidosis – phase III) and cliramitug/ALXN-2220 (ATTR-CM – phase III).

Backed by its new products and pipeline drugs, AstraZeneca believes it can post industry-leading top-line growth in the 2025-2030 period. AstraZeneca expects to generate $80 billion in total revenues by 2030. By the said time frame, AstraZeneca plans to launch 20 new medicines, with nine new medicines already launched/approved. It believes that many of these new medicines will have the potential to generate more than $5 billion in peak-year revenues. AstraZeneca will continue investing in disruptive innovation and transformative new technologies and platforms to discover novel medicines. The company is exploring modalities such as cell, gene and RNA therapies, epigenetics and oligonucleotides to identify new treatment approaches which have the potential to drive AstraZeneca's growth beyond 2030.

Our estimates for AstraZeneca's product sales suggest a CAGR growth of around 5.5% over the next three years.

AstraZeneca expects to achieve a mid-30s operating margin in 2026.

- **Emerging Markets - A Focus Area:** Emerging markets account for more than 25% of AstraZeneca's total revenues. Revenues from emerging markets climbed 16% in 2022, 20% in 2023 (excluding COVID revenues), 22% in 2024 and 13% in the nine months of 2025. Though AstraZeneca faced some pricing headwinds in China in the second half of 2021 and 2022, sales improved from 2023 onwards. AstraZeneca is also seeing strong performance in emerging markets outside of China. In Emerging Markets, sales in countries outside China rose 41% in 2022, 35% in 2023 (excluding COVID revenues), 32% in 2024 and 16% in the nine months of 2025.

- **Acquisitions & Deals to Boost Growth:** AstraZeneca is working on bolstering its pipeline and is looking at suitable acquisitions and deals.

The July 2021 Alexion acquisition added its blockbuster rare disease drugs, C5 inhibitors Soliris and Ultomiris, as well as a growing pipeline of candidates in rare diseases to AstraZeneca's portfolio. The acquisition diversified AstraZeneca's portfolio, marking its foray into rare diseases, an increasingly attractive field.

In order to strengthen its respiratory portfolio, AstraZeneca acquired rights to Allergan's (now part of AbbVie) branded respiratory business in the U.S. and Canada in Mar 2015. AstraZeneca had also acquired Almirall's respiratory franchise in Oct 2014. In May 2016, AstraZeneca acquired Takeda's core respiratory business, thereby gaining global rights to Daliresp/Daxas.

In February 2014, AstraZeneca boosted its diabetes portfolio by acquiring Bristol-Myers' global diabetes business and capitalized on its strong presence in emerging markets to promote its diabetes franchise. In December 2015, AstraZeneca acquired biotech company, ZS Pharma to boost its cardiovascular and metabolic disease pipeline.

The Pearl Therapeutics takeover added Bevespi to AstraZeneca's respiratory portfolio. Other acquisitions include Omthera and AlphaCore, both boosting the company's cardiovascular pipeline.

In addition to acquisitions, the company is pursuing co-development deals with companies like Innate Pharma, FibroGen, Daiichi Sankyo to boost its pipeline. AstraZeneca also has a profit- sharing deal with Merck for Lynparza. We believe that the company will continue to pursue such accretive deals and acquisitions.

- **Favorable Debt Profile:** AstraZeneca has considerable financial resources. As of Sept. 30, 2025, the company had $8.19 billion in cash and cash equivalents. Though its total debt was $30.9 billion, it had $6.2 billion of borrowings due in a year. This implies that it has sufficient cash to pay its short-term debt in case of insolvency. The company's credit rating for the long term is A+ by Standard and Poor's and A1 by Moody's, both implying that the company has adequate capacity to meet its financial commitments.

The company's debt-to-total capital ratio has declined consistently in the past few quarters. A lower ratio indicates lower financial risk. Meanwhile, its times interest earned ratio is above 7.0, which means its operating earnings are more than seven times the interest expenses of the company. This suggests that AstraZeneca is capable of meeting its interest obligations from operating earnings.

Reasons To Sell:

> The impact of Part D redesign on U.S. oncology sales and biosimilar/generic erosion of some key drugs are key top-line headwinds.

- **China Investigations – An Overhang:** There have been concerns over the ongoing investigations at AstraZeneca's China subsidiary. The Chinese authorities are investigating some current and former AstraZeneca employees at its China subsidiary for medical insurance fraud, illegal drug importation and personal information breaches. In 2024, the then-president of its China subsidiary, Leon Wang, was detained.

  AstraZeneca has received notification from a Chinese customs office regarding unpaid import duties totaling $0.9 million, which the company believes is related to Imfinzi and Imjudo and $1.6 million, which could relate to Enhertu. AstraZeneca may be imposed a fine of one and five times the amount of unpaid importation taxes if found liable. Though AstraZeneca is working with the government to resolve these investigations, the issue will remain an overhang till then.

  AstraZeneca expects fourth-quarter revenues of Farxiga and Lynparza to be affected by VBP-associated stock compensation costs and year-end hospital budget capping in China.

- **Generics Eroding Revenues:** AstraZeneca's products like Faslodex, Nexium and Seroquel XR are facing generic competition, which are hurting earnings growth. Atacand, Toprol-XL and Merrem are also facing generic competition in the United States. The genericization of key products makes it challenging for the company to drive its top line. AstraZeneca is also facing patent challenges for key drugs like Tagrisso, Calquence, Farxiga, Lynparza and Lokelma, among others in the United States. Generic versions of Brilinta were launched in the United States in 2025, which are hurting sales of the drug. Biosimilar versions of Soliris were launched in the United States in March 2025.

- **Intense Competition:** In addition to generic threats, AstraZeneca's products already face intense competition in the market from both large pharma companies as well as small and mid-sized companies. One of AstraZeneca's key focus areas, the diabetes market, is heavily crowded with a number of products present in the market. AstraZeneca's Farxiga/Forxiga belongs to the same class (SGLT2) as Johnson & Johnson's Invokana. Bydureon, a GLP-1 receptor agonist with a once-weekly dosing, is facing competition from Lilly's Trulicity. Popular GLP-1 drugs like Lilly's Mounjaro and Novo Nordisk's semaglutide medicines like Ozempic and Rybelsus oral tablet are taking a significant share of the diabetes market. The diabetes franchise is facing increased pricing pressure. Products targeting other areas, such as oncology and respiratory among others, are also facing stiff competition.

  Although AstraZeneca is among the major players in immunotherapy, there are several other companies, big as well as small, looking to develop and bring immunotherapy treatments to market. Rising competition in the immuno-oncology market is a significant concern.

  Loss of market share due to intense competition will severely impact AstraZeneca's top line.

- **Macroeconomic Headwinds:** Uncertain macroeconomic conditions, including the risk of inflation, a slowing labor market and instability in the financial system, along with escalating geopolitical tensions in various parts of the world, have increased broader economic woes.

  President Trump has threatened to impose a 100% tariff on pharmaceutical imports unless a company builds pharmaceutical plants in the United States. Trump's repeated threats to impose tariffs on pharmaceutical imports are aimed at pushing American pharma companies to shift pharmaceutical production back to the United States, primarily from European and Asian countries.

- **Pipeline Setbacks:** Although AstraZeneca has several candidates in its pipeline in different stages of development, the company has had its share of pipeline setbacks. Pipeline setbacks include the discontinuation of the development of candidates like brazikumab (Crohn's disease and ulcerative colitis studies), zibotentan (prostate cancer), TC-5214 (major depressive disorder), sifalimumab (lupus), selumetinib (uveal melanoma, NSCLC, thyroid cancer), lanabecestat (Alzheimer's disease).

Last Earnings Report

Q3 Earnings & Sales Top Estimates

FY Quarter Ending	12/31/2024
Earnings Reporting Date	**Nov 06, 2025**
Sales Surprise	**2.13%**
EPS Surprise	**4.39%**
Quarterly EPS	**1.19**
Annual EPS (TTM)	**4.57**

AstraZeneca's third-quarter 2025 core earnings of $1.19 per American depositary share (ADS) beat the Zacks Consensus Estimate of $1.14 per share. Core earnings of $2.38 per share rose 14% year over year on a reported basis and 12% on a constant exchange rate (CER).

Total revenues of $15.19 billion rose 12% on a reported basis and 10% at CER, driven by higher product sales and alliance revenues from partnered medicines. Revenues beat the Zacks Consensus Estimate of $14.87 billion.

All growth rates mentioned below are at CER.

Product Sales

Among AstraZeneca's various therapeutic areas, Oncology revenues were up 18%, while Cardiovascular, Renal and Metabolism (CVRM) product sales were flat. The Respiratory & Immunology (R&I) segment's sales rose 14%. While Rare disease revenues grew 11%, sales of Vaccines & Immune (V&I) Therapies rose 2%. Sales of other medicines were down 12%.

Product sales increased 9% to $14.37 billion, driven by strong underlying demand trends for its products across all therapy areas and across all major geographic regions, more than offsetting the loss of exclusivity of mature brands like Brilinta, Pulmicort and Soliris.

While key drugs, Tagrisso, Lynparza, Imfinzi, Farxiga and Fasenra, continued to drive the top line, newer drugs like Wainua, Airsupra, Saphnelo, Datroway (partnered with Daiichi Sankyo) and Truqap also contributed to top-line growth. The rare disease business also improved in the quarter.

Alliance revenues include royalties and profit share from partnered medicines, such as Enhertu and Tezspire, in geographies where its partner books product sales. Alliance revenues rose 44% to $815 million, driven by continued revenue growth from partnered medicines.

Alliance revenues included $457million from Daiichi Sankyo for Enhertu and $168 million of AstraZeneca's share of gross profits in the United States from partner Amgen for Tezspire.

Alliance revenues also included $24 million from partner Daiichi Sankyo for Datroway and $142 million for Beyfortus. AstraZeneca records a 50% share of gross profits on sales of Beyfortus in major markets outside the United States and 25% of brand revenues in the rest of the world markets received from partner Sanofi as Alliance revenues. It also records Beyfortus product sales from products supplied to partner Sanofi under the Vaccines & Immune Therapies segment.

Product revenues, representing the summation of Product Sales and Alliance Revenue, were $15.18 billion in the quarter, up 11% year over year.

Upfront and milestone payments are reported as Collaboration revenues, which were $11 million in the quarter compared with $59 million in the year-ago quarter.

Sales in Detail

Here, we have discussed the total revenues of each drug by including Alliance revenues and Collaboration revenues within each revenue figure.

In Oncology, Tagrisso recorded revenues of $1.86 billion, up 10% year over year, on strong demand for all indications and in all regions, which more than offset the impact of Medicare Part D redesign in the United States and pricing pressure in some European markets. The company is seeing encouraging uptake in frontline EGFR-mutated NSCLC based on data from the FLAURA2 study. Favorable tender order timings also benefited growth in emerging markets. Tagrisso sales beat the Zacks Consensus Estimate of $1.85 billion and met our model estimate.

Lynparza's total revenues rose 5% to $837 million, driven by increased market share/demand growth for all approved indications, partially offset by the impact of generic launches in China. Lynparza revenues also benefited from launches in breast and prostate cancers across Europe. The drug's sales missed the Zacks Consensus Estimate of $850.0 million and our estimate of $844.3 million.

Imfinzi generated sales of $1.60 billion in the quarter, up 31%, driven by strong growth from new launches in bladder and lung cancer indications, following approvals based on NIAGARA, ADRIATIC and AEGEAN studies in the United States and Europe. Continued momentum in the established lung and liver indications also boosted growth, partially offset by increased competitive pressures in biliary tract cancer in Japan. Imfinzi sales beat the Zacks Consensus Estimate of $1.53 billion and our estimate of $1.45 billion.

Product sales from Imjudo rose 14% to $84 million.

Sales of Calquence rose 11% to $916 million in the quarter, benefiting from continued new patient share gains in the frontline CLL indication across the United States and Europe and launch uptake for the first-line MCL (ECHO) indication, partially offset by the impact of Part D redesign in the United States.

New breast cancer drug Truqap recorded $193 million in revenues in the third quarter of 2025 compared with $170 million in the previous quarter. This sequential increase was driven by increased uptake within the PIK3CA population and ongoing launches in developed and emerging markets.

Newly approved drug Datroway, for which it has a partnership with Daiichi Sankyo, recorded revenues of $24 million in the quarter compared with $11 million in the previous quarter, driven by continued uptake for the breast cancer indication in the United States and initial use for a second indication, previously treated EGFR-mutated lung cancer following U.S. approval and NCCN guideline inclusion.

Among AstraZeneca's legacy cancer drugs, Zoladex rose 6% to $296 million.

In CVRM, Farxiga recorded product sales of $2.14 billion, up 8%, driven by continued demand growth across chronic kidney disease and heart failure indications and SGLT2 class growth. In emerging markets, Farxiga is witnessing solid growth despite generic competition in some markets. In Europe, the earlier-than-expected entry of generic competition in the United Kingdom hurt sales. Farxiga sales beat the Zacks Consensus Estimate of $2.0 billion and our model estimate of $1.98 billion.

Brilinta/Brilique sales totaled $146 million in the reported quarter, down 56% due to the generic launch in Europe and the United States in the second quarter.

New drug Wainua recorded $59 million in product sales during the quarter compared with $44 million in the previous quarter, driven by strong launch momentum in the United States and first sales in ex-U.S. markets.

In R&I, Symbicort sales rose 4% to $742 million as demand for an authorized generic made up for brand price pressure, generic erosion in Europe and competition from FDC triple class (ICS/LABA/LAMA), on the ICS/LABA class of medicines like Symbicort in China. The drug's sales beat the Zacks Consensus Estimate of $707 million, as well as our model estimate of $719.9 million.

Fasenra recorded sales of $530.0 million in the quarter, up 20% year over year, driven by strong demand growth and market share gains. The recent launch for the EGPA indication also benefited sales in some countries. The drug's sales beat the Zacks Consensus Estimate of $498.0 million as well as our model estimate of $492.8 million.

Breztri recorded sales of $323.0 million, up 20% year over year, driven by a consistent share increase in a growing FDC triple class market.

Pulmicort sales declined 35% to $93 million due to continued generic competition in Emerging Markets.

New product Airsupra generated $45 million in product sales in the third quarter compared with $42 million in the previous quarter. The product's U.S. launch momentum remains strong.

New lupus drug, Saphnelo, recorded sales of $180 million, up 44% year over year, driven by demand growth in the U.S. market and ongoing launches in Europe and Established RoW.

Tezspire recorded total revenues of $287.0 million, up 47% year over year, driven by rapid market share gains in severe asthma and launch uptake in multiple markets. Amgen records product sales in the United States, and AstraZeneca records its share of U.S. gross profits as Alliance revenues. AstraZeneca books product sales in markets outside the United States.

The recent approvals of Tezspire in the United States and the EU for chronic rhinosinusitis with nasal polyps based on the WAYPOINT study should contribute to growth in future quarters.

In the Rare Disease portfolio, Soliris sales fell 24% to $462 million due to conversion to Ultomiris and biosimilar erosion in Europe.

Ultomiris revenues amounted to $1.23 billion, up 17%, driven by demand growth across indications, geographic expansions in new markets and continued conversion from Soliris. The impact of Medicare Part D redesign was minimal in the third quarter.

Strensiq sales were $441.0 million, up 28%, driven by strong patient demand and expansion into new markets, partially offset by some impact from Part D redesign in the United States.

Koselugo generated sales of $224.0 million in the quarter, up 79% driven by continued patient demand and geographic expansion. Favorable timing of tender orders in Emerging Markets also benefited sales.

In Other Medicines, sales of Nexium declined 5% to $204 million as growth in Emerging Markets was offset by generic erosion in other markets.

In V&I Therapies, AstraZeneca recorded $236.0 million in revenues from Beyfortus, which included alliance revenues mentioned earlier as well as sales of the manufactured Beyfortus product to Sanofi. Sales growth was driven by increased demand and expanded production capacity.

Regional Performance

In the United States, total revenues were up 9% to $6.55 billion. Sales in European markets rose 10% to $3.33 billion. Revenues from Emerging Markets rose 15% to $3.96 billion. Sales jumped 5% in China to $1.76 billion and 25% in other emerging markets to $2.2 billion.

In the Established ROW market (comprising Japan, Canada and other markets), sales rose 5% to $1.35 billion.

Profit Discussion

AstraZeneca's core gross margin of 82%, flat at CER. Core selling, general and administrative expenses increased 4% at CER to $3.82 billion. Core research and development expenses rose 14% to $3.55 billion due to accelerated recruitment in ongoing phase III studies and investments in transformative technologies such as cell therapy. Core operating profit increased 13% to $4.99 billion in the quarter. The core operating margin

was 33% in the quarter, which rose 1 percentage point year over year at CER.

2025 Guidance

AstraZeneca maintained its financial guidance for 2025.

It expects total revenues to grow by a high single-digit percentage at CER.

Fourth-quarter revenues in the year-ago quarter included more than $800 million in sales-based milestones under collaboration revenue. For the fourth quarter of 205, AstraZeneca does not expect any significant milestone revenue, which will hurt year-over-year growth. Also, VBP-associated stock compensation costs for Farxiga and Lynparza and the year-end hospital budget capping in China are expected to affect fourth-quarter revenues. Tender order variability in emerging markets is also expected to hurt revenues.

Core EPS is expected to increase by a low double-digit percentage.

Gross margins (on total revenues) are expected to decline around 60 to 70 basis points in 2025 due to the Medicare Part D reform, Brilinta LOE, Soliris biosimilars and increased profit sharing from partnered products, which have lower gross margins. Gross margin is expected to be lower in the fourth quarter than in the third due to seasonality.

R&D costs are expected to remain toward the upper end of the low 20s percentage range of total revenue. Both R&D and SG&A costs are expected to be sequentially higher in the fourth quarter.

Adjusted tax rate is expected to be between 18% and 22%

Foreign exchange is expected to have a negligible impact on total revenues as well as core EPS in 2025.

For 2025, capital expenditure is expected to increase by around 50% from the 2024 level, driven by investments in new manufacturing capabilities such as API, inhaled products and cell therapy.

Recent News

FDA Approves Imfinzi for Early Gastric and GEJ Cancers – Nov. 25

AstraZeneca announced that the FDA has granted approval to Imfinzi (durvalumab) as a perioperative treatment for resectable, early-stage gastric and gastroesophageal junction (GEJ) cancers.

The approval is based on the phase III MATTERHORN study. With the approval, Imfinzi has become the first and only perioperative immunotherapy for patients with early gastric and gastroesophageal cancers. Regulatory reviews are also underway in the EU, Japan and other countries.

To Invest $2 Billion in Maryland Manufacturing Expansion – Nov. 21

AstraZeneca will invest $2 billion to expand its Maryland manufacturing sites in Frederick and Gaithersburg, boosting capacity for cancer, rare and chronic disease medicines and creating/retaining 2,600 jobs. The move forms part of its broader $50 billion U.S. manufacturing and R&D commitment to strengthen the domestic medicine supply chain.

FDA Approves Use of Koselugo in Adults – Nov. 20

AstraZeneca announced that the FDA has approved its oral, selective MEK inhibitor, Koselugo (selumetinib), for expanded use. The drug is now indicated to treat symptomatic, inoperable plexiform neurofibromas (PN) in adult patients with neurofibromatosis type 1 (NF1) in the United States.

The FDA approval for the expanded use of Koselugo was backed by data from the global phase III KOMET study.

Koselugo's label was also recently expanded to include this indication in the EU, Japan and some other countries, with additional regulatory reviews currently ongoing. Koselugo is already approved to treat certain pediatric patients with NF1 who have symptomatic, inoperable PN in the United States, the EU, Japan, China and other countries.

In the United States, a granule formulation of Koselugo was also recently approved by the FDA for young children aged one year and older with NF1 PN.

Gefurulimab Shows Strong Efficacy in Phase III gMG Study – Oct 30

AstraZeneca reported positive results from the global phase III PREVAIL study of gefurulimab in adults with anti-acetylcholine receptor antibody–positive generalized myasthenia gravis (gMG). The investigational subcutaneous treatment met its primary endpoint, showing a statistically significant and clinically meaningful improvement in Myasthenia Gravis Activities of Daily Living (MG-ADL) scores at week 26 versus placebo, with benefits emerging as early as week one.

The study also met all secondary endpoints, including improvements in Quantitative Myasthenia Gravis (QMG) scores at week four and week 26. Investigators said the findings highlight the potential of gefurulimab as a self-administered complement inhibitor that delivers early, sustained symptom improvement. Safety findings were consistent with previous C5 inhibitors, with similar rates of adverse events between treatment and placebo groups. The 260-patient study was presented at the AANEM Annual Meeting, and an open-label extension is ongoing.

Koselugo Gets EU Approval for Adult NF1 PN – Oct 28

AstraZeneca announced that the European Commission has granted approval to Koselugo (selumetinib) to treat symptomatic, inoperable plexiform neurofibromas (PN) in adults with neurofibromatosis type 1 (NF1). The decision from the European Commission is based on results from the phase III KOMET study. Koselugo has recently been approved in Japan and several other countries for adult NF1 PN, with additional global regulatory reviews underway, including the United States. It is approved for treating paediatric patients with NF1 who have symptomatic, inoperable PN in the United States, the EU, Japan, China and other countries.

Tezspire Gains EU Approval for CRSwNP – Oct 22

AstraZeneca and Amgen's Tezspire has been approved in the European Union as an add-on treatment for adults with severe chronic rhinosinusitis with nasal polyps (CRSwNP) who do not respond to standard therapies. The European Commission's decision is based on results from the phase III WAYPOINT study. Tezspire was approved in the United States for CRSwNP earlier in October.

Tezspire Gains U.S. Approval for CRSwNP – Oct 17

AstraZeneca and Amgen announced that the FDA has granted approval to Tezspire (tezepelumab) as an add-on maintenance treatment for adults and adolescents aged 12 and older with inadequately controlled chronic rhinosinusitis with nasal polyps (CRSwNP), making it the first TSLP-targeting biologic cleared for this condition.

The decision is based on results from the phase III WAYPOINT study. The approval expands Tezspire's reach beyond severe asthma, where it is already widely used, and comes as regulatory reviews progress in the EU, China, Japan and other markets.

CHMP Nod for Saphnelo Self-Injection in Systemic Lupus Erythematosus – Oct 17

AstraZeneca announced that the CHMP has given a positive opinion recommending approval for expanded use of Saphnelo as a once-weekly, self-administered subcutaneous formulation for adults with systemic lupus erythematosus (SLE) receiving standard therapy. The positive opinion

is supported by interim results from the phase III TULIP-SC study. AstraZeneca said the new self-administration option would build on the impact of Saphnelo's IV form and could broaden access for patients.

Valuation

AstraZeneca's shares have risen 42.4% in the year-to-date period and 38.9% over the trailing 12-month period. Stocks in the Zacks sub-industry have risen 19.5% while the sector is up 8.7% in the year-to-date period. Over the past year, stocks in the Zacks sub-industry are down 9.6% while the sector is down 0.1%.

The S&P 500 Index is up 17.6% in the year-to-date period and 15.9% in the past year.

The stock is currently trading at 5.02X trailing 12-month sales per share which compares to 2.49X for the Zacks sub-industry, 2.69X for the Zacks sector and 5.92X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 5.82X and as low as 3.68X, with a 5-year median of 4.76X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our $98.00 price target reflects 5.2X trailing12-month sales per share.

The table below shows summary valuation data for AZN.

Valuation Multiples - AZN

		Stock	Sub-Industry	Sector	S&P 500
P/S TTM	Current	5.02	2.49	2.69	5.92
	5-Year High	5.82	4.3	4.03	6.16
	5-Year Low	3.68	1.85	2.31	4
	5-Year Median	4.76	2.65	2.94	5.35
P/E F12M	Current	18.28	40.5	21.5	23.36
	5-Year High	22.44	57.25	23.63	23.81
	5-Year Low	13.65	24.25	17.87	15.73
	5-Year Median	17.6	37.21	20.59	21.21
P/B TTM	Current	6.3	3.54	4.02	8.42
	5-Year High	10.93	5.97	6.05	9.16
	5-Year Low	4.19	2.9	3.56	6.6
	5-Year Median	5.65	3.66	4.52	8.03

As of 11/26/2025 *Source: Zacks Investment Research*

Industry Analysis(1)

Zacks Industry Rank: Top 36% (88 out of 243)

Top Peers (1)

Company (Ticker)	Rec	Rank
Amgen Inc. **(AMGN)**	Neutral	3
Biogen Inc. **(BIIB)**	Neutral	3
Bristol Myers Squibb…**(BMY)**	Neutral	3
Gilead Sciences, Inc…**(GILD)**	Neutral	3
GSK PLC Sponsored AD…**(GSK)**	Neutral	3
Regeneron Pharmaceut…**(REGN)**	Neutral	3
Vertex Pharmaceutica…**(VRTX)**	Neutral	3
CSL Limited Sponsore…**(CSLLY)**	Underperform	4

Industry Comparison(1)

Industry: Medical - Biomedical And Genetics | Industry Peers

	AZN	X Industry	S&P 500	AMGN	BMY	GSK
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	3	3
VGM Score	A	-	-	B	A	A
Market Cap	289.43 B	158.34 M	37.79 B	185.54 B	100.26 B	97.50 B
# of Analysts	7	3	22	14	13	5
Dividend Yield	1.08%	0.00%	1.47%	2.76%	5.04%	3.41%
Value Score	B	-	-	B	B	A
Cash/Price	0.03	0.32	0.04	0.05	0.18	0.05
EV/EBITDA	17.87	-1.59	14.43	17.11	105.02	13.20
PEG Ratio	1.87	1.66	2.21	3.11	7.56	1.31
Price/Book (P/B)	6.30	2.86	3.33	19.29	5.39	4.60
Price/Cash Flow (P/CF)	14.82	18.01	14.90	11.35	8.37	8.61
P/E (F1)	20.29	18.85	20.17	16.19	7.56	10.70
Price/Sales (P/S)	4.98	6.94	3.03	5.16	2.09	2.32
Earnings Yield	4.93%	-18.35%	4.94%	6.18%	13.24%	9.35%
Debt/Equity	0.54	0.00	0.57	5.45	2.39	0.95
Cash Flow ($/share)	6.30	-1.45	8.99	30.37	5.89	5.58
Growth Score	B	-	-	C	B	B
Hist. EPS Growth (3-5 yrs)	16.75%	4.20%	8.17%	5.77%	-19.40%	3.08%
Proj. EPS Growth (F1/F0)	11.92%	17.65%	8.30%	7.26%	466.96%	10.86%
Curr. Cash Flow Growth	16.68%	-6.22%	7.09%	15.75%	-52.91%	8.40%
Hist. Cash Flow Growth (3-5 yrs)	18.63%	3.45%	7.32%	7.76%	4.07%	1.36%
Current Ratio	0.88	4.21	1.18	1.28	1.27	0.84
Debt/Capital	34.95%	0.00%	38.16%	84.50%	70.51%	48.60%
Net Margin	16.17%	-125.36%	12.77%	19.47%	12.57%	17.16%
Return on Equity	32.89%	-67.18%	17.03%	162.59%	76.53%	48.64%
Sales/Assets	0.53	0.31	0.53	0.40	0.51	0.54
Proj. Sales Growth (F1/F0)	8.80%	0.00%	5.59%	8.80%	-0.80%	6.50%
Momentum Score	B	-	-	A	B	D
Daily Price Chg	0.09%	0.91%	0.69%	1.01%	0.41%	0.99%
1 Week Price Chg	2.13%	0.00%	2.57%	0.24%	-0.86%	0.02%
4 Week Price Chg	13.49%	-0.52%	-1.13%	18.10%	15.61%	4.55%
12 Week Price Chg	13.65%	3.68%	5.65%	21.39%	3.68%	22.00%
52 Week Price Chg	38.87%	-11.46%	13.57%	23.03%	-16.91%	39.88%
20 Day Average Volume	5,179,661	359,132	3,023,376	3,093,649	16,348,178	4,976,233
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.13%	0.00%	-0.39%
(F1) EPS Est 4 week change	0.85%	0.00%	0.23%	0.92%	2.72%	3.31%
(F1) EPS Est 12 week change	0.95%	0.83%	0.60%	0.72%	0.30%	3.50%
(Q1) EPS Est Mthly Chg	0.07%	0.00%	-0.09%	-7.70%	2.37%	-3.31%

Analyst Earnings Model[2]

AstraZeneca PLC (AZN)

In $MM, except per share data

FY Ends December 31st	2022A FY Dec-22	2023A FY Dec-23	2024A FY Dec-24	1QA 31-Mar-25	2QA 30-Jun-25	3QA 30-Sep-25	2025E 4QE 31-Dec-25	FY Dec-25	1QE 31-Mar-26	2QE 30-Jun-26	3QE 30-Sep-26	4QE 31-Dec-26	2026E FY Dec-26	2027E FY Dec-27
Income Statement														
Total Revenue	**$44,351.0**	**$45,811.0**	**$54,073.0**	**$13,588.0**	**$14,457.0**	**$15,191.0**	**$15,601.5**	**$58,837.5**	**$14,199.9**	**$15,097.3**	**$15,759.3**	**$15,959.1**	**$61,015.7**	**$65,537.3**
Cost of Sales, Core	$8,588.0	$8,011.0	$9,601.0	$2,223.0	$2,543.0	$2,774.0	$3,238.4	$10,778.4	$2,434.1	$2,617.5	$2,722.3	$2,733.4	$10,507.4	$10,518.0
Cost of Sales Intangible Asset Amortisation & Impairments	$16.0	$32.0	$32.0	$8.0	$9.0	$7.0	$7.0	$31.0	$7.0	$7.0	$7.0	$7.0	$28.0	$28.0
Cost of Sales, IFRS	$12,391.0	$8,268.0	$10,207.0	$2,241.0	$2,473.0	$2,801.0	$2,977.4	$10,492.4	$2,368.6	$2,525.4	$2,621.2	$2,598.3	$10,113.4	$10,066.9
Gross Profit, Core	**$35,763.0**	**$37,800.0**	**$44,472.0**	**$11,365.0**	**$11,914.0**	**$12,417.0**	**$12,363.1**	**$48,059.1**	**$11,765.8**	**$12,479.8**	**$13,037.0**	**$13,225.7**	**$50,508.3**	**$55,019.2**
Gross Profit, IFRS	**$31,960.0**	**$37,543.0**	**$43,866.0**	**$11,347.0**	**$11,984.0**	**$12,390.0**	**$12,624.1**	**$48,345.1**	**$11,831.3**	**$12,572.0**	**$13,138.2**	**$13,360.8**	**$50,902.2**	**$55,470.4**
Distribution Expense, Core	$534.0	$539.0	$555.0	$132.0	$146.0	$148.0	$146.5	$572.5	$138.3	$147.1	$152.1	$153.7	$591.1	$634.0
Distribution Expense, IFRS	$536.0	$539.0	$555.0	$135.0	$143.0	$148.0	$146.5	$572.5	$138.3	$146.3	$152.0	$153.5	$590.1	$632.8
R&D, Core	$9,500.0	$10,267.0	$12,211.0	$3,088.0	$3,453.0	$3,550.0	$3,540.5	$13,631.5	$3,247.3	$3,457.9	$3,570.9	$3,587.8	$13,863.8	$14,187.8
R&D, IFRS	$9,762.0	$10,935.0	$13,583.0	$3,159.0	$3,548.0	$3,663.0	$3,795.5	$14,165.5	$3,345.2	$3,568.3	$3,689.0	$3,707.7	$14,310.1	$14,863.8
SG&A, Core	$12,826.0	$13,739.0	$15,028.0	$3,457.0	$3,802.0	$3,822.0	$4,197.1	$15,278.1	$3,614.0	$3,842.7	$3,977.9	$4,031.5	$15,466.0	$16,593.7
SG&A, IFRS	$18,419.0	$19,216.0	$19,977.0	$4,492.0	$4,864.0	$5,085.0	$5,433.5	$19,874.5	$4,721.6	$5,027.3	$5,234.1	$5,290.0	$20,273.0	$21,766.3
Total Operating Expenses, Core	**$22,860.0**	**$24,545.0**	**$27,794.0**	**$6,677.0**	**$7,401.0**	**$7,520.0**	**$7,884.2**	**$29,482.2**	**$6,999.5**	**$7,447.6**	**$7,700.8**	**$7,773.0**	**$29,921.0**	**$31,415.5**
Total Operating Expenses, IFRS	**$28,717.0**	**$30,690.0**	**$34,115.0**	**$7,786.0**	**$8,555.0**	**$8,896.0**	**$9,375.6**	**$34,612.6**	**$8,205.1**	**$8,741.9**	**$9,075.1**	**$9,151.2**	**$35,173.2**	**$37,262.9**
Other Expenses (Income), Core	($447.0)	($1,279.0)	($250.0)	($115.0)	($71.0)	($96.0)	($134.5)	($416.5)	($100.5)	($101.6)	($113.3)	($118.2)	($433.6)	($468.9)
Other Expenses (Income), IFRS	($514.0)	($1,340.0)	($252.0)	($113.0)	($79.0)	($89.0)	($134.0)	($415.0)	($100.2)	($101.8)	($111.3)	($117.5)	($430.8)	($465.4)
EBITDA	**$9,237.00**	**$13,580.00**	**$16,691.00**	**$4,958.00**	**$4,897.00**	**$5,132.00**	**$5,135.67**	**$20,122.67**	**$5,163.87**	**$5,485.58**	**$5,823.12**	**$6,007.33**	**$22,479.90**	**$25,494.55**
Depreciation, Amortisation & Impairment	$5,480.0	$5,387.0	$6,688.0	$1,284.0	$1,389.0	$1,549.0	$1,753.2	$5,975.2	$1,437.4	$1,553.7	$1,648.7	$1,680.2	$6,320.1	$6,821.6
Operating Income, Core	**$13,350.0**	**$14,534.0**	**$16,928.0**	**$4,803.0**	**$4,584.0**	**$4,993.0**	**$4,613.4**	**$18,993.4**	**$4,866.8**	**$5,133.8**	**$5,449.5**	**$5,570.8**	**$21,020.9**	**$24,072.7**
Operating Income, IFRS	**$3,757.0**	**$8,193.0**	**$10,003.0**	**$3,674.0**	**$3,508.0**	**$3,583.0**	**$3,382.5**	**$14,147.5**	**$3,726.4**	**$3,931.9**	**$4,174.4**	**$4,327.1**	**$16,159.8**	**$18,672.9**
Finance Income	$95.0	$344.0	$458.0	$84.0	$68.0	$85.0	$81.0	$318.0	$76.9	$78.9	$84.5	$84.6	$324.9	$348.4
Finance Expense	$1,346.0	$1,626.0	$1,742.0	$349.0	$439.0	$434.0	$442.4	$1,664.4	$386.9	$432.3	$444.4	$448.6	$1,712.2	$1,844.7
Finance Expense (Income), Net, Core	$974.0	$984.0	$1,169.0	$215.0	$303.0	$305.0	$334.2	$1,157.2	$249.5	$271.8	$272.1	$264.4	$1,057.8	$1,127.7
Finance Expense (Income), Net, IFRS	$1,251.0	$1,282.0	$1,284.0	$265.0	$371.0	$349.0	$361.4	$1,346.4	$309.9	$353.4	$360.0	$364.0	$1,387.3	$1,496.3
Share of After Tax Losses in Associates and Joint Ventures	$5.0	$12.0	$28.0	$7.0	$10.0	($10.0)	($10.0)	($3.0)	($10.0)	($10.0)	($10.0)	($10.0)	($40.0)	($40.0)
Pre-Tax Income, Core	**$12,375.0**	**$13,550.0**	**$15,759.0**	**$4,588.0**	**$4,281.0**	**$4,688.0**	**$4,279.3**	**$17,836.3**	**$4,617.3**	**$4,862.0**	**$5,177.3**	**$5,306.5**	**$19,963.1**	**$22,944.9**
Pre-Tax Income, IFRS	**$2,501.0**	**$6,899.0**	**$8,691.0**	**$3,402.0**	**$3,127.0**	**$3,244.0**	**$3,031.1**	**$12,804.1**	**$3,426.5**	**$3,588.5**	**$3,824.4**	**$3,973.1**	**$14,812.6**	**$17,216.6**
Income Tax, Core	$2,058.0	$2,291.0	$3,001.0	$714.0	$911.0	$1,002.0	$898.6	$3,525.6	$969.6	$1,021.0	$1,087.2	$1,114.4	$4,192.2	$4,818.4
Income Tax, IFRS	($792.0)	$938.0	$1,650.0	$481.0	$679.0	$709.0	$666.9	$2,535.9	$753.8	$789.5	$841.4	$874.1	$3,258.8	$3,787.6
Tax Rate, Core	17.00%	17.00%	19.00%	16.00%	20.00%	21.00%	21.00%	19.77%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
Tax Rate, IFRS	(32.0%)	14.0%	19.0%	14.0%	22.0%	22.0%	22.0%	19.8%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Net Income, Core	**$10,317.0**	**$11,259.0**	**$12,758.0**	**$3,874.0**	**$3,370.0**	**$3,686.0**	**$3,380.6**	**$14,310.6**	**$3,647.7**	**$3,841.0**	**$4,090.1**	**$4,192.1**	**$15,770.8**	**$18,126.5**
Net Income, IFRS	**$3,293.0**	**$5,961.0**	**$7,041.0**	**$2,921.0**	**$2,448.0**	**$2,535.0**	**$2,364.3**	**$10,268.3**	**$2,672.7**	**$2,799.1**	**$2,983.0**	**$3,099.0**	**$11,553.8**	**$13,428.9**
Non-Controlling Interest	$5.0	$6.0	$6.0	$5.0	($2.0)	$2.0	$2.0	$7.0	$2.0	$2.0	$2.0	$2.0	$8.0	$8.0
Net Income Attributable to Common Shareholders	**$3,288.0**	**$5,955.0**	**$7,035.0**	**$2,916.0**	**$2,450.0**	**$2,533.0**	**$2,362.3**	**$10,261.3**	**$2,670.7**	**$2,797.1**	**$2,981.0**	**$3,097.0**	**$11,545.8**	**$13,420.9**
Basic Shares Outstanding	1,548.0	1,549.0	1,550.0	1,550.0	1,550.0	1,550.0	1,550.0	1,550.0	1,551.0	1,551.0	1,551.0	1,551.0	1,551.0	1,552.0
Diluted Shares Outstanding	1,560.0	1,562.0	1,563.0	1,561.0	1,559.0	1,561.0	1,561.0	1,560.5	1,562.0	1,562.0	1,562.0	1,562.0	1,562.0	1,563.0
Basic EPS	**$2.12**	**$3.84**	**$4.54**	**$1.88**	**$1.58**	**$1.64**	**$1.52**	**$6.62**	**$1.72**	**$1.80**	**$1.92**	**$2.00**	**$7.44**	**$8.65**
Diluted EPS, IFRS	**$2.11**	**$3.81**	**$4.50**	**$1.87**	**$1.57**	**$1.64**	**$1.51**	**$6.59**	**$1.71**	**$1.79**	**$1.91**	**$1.98**	**$7.39**	**$8.59**
Diluted EPS, Core	**$6.66**	**$7.26**	**$8.21**	**$2.49**	**$2.17**	**$2.38**	**$2.16**	**$9.20**	**$2.33**	**$2.46**	**$2.62**	**$2.68**	**$10.09**	**$11.59**
Diluted EPS Per ADS, Core	**$3.33**	**$3.63**	**$4.11**	**$1.25**	**$1.09**	**$1.19**	**$1.08**	**$4.60**	**$1.17**	**$1.23**	**$1.31**	**$1.34**	**$5.05**	**$5.80**
Dividend Per Share	$2.90	$2.90	$3.10		$1.03		$2.16	$3.19	$0.00	$1.07	$0.00	$2.22	$3.29	$3.43

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.

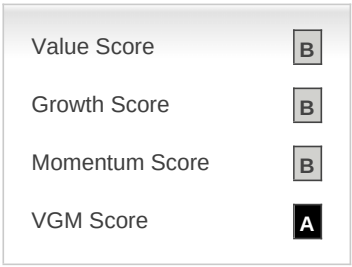
Zacks Rank

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.



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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