

Central Garden & Pet (CENT)

\$32.65 (Stock Price as of 12/18/2025)

Price Target (6-12 Months): **\$36.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 10/24/25)

Prior Recommendation: Outperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: A

Value: A

Growth: A

Momentum: D

Summary

Central Garden & Pet is strengthening its position in the U.S. pet and garden supplies market through portfolio realignment, cost efficiencies, and digital expansion. Strategic initiatives, including the Cost and Simplicity program and a shift toward higher-margin consumables, support margin resilience and operational efficiency, while e-commerce and targeted acquisitions bolster long-term growth prospects. However, persistent headwinds, such as soft demand for durable products, sales pressures across Pet segment, rising SG&A expenses, and tariff exposure, temper the growth outlook. Management's focus on innovation and supply-chain optimization could drive gradual improvement, but macroeconomic pressures remain concerning in the near term. We expect sales to drop 0.2% in first-quarter fiscal 2026.

Data Overview

52 Week High-Low	\$43.24 - \$28.77
20 Day Average Volume (sh)	96,566
Market Cap	\$2.1 B
YTD Price Change	-13.0%
Beta	0.68
Dividend / Div Yld	\$0.00 / 0.0%
Industry	Consumer Products - Discretionary
Zacks Industry Rank	Bottom 29% (171 out of 243)

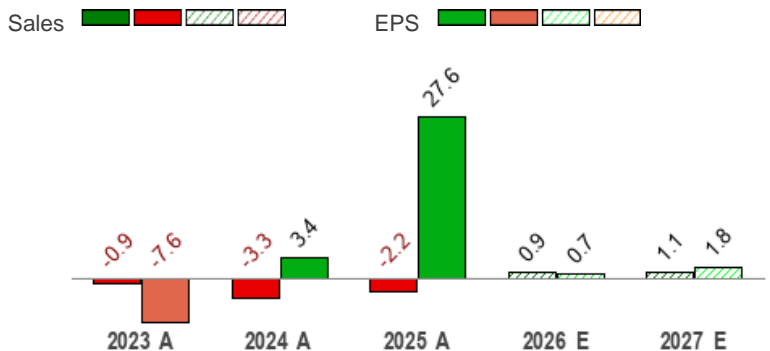
Last EPS Surprise	55.0%
Last Sales Surprise	1.8%
EPS F1 Est- 4 week change	1.3%
Expected Report Date	02/04/2026
Earnings ESP	0.0%

P/E TTM	12.4
P/E F1	11.9
PEG F1	9.4
P/S TTM	0.7

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	663 E	859 E	979 E	689 E	3,190 E
2026	655 E	850 E	968 E	682 E	3,156 E
2025	656 A	834 A	961 A	678 A	3,129 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	0.13 E	1.07 E	1.53 E	0.07 E	2.80 E
2026	0.12 E	1.06 E	1.52 E	0.05 E	2.75 E
2025	0.21 A	1.04 A	1.56 A	-0.09 A	2.73 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/18/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/17/2025.

Overview

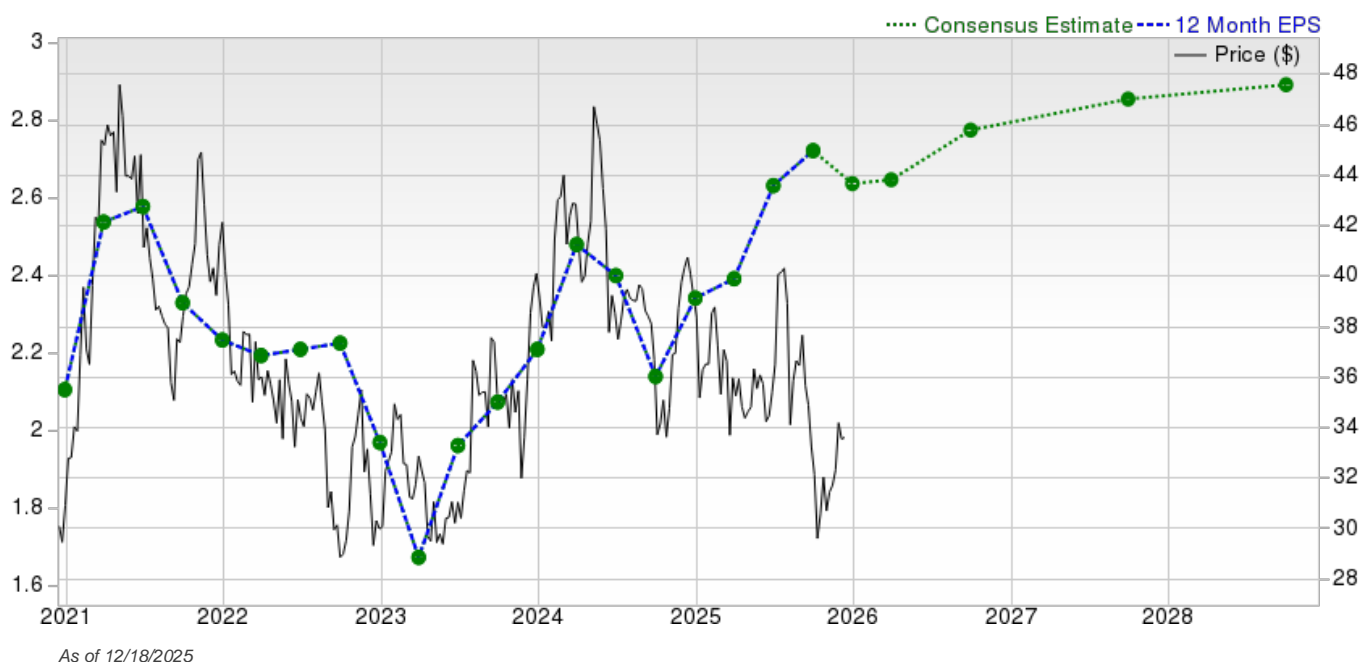
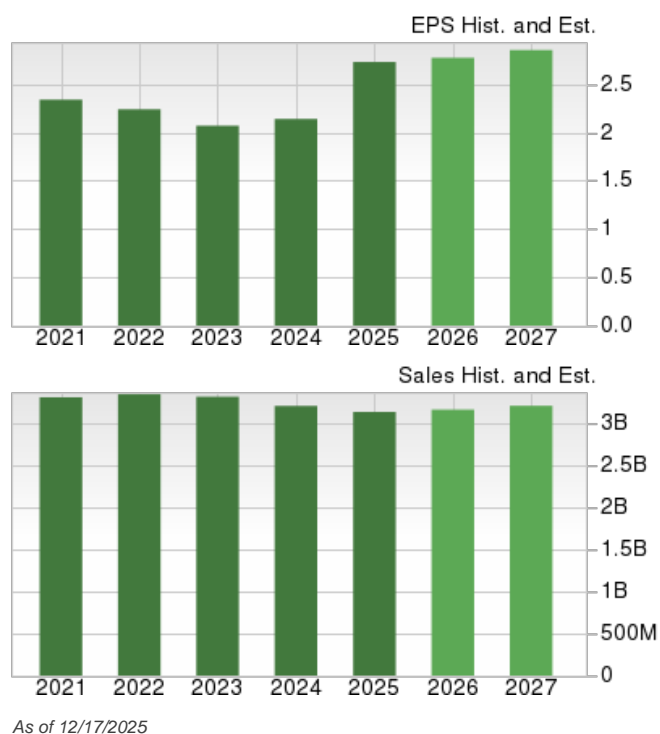
Committed to product innovation, Central Garden & Pet Co. is looking forward to strengthening its position as one of the leading companies in the U.S. pet supplies and lawn and garden supplies space. Unique packaging, point-of-sale displays, logistic capabilities and a high level of customer service are some of its key growth catalysts.

With such upsides, it boasts a wide repertoire of clients, including PetSmart, PETCO, Walmart, Home Depot and Lowe's. Further, the company actively engages in buyout activities to gain market share.

Moving on, the company offers products to mass merchants, home improvement centers, lawn and garden nurseries, grocery stores, specialty pet stores, veterinarians' municipalities, and other individual animal buyers. It also produces both branded products and private-label products along with distributing third-party brands. With such a wide array of products in its portfolio, Central Garden & Pet operates under two segments as discussed below.

Pet Segment (58.1% of Fiscal 2025 Total Sales): This segment offers food and accessories for dogs, cats, birds, small animals, fishes, horses and livestock under brands, such as Aqueon, Cadet, C&S, Comfort Zone, Farnam, Four Paws, Kaytee, Nylabone, and Zilla.

Garden Segment (41.9% of Fiscal 2025 Total Sales): This segment offers both proprietary and nonproprietary grass seeds, herbicides, insecticides, pesticides, decorative outdoor lifestyle and lighting products. The segment markets its products under brands such as Amdro, Pennington, Sevin and Ferry-Morse.



Reasons To Buy:

- ▲ **Strategic Endeavors Aiding Performance:** Central Garden & Pet is looking forward to strengthening its position as one of the leading companies in the U.S. pet supplies and lawn and garden supplies space. Unique packaging, point-of-sale displays, logistic capabilities, and a high level of customer service are some of its key catalysts. The company is also making meaningful progress on its Central-to-home strategy. It has completed its multiyear supply-chain network design project, a key milestone in reinforcing customer alignment, high service speed and cost efficiency across its logistics network. Further, management is building a stronger, higher-margin consumables portfolio while deliberately reducing exposure to lower-margin durables. In the fourth quarter of fiscal 2025, consumables represented nearly 84% of Pet sales, the highest mix in the company's history. It is focused on innovation to meet evolving consumer preferences, including high-quality pet consumables and garden solutions. Management expects consumers to stay focused on value and performance with a promotionally active yet stable retail landscape and channel shifts from pet specialty to e-commerce. The Garden segment delivered a strong rebound, with net sales rising 7% in fourth-quarter fiscal 2025, with standout performance in its wild bird, grass seed, fertilizer and packet seed categories, with meaningful gains in both sales and market share across key retailers and channels. Management anticipates fiscal 2026 adjusted earnings of \$2.70 per share or better, supported by continued margin discipline, pricing actions, cost efficiencies and portfolio optimization. It expects to continue expanding margins in fiscal 2026.
- ▲ **Cost and Simplicity Program:** Central Garden & Pet's multi-year Cost and Simplicity program focuses on streamlining operations, enhancing efficiency, and leveraging scale across procurement, logistics, and administrative functions. Key efforts include SKU reduction, facility consolidation, and technology upgrades. It has completed the sale of U.K. aquatic brands and transitioning the U.S. Pet operations serving the U.K. and select European markets to a direct export model. The company also consolidated outdated Garden distribution facilities in Ontario, California, and Salt Lake City, UT, into a larger, modern facility in Salt Lake City. These steps not only streamline logistics but also support faster, more reliable service to customers. Overall, the program reflects disciplined execution and structural improvements that are supporting sustained margin growth and operational effectiveness.
- ▲ **Gross Margin Expansion:** Central Garden & Pet's adjusted gross margin expanded 310 basis points (bps) to 29.1% in the fourth quarter of fiscal 2025. This followed an expansion of 190 bps in the preceding quarter. This consistent margin expansion reflects the strong execution of the company's Cost and Simplicity program, which continues to drive productivity gains, SKU optimization and supply-chain efficiencies. This margin resilience highlights the company's ability to manage input cost pressures and sustain profitability. We expect adjusted gross margin to rise 10 bps year over year in fiscal 2026.
- ▲ **E-commerce Growth:** Central Garden & Pet's e-commerce business remains a strong growth engine, supported by enhanced digital capabilities. In the fourth quarter of fiscal 2025, e-commerce accounted for 27% of total Pet segment sales, consistent with the prior quarter. Hence, e-commerce continues to play a vital role in the company's channel mix, reflecting steady consumer engagement in the digital platforms. E-commerce demand in the Garden segment surged, delivering double-digit growth across all categories and pushing online sales to more than 10% of the segment's total for the first time. Strong demand in Wild Bird and Grass Seed categories, where the company maintained category leadership and achieved robust gains across both pure-play and omnichannel partners. These trends highlight the company's ability to foster ongoing digital adoption and strengthen its long-term growth trajectory.
- Moving ahead, the company looks to balance disciplined cost and cash management with targeted investments that drive organic growth, mainly in innovation, e-commerce and digital technologies. Its priority is making the data AI-ready by enhancing accessibility, quality and integration, enabling deeper insights as well as unlocking significant value and competitive advantage.
- ▲ **Acquisitions Playing a Key Role:** Central Garden & Pet continues to prioritize strategic M&A to support growth, enhance capabilities, and strengthen its portfolio. On Dec 12, 2025, the company has concluded the acquisition of the U.S. assets of Champion USA, which is a popular cattle fly-control company known for its proprietary JustiFLY line of products. Champion USA has served the livestock industry for over 15 years, delivering cost-effective, EPA-approved feed-through fly-control solutions designed to disrupt the lifecycle of four key fly species affecting livestock. This buyout will bolster the company's position in among the fast-growing segments in animal health, expanding its ability to offer effective, high-quality solutions for cattle producers throughout the nation. Management emphasized during the fiscal fourth quarter that acquisitions remain central to scaling core categories and expanding into related categories, and noted plans to accelerate M&A activity in fiscal 2026 as market conditions improve. The company bought TDBBS, LLC in November 2023. Previous acquisitions—D&D Commodities (premium bird feed), Green Garden Products (seeds and plant nutrients), and Hopewell Nursery (live goods)—reflect a disciplined and targeted approach. These deals support Central Garden & Pet's long-term strategy and reinforce its competitive position in key pet and garden categories.
- ▲ **Financial Health:** Central Garden & Pet maintains a strong financial footing, enabling both strategic investments and shareholder returns. In the fiscal fourth quarter, liquidity improved notably as cash and cash equivalents rose to \$882.5 million from \$753.6 million a year earlier, while total debt stayed unchanged at \$1.2 billion. The company's gross leverage ratio remained at 2.8x, below its 3.0x–3.5x target range, and the net leverage ratio held near 0.8x, highlighting its solid cash position. With no borrowings under its \$750 million credit facility, Central Garden & Pet underscores financial flexibility. It did not repurchase shares in the fiscal fourth quarter, having nearly \$46.5 million available for future repurchases as of Sept 27, 2025. Strategic investments will center on innovation, productivity, digital technology and data/AI enablement, with capital expenditures projected between \$50 million and \$60 million in fiscal 2026.

Central Garden & Pet advances digital, supply chain and product innovation while driving margin gains and M&A, backed by strong financials and a focused Cost and Simplicity program.

Reasons To Sell:

- ▼ **Softness in Pet Segment:** Central Garden & Pet has been witnessing persistent pressure in its Pet segment for a while now. It posted a 2% year-over-year decline in Pet segment's net sales for the fourth quarter of fiscal 2025. Variable weather and weak demand in pet durables mainly hurt the results. The Pet segment reflected the planned closure of U.K. operations and reduced sales of lower-margin durable products. Despite these headwinds, Pet delivered share gains across multiple consumables categories, including dog chews, flea & tick, equine and pet bird nutrition. The segment's adjusted operating income was \$30.6 million compared with \$34.6 million a year ago, with operating margin contracting to 7.2% from 8%. The decline reflected slightly lower volumes and the cadence of productivity investments. Adjusted EBITDA totaled \$40.6 million, down from \$45.4 million in the prior-year quarter. We foresee adjusted operating profit for the Pet segment to drop 2.3% in fiscal 2026. CENT's shares have lost 6.1% in the past three months against the industry's 1.2% rise.
- ▼ **Declining Durable Product Sales:** Central Garden & Pet's durable pet product sales continued to decline, indicating weak consumer demand for discretionary pet products. During the fourth quarter of fiscal 2025, the company witnessed softer demand for durable products and consequently lower sales. If this softness persists, it could limit the segment's ability to return to consistent top-line growth in the near term.
- ▼ **Higher SG&A May Hurt Margins:** Any deleverage in selling, general, and administrative (SG&A) expenses, unless fully offset by sales, may affect margins. As a percentage of net sales, adjusted SG&A increased 60 bps to 23.6% during the fourth quarter of fiscal 2025. Adjusted SG&A expenses rose 7% to \$198.1 million. The increase was driven by the timing of productivity and commercial investments, along with higher spending tied to innovation and digital initiatives. In the absence of a meaningful sales rebound or additional cost efficiencies, elevated SG&A levels could continue to constrain earnings performance and limit operating leverage in the near term. We expect adjusted SG&A expenses to increase 20 basis points in fiscal 2026. For the first quarter of fiscal 2026, the company projects earnings in the band of 10-15 cents a share, compared with 21 cents reported in the year-ago period and our estimate of 12 cents. This remains consistent with the normal seasonal trends and reflects a temporary shipment hold initiated with a huge retailer and the shifting of few orders into the second quarter.
- ▼ **High Exposure to Tariffs and Geopolitical Risks:** Central Garden & Pet is exposed to potential risks from tariffs and changes in trade policy, particularly with its international sourcing strategy. On its fourth-quarter earnings call, management notified that while the tariff landscape is fluid, it projects incremental year-over-year gross tariff exposure of nearly \$20 million in the next 12 months. Majority of this exposure is within the Pet segment. In fact, tariffs, coupled with cost inflation and supply-chain complexity remain concerning. However, it anticipates offsetting most of the tariffs by pricing, portfolio management and supply-chain efforts. Clearly, any escalation in geopolitical tensions or changes in trade policies could further inflate costs, especially for durable pet products that are already struggling with demand. Efforts to mitigate these risks through alternative sourcing or cost reductions may take time to implement, leaving Central Garden & Pet vulnerable to sudden changes in the trade environment. Management cited that top line will remain challenging in fiscal 2026.
- ▼ **Rivals in Pet and Garden Market Turn Up the Heat:** Central Garden & Pet Company faces fierce competition from industry giants such as Spectrum Brands, The Scotts Miracle-Gro Company, and Mars. These competitors offer diverse product ranges under established brands like Nature's Miracle, Scotts, and Pedigree, challenging Central Garden & Pet to differentiate its offerings and maintain market share. Additionally, rapid shifts in consumer preferences towards sustainable and premium products add complexity to the competitive landscape, necessitating substantial investments in innovation and marketing to remain relevant. Without strategic differentiation and effective market positioning, Central Garden & Pet risks losing market share and facing declining financial performance.
- ▼ **Consumer Confidence Risks Weigh on Demand:** Consumer confidence remains a critical factor for Central Garden & Pet, as any deterioration can directly impact discretionary spending on pet and garden products. The company's customer base is particularly sensitive to macroeconomic variables such as interest rates, fuel and energy prices, credit availability, unemployment levels, and household debt burdens. Adverse shifts in these factors can weaken consumer sentiment, leading to more cautious spending behaviors. For Central Garden & Pet, such trends could translate into softer demand, posing potential headwinds to sales growth and profitability across both its Pet and Garden segments.

Central Garden & Pet's performance may face continued pressure from weak durable demand, rising SG&A costs, tariff exposure and delays in mitigation efforts.

Last Earnings Report

Central Garden & Pet Posts Narrower-Than-Expected Q4 Loss

Central Garden & Pet delivered its fourth-quarter fiscal 2025 results, wherein both the top and bottom lines beat the Zacks Consensus Estimate and improved from the year-ago period. The quarter capped a record fiscal year for the company, highlighted by expanding gross margin, robust profit growth in both Pet and Garden segments and strengthened cash flow. Management reiterated confidence heading into fiscal 2026, supported by operational momentum and a solid balance sheet.

FY Quarter Ending **9/30/2025**

Earnings Reporting Date	Nov 24, 2025
Sales Surprise	1.82%
EPS Surprise	55.00%
Quarterly EPS	-0.09
Annual EPS (TTM)	2.72

CENT's Q4 Performance: Key Metrics & Insights

Central Garden & Pet posted an adjusted loss of 9 cents a share, which beat the Zacks Consensus Estimate of a loss of 20 cents. The figure also improved from the 18-cent loss reported in the prior-year quarter. Margin expansion and disciplined execution under its Cost and Simplicity program supported bottom-line performance.

Net sales totaled \$678.2 million, rising 1% year over year and beating the Zacks Consensus Estimate of \$666 million. The increase was primarily driven by strong performance in the Garden segment, which benefited from favorable weather conditions and an extended selling season. These gains helped offset ongoing pressure in pet durables as well as the strategic wind-down of U.K. operations.

Gross profit rose to \$196.5 million from \$169 million a year ago, while the gross margin expanded 380 basis points to 29%, primarily due to lapping last year's grass seed inventory impairment and improved productivity. On an adjusted basis, the gross margin expanded 310 basis points to 29.1%.

Central reported an operating loss of \$6.4 million, significantly better than the \$32.4 million loss reported a year earlier. The adjusted operating loss improved to \$0.6 million from \$11.4 million, reflecting stronger gross margin performance partially offset by the timing of investments related to productivity and commercial initiatives. Adjusted EBITDA increased to \$25.7 million, up from \$16.8 million in the year-ago period.

CENT's Segment-Wise Performance Snapshot

The Pet segment generated \$428 million in sales, down 2% year over year, reflecting the planned closure of U.K. operations and reduced sales of lower-margin durable products. Despite these headwinds, Pet delivered share gains across multiple consumables categories, including dog chews, flea & tick, equine and pet bird nutrition. Consumables rose to 84% of Pet sales, the highest mix in company history. E-commerce represented 27% of the Pet segment sales.

The segment's adjusted operating income was \$30.6 million compared with \$34.6 million a year ago, with operating margin contracting to 7.2% from 8%. The decline reflected slightly lower volumes and the cadence of productivity investments. Adjusted EBITDA totaled \$40.6 million, down from \$45.4 million in the prior-year quarter.

The Garden segment delivered a strong rebound, with net sales rising 7% to \$250 million, up from \$234 million last year. The company saw standout performance in its wild bird, grass seed, fertilizer and packet seed categories, with meaningful gains in both sales and market share across key retailers and channels. E-commerce demand in the Garden segment surged, delivering double-digit growth across all categories and pushing online sales to more than 10% of the segment's total for the first time.

Garden achieved an adjusted operating income of \$1 million, a sharp improvement from a \$24.9 million operating loss last year, driven by the absence of last year's inventory impairment and ongoing productivity execution. Adjusted EBITDA rose to \$11.3 million, up from a loss of \$13.5 million.

CENT's Financial Health Snapshot

Central Garden & Pet ended the quarter with cash and cash equivalents of \$882.5 million, long-term debt of \$1,191.6 million and shareholders' equity of \$1,583.3 million, excluding the non-controlling interest of \$1.7 million. The gross leverage ratio was 2.8, below the company's 3-3.5 target range. Cash provided by operating activities was \$332.5 million in fiscal 2025 compared with \$394.9 million last year.

During the quarter, the company did not repurchase any shares, with \$46.5 million remaining under the share repurchase authorization.

Sneak Peek Into CENT's Outlook

Central Garden & Pet anticipates fiscal 2026 adjusted earnings of \$2.70 per share or better, supported by continued margin discipline, pricing actions, cost efficiencies and portfolio optimization designed to offset tariffs and inflationary pressures. Management expects the retail backdrop to remain promotionally active. Strategic investments will center on innovation, productivity, digital technology and data/AI enablement, with capital expenditures projected between \$50 million and \$60 million.

For the first quarter of fiscal 2026, the company projects earnings in the band of 10-15 cents a share, down from 21 cents reported in the year-ago period.

Recent News

Central Garden & Pet Acquires Champion USA - Dec 16, 2025

Central Garden & Pet has concluded the acquisition of the U.S. assets of Champion USA, which is a popular cattle fly-control company known for its proprietary JustiFLY line of products. Champion USA has served the livestock industry for over 15 years, delivering cost-effective, EPA-approved feed-through fly-control solutions designed to disrupt the lifecycle of four key fly species affecting livestock.

The solutions avoid harm to beneficial species like dung beetles, supporting more sustainable pastures and soil health. This buyout will bolster the company's position in among the fast-growing segments in animal health, expanding its ability to offer effective, high-quality solutions for cattle producers throughout the nation.

Valuation

Central Garden & Pet Companies' shares are down 1.6% in the past six months and 18.2% in the trailing 12-month period. Stocks in the Zacks sub-industry are up 1.1% but the Zacks Consumer Discretionary sector is down 2.4% in the six-month period. Over the past year, the sub-industry and the sector are down 7.4% and 3.4%, respectively.

The S&P 500 index is up 16.2% in the six-month period and 17.9% in the past year.

The stock is currently trading at 12.08X forward 12-month earnings, which compares to 15.94X for the Zacks sub-industry, 18.64X for the Zacks sector, and 23.21X for the S&P 500 index.

Over the past three years, the stock has traded as high as 24.8X and as low as 10.7X, with a 5-year median of 15.41X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$36 price target reflects 13.52X forward 12-month earnings.

The table below shows summary valuation data for CENT

Valuation Multiples - CENT					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	12.08	15.94	18.64	23.21
	5-Year High	24.8	36.03	40.66	23.78
	5-Year Low	10.7	10.53	15.46	15.73
	5-Year Median	15.41	15.23	19.09	21.22
P/S F12M	Current	0.66	2.54	2.39	5.24
	5-Year High	1.06	11.78	3.5	5.5
	5-Year Low	0.57	2.23	1.68	3.83
	5-Year Median	0.72	2.92	2.3	5.05
EV/EBITDA TTM	Current	6.92	52.6	10.42	18.51
	5-Year High	12.6	95.56	17.4	22.41
	5-Year Low	6.06	12.44	8.04	13.88
	5-Year Median	9.83	34.91	10.29	17.97

As of 12/16/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 29% (171 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Reynolds Consumer Pr...(REYN)	Outperform	2
Chewy (CHWY)	Neutral	3
Hengan International...(HEGIY)	Neutral	3
The J. M. Smucker Co...(SJM)	Neutral	3
Spectrum Brands Hold...(SPB)	Neutral	3
Sysco Corporation (SYY)	Neutral	3
Target Corporation (TGT)	Neutral	3
Walmart Inc. (WMT)	Neutral	3

Industry Comparison⁽¹⁾ Industry: Consumer Products - Discretionary

	CENT	X Industry	S&P 500	CHWY	HEGIY	SPB
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	3	3
VGM Score	A	-	-	A	A	A
Market Cap	2.10 B	294.91 M	38.74 B	13.60 B	4.25 B	1.43 B
# of Analysts	4	2	22	9	1	4
Dividend Yield	0.00%	0.00%	1.42%	0.00%	4.60%	3.07%
Value Score	A	-	-	C	A	A
Cash/Price	0.43	0.19	0.04	0.05	0.53	0.09
EV/EBITDA	6.60	6.60	14.56	49.31	NA	8.41
PEG Ratio	9.67	1.06	2.18	1.40	NA	NA
Price/Book (P/B)	1.34	1.36	3.30	28.98	1.42	0.78
Price/Cash Flow (P/CF)	8.06	6.86	15.17	60.15	9.53	6.02
P/E (F1)	12.28	13.51	19.74	25.77	11.96	13.86
Price/Sales (P/S)	0.67	0.75	3.08	1.08	NA	0.51
Earnings Yield	8.20%	6.01%	5.04%	3.87%	8.36%	7.21%
Debt/Equity	0.75	0.29	0.57	0.00	0.01	0.29
Cash Flow (\$/share)	4.18	0.29	8.99	0.55	1.94	10.00
Growth Score	A	-	-	A	C	A
Hist. EPS Growth (3-5 yrs)	1.78%	-6.33%	8.16%	98.39%	NA	-0.40%
Proj. EPS Growth (F1/F0)	0.73%	5.83%	8.60%	22.12%	9.29%	-18.60%
Curr. Cash Flow Growth	5.66%	-2.89%	6.75%	45.67%	-12.75%	5.55%
Hist. Cash Flow Growth (3-5 yrs)	7.78%	7.78%	7.43%	24.85%	-7.87%	-5.96%
Current Ratio	3.67	1.99	1.18	0.85	1.16	2.26
Debt/Capital	42.92%	25.09%	38.01%	0.00%	0.94%	22.56%
Net Margin	5.20%	0.71%	12.78%	1.64%	NA	3.56%
Return on Equity	11.17%	7.29%	17.00%	56.78%	NA	7.29%
Sales/Assets	0.87	0.98	0.53	4.03	NA	0.80
Proj. Sales Growth (F1/F0)	0.90%	0.00%	5.79%	6.20%	1.40%	0.70%
Momentum Score	D	-	-	B	A	F
Daily Price Chg	-0.15%	0.00%	-1.16%	0.60%	-0.51%	-2.24%
1 Week Price Chg	0.18%	0.00%	-2.40%	-2.18%	-0.83%	7.24%
4 Week Price Chg	9.20%	4.54%	1.19%	-3.42%	4.18%	10.85%
12 Week Price Chg	-0.25%	-0.13%	1.26%	-12.86%	14.38%	16.17%
52 Week Price Chg	-21.85%	-23.96%	14.46%	-0.80%	30.85%	-32.45%
20 Day Average Volume	95,373	91,167	2,751,030	7,704,344	24,439	284,360
(F1) EPS Est 1 week change	-0.21%	0.00%	0.00%	2.13%	0.00%	-0.15%
(F1) EPS Est 4 week change	1.25%	0.00%	0.00%	3.62%	0.00%	-0.15%
(F1) EPS Est 12 week change	2.37%	-2.30%	0.69%	4.05%	3.38%	-1.67%
(Q1) EPS Est Mthly Chg	-43.18%	0.00%	0.00%	-9.19%	NA	-13.46%

Analyst Earnings Model⁽²⁾

Central Garden & Pet Company (CENT)

In \$MM, except per share data

	2021A	2022A	2023A	2024A	2025A					2026E				2027E	2028E
	FY	FY	FY	FY	1QA	2QA	3QA	4QA	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends September 30th	Sep-21	Sep-22	Sep-23	Sep-24	31-Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	Sep-25	31-Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	Sep-26	Sep-27
Income Statement															
Net Sales	\$3,303.7	\$3,338.6	\$3,310.1	\$3,200.5	\$656.4	\$833.5	\$960.9	\$678.2	\$3,129.1	\$655.4	\$850.2	\$968.3	\$681.5	\$3,155.5	\$3,190.1
Cost of Goods Sold	\$2,332.8	\$2,346.3	\$2,363.2	\$2,256.7	\$460.7	\$560.5	\$628.9	\$481.6	\$2,131.7	\$459.4	\$566.3	\$632.5	\$482.4	\$2,140.6	\$2,160.9
Cost of Goods Sold, Adjusted	\$2,332.8	\$2,346.3	\$2,353.5	\$2,240.4	\$460.7	\$556.0	\$628.7	\$480.7	\$2,126.1	\$459.4	\$566.3	\$632.5	\$482.4	\$2,140.6	\$2,160.9
Gross Profit	\$970.9	\$992.3	\$946.8	\$943.7	\$195.7	\$273.1	\$332.0	\$196.5	\$997.3	\$196.0	\$283.9	\$335.8	\$199.1	\$1,014.9	\$1,029.2
Gross Profit, Adjusted	\$970.9	\$992.3	\$956.6	\$960.1	\$195.7	\$277.5	\$332.3	\$197.5	\$1,002.9	\$196.0	\$283.9	\$335.8	\$199.1	\$1,014.9	\$1,029.2
SG&A Expenses	\$716.4	\$732.3	\$736.2	\$758.3	\$167.7	\$179.8	\$196.9	\$202.9	\$747.3	\$176.6	\$185.0	\$200.5	\$188.2	\$750.3	\$760.9
SG&A Expenses, Adjusted	\$713.8	\$732.3	\$729.4	\$737.3	\$167.7	\$178.8	\$193.2	\$198.1	\$737.9	\$176.6	\$185.0	\$200.5	\$188.2	\$750.3	\$760.9
Depreciation & Amortization	\$74.7	\$80.9	\$87.7	\$90.8	\$21.9	\$20.6	\$21.5	\$20.8	\$84.9	\$21.9	\$21.1	\$21.6	\$20.9	\$85.5	\$86.5
Adjusted EBITDA	\$352.4	\$366.8	\$342.9	\$334.2	\$55.4	\$123.3	\$166.6	\$25.7	\$371.0	\$46.8	\$124.1	\$163.0	\$37.4	\$371.3	\$376.2
Operating Income	\$254.5	\$260.0	\$210.6	\$185.4	\$28.0	\$93.3	\$135.1	(\$6.4)	\$250.0	\$19.4	\$98.9	\$135.3	\$10.9	\$264.6	\$268.3
Operating Income, Adjusted	\$257.1	\$260.0	\$227.2	\$222.8	\$28.0	\$98.7	\$139.0	(\$0.6)	\$265.0	\$19.4	\$98.9	\$135.3	\$10.9	\$264.6	\$268.3
Interest Expense	\$58.6	\$58.3	\$57.0	\$57.5	\$14.5	\$14.5	\$14.4	\$14.4	\$57.7	\$14.4	\$14.8	\$14.5	\$14.4	\$58.1	\$58.8
Interest Income	\$0.4	\$0.7	\$7.4	\$19.7	\$6.7	\$5.2	\$5.5	\$7.5	\$24.9	\$6.7	\$5.3	\$5.6	\$7.5	\$25.1	\$25.3
Other Expense (Income)	\$1.5	\$3.6	(\$1.5)	\$5.1	\$1.7	(\$0.7)	(\$1.1)	\$0.6	\$0.5	\$1.7	(\$0.7)	(\$1.1)	\$0.6	\$0.5	\$0.5
Pre-Tax Income	\$194.8	\$198.9	\$162.4	\$142.4	\$18.5	\$84.7	\$127.4	(\$13.9)	\$216.8	\$10.0	\$90.1	\$127.4	\$3.4	\$231.0	\$234.4
Income Tax	\$42.0	\$46.2	\$36.3	\$33.1	\$4.4	\$19.9	\$31.9	(\$3.4)	\$52.8	\$2.5	\$22.5	\$31.9	\$0.9	\$57.8	\$58.6
Tax Rate	21.6%	23.2%	22.4%	23.2%	23.5%	23.5%	25.1%	24.7%	24.4%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Net Income	\$152.8	\$152.7	\$126.1	\$109.3	\$14.2	\$64.8	\$95.4	(\$10.4)	\$164.0	\$7.5	\$67.6	\$95.6	\$2.6	\$173.3	\$175.8
Net Income (Loss) Attributable to Non-Controlling Interest	\$1.0	\$0.5	\$0.5	\$1.3	\$0.2	\$1.2	\$0.4	(\$0.6)	\$1.1	\$0.2	\$1.2	\$0.4	(\$0.6)	\$1.1	\$1.1
Net Income Attributable to CENT	\$151.7	\$152.2	\$125.6	\$108.0	\$14.0	\$63.6	\$95.0	(\$9.8)	\$162.8	\$7.3	\$66.4	\$95.2	\$3.2	\$172.1	\$174.7
Net Income, Non-GAAP	\$161.6	\$152.2	\$138.5	\$142.4	\$14.0	\$67.7	\$97.9	(\$5.5)	\$174.2	\$7.3	\$66.4	\$95.2	\$3.2	\$172.1	\$174.7
Basic Shares Outstanding	53.9	53.2	65.5	65.7	64.6	64.1	62.0	61.7	63.1	61.7	61.7	61.7	61.7	61.7	61.7
Diluted Shares Outstanding	55.2	54.4	66.8	66.9	65.4	64.9	62.6	62.4	63.8	62.4	62.4	62.4	62.4	62.4	62.4
Basic EPS	\$2.81	\$2.86	\$1.92	\$1.64	\$0.22	\$0.99	\$1.53	(\$0.16)	\$2.58	\$0.12	\$1.08	\$1.54	\$0.05	\$2.79	\$2.84
Diluted EPS	\$2.75	\$2.80	\$1.88	\$1.62	\$0.21	\$0.98	\$1.52	(\$0.16)	\$2.55	\$0.12	\$1.06	\$1.52	\$0.05	\$2.75	\$2.80
Diluted EPS, Non-GAAP	\$2.92	\$2.80	\$2.07	\$2.13	\$0.21	\$1.04	\$1.56	(\$0.09)	\$2.73	\$0.12	\$1.06	\$1.52	\$0.05	\$2.75	\$2.88

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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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	A
Growth Score	A
Momentum Score	D
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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