

## Brown & Brown Inc. (BRO)

**\$77.62** (Stock Price as of 01/02/2026)

Price Target (6-12 Months): **\$84.00**

Long Term: 6-12 Months | **Zacks Recommendation:** **Neutral**  
(Since: 07/11/24)  
Prior Recommendation: Outperform

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

### Summary

Brown & Brown's compelling portfolio, along with an impressive growth trajectory driven by organic and inorganic initiatives across all its segments, bodes well. Buyouts and collaborations have enhanced its existing capabilities and extended its geographic foothold. Strategic efforts continue to drive commission and fees. Brown & Brown's solid capital position, backed by a strong operational environment, places it well for long-term growth. Its sturdy performance has been driving cash flow, enabling it to deploy capital in shareholder-friendly moves. Shares of Brown & Brown have outperformed its industry in year to date period. However, higher expenses are likely to affect margin expansion. Its poor ROE implies inefficient utilization of funds, while a poor ROIC reflects inefficiency in utilizing funds to generate income.

### Data Overview

52 Week High-Low	\$125.68 - \$76.17
20 Day Average Volume (sh)	2,281,376
Market Cap	\$26.5 B
YTD Price Change	-2.6%
Beta	0.81
Dividend / Div Yld	\$0.66 / 0.9%
Industry	<a href="#">Insurance - Brokerage</a>
Zacks Industry Rank	Top 37% (90 out of 243)

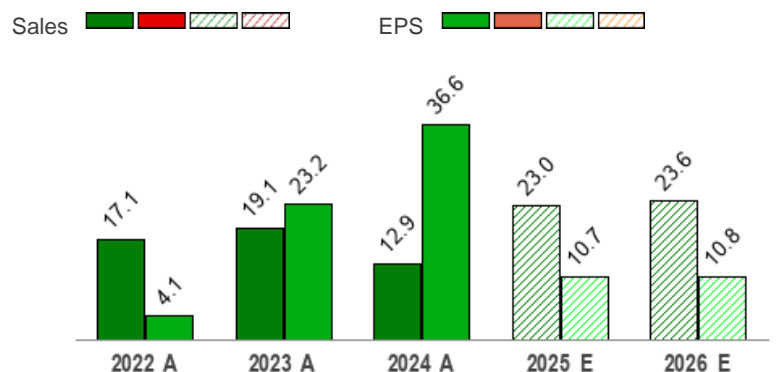
Last EPS Surprise	16.7%
Last Sales Surprise	6.6%
EPS F1 Est- 4 week change	-0.1%
Expected Report Date	01/26/2026
Earnings ESP	-0.9%

P/E TTM	18.4
P/E F1	18.3
PEG F1	1.7
P/S TTM	4.8

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



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



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

	Q1	Q2	Q3	Q4	Annual*
2026	1,935 E	1,804 E	1,790 E	1,782 E	7,310 E
2025	1,404 A	1,285 A	1,606 A	1,617 E	5,912 E
2024	1,258 A	1,178 A	1,186 A	1,184 A	4,805 A

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

	Q1	Q2	Q3	Q4	Annual*
2026	1.43 E	1.15 E	1.07 E	1.05 E	4.71 E
2025	1.29 A	1.03 A	1.05 A	0.88 E	4.25 E
2024	1.14 A	0.93 A	0.91 A	0.86 A	3.84 A

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/02/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/22/2025.

## Overview

Headquartered in Daytona Beach, FL, Brown & Brown, Inc. markets and sells insurance products and services primarily in the United States, as well as in London, Bermuda, and the Cayman Islands.

The company reported through four segments:

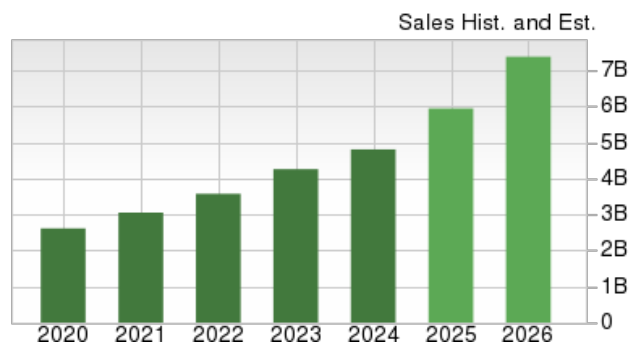
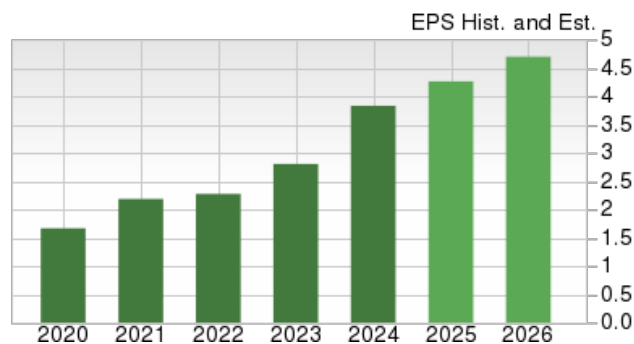
The Retail segment (57.3% of Total Revenues) provides a broad range of insurance products and services to commercial, public and quasi-public entities, and to professional and individual customers. The categories of insurance it principally sells include commercial packages, group medical, workers' compensation, property risk and general liability. It also sells and services group and individual life, accident, disability and other ancillary insurance products. Approximately 85.9% of the Retail Segment's commissions and fees revenues are commission based.

The National Programs segment (25.3) provides professional liability and related package products for certain professionals through nationwide networks of independent agents. The segment offers more than 51 programs, which can be grouped into five broad categories namely Professional Programs, Personal Lines Programs, Commercial Programs, Public Entity-Related Programs and the National Flood Program.

The Wholesale Brokerage segment (12.7%) markets and sells excess and surplus commercial and personal lines insurance, primarily through independent agents and brokers. The Wholesale Brokerage Segment offices represent various U.S. and U.K. surplus lines insurance companies. Additionally, certain offices are also Lloyd's of London correspondents.

The Services segment (4.7%) markets and sells excess and surplus commercial and personal lines insurance, primarily through independent agents and brokers. It offers third-party claims administration and medical utilization management services in the workers' compensation and all-lines liability arenas, Medicare Set-aside, Social Security disability, Medicare benefits advocacy and claims adjusting services.

The insurance broker will now report results in three segments beginning 2024 — Retail, Programs and Wholesale Brokerage - with the divestiture of certain businesses within the Services segment. With the expansion of global MGA and MGU platforms, the company will refer the National Programs as Programs.



As of 12/22/2025



As of 01/02/2026

## Reasons To Buy:

- ▲ Brown & Brown's impressive growth is driven by organic and inorganic means across all segments. Also, strategic acquisitions and mergers help it spread its operations. Solid earnings have allowed the company to expand its capabilities, with buyouts extending the company's geographic footprint. From 1993 through the third quarter of 2025, Brown & Brown acquired 713 insurance intermediary operations. The Quintes buyout was the largest transaction in 2024. Brown & Brown intends to make consistent investments in boosting organic growth and margin expansion.
- ▲ Revenues from the Retail segment have contributed a lion's share to the total revenues of the company. Revenues have been increasing over the past few years, driven by higher core commissions and fees, profit-sharing contingent commissions, guaranteed supplemental commissions and investment income. The EBITDAC margin should continue to expand owing to the positive impact of the seasonality of revenues and profit for the Quintes acquisition. Approximately 60% of the revenues for Quintes are recognized in the first quarter. From a full-year perspective, BRO continues to anticipate Quintes to perform within the revenues and EBITDAC ranges that were earlier discussed. Growth from all lines of business through a combination of improving new business, good new business, solid retention, rate increases and modest exposure unit expansion will continue to drive the momentum going forward.
- ▲ Further, revenues in the Wholesale Brokerage segment were driven by higher core commissions and fees, profit-sharing contingent commissions, guaranteed supplemental commissions and investment income. The incremental expansion in total revenues in excess of organic growth was driven by acquisitions completed in the last 12 months and higher contingent commissions. The organic revenue growth rate was driven by net new business and exposure unit increases, partially offset by rate decreases for CAT property. We expect organic revenue increase 8.4% in 2025 in the Wholesale Brokerage segment. Improving new business, good retention as well as rate increases for most lines of coverage across property, general liability and professional liability are likely to drive the momentum going forward.
- ▲ Strategic efforts continue to drive core commissions and fees, which is driven by net new and renewal business, which reflects an organic revenue growth from acquisitions; the impact of foreign currency translation related to commissions and fees revenues from businesses or books of business divested in the preceding twelve months. Cash received for profit-sharing contingent commissions, core commissions and fees from acquisitions that have no comparable revenues, net new and renewal business, commissions, and fees from businesses or books of business will continue to drive commission and fees.
- ▲ Backed by a sustained operational performance, Brown & Brown has maintained a strong liquidity position. Brown & Brown exited the third quarter with cash and cash equivalents of \$1.2 billion, which increased 76.2% from the 2024-end level. Moreover, consistent operational results have helped Brown & Brown generate solid cash flows to be deployed in strategic initiatives as well as for shareholder-friendly moves. Brown & Brown had a strong year for cash conversion due to the strength of the operating model and the diversity of businesses. Net cash provided by operating activities in the first nine months of 2025 was \$1 billion, up 23.7% year over year.
- ▲ The strong capital and liquidity position enables Brown & Brown to distribute wealth to shareholders via dividend increases and share buybacks. To dividend payments, the company has increased dividends for the last 30 years at a five-year (2019-2024) CAGR of 8.7%. The current dividend yield is 0.5%.

Brown & Brown boasts impressive growth driven by organic means and impressive inorganic story. Strategic efforts continue to drive commission and fees. Sturdy performance is boosting cash flow.

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## Reasons To Sell:

- ▼ Brown & Brown has been experiencing rising expenses due to higher employee compensation and benefits, amortization, change in estimated acquisition earn-out payables as well as other operating expenses and interest expense. The magnitude of the increase has been declining over the last few years. Such expenses could weigh on margin expansion going forward. Interest expense has been increasing over the past few years because of the increased interest rate exposure on the floating rate notes and higher debt borrowings. The company estimates interest expense to be in the range of \$170 million to \$180 million in 2025.
- ▼ Return on equity, a profitability measure, reflecting how effectively the company is utilizing its shareholders fund is lower than the industry average. The company's return on equity is 13.6% while that of the industry is 23.4%. Return on invested capital, reflecting the company's efficiency in utilizing funds to generate income, was 6.7%, lower than the industry average of 8.3%.
- ▼ Brown & Brown has expanded its operations internationally to the United Kingdom, Hamilton, Bermuda and George Town, Cayman Islands. Its operations are, therefore, subject to changes in trade regulations, profit repatriation regulations, foreign currency exchange rate fluctuations, and the economic condition of the country. The company noted tough competition for high-quality businesses.
- ▼ Brown & Brown's debt levels have been increasing in the past few years. Long-term debt was \$7.6 billion as of Sept. 30, 2025, more than double from the 2024-end level. The debt-to-capital ratio of 38.4 deteriorated 110 basis points from 2024-end. Interest expense for the nine months ended Sept 30, 2025 increased 34% year over year. The increase is due to higher debt balances resulting from debt issuance second quarter of 2025 to fund the acquisition of Accession, which was partially offset by decreases in the floating rate benchmark used on adjustable-rate debt. The company's times interest earned of 6.5 in the third quarter of 2025 was poor when compared with the fourth-quarter 2024 figure of 7.8.

Brown & Brown's rising expenses attributable to higher compensation and operating expenses weighing on margin expansion and foreign currency exchange rate fluctuations remain a concern.

## Last Earnings Report

### Brown & Brown Q3 Earnings & Revenues Beat Estimates, Dividend Raised

Brown & Brown, Inc.'s third-quarter 2025 adjusted earnings of \$1.05 per share beat the Zacks Consensus Estimate by 16.6%. The bottom line increased 15.4% year over year. The quarterly results reflected increased organic revenues, higher commission and fees, improved investment income and other income, and expanded EBITDAC margin, offset by higher expenses.

#### BRO's Q3 Details

Total revenues of \$1.6 billion beat the Zacks Consensus Estimate by 6.6%. The top line improved 35.4% year over year. The upside can be primarily attributed to commission and fees, which grew 34.2% year over year to \$1.5 billion, as well as higher investment and other income. Our estimate for commission and fees growth was 21.9%. The Zacks Consensus Estimate is pegged at \$1.4 billion.

Organic revenues improved 3.5% to \$1.2 billion in the quarter under review.

Investment and other income increased 80.6% year over year to \$56 million. Our estimate was \$36.4 million.

Adjusted EBITDAC was \$587 million, up 41.8% year over year. EBITDAC margin expanded 170 basis points (bps) year over year to 36.6%. Our estimate for adjusted EBITDAC was \$483.7 million.

Total expenses increased 49% to \$1.3 billion due to a rise in employee compensation and benefits, other operating expenses, amortization, depreciation, mark-to-market of escrow liability, and interest. Our estimate was \$1.2 billion.

#### Financial Update of BRO

Brown & Brown exited the third quarter with cash and cash equivalents of \$1.2 billion, which increased 76.2% from the 2024-end level. Long-term debt was \$7.6 billion as of Sept. 30, 2025, more than double from the 2024-end level.

Net cash provided by operating activities in the first nine months of 2025 was \$1 billion, up 23.7% year over year.

#### Capital Deployment

The board of directors declared a 10% increase to its quarterly dividend to 16.5 cents per share. The dividend will be paid out on Nov. 12, 2025, to shareholders of record at the close of business on Nov. 5, 2025. The dividend hike marks Brown & Brown's 32nd consecutive annual dividend increase. The board has also authorized the purchase of up to an additional \$1.25 billion of shares. With this authorization, Brown & Brown will have outstanding approval to purchase up to approximately \$1.5 billion of BRO's outstanding common stock.

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

Earnings Reporting Date	Oct 27, 2025
Sales Surprise	6.61%
EPS Surprise	16.67%
Quarterly EPS	1.05
Annual EPS (TTM)	4.23

## Recent News

### Brown & Brown acquires J. Kevin Campbell Agency - Dec 15, 2025

Brown & Brown's subsidiary has acquired the assets of the Campbell Agency. The acquisition is expected to provide better opportunity that focuses on workers' compensation insurance solutions of Brown & Brown.

## Valuation

Brown & Brown shares are up 27.7% in the last six months period and down 22% over the trailing 12-month period. Stocks in the Zacks sub-industry and the Zacks Finance sector are down 26% and up 10% in the last six months period, respectively. Over the past year, the Zacks sub-industry and sector have decreased 25% and up 16.9%, respectively.

The S&P 500 Index is up 16.3% in the last six months period and up 16.4% in the past year.

The stock is currently trading at 17.06X forward 12-month price to earnings, which compares to 17.92X for the Zacks sub-industry, 17.3X for the Zacks sector and 23.27X for the S&P 500 index.

Over the past five years, the stock has traded as high as 32.02X and as low as 16.44X, with a 5-year median of 25.34X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$84 price target reflects 18X forward 12-month earnings.

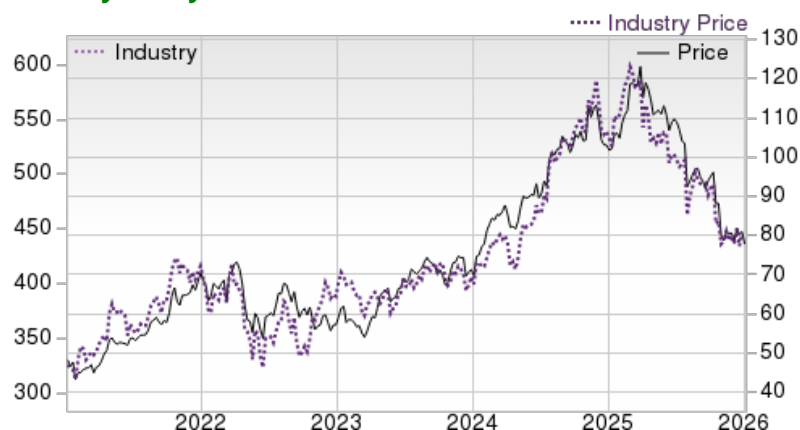
The table below shows summary of valuation data for BRO.

Valuation Multiples - BRO					
		Stock	Sub-Industry	Sector	S&P 500
P/E TTM	Current	17.06	17.92	17.3	23.27
	5-Year High	32.02	24.43	18.28	23.78
	5-Year Low	16.44	17.33	12.36	15.73
	5-Year Median	25.34	21.32	16.12	21.22
P/S F12M	Current	3.75	3.22	9.08	5.25
	5-Year High	6.69	4.64	10.06	5.5
	5-Year Low	3.65	3.09	6.69	3.82
	5-Year Median	4.87	3.88	8.4	5.04
P/B TTM	Current	2.21	3.95	4.28	8.48
	5-Year High	5.46	8.38	4.38	9.15
	5-Year Low	2.1	3.8	2.87	6.59
	5-Year Median	4	7.07	3.53	8.04

As of 12/19/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Top 37% (90 out of 243)



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

Company (Ticker)	Rec	Rank
Aflac Incorporated (AFL)	Neutral	3
Arthur J. Gallagher ... (AJG)	Neutral	3
Aon plc (AON)	Neutral	3
eHealth, Inc. (EHTH)	Neutral	2
Erie Indemnity Compa... (ERIE)	Neutral	3
Marsh & McLennan Com... (MMC)	Neutral	3
Ryan Specialty Holdi... (RYAN)	Neutral	4
Willis Towers Watson... (WTW)	Neutral	3

## Industry Comparison<sup>(1)</sup> Industry: Insurance - Brokerage

	BRO	X Industry	S&P 500	AJG	ERIE	RYAN
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	3	4
VGM Score	D	-	-	F	B	D
Market Cap	26.50 B	8.15 B	39.23 B	65.74 B	12.83 B	13.35 B
# of Analysts	7	5.5	22	9	1	7
Dividend Yield	0.85%	0.43%	1.41%	1.02%	1.97%	0.95%
Value Score	D	-	-	D	D	D
Cash/Price	0.13	0.13	0.04	0.02	0.04	0.01
EV/EBITDA	18.17	14.93	14.72	24.67	14.93	26.29
PEG Ratio	1.70	1.70	2.04	NA	NA	1.19
Price/Book (P/B)	2.14	2.83	3.35	2.83	5.56	10.84
Price/Cash Flow (P/CF)	17.15	18.06	15.43	20.49	19.32	19.15
P/E (F1)	18.26	17.75	18.48	19.09	19.83	21.02
Price/Sales (P/S)	4.84	3.22	3.11	5.23	3.18	4.51
Earnings Yield	6.07%	5.57%	5.40%	5.24%	5.04%	4.76%
Debt/Equity	0.62	0.33	0.57	0.52	0.00	2.72
Cash Flow (\$/share)	4.52	3.48	8.98	12.49	14.38	2.64
Growth Score	C	-	-	D	A	C
Hist. EPS Growth (3-5 yrs)	20.32%	16.69%	8.24%	19.78%	21.74%	21.03%
Proj. EPS Growth (F1/F0)	10.68%	10.75%	9.18%	6.44%	9.67%	12.85%
Curr. Cash Flow Growth	48.88%	8.85%	7.00%	19.21%	32.94%	6.29%
Hist. Cash Flow Growth (3-5 yrs)	19.58%	12.70%	7.49%	21.72%	13.83%	42.52%
Current Ratio	2.10	1.68	1.19	1.06	2.17	1.00
Debt/Capital	38.15%	34.24%	38.14%	34.24%	0.00%	73.11%
Net Margin	18.23%	7.88%	12.77%	13.58%	16.04%	7.61%
Return on Equity	13.64%	19.35%	17.03%	11.98%	30.32%	47.93%
Sales/Assets	0.25	0.35	0.53	0.17	1.31	0.30
Proj. Sales Growth (F1/F0)	23.00%	5.76%	5.29%	21.70%	7.80%	22.30%
Momentum Score	C	-	-	F	C	C
Daily Price Chg	-2.61%	-1.64%	0.19%	-1.08%	-3.08%	-1.98%
1 Week Price Chg	-3.91%	-2.10%	-1.03%	-2.10%	-1.63%	-2.34%
4 Week Price Chg	-0.96%	0.00%	-0.17%	6.80%	-6.29%	-8.22%
12 Week Price Chg	-19.10%	-8.00%	4.67%	-15.16%	-14.34%	-8.33%
52 Week Price Chg	-23.60%	-16.50%	15.41%	-8.70%	-33.01%	-19.36%
20 Day Average Volume	2,281,376	517,576	2,401,726	1,445,813	168,225	1,367,117
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	-0.11%	0.00%	0.00%	-0.36%	0.00%	-0.30%
(F1) EPS Est 12 week change	-2.16%	-0.61%	0.44%	-1.34%	-3.31%	-3.33%
(Q1) EPS Est Mthly Chg	-0.16%	0.00%	0.00%	-0.53%	0.00%	-1.05%



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

### Brown & Brown, Inc. (BRO)

In \$MM, except per share data

	2021A	2022A	2023A	2024A	2025E					2026E				2027E	
	FY	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-21	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
<b>Income Statement</b>															
Core Commissions and Fees	\$2,965.3	\$3,474.5	\$4,069.5	\$4,539.0	\$1,342.0	\$1,204.0	\$1,477.0	\$1,490.4	\$5,513.4	\$1,830.7	\$1,669.0	\$1,619.6	\$1,635.8	\$6,755.1	\$7,092.2
Profit-Sharing Contingent Commissions	\$82.2	\$88.7	\$129.9	\$166.0	\$43.0	\$45.0	\$73.0	\$91.6	\$252.6	\$70.3	\$77.6	\$100.1	\$98.2	\$346.2	\$394.8
Guaranteed Supplemental Commissions	\$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	\$0.0
<b>Total Commissions and Fees</b>	<b>\$3,047.5</b>	<b>\$3,563.2</b>	<b>\$4,199.4</b>	<b>\$4,705.0</b>	<b>\$1,385.0</b>	<b>\$1,249.0</b>	<b>\$1,550.0</b>	<b>\$1,582.0</b>	<b>\$5,766.0</b>	<b>\$1,901.0</b>	<b>\$1,746.5</b>	<b>\$1,719.7</b>	<b>\$1,734.0</b>	<b>\$7,101.3</b>	<b>\$7,486.9</b>
Investment and Other Income	\$3.9	\$10.2	\$57.7	\$100.0	\$19.0	\$36.0	\$56.0	\$35.4	\$146.4	\$33.5	\$57.7	\$69.8	\$47.5	\$208.5	\$280.3
<b>Total Revenues</b>	<b>\$3,051.4</b>	<b>\$3,573.4</b>	<b>\$4,257.1</b>	<b>\$4,805.0</b>	<b>\$1,404.0</b>	<b>\$1,285.0</b>	<b>\$1,606.0</b>	<b>\$1,617.3</b>	<b>\$5,912.3</b>	<b>\$1,934.6</b>	<b>\$1,804.2</b>	<b>\$1,789.5</b>	<b>\$1,781.5</b>	<b>\$7,309.8</b>	<b>\$7,767.2</b>
<b>Organic Revenue</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$3,978.0</b>	<b>\$4,393.0</b>	<b>\$1,263.0</b>	<b>\$1,162.0</b>	<b>\$1,170.0</b>	<b>\$1,183.1</b>	<b>\$4,778.1</b>	<b>\$1,523.7</b>	<b>\$1,362.0</b>	<b>\$1,312.6</b>	<b>\$1,328.7</b>	<b>\$5,527.0</b>	<b>\$5,864.0</b>
Employee Compensation and Benefits	\$1,636.9	\$1,816.9	\$2,186.6	\$2,406.0	\$683.0	\$640.0	\$793.0	\$914.7	\$3,030.7	\$1,004.1	\$969.5	\$953.4	\$968.4	\$3,895.3	\$4,149.2
Other Operating Expenses	\$402.9	\$596.8	\$649.9	\$710.0	\$186.0	\$211.0	\$284.0	\$270.6	\$951.6	\$251.9	\$280.6	\$300.6	\$308.6	\$1,141.7	\$1,228.7
(Gain)/Loss on Disposal	(\$9.6)	(\$4.5)	(\$143.3)	(\$31.0)	\$2.0	\$0.0	\$0.0	\$0.0	\$2.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Amortization	\$119.6	\$146.6	\$166.0	\$178.0	\$53.0	\$50.0	\$93.0	\$66.1	\$262.1	\$69.6	\$68.8	\$85.8	\$72.5	\$296.7	\$329.3
Depreciation	\$33.3	\$39.2	\$40.0	\$44.0	\$11.0	\$11.0	\$14.0	\$15.0	\$51.0	\$16.0	\$16.1	\$16.1	\$16.5	\$64.8	\$67.8
Interest	\$65.0	\$141.2	\$190.0	\$193.0	\$46.0	\$51.0	\$100.0	\$69.2	\$266.2	\$68.6	\$73.3	\$93.4	\$72.7	\$308.1	\$337.5
Change In Estimated Acquisition Earnout Payables	\$40.4	(\$38.9)	\$21.0	\$2.0	(\$4.0)	\$11.0	\$11.0	\$11.0	\$29.0	\$11.0	\$11.0	\$11.0	\$11.0	\$44.0	\$44.0
<b>Total Expenses</b>	<b>\$2,286.6</b>	<b>\$2,697.3</b>	<b>\$3,111.0</b>	<b>\$3,502.0</b>	<b>\$977.0</b>	<b>\$974.0</b>	<b>\$1,295.0</b>	<b>\$1,346.6</b>	<b>\$4,592.6</b>	<b>\$1,421.3</b>	<b>\$1,419.4</b>	<b>\$1,460.3</b>	<b>\$1,449.7</b>	<b>\$5,750.6</b>	<b>\$6,156.5</b>
<b>EBITDAC</b>	<b>\$1,021.2</b>	<b>\$1,164.2</b>	<b>\$1,563.9</b>	<b>\$1,720.0</b>	<b>\$533.0</b>	<b>\$434.0</b>	<b>\$529.0</b>	<b>\$432.0</b>	<b>\$1,928.0</b>	<b>\$678.5</b>	<b>\$554.2</b>	<b>\$535.5</b>	<b>\$504.6</b>	<b>\$2,272.8</b>	<b>\$2,389.2</b>
(Gain)/Loss on Disposal	(\$9.6)	(\$4.5)	(\$143.3)	(\$31.0)	\$2.0	\$0.0	\$0.0	\$0.0	\$2.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Acquisition/Integration Costs	\$0.0	\$11.2	\$13.1	\$0.0	\$0.0	\$37.0	\$50.0	\$50.0	\$137.0	\$50.0	\$50.0	\$50.0	\$50.0	\$200.0	\$200.0
Foreign Currency Translation	(\$1.4)	\$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
Non-Recurring Cost			\$11.0	\$0.0	\$0.0	\$0.0	\$8.0	\$0.0	\$8.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Adjusted EBITDAC</b>	<b>\$1,010.1</b>	<b>\$1,173.8</b>	<b>\$1,444.7</b>	<b>\$1,689.0</b>	<b>\$535.0</b>	<b>\$471.0</b>	<b>\$587.0</b>	<b>\$482.0</b>	<b>\$2,075.0</b>	<b>\$728.5</b>	<b>\$604.2</b>	<b>\$585.5</b>	<b>\$554.6</b>	<b>\$2,472.8</b>	<b>\$2,589.2</b>
<b>Pre-Tax Income</b>	<b>\$762.8</b>	<b>\$876.1</b>	<b>\$1,146.1</b>	<b>\$1,303.0</b>	<b>\$427.0</b>	<b>\$311.0</b>	<b>\$311.0</b>	<b>\$270.7</b>	<b>\$1,319.7</b>	<b>\$513.3</b>	<b>\$384.9</b>	<b>\$329.2</b>	<b>\$331.8</b>	<b>\$1,559.2</b>	<b>\$1,610.7</b>
<b>Adjusted Pre-Tax Income</b>	<b>\$762.8</b>	<b>\$876.1</b>	<b>\$1,214.0</b>	<b>\$1,452.0</b>	<b>\$478.0</b>	<b>\$409.0</b>	<b>\$473.0</b>	<b>\$397.8</b>	<b>\$1,757.8</b>	<b>\$643.9</b>	<b>\$514.7</b>	<b>\$475.9</b>	<b>\$465.4</b>	<b>\$2,099.9</b>	<b>\$2,184.0</b>
Income Tax	\$175.7	\$204.3	\$275.6	\$301.0	\$93.0	\$77.0	\$82.0	\$71.5	\$323.5	\$135.5	\$101.6	\$86.9	\$87.6	\$411.6	\$425.2
Tax Rate	23.0%	23.3%	24.1%	23.1%	21.8%	24.8%	26.4%	26.4%	24.5%	26.4%	26.4%	26.4%	26.4%	26.4%	26.4%
<b>Net Income</b>	<b>\$587.1</b>	<b>\$671.8</b>	<b>\$870.5</b>	<b>\$1,002.0</b>	<b>\$334.0</b>	<b>\$234.0</b>	<b>\$229.0</b>	<b>\$199.2</b>	<b>\$996.2</b>	<b>\$377.8</b>	<b>\$283.3</b>	<b>\$242.3</b>	<b>\$244.2</b>	<b>\$1,147.6</b>	<b>\$1,185.5</b>
<b>Adjusted Net Income</b>	<b>\$587.1</b>	<b>\$671.8</b>	<b>\$927.0</b>	<b>\$1,103.0</b>	<b>\$371.0</b>	<b>\$231.0</b>	<b>\$354.0</b>	<b>\$292.8</b>	<b>\$1,248.8</b>	<b>\$473.9</b>	<b>\$378.8</b>	<b>\$350.3</b>	<b>\$342.5</b>	<b>\$1,545.5</b>	<b>\$1,607.4</b>
Net Income Attributable to Non-Controlling Interests			\$0.0	\$9.0	\$3.0	\$3.0	\$2.0	\$2.0	\$10.0	\$2.0	\$2.0	\$2.0	\$2.0	\$8.0	\$8.0
<b>Net Income Attributable to the Company</b>			<b>\$870.5</b>	<b>\$993.0</b>	<b>\$331.0</b>	<b>\$231.0</b>	<b>\$227.0</b>	<b>\$197.2</b>	<b>\$986.2</b>	<b>\$375.8</b>	<b>\$281.3</b>	<b>\$240.3</b>	<b>\$242.2</b>	<b>\$1,139.6</b>	<b>\$1,177.5</b>
Net Income Attributable to Unvested Awarded Performance Stock	\$12.9	\$12.7	\$13.3	\$12.0	\$4.0	\$3.0	\$2.0	\$2.0	\$11.0	\$2.0	\$2.0	\$2.0	\$2.0	\$8.0	\$8.0
<b>Net Income Attributable to Common Shareholders</b>	<b>\$574.2</b>	<b>\$659.1</b>	<b>\$857.2</b>	<b>\$981.0</b>	<b>\$327.0</b>	<b>\$228.0</b>	<b>\$225.0</b>	<b>\$195.2</b>	<b>\$975.2</b>	<b>\$373.8</b>	<b>\$279.3</b>	<b>\$238.3</b>	<b>\$240.2</b>	<b>\$1,131.6</b>	<b>\$1,169.5</b>
Basic Shares Outstanding	276.0	277.5	279.6	282.0	283.0	292.0	331.0	328.9	308.7	326.8	324.8	322.7	320.6	323.7	315.4
Diluted Shares Outstanding	277.4	278.7	280.8	284.0	285.0	293.0	332.0	329.9	310.0	327.8	325.8	323.7	321.6	324.7	316.4
<b>Basic EPS</b>	<b>\$2.08</b>	<b>\$2.38</b>	<b>\$3.07</b>	<b>\$3.48</b>	<b>\$1.16</b>	<b>\$0.79</b>	<b>\$0.68</b>	<b>\$0.59</b>	<b>\$3.22</b>	<b>\$1.14</b>	<b>\$0.86</b>	<b>\$0.74</b>	<b>\$0.75</b>	<b>\$3.49</b>	<b>\$3.71</b>
<b>Diluted EPS</b>	<b>\$2.07</b>	<b>\$2.37</b>	<b>\$3.05</b>	<b>\$3.46</b>	<b>\$1.15</b>	<b>\$0.78</b>	<b>\$0.68</b>	<b>\$0.59</b>	<b>\$3.20</b>	<b>\$1.14</b>	<b>\$0.86</b>	<b>\$0.74</b>	<b>\$0.75</b>	<b>\$3.48</b>	<b>\$3.69</b>
<b>Adjusted Diluted EPS</b>	<b>\$2.14</b>	<b>\$2.28</b>	<b>\$3.25</b>	<b>\$3.84</b>	<b>\$1.29</b>	<b>\$1.03</b>	<b>\$1.05</b>	<b>\$0.88</b>	<b>\$4.25</b>	<b>\$1.43</b>	<b>\$1.15</b>	<b>\$1.07</b>	<b>\$1.05</b>	<b>\$4.71</b>	<b>\$5.03</b>
Dividend per Share	\$0.38	\$0.42	\$0.48	\$0.54	\$0.15	\$0.15	\$0.15	\$0.17	\$0.62	\$0.17	\$0.17	\$0.17	\$0.17	\$0.66	\$0.66



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## 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.

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### Zacks Style Scores

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

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

Value Score	<b>D</b>
Growth Score	<b>C</b>
Momentum Score	<b>C</b>
VGM Score	<b>D</b>

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

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