

Salesforce, Inc. (CRM)

\$228.15 (Stock Price as of 11/26/2025)

Price Target (6-12 Months): **\$251.00**

Long Term: 6-12 Months | **Zacks Recommendation:** **Neutral**
(Since: 09/06/23)
Prior Recommendation: Outperform

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

Summary

Salesforce is benefiting from a robust demand environment as customers are undergoing a major digital transformation. Its sustained focus on aligning products with customer needs is driving the top line. Continued deal wins in the international market are another growth driver. The buyout of Slack has positioned it as a leader in enterprise team collaboration and improved its competitive standing compared to Microsoft Teams. Salesforce's strategy of continuous expansion of generative AI offerings will help it tap the growing opportunities in the space. Our estimates suggest that Salesforce's revenues are expected to witness a CAGR of 8.6% through fiscal 2025-2028. However, stiff competition and unfavorable currency fluctuations are concerns. Softening IT spending amid ongoing macroeconomic uncertainties may hurt its growth prospects.

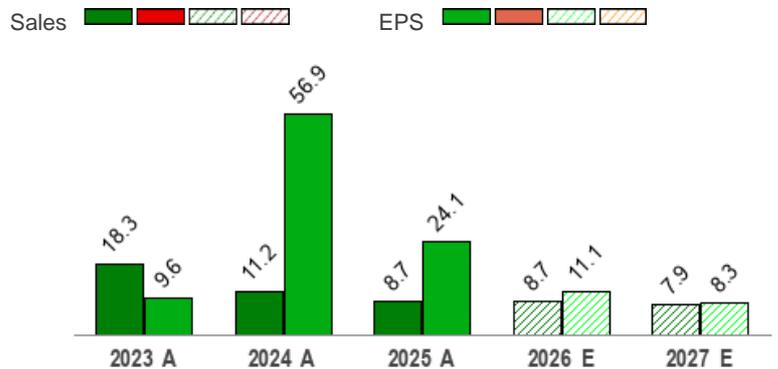
Price, Consensus & Surprise⁽¹⁾



Data Overview

52 Week High-Low	\$369.00 - \$221.96
20 Day Average Volume (sh)	7,171,983
Market Cap	\$217.2 B
YTD Price Change	-31.8%
Beta	1.19
Dividend / Div Yld	\$1.66 / 0.7%
Industry	Computer - Software
Zacks Industry Rank	Top 27% (66 out of 243)

Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Last EPS Surprise	5.1%
Last Sales Surprise	1.0%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	12/03/2025
Earnings ESP	0.0%

Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	10,630 E	11,040 E	11,080 E	11,695 E	44,445 E
2026	9,829 A	10,236 A	10,259 E	10,848 E	41,173 E
2025	9,133 A	9,325 A	9,444 A	9,993 A	37,895 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	2.87 E	3.02 E	3.06 E	3.32 E	12.27 E
2026	2.58 A	2.91 A	2.85 E	3.00 E	11.33 E
2025	2.44 A	2.56 A	2.41 A	2.78 A	10.20 A

*Quarterly figures may not add up to annual.

P/E TTM	21.4
P/E F1	20.1
PEG F1	2.1
P/S TTM	5.5

(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 11/07/2025.

Overview

Salesforce is the leading provider of on-demand Customer Relationship Management (CRM) software, which enables organizations to better manage critical operations, such as sales force automation, customer service and support, marketing automation, document management, analytics and custom application development.

Headquartered in San Francisco, Salesforce, Inc. was founded in 1999. Over the course of two and a half decades, the company has established itself as the world's leading CRM vendor with a market share of nearly 20%, according to the reports of Gartner, a global research and advisory firm. Its nearest rival, SAP is way behind at a market share of around 8%. About 90% of the Fortune 100 companies uses at least one Salesforce software.

The company has leveraged its expertise in on-demand software to increase the scale of operations. It also offers a technology platform for customers and developers to build and run business applications.

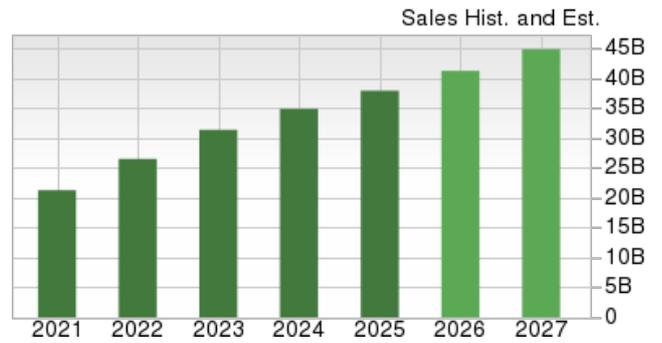
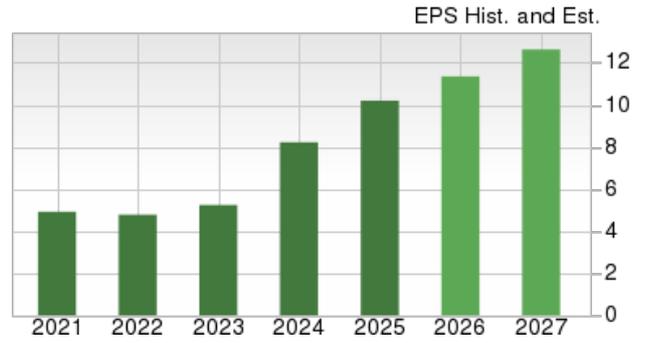
Salesforce helps companies of every size and industry to connect with their customers in new ways through existing and emerging technologies including cloud, mobile, social, IoT and artificial intelligence (AI).

Rapid digital transformation and the company's sustained focus on aligning products with customer needs are driving the top line. Salesforce's annual revenues have sextupled from \$5.4 billion in fiscal 2015 to \$37.89 billion in fiscal 2025.

There are two main revenue streams — Subscription and Support and Professional Services & Other.

Subscription revenues comprise subscription fees from customers, accessing the company's enterprise cloud computing services (Cloud Services), software licenses and subscription fees recognized from customers for additional support. This segment accounted for more than 94.2% of Salesforce's fiscal 2025 revenues.

Professional Services & Other revenues consist of fees that the company derives from consulting and implementation services and training. This segment accounted for the remaining 5.8% of Salesforce's fiscal 2025 revenues.



As of 11/07/2025



As of 11/26/2025

Reasons To Buy:

- ▲ Salesforce is the world's leading Customer Relationship Management (CRM) company, in the Software-as-a-Service (SaaS) enterprise application market. The company dominates the market due to its strong clientele. Per IDC's Worldwide Semiannual Software Tracker, Salesforce remained the #1 CRM provider for 11 straight years, demonstrating the attractiveness of its cloud-based solutions. The company has cemented its overall market position and inflated its revenue base more than any other CRM vendor. Our estimates suggest that Salesforce's revenues will reach approximately \$48.49 billion in fiscal 2028 from \$37.89 billion in fiscal 2025, indicating a CAGR of 8.6%.
- ▲ Salesforce's on-demand SaaS business model underscores its focus on sales force automation, marketing, customer responsiveness and support, improved personnel collaboration within an organization, software tools for developers, social media monitoring and marketing, and other social enterprise areas. The company has various SaaS applications and platforms to serve its focus areas. SaaS deployments are easy and help reduce ownership costs for customers. Per a Grand View Research report, the global CRM software market, valued at \$73.40 billion in 2024, will grow at a CAGR of 14.6% between 2025 and 2030. Salesforce has various SaaS applications and platforms to serve its focus areas. The company's ability to provide an integrated solution for customers' business problems is the key growth driver. With its SaaS-based CRM and social enterprise applications, we think that Salesforce is well-positioned to lead the market.
- ▲ Salesforce is continuously expanding its generative AI offerings. Generative AI is a type of AI technology that can produce various types of content, including text, imagery, audio and synthetic data. It is driven by a large language model, which means it uses a lot of data to understand and generate conversations. The company forayed into the generative AI space with the launch of Einstein GPT in March 2023. In June 2023, it further elevated the set of its generative AI tools with the launch of the AI Cloud service. With this, the company claims to offer one-stop AI-powered solutions for enterprises looking to enhance productivity. Along with the launch of AI Cloud, the company also raised its venture capital fund for generative AI to \$500 million from \$250 million announced in March 2023. With this enhanced fund, Salesforce Ventures, the company's global investment arm, will support the generative AI ecosystem and promote the development of responsible and trusted technology.
- ▲ Acquisitions constitute a key growth strategy, strengthening the company's position in the CRM solution-providing space. So far in 2025, the company has acquired five businesses: Regrello, Waii, Bluebirds, Informatica and Convergence.ai. In 2024, it acquired four businesses: PredictSpring, Tenyx, Own and Zoomin Software. In fiscal 2025, Salesforce used \$2.7 billion in cash for acquisitions. These acquisitions broaden Salesforce's portfolio and help offer an end-to-end solution to its clients.
- ▲ Salesforce's partnership agreements with the likes of Amazon and Alphabet for the firms' cloud services have been helping it expand its international operations. The company announced at its Dreamforce event that it entered into a partnership with Apple, which will help it offer new apps for iPhones and iPads. A redesigned Salesforce mobile app will be developed exclusively for iOS, featuring Face ID, Siri shortcuts as well as Apple's business chat. Salesforce also expanded its global strategic alliance with Amazon Web Services to focus on new product integrations that will simplify secure data sharing and synchronizing across AWS and Salesforce services.
- ▲ In keeping with its strategy of growing in Europe, in Aug 2015 Salesforce's investment arm, Salesforce Ventures, announced its decision to invest \$100 million specifically in European start-ups. Over the past few years, Salesforce has invested in several start-ups, be it through acquisitions or partnerships. In Europe, the company opened its first data center in the U.K. in Aug 2014. In 2015, Salesforce opened two more data centers, one each in France and Germany. The opening of data centers in these countries has helped Salesforce reach local small and medium businesses as well as government agencies. In 2019, the company's global corporate investment group, Salesforce Ventures, launched a \$125 million Europe Trailblazer Fund to continue to fuel enterprise cloud startups. Most recently, in June 2023, the company announced its decision to invest \$4 billion in its UK business in the next five years, aimed at supporting its growing customer base. The latest investment announcement builds on its previous five-year investment of \$2.5 billion, announced in 2018. The initiatives are helping Salesforce generate higher revenues from the European region. In fiscal 2023, Salesforce's revenues from Europe increased 19% year over year and accounted for approximately 23% of the total revenues. We believe expansion in Europe would enable Salesforce to diversify its international revenues going forward.
- ▲ Investments in start-ups have always been one of the key growth strategies of Salesforce. Over the past few years, Salesforce has invested in several start-ups, be it through acquisitions or partnerships. According to the company's website, since 2009, Salesforce Ventures has invested in more than 400 technology start-ups across 22 countries. In 2020, it launched its second impact fund of \$100 million to invest in enterprise start-ups. Earlier in 2019, it had launched its first impact fund of worth \$50 million. In 2019, Salesforce announced \$125 million of Venture Fund specifically for the European region. The company had allocated a \$100-million fund to invest in European start-ups in 2015. For Australia-based start-ups, the firm allocated \$50 million of venture fund in 2019. In 2018, it had rolled out venture funds for Japan and Canada worth \$100 million each. The investment in venture funds helps it acquire key technologies as they are being developed because start-ups often sell out to their early investors. It also helps the company acquire budding talent worldwide. We believe Salesforce's sustained focus on expanding its business through strategic acquisitions and investments will fuel growth over the long run. The company's strategy of investing in start-ups helps fuel cloud innovation and gain customers across the globe.
- ▲ Salesforce is a cash-rich company with a strong balance sheet. As of July 31, 2025, the company had cash, cash equivalents and marketable securities of \$15.37 billion and long-term debt of approximately \$8.44 billion. Moreover, Salesforce's total debt-to-total capital ratio of 0.14 is significantly lower than the industry average of 0.29. The available cash can be used for pursuing strategic acquisitions, investing in growth initiatives and distributing to its shareholders.

Salesforce's diverse offerings, client base, strategic acquisitions and partnerships and strong balance sheet are key upsides.

Reasons To Sell:

- ▼ Salesforce's near-term prospects might be hurt by softening IT spending. Higher interest rates and inflationary pressures are hurting consumer spending. On the other hand, enterprises are postponing their large IT spending plans due to a weakening global economy amid ongoing macroeconomic and geopolitical issues. This does not bode well for Salesforce's prospects in the near term.
- ▼ Salesforce faces stiff competition from Microsoft Corp. and Oracle in the cloud-based CRM market. Oracle has strengthened its cloud position through various strategic acquisitions. Microsoft has also added various key companies like LinkedIn to its portfolio to beef up its Dynamic CRM platform. Additionally, Microsoft offers special pricing for its Dynamics CRM Online service, which is helping it to snatch salesforce's customers. Competition is expected to intensify further, as Microsoft Dynamics CRM software (code-named Titan) gains ground. Titan has been designed to offer direct competition to salesforce's on-demand CRM software model. Moreover, IBM is strengthening its grip on the cloud computing software market with its web-based collaboration software for businesses, including contact management, instant messaging and file sharing programs. Further, the tie-up of Microsoft and Adobe, which aims to boost the sales and marketing capabilities of both companies, is a significant threat to the king of CRM.
- ▼ Salesforce's home market in the United States has hit a saturation point, causing slower growth of its cloud software. There is still a lot of room for Salesforce's growth in the international quarters. It still generates only about 33% of total revenues from international operations, which is lower than its rivals like Microsoft or Oracle composition of around 50%. Therefore, the company is investing heavily in global expansion, which is an overhang on its margins.
- ▼ An increased focus on acquisitions has led to a high level of goodwill, which is not a real asset. At the end of the second quarter of fiscal 2026, goodwill totaled \$51.44 billion, or approximately 52.7% of its total assets. Furthermore, frequent acquisitions add to integration risks, which may dilute earnings.

Stiff competition, currency fluctuations and an increase in investments for international expansions and data centers could negatively impact near-term profitability.

Last Earnings Report

Salesforce Q2 Earnings Surpass Estimates, Revenues Rise Y/Y

Salesforce reported second-quarter fiscal 2026 non-GAAP earnings of \$2.91 per share, which beat the Zacks Consensus Estimate by 5.1%. The bottom line improved 13.7% year over year.

The growth in top and bottom lines reflected the benefits of CRM's go-to-market strategy and sustained focus on customer success. The initiatives to integrate generative artificial intelligence (AI) into its offerings also boosted demand for Salesforce's solutions during the reported quarter.

FY Quarter Ending 1/31/2025

Earnings Reporting Date	Sep 03, 2025
Sales Surprise	1.02%
EPS Surprise	5.05%
Quarterly EPS	2.91
Annual EPS (TTM)	10.68

Salesforce Q2 Performance in Detail

Coming to CRM's business segments, revenues from Subscription and Support (94.8% of total revenues) increased 11% year over year to \$9.7 billion. Professional Services and Other (5.2% of total sales) revenues declined 3% to \$546 million. Our estimates for Subscription and Support, and Professional Services and Other segments' revenues were pegged at \$9.6 billion and \$546 million, respectively.

Under the Subscription and Support segment, Sales Cloud revenues grew 8% year over year to \$2.3 billion. Revenues from Service Cloud increased 8% to \$2.5 billion. Marketing & Commerce Cloud revenues rose 3% to \$1.4 billion. Platform & Other revenues were up 16% to \$2.1 billion. The Integration and Analytics division (which includes MuleSoft, Tableau, and Slack contributions) recorded 12% year-over-year growth to \$1.5 billion.

Our estimates for Sales, Service, Market & Commerce, Platform & Other, and Integration & Analytics services revenues were pegged at \$2.28 billion, \$2.48 billion, \$1.4 billion, \$1.99 billion and \$1.45 billion, respectively.

Revenues from the Americas (65.5% of total revenues) increased 9% year over year to \$6.74 billion. Sales in EMEA (23.5%) grew 7% to \$2.4 billion, while the Asia Pacific (11%) region's revenues rose 11% to \$1.1 billion.

Non-GAAP operating income was \$3.51 billion, up 12% from the year-ago quarter's \$3.14 billion. Moreover, the non-GAAP operating margin expanded 60 bps to 34.3%, while the GAAP operating margin improved to 22.8%.

Salesforce's Balance Sheet & Other Details

Salesforce exited the fiscal second quarter with cash, cash equivalents and marketable securities of \$15.37 billion, down from \$17.41 billion at the end of the previous quarter. CRM generated an operating cash flow of \$605 million and a free cash flow of \$740 million, reflecting typical seasonality in collections.

As of July 31, the current remaining performance obligation (cRPO) stood at \$29.4 billion, up 11% year over year. The company returned \$2.6 billion to shareholders, including \$2.2 billion in share repurchases and \$399 million in dividends, and expanded its repurchase program by \$20 billion, bringing total authorization to \$50 billion.

Salesforce's Guidance for Q3 & FY26

Salesforce provided guidance for the third quarter of fiscal 2026. It projects total sales between \$10.24 billion and \$10.29 billion, which indicates 8-9% growth from the year-ago level. The company expects non-GAAP earnings per share in the band of \$2.84-\$2.86, while GAAP EPS is anticipated to be between \$1.60 and \$1.62. The cRPO growth is projected to be slightly above 10% year over year.

For fiscal 2026, Salesforce now expects revenues in the range of \$41.1-\$41.3 billion, up 8.5-9% year over year, compared with the prior guidance of \$41.0-\$41.3 billion. Subscription and Support revenues are expected to increase approximately 9.5% year over year. The company now anticipates fiscal 2026 non-GAAP earnings per share in the range of \$11.33-\$11.37, slightly higher than the previous forecast of \$11.27-\$11.33.

Non-GAAP operating margin is projected to expand to 34.1%, while GAAP operating margin is expected to be 21.2%. Salesforce raised its forecast for operating cash flow growth to 12-13% year over year from the previous guidance of 10-11%. The company expects free cash flow growth to be in the range of 12-13% year over year, up from the previous guidance of 9-10%.

Recent News

On Oct. 14, Salesforce and OpenAI expanded their strategic partnership to integrate OpenAI's frontier models with Agentforce 360, creating unified AI experiences across both platforms.

On Oct. 13, Salesforce announced a \$15 billion investment in San Francisco over the next five years to strengthen the city's AI ecosystem and support the growth of Agentic Enterprises.

On Oct. 13, Salesforce announced the general availability of Agentforce 360, its new platform that connects humans and AI agents to power the rise of the Agentic Enterprise.

On Oct. 9, Salesforce announced that it has signed a definitive agreement to acquire Apromore, a leading process intelligence software provider.

On Oct. 8, Salesforce announced a \$1 billion investment in Mexico to strengthen its presence, expand a new Mexico City office and Global Delivery Center, and support the country's transition toward AI-driven Agentic Enterprises.

On Oct. 16, Salesforce and Google expanded their strategic partnership to integrate Gemini models with Agentforce 360, enhancing hybrid reasoning, Workspace capabilities, and Slack's real-time search-powered AI experiences.

On Oct. 15, Salesforce and AWS expanded their collaboration to accelerate AI transformation, focusing on unified data, secure interoperable AI agents, modernized contact centers, and streamlined AI procurement for enterprise customers

On Oct. 14, Salesforce and Anthropic expanded their partnership to bring Claude models to Agentforce and Slack, enabling trusted, enterprise-grade AI for regulated and data-sensitive industries

On Oct. 14, Salesforce announced a collaboration with Stripe and OpenAI to support the Agentic Commerce Protocol, enabling Instant Checkout and conversational AI-driven shopping experiences for Agentforce Commerce merchants.

On Oct. 14, Salesforce and OpenAI expanded their strategic partnership to integrate OpenAI's frontier models with Salesforce's Agentforce 360, bringing unified AI experiences across both platforms.

On Sept. 25, Salesforce launched MuleSoft Agent Fabric, a new solution that helps companies discover, orchestrate, govern, and monitor any AI agent across their operations.

Valuation

Shares of CRM have plunged 28.4% in the year-to-date period and 25.6% over the past year. Stocks in the Zacks sub-industry have appreciated 15.8%, and the Computer & Technology sector returned 27.1% in the year-to-date period. In the trailing 12 months, the Zacks sub-industry returned 13.3%, while the sector grew 27.4%.

The S&P 500 Index has returned 17.3% for the year-to-date period and 15.7% over the past year.

The stock is currently trading at 5.18x forward 12-month sales, compared with 8.09x for the Zacks sub-industry, 6.95x for the Zacks sector, and 5.37x for the S&P 500 Index.

Over the past five years, the stock has traded as high as 10.30x and as low as 3.79x, with a five-year median of 6.30x. Our Neutral recommendation suggests the stock is likely to perform in line with the broader market. Our \$251 price target reflects a forward 12-month sales multiple of 5.44x.

The table below shows summary valuation data for CRM.

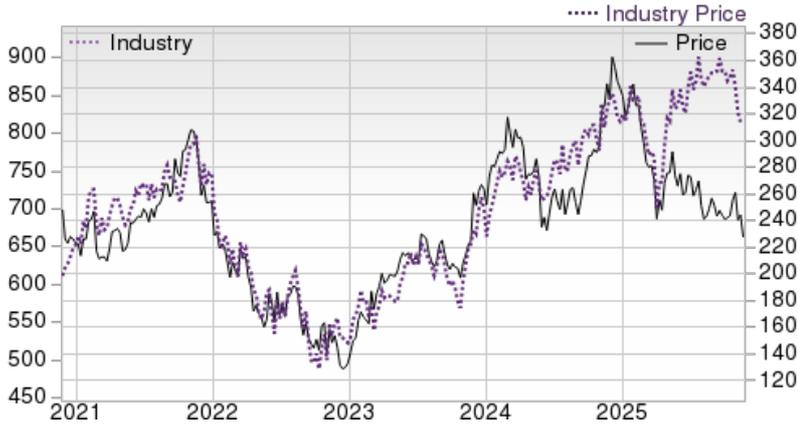
Valuation Multiples - CRM					
		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	5.18	8.09	6.95	5.37
	5-Year High	10.30	9.72	7.40	5.52
	5-Year Low	3.79	5.41	4.25	3.84
	5-Year Median	6.30	8.38	6.30	5.04
EV/Sales TTM	Current	5.59	10.38	8.49	5.45
	5-Year High	12.50	11.48	8.49	5.81
	5-Year Low	4.15	6.06	4.17	3.78
	5-Year Median	6.85	9.38	6.89	5.08
EV/EBITDA TTM	Current	14.89	18.64	20.22	18.19
	5-Year High	86.17	25.23	23.70	22.58
	5-Year Low	14.40	12.88	12.05	13.96
	5-Year Median	21.45	19.16	18.39	18.05

As of 11/06/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 27% (66 out of 243)

Top Peers ⁽¹⁾



Company (Ticker)	Rec	Rank
Open Text Corporatio...(OTEX)	Outperform	2
Adobe Inc. (ADBE)	Neutral	2
Dassault Systemes SA (DASTY)	Neutral	3
Intuit Inc. (INTU)	Neutral	3
Oracle Corporation (ORCL)	Neutral	3
SAP SE (SAP)	Neutral	3
Synopsys, Inc. (SNPS)	Neutral	3
SS&C Technologies Ho...(SSNC)	Neutral	3

Industry Comparison ⁽¹⁾ Industry: Computer - Software				Industry Peers		
	CRM	X Industry	S&P 500	ADBE	ORCL	SAP
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	2	3	3
VGM Score	C	-	-	C	B	D
Market Cap	217.20 B	6.24 B	37.79 B	132.91 B	584.30 B	294.87 B
# of Analysts	19	4	22	14	14	7
Dividend Yield	0.73%	0.00%	1.47%	0.00%	0.98%	0.77%
Value Score	C	-	-	C	D	D
Cash/Price	0.07	0.04	0.04	0.04	0.02	0.04
EV/EBITDA	16.16	15.77	14.43	16.74	27.41	37.93
PEG Ratio	2.08	1.85	2.21	1.08	1.85	3.55
Price/Book (P/B)	3.54	4.71	3.33	11.29	23.69	5.83
Price/Cash Flow (P/CF)	16.47	22.04	14.90	18.50	30.65	41.54
P/E (F1)	20.14	24.21	20.17	15.29	30.08	34.63
Price/Sales (P/S)	5.50	4.65	3.03	5.73	9.90	7.31
Earnings Yield	4.97%	3.75%	4.94%	6.54%	3.32%	2.89%
Debt/Equity	0.14	0.14	0.57	0.53	3.33	0.14
Cash Flow (\$/share)	13.85	3.32	8.99	17.16	6.69	5.78
Growth Score	C	-	-	C	B	A
Hist. EPS Growth (3-5 yrs)	32.65%	13.71%	8.17%	13.71%	4.27%	-0.93%
Proj. EPS Growth (F1/F0)	11.08%	14.91%	8.30%	12.76%	12.94%	41.43%
Curr. Cash Flow Growth	11.82%	9.36%	7.09%	11.94%	-1.88%	-16.07%
Hist. Cash Flow Growth (3-5 yrs)	27.86%	10.63%	7.32%	13.65%	5.53%	0.57%
Current Ratio	1.12	1.38	1.18	1.02	0.62	1.11
Debt/Capital	12.09%	12.11%	38.16%	34.50%	76.93%	12.34%
Net Margin	16.87%	16.46%	12.77%	30.01%	21.08%	19.50%
Return on Equity	13.27%	19.80%	17.03%	57.54%	72.93%	15.69%
Sales/Assets	0.40	0.51	0.53	0.79	0.36	0.51
Proj. Sales Growth (F1/F0)	8.70%	9.08%	5.59%	10.10%	16.50%	16.40%
Momentum Score	B	-	-	D	A	F
Daily Price Chg	-2.55%	0.00%	0.69%	-0.64%	4.02%	0.91%
1 Week Price Chg	-6.79%	-2.64%	2.57%	-2.09%	-10.81%	-3.40%
4 Week Price Chg	-9.27%	-7.95%	-1.13%	-6.02%	-25.55%	-7.56%
12 Week Price Chg	-11.04%	-8.14%	5.65%	-8.89%	-8.27%	-11.41%
52 Week Price Chg	-30.87%	-12.84%	13.57%	-38.19%	12.18%	3.45%
20 Day Average Volume	7,171,983	423,229	3,023,376	3,619,255	23,905,796	1,503,186
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	-0.14%
(F1) EPS Est 4 week change	0.00%	0.00%	0.23%	-0.04%	0.23%	-0.35%
(F1) EPS Est 12 week change	0.46%	2.73%	0.60%	0.53%	2.15%	0.00%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	-0.09%	0.00%	0.00%	-0.09%

Analyst Earnings Model⁽²⁾

Salesforce, Inc. (CRM)

in \$MM, except per share data

	2023A	2024A	2025A	1QA	2QA	3QE	4QE	FY	1QE	2QE	3QE	4QE	FY	2028E
FY Ends January 31st	FY Jan-23	FY Jan-24	FY Jan-25	3Q-Apr-25	3Q-Jul-25	3Q-Oct-25	3Q-Jan-26	Jan-26	3Q-Apr-26	3Q-Jul-26	3Q-Oct-26	3Q-Jan-27	Jan-27	Jan-28
Income Statement														
Total Revenue	\$31,352.0	\$34,857.0	\$37,895.0	\$9,829.0	\$10,236.0	\$10,259.3	\$10,848.3	\$41,172.6	\$10,629.6	\$11,040.2	\$11,079.8	\$11,695.4	\$44,446.0	\$48,493.6
YoY % Chng	19.3%	11.2%	8.7%	7.6%	3.9%	8.6%	9.6%	8.6%	8.1%	7.9%	8.0%	7.8%	9.1%	9.1%
Constant Currency Growth	22.0%	11.0%	9.3%	8.0%	9.0%	8.0%	7.7%	8.2%	8.1%	7.9%	8.0%	7.8%	7.9%	9.1%
Cost of Revenue, Non-GAAP	\$6,626.0	\$7,132.0	\$7,375.0	\$1,952.0	\$1,986.0	\$1,946.8	\$2,099.3	\$7,964.1	\$2,184.2	\$2,265.5	\$2,254.6	\$2,303.1	\$9,007.4	\$9,852.5
YoY % Chng	18.9%	4.5%	3.4%	8.1%	5.5%	5.9%	8.5%	8.0%	11.9%	13.2%	13.8%	13.1%	13.1%	9.4%
Cost of Revenue, GAAP	\$8,360.0	\$8,541.0	\$8,643.0	\$2,265.0	\$2,242.0	\$2,286.6	\$2,397.8	\$9,191.4	\$2,297.3	\$2,353.2	\$2,371.0	\$2,457.8	\$9,479.4	\$9,883.4
YoY % Chng	19.0%	2.2%	1.2%	4.8%	3.8%	6.6%	8.2%	6.3%	1.4%	5.0%	3.7%	2.5%	3.1%	4.3%
Gross Profit, Non-GAAP	\$24,526.0	\$27,725.0	\$30,520.0	\$7,877.0	\$8,270.0	\$8,312.5	\$8,749.0	\$33,208.5	\$8,445.4	\$8,774.7	\$8,825.2	\$9,392.3	\$35,437.5	\$38,641.1
YoY % Chng	18.2%	13.0%	10.1%	7.5%	9.8%	9.3%	8.6%	8.8%	7.2%	6.1%	6.2%	7.4%	6.7%	9.0%
Gross Profit, GAAP	\$22,992.0	\$26,316.0	\$29,252.0	\$7,564.0	\$7,994.0	\$7,972.7	\$8,450.5	\$31,981.2	\$8,332.3	\$8,686.9	\$8,708.8	\$9,237.6	\$34,965.6	\$38,610.2
YoY % Chng	18.1%	14.5%	11.2%	8.5%	11.6%	8.6%	8.7%	9.3%	10.2%	8.7%	9.2%	9.3%	9.3%	10.4%
Research and Development, Non-GAAP	\$3,919.0	\$3,934.0	\$4,402.0	\$1,185.0	\$1,201.0	\$1,196.3	\$1,228.2	\$4,810.5	\$1,216.3	\$1,246.4	\$1,238.6	\$1,293.3	\$4,994.6	\$5,250.6
YoY % Chng	10.5%	0.4%	11.9%	6.9%	11.9%	11.0%	7.5%	9.3%	2.6%	3.8%	3.5%	5.3%	3.8%	5.1%
Research and Development, GAAP	\$5,055.0	\$4,906.0	\$5,493.0	\$1,460.0	\$1,481.0	\$1,464.3	\$1,524.3	\$5,929.6	\$1,486.2	\$1,514.0	\$1,504.1	\$1,568.4	\$6,072.6	\$6,280.9
YoY % Chng	13.2%	(2.9%)	12.0%	6.7%	9.8%	8.0%	7.3%	7.9%	1.8%	2.2%	2.7%	2.9%	2.4%	3.4%
Marketing and Sales, Non-GAAP	\$11,354.0	\$10,924.0	\$11,148.0	\$2,911.0	\$2,920.0	\$2,942.8	\$3,121.5	\$11,895.3	\$3,045.4	\$3,136.4	\$3,144.4	\$3,310.2	\$12,636.4	\$13,591.4
YoY % Chng	13.3%	(3.8%)	2.1%	6.8%	8.6%	5.6%	6.0%	6.7%	4.6%	7.4%	6.9%	6.0%	6.2%	7.6%
Marketing and Sales, GAAP	\$13,526.0	\$12,877.0	\$13,257.0	\$3,429.0	\$3,443.0	\$3,489.3	\$3,733.6	\$14,094.9	\$3,595.7	\$3,697.7	\$3,712.5	\$3,904.1	\$14,910.0	\$15,935.7
YoY % Chng	14.1%	(4.8%)	3.0%	5.9%	8.8%	5.0%	7.6%	8.3%	11.9%	7.4%	6.4%	6.6%	6.9%	8.9%
General and Administrative, Non-GAAP	\$2,185.0	\$2,235.0	\$2,469.0	\$609.0	\$640.0	\$647.5	\$668.1	\$2,564.6	\$640.9	\$661.1	\$658.1	\$681.2	\$2,639.4	\$2,726.9
YoY % Chng	(1.9%)	2.3%	10.5%	7.6%	3.2%	5.1%	0.2%	3.9%	5.2%	3.3%	1.3%	2.0%	2.9%	3.3%
General and Administrative, GAAP	\$2,553.0	\$2,534.0	\$2,836.0	\$697.0	\$734.0	\$745.5	\$792.0	\$2,968.5	\$744.9	\$771.3	\$769.0	\$802.2	\$3,087.3	\$3,219.0
YoY % Chng	(1.7%)	(0.7%)	11.9%	7.7%	3.2%	4.9%	3.3%	4.7%	6.9%	5.1%	3.2%	1.3%	4.0%	4.3%
Restructuring	\$828.0	\$968.0	\$461.0	\$36.0	\$36.0	\$286.8	\$5.0	\$331.7	\$83.0	\$101.9	\$126.7	\$85.5	\$400.4	\$439.1
YoY % Chng	(53.3%)	19.3%	(33.3%)	350.0%	(96.0%)	(412.1%)	(98.3%)	(28.0%)	139.6%	2,447.1%	(53.8%)	1,626.9%	20.7%	9.7%
Total Operating Expense, Non-GAAP	\$17,458.0	\$17,093.0	\$18,019.0	\$4,705.0	\$4,761.0	\$4,786.5	\$5,017.9	\$19,270.4	\$4,902.7	\$5,043.9	\$5,039.1	\$5,284.7	\$20,270.3	\$21,568.9
YoY % Chng	10.5%	(2.1%)	3.4%	6.9%	8.6%	6.8%	5.5%	6.9%	4.2%	5.9%	5.3%	5.3%	5.2%	6.4%
Total Operating Expense, GAAP	\$21,962.0	\$21,305.0	\$22,047.0	\$5,622.0	\$5,662.0	\$5,985.8	\$6,054.9	\$23,324.7	\$5,913.0	\$6,084.9	\$6,112.3	\$6,360.1	\$24,470.3	\$25,874.7
YoY % Chng	16.1%	(3.0%)	3.5%	6.8%	3.2%	9.9%	1.7%	5.8%	5.2%	7.5%	2.1%	5.0%	4.9%	5.7%
EBITDA	\$10,854.0	\$14,591.0	\$15,975.0	\$4,015.0	\$4,326.0	\$4,355.8	\$4,594.2	\$17,291.0	\$4,334.7	\$4,527.8	\$4,572.6	\$4,877.3	\$18,312.4	\$19,917.7
YoY % Chng	31.6%	34.4%	9.5%	5.5%	6.8%	10.6%	9.9%	8.2%	8.0%	4.7%	5.0%	6.2%	5.9%	9.1%
Depreciation and Amortization	\$3,786.0	\$3,959.0	\$3,477.0	\$843.0	\$817.0	\$829.8	\$863.1	\$3,352.9	\$792.0	\$797.0	\$786.5	\$769.7	\$3,145.1	\$2,899.5
YoY % Chng	14.8%	4.6%	(12.2%)	(4.1%)	(9.9%)	1.9%	(1.6%)	(3.6%)	(6.1%)	(2.4%)	(5.2%)	(10.8%)	(6.2%)	(7.8%)
Stock Based Compensation	\$3,279.0	\$2,787.0	\$3,183.0	\$799.0	\$793.0	\$841.2	\$983.7	\$3,416.9	\$827.6	\$855.6	\$864.3	\$871.4	\$3,419.0	\$3,368.1
YoY % Chng	(8.0%)	(15.0%)	14.2%	6.5%	(2.1%)	2.8%	12.5%	7.3%	2.6%	7.9%	2.7%	(11.4%)	0.1%	(1.5%)
Amortization of Purchased Intangibles	\$1,919.0	\$1,868.0	\$1,651.0	\$395.0	\$390.0	\$382.4	\$374.3	\$1,531.7	\$364.3	\$362.0	\$351.4	\$342.9	\$1,420.9	\$1,297.7
YoY % Chng	(20.1%)	(4.2%)	(14.3%)	(16.3%)	(1.7%)	(8.0%)	(2.0%)	(7.8%)	(7.8%)	(4.7%)	(8.1%)	(8.4%)	(7.3%)	(8.7%)
Operating Income, Non-GAAP	\$7,068.0	\$10,632.0	\$12,498.0	\$3,172.0	\$3,509.0	\$3,526.0	\$3,731.1	\$13,938.1	\$3,542.7	\$3,730.8	\$3,786.1	\$4,107.6	\$15,167.2	\$17,072.2
YoY % Chng	42.8%	50.4%	17.6%	8.3%	11.6%	12.9%	13.0%	11.5%	11.7%	6.3%	7.4%	10.1%	8.5%	12.6%
Operating Income, GAAP	\$1,030.0	\$5,011.0	\$7,205.0	\$1,942.0	\$2,332.0	\$1,986.9	\$2,395.5	\$8,656.4	\$2,419.2	\$2,602.1	\$2,696.5	\$2,877.5	\$10,495.3	\$12,735.5
YoY % Chng	88.0%	386.5%	43.8%	13.6%	30.8%	5.0%	31.6%	20.1%	24.6%	11.6%	30.7%	20.1%	21.2%	21.3%
Gains (Losses) on Strategic Investments, Net	(\$239.0)	(\$277.0)	(\$121.0)	(\$63.0)	\$6.0	\$0.0	\$0.0	(\$57.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
YoY % Chng	(119.7%)	(15.9%)	56.3%	(270.3%)	116.2%			52.9%						
Other Expense (Income)	\$131.0	(\$216.0)	(\$354.0)	(\$95.0)	(\$68.0)	\$13.0	\$4.8	(\$145.2)	(\$28.2)	(\$16.5)	(\$4.5)	(\$7.4)	(\$56.6)	(\$48.3)
YoY % Chng	(42.9%)	(264.9%)	(63.9%)	21.5%	118.6%	106.6%	59.0%	70.3%	70.3%	75.7%	(134.9%)	(254.7%)	(254.7%)	14.6%
Total Other Expense/(Income), Net	\$370.0	\$61.0	(\$233.0)	(\$32.0)	(\$74.0)	\$13.0	\$4.8	(\$88.2)	(\$28.2)	(\$16.5)	(\$4.5)	(\$7.4)	(\$56.6)	(\$48.3)
YoY % Chng	137.6%	(83.5%)	(482.0%)	79.7%	(37.0%)	(91.1%)	102.8%	62.1%	(28.2%)	(134.9%)	(254.7%)	(254.7%)	35.8%	14.6%
Pre-Tax Income, Non-GAAP	\$6,698.0	\$10,571.0	\$12,731.0	\$3,204.0	\$3,583.0	\$3,513.0	\$3,726.4	\$14,026.3	\$3,570.9	\$3,747.3	\$3,790.6	\$4,115.0	\$15,223.8	\$17,120.5
YoY % Chng	12.9%	57.8%	20.4%	3.8%	12.0%	18.0%	7.4%	10.2%	11.0%	4.6%	7.9%	10.4%	8.5%	12.5%
Pre-Tax Income, GAAP	\$660.0	\$4,950.0	\$7,438.0	\$1,974.0	\$2,406.0	\$1,973.9	\$2,390.8	\$8,744.6	\$2,447.4	\$2,618.6	\$2,601.1	\$2,884.8	\$10,551.9	\$12,783.8
YoY % Chng	(56.9%)	650.0%	50.3%	5.7%	31.0%	13.1%	20.3%	17.6%	24.0%	8.8%	31.8%	20.7%	20.7%	21.2%
Income Tax, Non-GAAP	\$1,473.6	\$2,484.2	\$2,800.8	\$704.9	\$788.3	\$772.9	\$819.8	\$3,085.8	\$785.6	\$824.4	\$833.9	\$905.3	\$3,349.2	\$3,765.5
YoY % Chng	15.4%	63.8%	12.2%	12.0%	10.8%	10.5%	7.4%	10.2%	14.5%	4.6%	7.9%	10.4%	12.5%	12.5%
Income Tax, GAAP	\$452.0	\$814.0	\$1,241.0	\$433.0	\$519.0	\$454.0	\$561.8	\$1,967.8	\$575.1	\$615.4	\$611.3	\$677.9	\$2,479.7	\$3,004.2
YoY % Chng	413.6%	80.1%	52.5%	29.6%	27.2%	107.3%	100.7%	58.6%	32.8%	18.6%	34.6%	20.7%	26.0%	21.2%
Tax Rate, Non-GAAP	22.0%	23.5%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Tax Rate, GAAP	68.5%	16.4%	16.7%	21.9%	21.6%	23.0%	23.5%	22.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%
Net Income, Non-GAAP	\$5,224.0	\$8,087.0	\$9,930.0	\$2,499.0	\$2,795.0	\$2,740.1	\$2,906.6	\$10,940.7	\$2,785.3	\$2,922.9	\$2,956.7	\$3,209.7	\$11,874.6	\$13,354.0
YoY % Chng	12.1%	54.8%	22.8%	3.8%	12.0%	18.1%	7.4%	10.2%	11.5%	4.6%	7.9%	10.4%	8.5%	12.5%
Net Income, GAAP	\$208.0	\$4,136.0	\$6,197.0	\$1,541.0	\$1,887.0	\$1,519.9	\$1,828.9	\$6,776.8	\$1,872.3	\$2,003.2	\$1,989.8	\$2,206.9	\$8,072.2	\$9,779.6
YoY % Chng	(85.6%)	1,888.5%	49.8%	0.5%	32.1%	(0.5%)	7.1%	9.4%	21.5%	6.2%	30.9%	20.7%	19.1%	21.2%
Basic Shares Outstanding	992.0	974.0	962.0	960.0	956.0	956.0	960.0	958.0	959.0	958.0	957.0	956.0	957.5	953.5
YoY % Chng	3.9%	(1.8%)	(1.2%)	(1.0%)	(0.8%)	0.0%	0.1%	(0.4%)	(0.1%)	0.2%	0.1%	(0.4%)	(0.1%)	(0.4%)
Diluted Shares Outstanding	997.0	984.0	974.0	970.0	962.0	962.0	970.0	966.0	968.0	968.0	967.0	966.0	967.5	963.5
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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.

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Value Score	C
Growth Score	C
Momentum Score	B
VGM Score	C

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