

## CenterPoint Energy (CNP)

**\$37.60** (Stock Price as of 12/19/2025)

Price Target (6-12 Months): **\$40.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

**Neutral**

(Since: 10/11/22)

Prior Recommendation: Outperform

Short Term: 1-3 Months

**Zacks Rank:** (1-5)

**3-Hold**

Zacks Style Scores:

VGM: F

Value: C

Growth: F

Momentum: F

### Summary

CenterPoint Energy continues to benefit from an increasing electricity demand, backed by the rapid electrification of transportation and buildings. CenterPoint Energy aims to invest \$65 billion during 2026-2035 to strengthen its infrastructure and supply safe and resilient energy. Our model projects solid revenues growth for the company during 2025-2027. However, the company's shares have underperformed the industry in the past six months. Broader supply-chain disruptions, exacerbated by tariffs, are limiting CenterPoint Energy's ability to procure essential equipment and labor. Combined with regulatory risks, project cancellations, and credit exposure to REPs, these constraints could increase costs and hinder the company's operational and financial performance.

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



### Data Overview

52 Week High-Low	\$40.49 - \$30.59
20 Day Average Volume (sh)	4,409,147
Market Cap	\$25.0 B
YTD Price Change	20.5%
Beta	0.56
Dividend / Div Yld	\$0.92 / 2.3%
Industry	<a href="#">Utility - Electric Power</a>
Zacks Industry Rank	Top 31% (75 out of 243)

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



Last EPS Surprise	8.7%
Last Sales Surprise	1.9%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/19/2026
Earnings ESP	-7.7%

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

	Q1	Q2	Q3	Q4	Annual*
2026	2,948 E	2,032 E	2,047 E	2,532 E	9,559 E
2025	2,920 A	1,944 A	1,988 A	2,331 E	9,183 E
2024	2,620 A	1,905 A	1,856 A	2,262 A	8,643 A

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

	Q1	Q2	Q3	Q4	Annual*
2026	0.57 E	0.35 E	0.45 E	0.54 E	1.91 E
2025	0.53 A	0.29 A	0.50 A	0.45 E	1.77 E
2024	0.55 A	0.36 A	0.31 A	0.40 A	1.62 A

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/19/2025.

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

## Overview

Incorporated in 2002, Houston, TX-based CenterPoint Energy Inc. is a domestic energy delivery company that provides electric transmission and distribution, power generation, and natural gas distribution operations to more than 7 million metered customers across six states — Indiana, Louisiana, Minnesota, Mississippi, Ohio and Texas. In 2022, the company completed the execution of its previously announced plan to exit the midstream sector by selling the remaining Energy Transfer Common Units and Energy Transfer Series G Preferred Units.

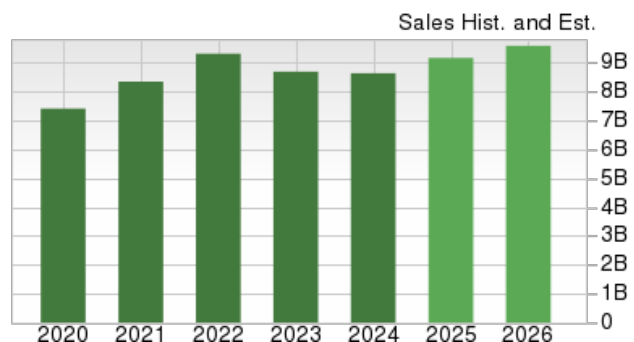
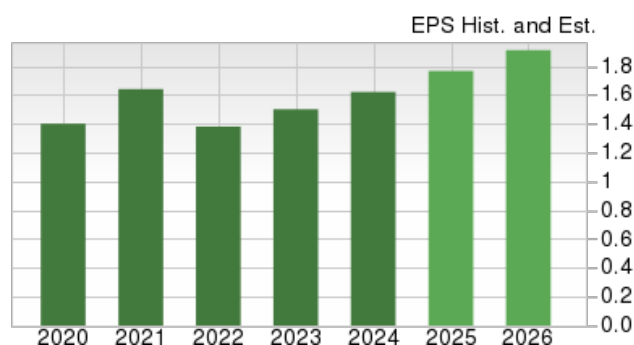
As of Dec 31, 2024, the company's indirect, wholly-owned subsidiaries included Houston Electric, CERC Corp. and SIGECO.

CenterPoint Energy's reportable business segments include the following:

**Electric:** This segment offers electric transmission and distribution services in Houston and Indiana. The segment reported a net income of \$671 million in 2024.

**Natural Gas:** This segment offers intrastate natural gas sales and natural gas transportation and distribution for the residential, commercial, industrial and institutional customers. The segment reported a net income of \$564 million in 2024.

**Corporate and Other:** This segment consists of corporate support operations that aid CenterPoint Energy's business operations. It also includes office buildings and other real estate used for business operations. The segment reported a net loss of \$216 million in 2024.



As of 12/17/2025



## Reasons To Buy:

▲ CenterPoint Energy is benefiting from rising electricity consumption, driven by the electrification of transportation and buildings. Improved economic conditions and increased demand for utility services from the commercial and industrial sectors, particularly backed by growing data centers, are driving the performance of utility providers. This surging demand directly translates to more sales for CenterPoint Energy, as it is responsible for the transmission and distribution of power in its service areas. Owing to such demand growth, our model predicts year-over-year revenues growth of 6.2% in 2025, 4.1% in 2026 and 5.5% in 2027, for CenterPoint Energy.

Substantial investments enable CenterPoint Energy to expand its operations and meet increasing electricity demand as well as boost renewable energy generation portfolio

To meet this increasing electricity demand, CenterPoint Energy has been investing significantly to expand its operations along with upgrading its aging infrastructure for electric and natural gas transmission and distribution. During the first nine months of 2025, the company made capital expenditure nearly \$3.39 billion and expects to invest nearly \$5.3 billion in 2025. The company expects to invest \$65 billion during 2026-2035. These investments help underground distribution lines and install self-healing automation devices that improve grid resilience and reliability, resulting in fewer and shorter power outages for customers and significant operational cost savings.

▲ As more and more industries are rapidly adopting clean energy as their preferred choice of energy source, utility providers like CenterPoint Energy are expanding their renewable energy portfolio to earn the economic and environmental, social, and governance (ESG) incentives offered by the utility-scale renewable energy market.

The company expects to have approximately 1,000 megawatts (MW) of power generation from wind and solar energy sources by 2026. It also aims to add 200 MW of wind and 200 MW of solar resources by 2030, with the potential need for an additional 400 MW of wind resources by 2032. To comfortably achieve these goals, CenterPoint Energy has been consistently making significant efforts. Evidently, in March 2025, the company's SIGECO subsidiary acquired 100% of the equity interests in Posey Solar, which was constructing a 191 MW solar array in Posey County, Indiana, for approximately \$357 million.

▲ CenterPoint Energy plans to exit its operating coal-fired generation by 2027-end and invest further in renewable energy sources, backed by natural gas-fired generation. To this end, the company plans to retire 730 MWs of coal-fired generation and convert its last coal unit, F.B. Culley 3, to natural gas by the end of 2027, maintaining its 270 MW capacity. It is also engaged in the construction of two natural gas generation turbines at its A.B. Brown facility. All these initiatives should enable CenterPoint Energy to produce 80% of its energy from wind and solar resources by 2030 as well as reduce carbon emissions from its electric generation fleet by 97% by 2030-end, ultimately attaining its net-zero emission goal by 2035. Such clean energy initiatives of CenterPoint Energy must have boosted investors' confidence in this stock.

▲ With the rapid electrification of the transportation sector, backed by growing clean energy adoption, the utilization of electric vehicles (EVs) has increased manifold in recent times. To tap the growth benefits of the EV market, CenterPoint Energy has been investing significantly in building a smarter, cleaner and more resilient ecosystem to meet the needs of EV drivers and fleet operators. In 2023, CenterPoint Energy joined the Electric Power Research Institute's new three-year initiative, EVs2Scale2030, to ready the electric grid in support of the accelerated development of EV charging infrastructure. CenterPoint Energy's corporate fleet goals include electrifying 100% of sedans and SUVs by 2030, as part of its net-zero emission plan. This should further strengthen the company's position in the booming EV market.

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## Reasons To Sell:

▼ CenterPoint Energy's current and future solar projects have been impacted by delays and increased costs in the recent past. To this end, it is imperative to mention that the tariffs imposed by the U.S. government this year on the import of multiple goods, including solar panels, from almost all its trading partner nations, pose a threat to CenterPoint Energy's solar project development. Such increased tariffs by the United States have led, and may continue to lead, to the imposition of retaliatory tariffs or other measures taken by foreign jurisdictions, which, in turn, may lead to additional tariffs imposed or measures taken by the United States. These tariffs, as well as new legislation, tariffs, bans, retaliatory trade measures or related governmental action, have already, and may continue to, further negatively impact the supply of solar panels. In addition to supply reductions, legislation, tariffs, bans, and other measures have and may in the future also put upward pressure on prices of these solar energy products, which may reduce CenterPoint Energy's ability to acquire these items in a timely and cost-efficient manner. These impacts have resulted, and may continue to result in, cost increases for certain projects, and in the worst turn out of events, could impact the viability of the projects.

Persistent global supply-chain disruptions, along with regulatory and credit risks, may limit access to critical resources and increase financial pressure across CenterPoint's operations.

▼ The global supply chain has been experiencing significant disruptions lately due to multiple factors, such as labor shortages, resource unavailability, long lead time, delivery delays, inflation, severe weather events and disruptions to internal or international shipping. These disruptions have adversely impacted the utility industry. Being no exception, CenterPoint Energy has experienced supply-chain disruptions and increased prices in recent past, and may continue to do so in the future. The company's shares have gained 7% in the past year compared with the industry's 11.1% growth.

This supply-chain disruption is likely to persist or might even worsen, following the recent import tariff implementation by the U.S. government. As a result of this, CenterPoint Energy may experience difficulties in procuring critical resources like transformers, wires, cables, meters, poles solar panels and others necessary to operate its businesses in the future. As a result, CenterPoint Energy may not be able to procure the resources, including labor, needed to perform storm restoration activities in a timely manner, fully execute its ten-year capital plan and/or achieve its net-zero emission and carbon emission reduction goals.

▼ Indiana Electric uses state-required Integrated Resource Plans to guide its long-term shift from coal to a more diverse mix of renewables and natural-gas backup. Its recent IRPs show that retiring coal and adding solar, wind, and storage is the most cost-effective path, but implementing this plan requires multiple approvals. The transition faces several risks like regulatory delays, changing accreditation rules that affect renewable economics and supply-chain issues. Recent challenges include the termination of a solar project due to cost increases and potential tariff-driven price adjustments on a natural-gas project. If Indiana Electric cannot secure or develop new generation resources on time, it may need to purchase power on the open market at higher costs, which could negatively affect its financial performance and progress toward emissions-reduction goals.

▼ Houston Electric relies on a small group of retail electric providers (REPs) to collect payment for its delivery services, making it vulnerable if these REPs delay or default on payments. As of Dec. 31, 2024, Houston Electric had \$263 million in billed receivables, with over half owed by affiliates of NRG and Vistra. Past events, including the 2021 winter storm, led multiple REPs to file for bankruptcy and default on obligations, resulting in an \$8 million regulatory asset for bad-debt costs — recovery of which is not guaranteed. Any significant REP payment delay or default could affect Houston Electric's financial condition, operations and cash flows.

## Last Earnings Report

### CenterPoint Energy Q3 Earnings Beat Estimates, Revenues Improve Y/Y

CenterPoint Energy, Inc. reported third-quarter 2025 adjusted earnings of 50 cents per share, which surpassed the Zacks Consensus Estimate of 46 cents by 8.7%. The bottom line also increased 61.3% from the year-ago quarter's figure of 31 cents.

The company's GAAP earnings were 45 cents per share, which increased 50% from the prior-year quarter's figure of 30 cents.

**FY Quarter Ending** **12/31/2024**

Earnings Reporting Date	Oct 23, 2025
Sales Surprise	1.87%
EPS Surprise	8.70%
Quarterly EPS	0.50
Annual EPS (TTM)	1.72

### CNP's Revenues

CNP generated revenues of \$1.99 billion, which beat the Zacks Consensus Estimate by 0.5%. The top line also came in 7.1% higher than the year-ago quarter's reported figure of \$1.86 billion.

### CNP's Operational Results

In the third quarter of 2025, total expenses increased 3.8% year over year to \$1.49 billion.

The company reported an operating income of \$502 million during the third quarter compared with \$424 million in the prior year.

Interest expenses and other finance charges totaled \$238 million, up 24.6% from \$191 million recorded in the previous year.

### CNP's Financial Condition

As of Sept. 30, 2025, CenterPoint Energy had cash and cash equivalents of \$37 million compared with \$24 million as of Dec. 31, 2024.

The total long-term debt was \$19.40 billion as of Sept. 30, 2025, compared with \$20.40 billion as of Dec. 31, 2024.

Net cash flow from operating activities amounted to \$1.71 billion as of Sept. 30, 2025, compared with \$1.25 billion in the year-ago period.

The total capital expenditure was \$3.39 billion as of Sept. 30, 2025, compared with \$2.50 billion in the prior year.

### CNP's 2025 Guidance

CenterPoint Energy expects to generate adjusted earnings per share in the range of \$1.75-\$1.77. The Zacks Consensus Estimate for 2025 earnings is pegged at \$1.76 per share, which is in line with the midpoint of the company's guided range.

## Valuation

CenterPoint Energy's shares are up 7% in the past six months and 21% over the trailing 12-month period. Stocks in the Zacks sub-industry and the Zacks Utilities sector are up 11.1% and 9.2%, in the past six months. Over the past year, the Zacks sub-industry is up 24.4%, whereas the sector is up 20.5%.

The S&P 500 index is up 16.6% in the past six months and 18.1% in the past year.

The stock is currently trading at 20X forward 12-months earnings, which compares with 15.55X for the Zacks sub-industry, 15.93X for the Zacks sector and 23.3X for the S&P 500 index.

Over the past five years, the stock has traded as high as 23.18X and as low as 13.51X, with a 5-year median of 18.66X.

Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$40 price target reflects 21.02X forward 12-months earnings.

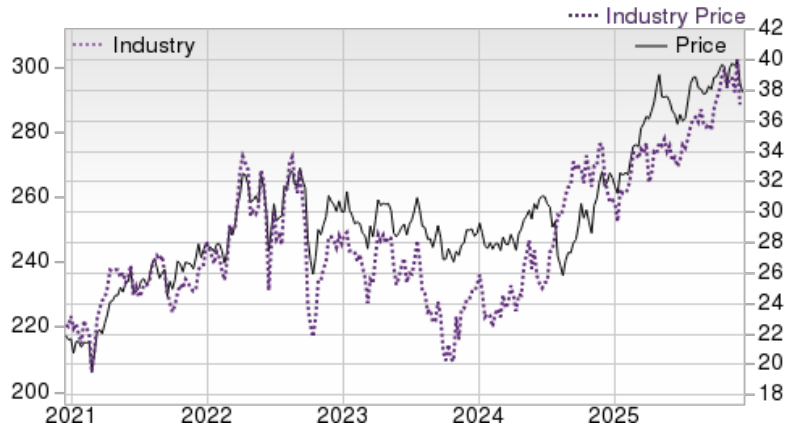
The table below shows summary valuation data for CNP.

Valuation Multiples - CNP					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	20	15.55	15.93	23.3
	5-Year High	23.18	16.15	17.86	23.78
	5-Year Low	13.51	12	13.13	15.73
	5-Year Median	18.66	14.68	15.9	21.22
P/S F12M	Current	2.59	3.35	3.09	5.25
	5-Year High	2.81	3.44	3.24	5.5
	5-Year Low	1.38	2.43	2.28	3.83
	5-Year Median	2.06	2.94	2.72	5.05
P/B TTM	Current	2.25	2.57	3.12	8.47
	5-Year High	2.39	2.86	3.28	9.17
	5-Year Low	1.59	2.02	2.38	6.6
	5-Year Median	2.01	2.45	2.87	8.05

As of 12/16/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Top 31% (75 out of 243)



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

Company (Ticker)	Rec	Rank
CMS Energy Corporati...(CMS)	Neutral	3
Companhia Paranaense...(ELP)	Neutral	3
Entergy Corporation (ETR)	Neutral	3
FirstEnergy Corporat...(FE)	Neutral	3
Fortis (FTS)	Neutral	3
Pacific Gas & Electr...(PCG)	Neutral	2
Public Service Enter...(PEG)	Neutral	3
WEC Energy Group, In...(WEC)	Neutral	3

## Industry Comparison<sup>(1)</sup> Industry: Utility - Electric Power

	CNP	X Industry	S&P 500	ELP	FTS	WEC
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	3	3
VGM Score	F	-	-	D	D	D
Market Cap	24.97 B	18.31 B	38.81 B	5.93 B	26.01 B	34.24 B
# of Analysts	7	3	22	1	5	7
Dividend Yield	2.30%	2.90%	1.41%	2.49%	3.54%	3.39%
Value Score	C	-	-	C	C	C
Cash/Price	0.02	0.02	0.04	0.12	0.01	0.00
EV/EBITDA	12.55	11.13	14.58	6.86	12.58	13.30
PEG Ratio	2.52	2.70	2.21	3.65	4.84	2.66
Price/Book (P/B)	2.26	1.65	3.30	1.24	1.45	2.45
Price/Cash Flow (P/CF)	10.07	8.65	15.05	8.36	9.95	11.43
P/E (F1)	21.60	18.47	19.66	58.59	20.78	20.10
Price/Sales (P/S)	2.74	2.27	3.08	1.35	3.02	3.59
Earnings Yield	4.63%	5.35%	5.02%	1.71%	4.82%	4.98%
Debt/Equity	1.76	1.27	0.57	0.72	1.32	1.29
Cash Flow (\$/share)	3.81	5.83	8.99	1.18	5.19	9.17
Growth Score	F	-	-	F	D	D
Hist. EPS Growth (3-5 yrs)	2.15%	4.47%	8.16%	NA	4.87%	6.24%
Proj. EPS Growth (F1/F0)	9.26%	6.88%	8.60%	21.43%	3.77%	8.49%
Curr. Cash Flow Growth	3.20%	6.35%	6.75%	-1.33%	6.89%	6.35%
Hist. Cash Flow Growth (3-5 yrs)	3.19%	5.67%	7.43%	-0.61%	7.13%	7.07%
Current Ratio	0.51	0.91	1.18	1.43	0.66	0.50
Debt/Capital	63.74%	55.39%	38.01%	41.97%	55.27%	56.27%
Net Margin	11.37%	11.20%	12.78%	8.66%	14.18%	17.75%
Return on Equity	10.25%	9.56%	17.00%	7.77%	7.05%	12.60%
Sales/Assets	0.21	0.22	0.53	0.41	0.16	0.20
Proj. Sales Growth (F1/F0)	6.20%	4.85%	5.79%	NA	4.50%	12.90%
Momentum Score	F	-	-	A	D	D
Daily Price Chg	0.68%	0.08%	0.79%	-3.06%	0.78%	0.27%
1 Week Price Chg	-1.54%	-0.28%	-1.83%	2.55%	-0.25%	-1.73%
4 Week Price Chg	-3.28%	-2.11%	3.61%	-5.76%	0.31%	-4.90%
12 Week Price Chg	-1.79%	0.90%	2.57%	0.61%	4.43%	-6.48%
52 Week Price Chg	21.85%	14.21%	15.47%	70.49%	25.90%	12.72%
20 Day Average Volume	4,474,865	1,066,933	2,770,348	339,728	737,138	2,008,179
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%
(F1) EPS Est 4 week change	0.00%	0.00%	0.00%	0.00%	0.18%	0.05%
(F1) EPS Est 12 week change	0.64%	0.28%	0.69%	30.77%	-1.31%	0.05%
(Q1) EPS Est Mthly Chg	-3.72%	-1.99%	0.00%	NA	0.00%	-1.61%



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

### CenterPoint Energy, Inc. (CNP)

In \$MM, except per share data

	2022A	2023A	2024A	2025E				2026E				2027E		
	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement														
Utility	\$9,018.0	\$8,524.0	\$8,589.0	\$2,906.0	\$1,929.0	\$1,975.0	\$2,316.3	\$9,126.3	\$2,929.3	\$2,018.5	\$2,034.1	\$2,515.3	\$9,497.3	\$10,022.8
Non-Utility	\$303.0	\$172.0	\$54.0	\$14.0	\$15.0	\$13.0	\$14.7	\$56.7	\$18.7	\$13.7	\$13.3	\$16.4	\$62.0	\$65.7
Total Revenue	\$9,321.0	\$8,696.0	\$8,643.0	\$2,920.0	\$1,944.0	\$1,988.0	\$2,331.0	\$9,183.0	\$2,948.0	\$2,032.2	\$2,047.3	\$2,531.7	\$9,559.2	\$10,088.5
Utility Natural Gas, Fuel & Purchased Power	\$2,887.0	\$2,061.0	\$1,715.0	\$1,006.0	\$300.0	\$219.0	\$507.4	\$2,032.4	\$1,011.4	\$377.3	\$289.3	\$549.2	\$2,227.2	\$2,271.2
Non-Utility Cost of Revenues, Including Natural Gas	\$204.0	\$99.0	\$3.0	\$1.0	\$2.0	\$1.0	\$1.3	\$5.3	\$0.9	\$1.2	\$1.0	\$1.3	\$4.4	\$5.0
Cost of Goods Sold	\$3,091.0	\$2,160.0	\$1,718.0	\$1,007.0	\$302.0	\$220.0	\$508.7	\$2,037.7	\$1,012.3	\$378.5	\$290.4	\$550.5	\$2,231.6	\$2,276.2
Gross Profit	\$6,230.0	\$6,536.0	\$6,925.0	\$1,913.0	\$1,642.0	\$1,768.0	\$1,822.3	\$7,145.3	\$1,935.8	\$1,653.7	\$1,757.0	\$1,981.2	\$7,327.6	\$7,812.3
Operation & Maintenance	\$2,833.0	\$2,850.0	\$2,949.0	\$747.0	\$715.0	\$741.0	\$791.2	\$2,994.2	\$787.6	\$735.2	\$748.2	\$851.8	\$3,122.8	\$3,247.8
Depreciation & Amortization	\$1,288.0	\$1,401.0	\$1,439.0	\$363.0	\$370.0	\$392.0	\$390.0	\$1,515.0	\$420.4	\$403.9	\$408.3	\$416.8	\$1,649.4	\$1,723.7
Taxes Other than Income Taxes	\$543.0	\$525.0	\$547.0	\$154.0	\$140.0	\$133.0	\$132.3	\$559.3	\$164.8	\$127.8	\$124.1	\$149.5	\$566.1	\$541.5
Total Operating Expenses	\$7,755.0	\$6,936.0	\$6,653.0	\$2,271.0	\$1,527.0	\$1,486.0	\$1,822.2	\$7,106.2	\$2,385.1	\$1,645.5	\$1,570.9	\$1,968.5	\$7,570.0	\$7,789.2
EBITDA	\$2,854.0	\$3,161.0	\$3,429.0	\$1,012.0	\$787.0	\$894.0	\$898.8	\$3,591.8	\$983.4	\$790.6	\$884.7	\$980.0	\$3,638.7	\$4,023.0
Operating Income(Loss)	\$1,566.0	\$1,760.0	\$1,990.0	\$649.0	\$417.0	\$502.0	\$508.8	\$2,076.8	\$563.0	\$386.7	\$476.4	\$563.2	\$1,989.3	\$2,299.3
Gain (Loss) on Equity Securities	(\$227.0)	\$31.0	\$20.0	\$79.0	\$43.0	(\$104.0)	(\$59.4)	(\$41.4)	(\$21.1)	(\$31.9)	(\$51.5)	(\$46.5)	(\$151.0)	(\$241.9)
Gain (Loss) on Indexed Debt Securities	\$325.0	(\$27.0)	(\$14.0)	(\$79.0)	(\$42.0)	\$105.0	(\$28.1)	(\$44.1)	(\$5.8)	\$8.7	\$22.1	\$0.7	\$25.6	(\$5.7)
Gain/(Loss) on Sale	\$303.0	(\$13.0)	\$0.0	(\$43.0)	\$0.0	\$0.0	\$0.0	(\$43.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Interest Expense & Other Finance Charges	\$511.0	\$684.0	\$818.0	\$234.0	\$191.0	\$238.0	\$186.0	\$849.0	\$222.8	\$193.5	\$208.5	\$227.5	\$852.3	\$942.0
Interest Expense on Securitization Bonds	\$13.0	\$17.0	\$20.0	\$4.0	\$4.0	\$5.0	\$4.8	\$17.8	\$5.9	\$4.4	\$4.5	\$5.3	\$20.0	\$21.3
Equity in Earnings (Loss) of Unconsolidated Affiliates, Net	\$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
Other Income (Expense), net	(\$26.0)	\$37.0	\$56.0	\$10.0	\$30.0	\$26.0	\$23.0	\$89.0	\$27.7	\$24.3	\$22.7	\$26.8	\$101.4	\$109.6
Total Other Income (Expense), Net	(\$149.0)	(\$673.0)	(\$776.0)	(\$271.0)	(\$164.0)	(\$216.0)	(\$255.2)	(\$906.2)	(\$227.9)	(\$196.8)	(\$219.7)	(\$251.9)	(\$896.2)	(\$1,101.4)
Pre-Tax Income	\$1,417.0	\$1,087.0	\$1,214.0	\$378.0	\$253.0	\$286.0	\$253.6	\$1,170.6	\$335.1	\$189.9	\$256.7	\$311.3	\$1,093.0	\$1,198.0
Income Tax Expense	\$360.0	\$170.0	\$195.0	\$81.0	\$55.0	(\$7.0)	(\$5.1)	\$123.9	(\$6.7)	(\$3.8)	(\$5.1)	(\$6.2)	(\$21.9)	(\$24.0)
Tax Rate	25.0%	16.0%	16.0%	21.0%	22.0%	(2.0%)	(2.0%)	10.6%	(2.0%)	(2.0%)	(2.0%)	(2.0%)	(2.0%)	(2.0%)
Net Income from Continuing Operations	\$1,057.0	\$917.0	\$1,019.0	\$297.0	\$198.0	\$293.0	\$258.7	\$1,046.7	\$341.8	\$193.7	\$261.8	\$317.5	\$1,114.9	\$1,221.9
Income (Loss) from Discontinued Operations	\$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
Net Income (Loss)	\$1,057.0	\$917.0	\$1,019.0	\$297.0	\$198.0	\$293.0	\$258.7	\$1,046.7	\$341.8	\$193.7	\$261.8	\$317.5	\$1,114.9	\$1,221.9
Income Allocated to Preferred Shareholders	\$49.0	\$50.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Income Available to Common Shareholders, Adjusted	\$873.0	\$952.0	\$1,041.0	\$344.0	\$188.0	\$328.0	\$293.7	\$1,153.7	\$376.8	\$228.7	\$296.8	\$352.5	\$1,254.9	\$1,361.9
Net Income Available to Common Shareholders, GAAP	\$1,008.0	\$867.0	\$1,019.0	\$297.0	\$198.0	\$293.0	\$258.7	\$1,046.7	\$341.8	\$193.7	\$261.8	\$317.5	\$1,114.9	\$1,221.9
Basic Shares Outstanding	629.0	631.0	643.0	652.0	653.0	653.0	653.0	652.8	653.0	653.0	653.0	653.0	653.0	653.0
Diluted Shares Outstanding	632.0	633.0	644.0	653.0	654.0	656.0	656.0	654.8	656.0	656.0	656.0	656.0	656.0	656.0
Basic EPS	\$1.60	\$1.37	\$1.58	\$0.45	\$0.30	\$0.45	\$0.40	\$1.60	\$0.52	\$0.30	\$0.40	\$0.49	\$1.71	\$1.87
Diluted EPS, Adjusted	\$1.38	\$1.50	\$1.62	\$0.53	\$0.29	\$0.50	\$0.45	\$1.77	\$0.57	\$0.35	\$0.45	\$0.54	\$1.91	\$2.08
Diluted EPS, GAAP	\$1.59	\$1.37	\$1.58	\$0.45	\$0.30	\$0.45	\$0.39	\$1.59	\$0.52	\$0.30	\$0.40	\$0.48	\$1.70	\$1.86
Dividend Per Share	\$0.70	\$0.77	\$0.81	\$0.22	\$0.22	\$0.22	\$0.23	\$0.89	\$0.23	\$0.23	\$0.23	\$0.24	\$0.93	\$0.97



## 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.

Value Score	C
Growth Score	F
Momentum Score	F
VGM Score	F

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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