

Community Health (CYH)

\$3.25 (Stock Price as of 12/16/2025)

Price Target (6-12 Months): **\$4.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 04/24/24)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: A

Value: A

Growth: B

Momentum: A

Summary

Community Health Systems is pursuing steady expansion through capacity additions, new specialty services, and partnerships designed to enhance patient care and operational efficiency. Ongoing divestitures, including major hospital and asset sales, are streamlining its portfolio and improving profitability across core markets. Collaboration with tech-driven partners like Denim Health supports process automation and patient engagement. We expect total operating expenses to decline 7.3% YoY in 2025. However, high leverage and limited liquidity remain key financial constraints. Weak patient days and declining average length of stay continue to suppress revenue growth, while inconsistent free cash flow performance highlights execution risk. CYH's ROIC of 8.5% is lower than the industry average. As such, the stock warrants a cautious stance.

Data Overview

52 Week High-Low	\$4.47 - \$2.24
20 Day Average Volume (sh)	1,960,854
Market Cap	\$446.0 M
YTD Price Change	7.7%
Beta	2.00
Dividend / Div Yld	\$0.00 / 0.0%
Industry	Medical - Hospital
Zacks Industry Rank	Top 40% (97 out of 243)

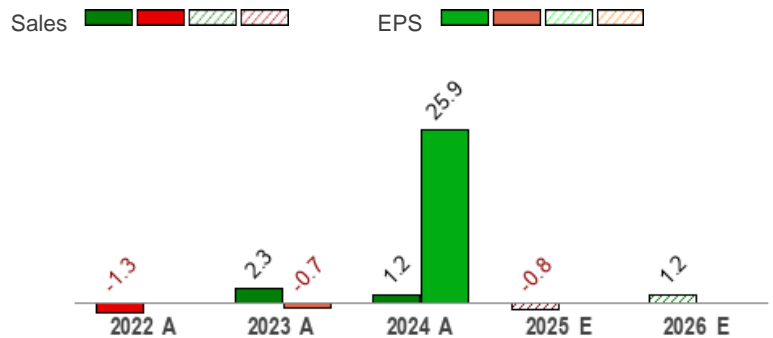
Last EPS Surprise	496.9%
Last Sales Surprise	3.2%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/17/2026
Earnings ESP	0.0%

P/E TTM	4.2
P/E F1	3.7
PEG F1	NA
P/S TTM	0.0

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	3,151 E	3,147 E	3,150 E	3,236 E	12,684 E
2025	3,159 A	3,133 A	3,087 A	3,149 E	12,528 E
2024	3,140 A	3,140 A	3,090 A	3,265 A	12,634 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	-0.23 E	-0.11 E	-0.28 E	-0.04 E	-0.67 E
2025	-0.03 A	-0.05 A	1.27 A	-0.32 E	0.87 E
2024	-0.14 A	-0.17 A	-0.30 A	-0.42 A	-1.03 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/16/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/03/2025.

Overview

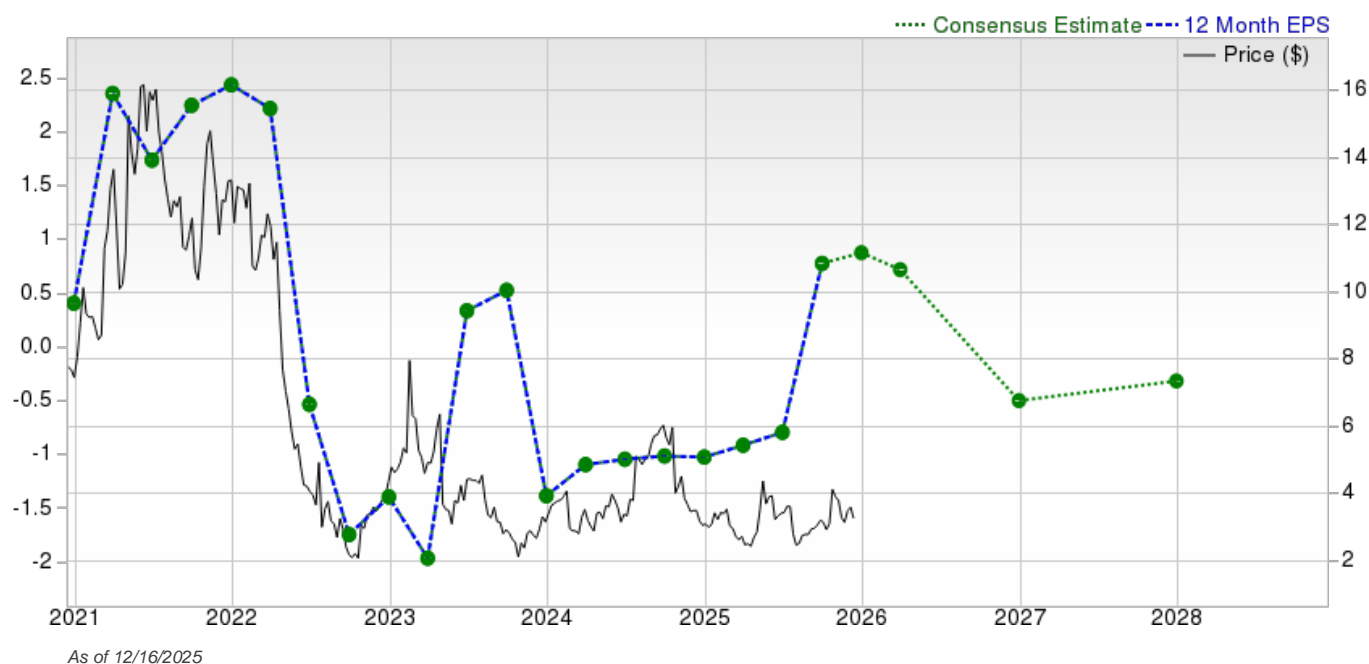
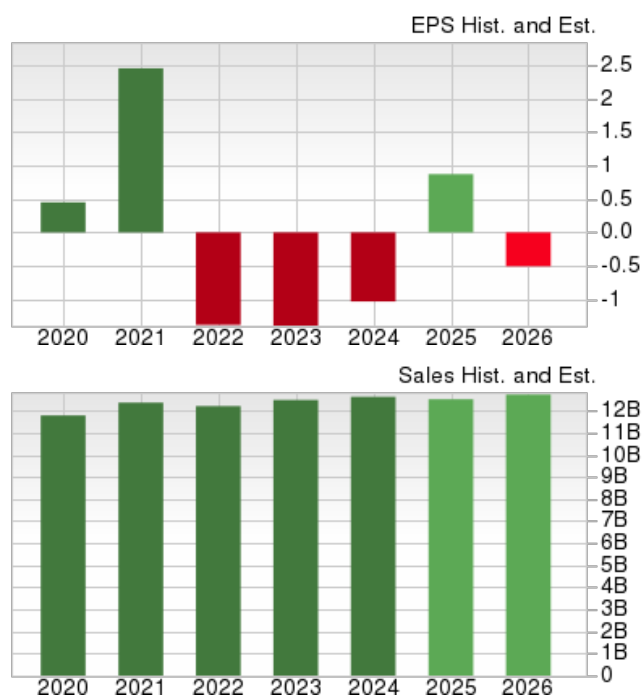
Based in Franklin, TN, Community Health Systems, Inc. is a leading operator of general acute care hospitals and outpatient facilities in communities across the United States. Originally founded in 1986, the company was reincorporated in 1996 as a Delaware corporation.

The company's hospitals are general care hospitals offering a wide range of inpatient and outpatient medical services. These services generally include general acute care, emergency room, general and specialty surgery, critical care, internal medicine, obstetrics, diagnostic, psychiatric and rehabilitation services. In addition, some of its hospitals provide skilled nursing and home care services based on individual community needs.

Additionally, Community Health provides outpatient services at urgent care centers, occupational medicine clinics, imaging centers, cancer centers and ambulatory surgery centers (ASCs). The company generates revenues through general and specialized hospital healthcare services and outpatient services to patients in the communities.

The healthcare provider pursues a portfolio rationalization and deleveraging strategy as a result of which it continues to divest hospitals and non-hospital businesses. The primary aim of the strategy is to increase focus on profitable resources.

Community Health exited 2024 with 76 hospitals and 11,000-plus licensed beds. The company operates in more than 1,000 sites. These hospitals are geographically diversified across 15 states. The company has collaborated with local physicians or not-for-profit providers, or both, in the ownership of its facilities in various markets.



Reasons To Buy:

- ▲ **Business Expansion:** Community Health Systems is actively pursuing strategic growth initiatives to meet the rising demand for its healthcare services. Its development pipeline includes both de novo and expansion projects aimed at enhancing inpatient capacity and broadening service offerings across key specialties such as cardiology, neuroscience, post-acute care, and specialty services. The company is also advancing multiple surgery center developments and expansions, along with the construction of several freestanding emergency departments. Additionally, management remains focused on strengthening its post-acute and behavioral health service lines to further diversify and expand its care delivery capabilities. It is focused on expanding physical capacity and service lines while maintaining a balanced approach to both inpatient and outpatient care.
- ▲ **Growth Initiatives:** Over the years, acquisitions and partnerships have played a key role in building Community Health's growth trajectory. In December 2024, CYH partnered with Mark Cuban Cost Plus Drug Company in March 2024 to leverage high drug quality and better cost. It partnered with Denim Health to integrate conversational AI technology into its Patient Access Center (PAC), which handles calls for almost a thousand CYH-affiliated primary care providers. All these moves poise the company well for growth. It also has strategic alliances lined up to enhance its behavioral health, rehabilitation services and long-term acute care portfolio. Total operating expenses declined 8.4% year over year in the first nine months of 2025. We expect the metric to decline 7.3% year over year in 2025.
- ▲ **Strategic Divestitures:** Community Health's active portfolio optimization supports profitability and operational efficiency. The company divested eight facilities in 2023, two hospitals in 2024, and several assets in 2025, including a \$260 million sale to AdventHealth. These moves allow CYH to focus on high-performing markets, improve same-store metrics and strengthen its balance sheet. The planned sale of additional hospitals and lab assets later in 2025 is expected to further streamline operations and enhance margins. It has agreed to sell three Pennsylvania hospitals to Tenor Health Foundation.

Addition of facilities, growing demand for healthcare services and strategic divestitures are key positives.

Reasons To Sell:

▼ **Weak Balance Sheet Position:** The net debt of the company represents 112.5% of its capital, higher than the industry's average of 67.4%. Its times interest earned is at 1.66X, lower than its industry's average of 3.13X. As of Sept. 30, 2025, it had cash and cash equivalents worth \$123 million, while long-term debt amounted to \$10.6 billion. Thus, its levered balance sheet is worrisome. Also, the company reflects weakness in one of the profitability measures, which is the return on invested capital. Its ROIC of 8.5% is lower than the industry average of 9%, which signals that the company is less efficient in utilizing its funds.

Community Health's declining patient days remains a concern. A weak balance sheet position and FCF volatility also bothers the company.

▼ **Business Headwinds:** Declining patient days and the average length of stay are major headwinds for the company, affecting its profits. The unfavorable outlook triggered by these business challenges could raise concerns among investors. Patient days tumbled 4.6% in 2023, 5.3% in 2024 and 0.8% year over year in the first nine months of 2025. CYH incurred a net loss of \$1.39 per share in 2023 and a loss of \$1.03 per share in 2024. The company anticipates net operating revenues between \$12.4 billion and \$12.6 billion for 2025, down from the 2024 figure of \$12.63 billion.

▼ **Free Cash Flow Volatility:** Community Health has posted negative free cash flow (FCFs) in three of the last four years, with outflows of \$77 million in 2022 and \$229 million in 2023, before turning positive at \$125 million in 2024. Although management projects \$600–\$700 million in operating cash flow for 2025 and capital expenditures of \$350–\$400 million, ongoing business headwinds may limit sustained improvement in free cash flow generation.

Last Earnings Report

Community Health Q3 Earnings Beat on Rising Same-Store Admissions

Community Health posted a third-quarter 2025 adjusted earnings of \$1.27 per share, which beat the Zacks Consensus Estimate of a loss of 32 cents. The bottom line improved from the prior-year loss of 30 cents.

Net operating revenues remained constant year over year at \$3.1 billion in the quarter under review. The top line beat the consensus mark by 3.2%.

The quarterly results benefited from declining expenses, favorable changes in payor mix and increased same-store admissions. However, a decrease in patient days, occupancy rate and adjusted admissions partially offset the positives.

CYH's Q3 Operational Update

At the third-quarter end, the hospital count for Community Health was 70, lower than the year-ago level of 77.

Patient days tumbled 9.3% year over year. The average length of stay decreased 2.3% year over year to 4.2 days, while the occupancy rate of 49.7% decreased from 49.8% in the year-ago quarter.

Adjusted admissions declined 7.7% year over year in the quarter under review. On a same-store basis, admissions rose 1.3% from the corresponding prior-year quarter's reported figure.

CYH licensed beds totaled 10,478 as of Sept. 30, 2025, which indicates a decrease of 9% from the prior-year quarter. The reported figure was in line with the consensus estimate and our estimate.

Total operating expenses declined 13.7% year over year to \$2.8 billion in the third quarter, primarily backed by low non-operating expenses, but came in above our estimate by 2.6%.

Meanwhile, net interest expenses of \$216 million remained constant year over year. The metric came in higher than our estimate of \$204.5 million.

The company reported a net income of \$171 million in the third quarter, which increased significantly from a net loss of \$355 million in the year-ago period. Adjusted EBITDA rose 8.4% year over year to \$376 million in the quarter under review, benefiting from increased non-patient revenues, higher reimbursement rates, favorable changes in payor mix and increased net benefit from supplemental reimbursement programs.

During 2025, Community Health divested its ownership interests in several hospitals, including a 50% stake in two hospitals, an 80% stake in one hospital and full ownership of three other hospitals.

CYH's Financial Update (As of Sept. 30, 2025)

Community Health exited the third quarter with cash and cash equivalents of \$123 million, which increased significantly from \$37 million at 2024-end. Total assets of \$13.2 billion decreased from \$14.1 billion at 2024-end.

Long-term debt amounted to \$10.6 billion, which fell from \$11.4 billion at 2024-end. Current maturities of long-term debt were \$16 million.

In the first nine months of 2025, CYH generated operating cash flows of \$277 million, up from \$264 million in the year-ago period.

CYH's 2025 Guidance

The company now anticipates net operating revenues between \$12.4 billion and \$12.6 billion for 2025 compared with the 2024 figure of \$12.63 billion. Adjusted EBITDA is now estimated to be in the range of \$1.5-\$1.55 billion compared with the 2024 level of \$1.54 billion.

Net income per share is now expected to be between 80 cents and 90 cents in 2025.

Depreciation and amortization expenses are now predicted to be in the range of \$420-\$430 million for 2025.

Net cash from operating activities was estimated to be between \$600 million and \$700 million in 2025. Capital expenditures were anticipated in the range of \$350-\$400 million.

FY Quarter Ending 12/31/2024

Earnings Reporting Date	Oct 23, 2025
Sales Surprise	3.22%
EPS Surprise	496.88%
Quarterly EPS	1.27
Annual EPS (TTM)	0.77

Valuation

Community Health's shares are up 20.7% in the year-to-date period and 5.3% over the past year. Stocks in the Zacks sub-industry are up 33.6% in the year-to-date period, while the Zacks Medical sector is up 6.2%. Over the past year, the Zacks sub-industry is up 19.4%, while the sector is down 2.3%.

The S&P 500 index is up 18.4% over the year-to-date period and 14.9% in the past year.

The stock is currently trading at 0.04X forward 12-month sales, which compares to 0.72X for the Zacks sub-industry, 2.11X for the Zacks sector and 5.31X for the S&P 500 index.

Over the past five years, the stock has traded as high as 0.18X and as low as 0.02X, with a 5-year median of 0.04X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$4 price target reflects 0.04X forward sales.

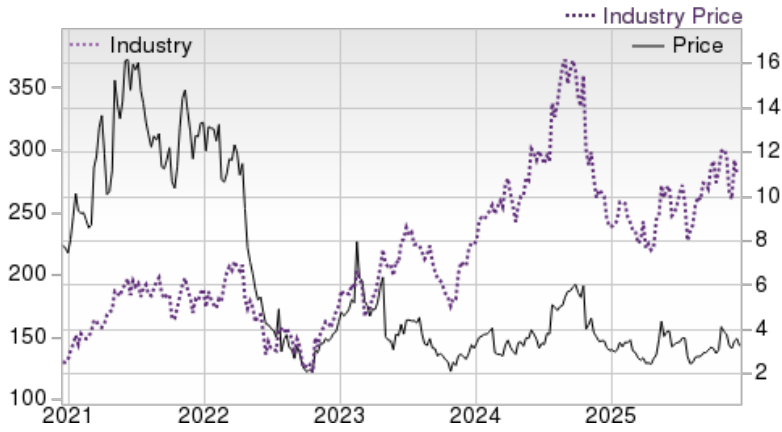
The table below shows summary valuation data for CYH.

Valuation Multiples - CYH					
		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	0.04	0.72	2.11	5.31
	5-Year High	0.18	0.81	3.4	5.5
	5-Year Low	0.02	0.4	2.01	3.83
	5-Year Median	0.04	0.55	2.64	5.04
EV/EBITDA TTM	Current	7.97	9.01	10.16	18.59
	5-Year High	13.56	10.66	14.11	22.41
	5-Year Low	6.81	7.2	8.93	13.87
	5-Year Median	8.84	8.43	10.97	17.96
P/CF	Current	0.99	8.34	14.77	24.28
	5-Year High	4.11	13.25	20.26	30.13
	5-Year Low	NA	2.13	12.08	18.52
	5-Year Median	1.14	7.7	15.2	23.69

As of 12/02/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 40% (97 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Universal Health Ser...(UHS)	Outperform	2
Alcon (ALC)	Neutral	4
The Ensign Group, In...(ENSG)	Neutral	2
HCA Healthcare, Inc. (HCA)	Neutral	3
Select Medical Holdi...(SEM)	Neutral	2
Tenet Healthcare Cor...(THC)	Neutral	3
U.S. Physical Therap...(USPH)	Neutral	3
Acadia Healthcare Co...(ACHC)	Underperform	5

Industry Comparison⁽¹⁾ Industry: Medical - Hospital

	CYH	X Industry	S&P 500	ACHC	THC	UHS
Zacks Recommendation (Long Term)	Neutral	-	-	Underperform	Neutral	Outperform
Zacks Rank (Short Term)	3	-	-	5	3	1
VGM Score	A	-	-	C	A	A
Market Cap	446.03 M	3.24 B	39.20 B	1.31 B	17.34 B	13.99 B
# of Analysts	4	6	22	6	9	7
Dividend Yield	0.00%	0.00%	1.4%	0.00%	0.00%	0.36%
Value Score	A	-	-	A	A	A
Cash/Price	0.27	0.09	0.04	0.09	0.17	0.01
EV/EBITDA	10.27	7.86	14.73	5.68	3.97	7.86
PEG Ratio	NA	0.86	2.24	3.40	0.86	0.76
Price/Book (P/B)	NA	2.49	3.35	0.42	3.00	1.97
Price/Cash Flow (P/CF)	1.28	8.41	15.24	2.89	9.35	8.41
P/E (F1)	3.70	8.53	19.90	6.80	12.22	10.26
Price/Sales (P/S)	0.04	0.82	3.09	0.40	0.83	0.82
Earnings Yield	27.02%	12.22%	5.01%	14.70%	8.18%	9.75%
Debt/Equity	-8.31	0.55	0.57	0.73	2.27	0.55
Cash Flow (\$/share)	2.52	4.93	8.99	4.93	21.09	26.63
Growth Score	B	-	-	D	A	C
Hist. EPS Growth (3-5 yrs)	NA%	17.06%	8.16%	2.07%	23.22%	10.91%
Proj. EPS Growth (F1/F0)	NA%	39.53%	8.57%	-36.67%	35.94%	31.43%
Curr. Cash Flow Growth	8.11%	8.11%	6.75%	1.46%	21.87%	31.02%
Hist. Cash Flow Growth (3-5 yrs)	-7.16%	7.40%	7.43%	10.41%	11.46%	4.38%
Current Ratio	1.47	1.47	1.18	1.44	1.71	1.03
Debt/Capital	NA%	39.87%	38.01%	44.03%	73.47%	35.72%
Net Margin	2.60%	6.49%	12.78%	3.29%	6.49%	8.09%
Return on Equity	-6.90%	10.35%	17.00%	7.66%	25.11%	19.47%
Sales/Assets	0.92	0.82	0.53	0.53	0.72	1.14
Proj. Sales Growth (F1/F0)	-0.80%	2.91%	5.77%	4.30%	2.90%	9.70%
Momentum Score	A	-	-	F	C	C
Daily Price Chg	-0.62%	-0.42%	-0.16%	-0.42%	-1.04%	0.57%
1 Week Price Chg	-9.24%	-5.05%	-0.44%	-7.69%	-5.05%	-3.67%
4 Week Price Chg	6.98%	2.56%	2.16%	-9.14%	2.56%	-1.16%
12 Week Price Chg	2.88%	1.68%	1.83%	-38.23%	1.68%	15.30%
52 Week Price Chg	-3.30%	-3.30%	12.22%	-64.87%	47.51%	21.56%
20 Day Average Volume	1,960,854	994,417	2,744,252	3,357,255	994,417	676,907
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.00%	-0.06%	0.00%	-11.19%	0.00%	-0.12%
(F1) EPS Est 12 week change	359.70%	4.37%	0.69%	-21.07%	1.89%	6.85%
(Q1) EPS Est Mthly Chg	0.00%	-0.07%	0.00%	-67.22%	0.00%	-0.15%

Analyst Earnings Model⁽²⁾

Community Health Systems, Inc. (CYH)

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														
Net Operating Revenues	\$12,211.0	\$12,490.0	\$12,634.0	\$3,159.0	\$3,133.0	\$3,087.0	\$3,148.9	\$12,527.9	\$3,151.1	\$3,146.8	\$3,150.0	\$3,235.5	\$12,683.5	\$13,202.1
Salaries and Benefits	\$5,330.0	\$5,415.0	\$5,418.0	\$1,372.0	\$1,327.0	\$1,356.0	\$1,346.9	\$5,401.9	\$1,382.5	\$1,360.4	\$1,397.1	\$1,386.7	\$5,526.6	\$5,756.3
Supplies	\$1,975.0	\$1,993.0	\$1,946.0	\$489.0	\$469.0	\$460.0	\$481.1	\$1,899.1	\$493.4	\$472.1	\$485.4	\$505.9	\$1,966.8	\$2,033.4
Other Operating Expenses	\$3,336.0	\$3,388.0	\$3,642.0	\$865.0	\$885.0	\$832.0	\$865.1	\$3,447.1	\$870.2	\$880.2	\$872.7	\$892.7	\$3,515.8	\$3,656.3
Lease Cost and Rent	\$317.0	\$319.0	\$299.0	\$68.0	\$74.0	\$67.0	\$68.2	\$277.2	\$69.7	\$73.2	\$69.9	\$72.2	\$285.1	\$296.6
Pandemic Relief Funds	\$173.0	\$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
Depreciation and Amortization	\$534.0	\$505.0	\$486.0	\$105.0	\$105.0	\$108.0	\$108.7	\$426.7	\$104.2	\$103.9	\$103.6	\$104.7	\$416.4	\$429.1
Impairment and (Gain) Loss on Sale of Businesses, Net	\$71.0	(\$87.0)	\$301.0	(\$24.0)	(\$239.0)	\$21.0	\$0.0	(\$242.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Operating Costs and Expenses	\$11,390.0	\$11,533.0	\$12,092.0	\$2,875.0	\$2,621.0	\$2,844.0	\$2,870.1	\$11,210.1	\$2,919.9	\$2,889.9	\$2,928.7	\$2,962.2	\$11,700.7	\$12,171.6
Expense from Business Transformation Costs		\$22.0	\$52.0	\$9.0	\$0.0	\$0.0	\$4.7	\$13.7	\$3.4	\$2.0	\$2.5	\$3.2	\$11.2	\$11.5
Change in Estimate for Professional Claims Liability			\$149.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Adjusted EBITDA	\$1,466.0	\$1,453.0	\$1,540.0	\$376.0	\$380.0	\$376.0	\$394.1	\$1,526.1	\$340.8	\$364.8	\$331.5	\$383.2	\$1,420.4	\$1,481.0
Operating Income, Adjusted		\$949.0	\$1,054.0	\$271.0	\$275.0	\$268.0	\$285.5	\$1,099.5	\$236.6	\$260.9	\$227.9	\$278.5	\$1,003.9	\$1,052.0
Operating Income	\$821.0	\$957.0	\$542.0	\$284.0	\$512.0	\$243.0	\$278.8	\$1,317.8	\$231.2	\$256.9	\$221.4	\$273.3	\$982.7	\$1,030.5
Interest Expense, Net	\$858.0	\$830.0	\$860.0	\$219.0	\$214.0	\$216.0	\$225.4	\$874.4	\$226.2	\$224.7	\$227.4	\$225.7	\$904.1	\$892.4
Loss (Gain) from Early Extinguishment of Debt	(\$253.0)	(\$72.0)	(\$25.0)	\$0.0	(\$138.0)	\$33.0	\$0.0	(\$105.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Gain on Sale of Equity Interests in Macon Healthcare, LLC	\$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
Gain from CoreTrust Transaction	\$119.0	\$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
Equity in Earnings of Unconsolidated Affiliates	\$14.0	\$8.0	\$10.0	\$2.0	\$2.0	\$4.0	\$2.0	\$10.0	\$2.0	\$2.0	\$4.0	\$2.0	\$10.0	\$10.0
Pre-Tax Income, Adjusted		\$118.0	\$194.0	\$52.0	\$61.0	\$52.0	\$60.0	\$225.0	\$10.4	\$36.2	\$0.5	\$52.8	\$99.8	\$159.6
Income Tax Adjusted		\$151.0	\$175.0	\$18.0	\$30.0	(\$161.0)	\$65.0	(\$48.0)	\$3.6	\$12.7	\$0.2	\$18.5	\$34.9	\$55.9
Tax Rate, Adjusted		128.0%	90.2%	34.6%	49.2%	(309.6%)	108.3%	(21.3%)	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%
Pre-Tax Income	\$349.0	\$207.0	(\$283.0)	\$67.0	\$438.0	(\$2.0)	\$55.4	\$558.4	\$7.0	\$34.2	(\$2.1)	\$49.6	\$88.7	\$148.1
Income Tax	\$170.0	\$191.0	\$79.0	\$42.0	\$118.0	(\$173.0)	\$60.0	\$47.0	\$2.4	\$12.0	(\$0.7)	\$17.4	\$31.0	\$51.8
Tax Rate	48.7%	92.3%	(27.9%)	62.7%	26.9%	8,650.0%	108.3%	8.4%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%
Net Income	\$179.0	\$16.0	(\$362.0)	\$25.0	\$320.0	\$171.0	(\$4.6)	\$511.4	\$4.5	\$22.2	(\$1.3)	\$32.2	\$57.6	\$96.3
Non-Controlling Interests	\$133.0	\$149.0	\$154.0	\$38.0	\$38.0	\$41.0	\$38.3	\$155.3	\$38.5	\$38.5	\$38.7	\$39.6	\$155.2	\$158.5
Net Income, Adjusted	(\$188.7)	(\$181.0)	(\$135.0)	(\$4.0)	(\$7.0)	\$172.0	(\$43.3)	\$117.7	(\$31.7)	(\$15.0)	(\$38.4)	(\$5.2)	(\$90.3)	(\$54.8)
Net Income, GAAP	\$46.0	(\$133.0)	(\$516.0)	(\$13.0)	\$282.0	\$130.0	(\$42.9)	\$356.1	(\$33.9)	(\$16.3)	(\$40.0)	(\$7.3)	(\$97.6)	(\$62.2)
Basic Shares Outstanding	128.8	130.4	132.1	132.9	133.8	133.8	135.5	134.0	133.6	133.6	133.6	133.6	133.6	133.6
Diluted Shares Outstanding	130.1	130.4	132.1	132.9	134.9	135.2	136.9	135.0	135.0	135.0	135.0	135.0	135.0	135.0
Basic EPS	\$0.35	(\$1.02)	(\$3.90)	(\$0.10)	\$2.11	\$0.97	(\$0.32)	\$2.66	(\$0.25)	(\$0.12)	(\$0.30)	(\$0.05)	(\$0.73)	(\$0.47)
Diluted EPS, Adjusted	(\$1.38)	(\$1.39)	(\$1.03)	(\$0.03)	(\$0.05)	\$1.27	(\$0.32)	\$0.87	(\$0.23)	(\$0.11)	(\$0.28)	(\$0.04)	(\$0.67)	(\$0.41)
Diluted EPS, GAAP	\$0.35	(\$1.02)	(\$3.90)	(\$0.10)	\$2.09	\$0.96	(\$0.31)	\$2.64	(\$0.25)	(\$0.12)	(\$0.30)	(\$0.05)	(\$0.72)	(\$0.46)

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	A
Growth Score	B
Momentum Score	A
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.

Disclosures

This report contains independent commentary to be used for informational purposes only. The analysts contributing to this report do not hold any shares of this stock. The analysts contributing to this report do not serve on the board of the company that issued this stock. The EPS and revenue forecasts are the Zacks Consensus estimates, unless otherwise indicated in the report's first-page footnote. Additionally, the analysts contributing to this report certify that the views expressed herein accurately reflect the analysts' personal views as to the subject securities and issuers. ZIR certifies that no part of the analysts' compensation was, is, or will be, directly or indirectly, related to the specific recommendation or views expressed by the analyst in the report.

Additional information on the securities mentioned in this report is available upon request. This report is based on data obtained from sources we believe to be reliable, but is not guaranteed as to accuracy and does not purport to be complete. Any opinions expressed herein are subject to change.

ZIR is not an investment advisor and the report should not be construed as advice designed to meet the particular investment needs of any investor. Prior to making any investment decision, you are advised to consult with your broker, investment advisor, or other appropriate tax or financial professional to determine the suitability of any investment. This report and others like it are published regularly and not in response to episodic market activity or events affecting the securities industry.

This report is not to be construed as an offer or the solicitation of an offer to buy or sell the securities herein mentioned. ZIR or its officers, employees or customers may have a position long or short in the securities mentioned and buy or sell the securities from time to time. ZIR is not a broker-dealer. ZIR may enter into arms-length agreements with broker-dealers to provide this research to their clients. Zacks and its staff are not involved in investment banking activities for the stock issuer covered in this report.

ZIR uses the following rating system for the securities it covers. **Outperform-** ZIR expects that the subject company will outperform the broader U.S. equities markets over the next six to twelve months. **Neutral-** ZIR expects that the company will perform in line with the broader U.S. equities markets over the next six to twelve months. **Underperform-** ZIR expects the company will underperform the broader U.S. equities markets over the next six to twelve months.

No part of this report can be reprinted, republished or transmitted electronically without the prior written authorization of ZIR.