

Delta Air Lines, Inc. (DAL)

\$62.15 (Stock Price as of 11/25/2025)

Price Target (6-12 Months): **\$63.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 07/01/25)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: B

Value: A

Growth: C

Momentum: D

Summary

Strong international travel demand and diversified revenue streams being resilient are driving Delta Air Lines' top-line growth. DAL's solid balance sheet allows it to reward its shareholders through consistent dividend payments. Low fuel costs bode well for the bottom-line growth of airlines, including Delta. This is because fuel expenses are a significant input cost for airlines. On the flip side, DAL remains burdened with escalated non-fuel expenses, mainly driven by salaries and related costs. The uptick was due to higher wages stemming from the contract with pilots that was ratified in 2023. Considering all these factors, investors are advised to wait for a better entry point. For those who already own the stock, it will be prudent to stay invested. Our thesis is supported by our Neutral recommendation on the shares.

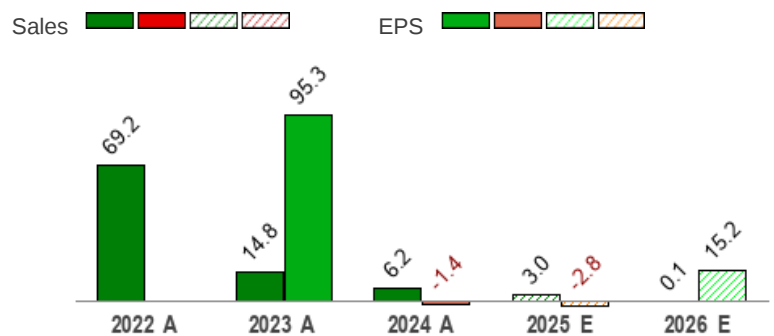
Price, Consensus & Surprise⁽¹⁾



Data Overview

52 Week High-Low	\$69.98 - \$34.74
20 Day Average Volume (sh)	7,918,380
Market Cap	\$39.6 B
YTD Price Change	0.3%
Beta	1.52
Dividend / Div Yld	\$0.75 / 1.2%
Industry	Transportation - Airline
Zacks Industry Rank	Bottom 33% (163 out of 243)

Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Last EPS Surprise	12.5%
Last Sales Surprise	5.6%
EPS F1 Est- 4 week change	-0.1%
Expected Report Date	01/09/2026
Earnings ESP	-1.6%

Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	13,946 E	16,439 E	16,360 E	16,811 E	63,556 E
2025	14,040 A	16,648 A	16,673 A	16,129 E	63,490 E
2024	13,748 A	16,658 A	15,677 A	15,559 A	61,643 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	0.78 E	2.55 E	1.69 E	1.87 E	6.90 E
2025	0.46 A	2.10 A	1.71 A	1.72 E	5.99 E
2024	0.45 A	2.36 A	1.50 A	1.85 A	6.16 A

*Quarterly figures may not add up to annual.

P/E TTM	9.9
P/E F1	10.4
PEG F1	1.8
P/S TTM	0.6

(1) The data in the charts and tables, except the estimates, is as of 11/25/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 10/30/2025.

Overview

Delta Air Lines is one of the four carriers that together account for 60% of the US aviation market. This development followed a spate of mergers in the industry during the early part of this century.

Delta, a member of the coveted S&P 500 Index, commands more than 17% share of the domestic market. . It also has hubs and market presence in Amsterdam, London-Heathrow, Mexico City, Paris-Charles de Gaulle and Seoul-Incheon.

The bulk of this Atlanta-GA based carrier's revenues are recognized from its airline segment. Evidently, 92.4% of the \$61.64-billion generated in 2024 came from this unit. The balance is represented by the refinery segment, which supports the airline division with jet fuel it produces or procures through third-party agreements.

With air-travel demand buoyant, passenger revenues increased 4% year over year in 2024 to \$50.89 billion. Passenger revenues accounted for the bulk (82.5%) of the top line in 2024. Cargo revenues contributed 1.3% while the rest came from other sources.

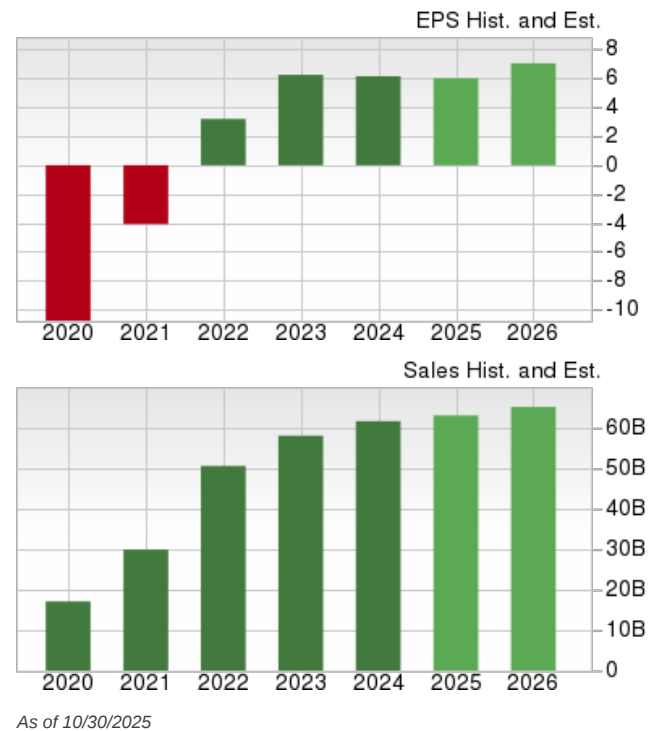
Passenger revenues come from three sources: ticket sales, loyalty travel awards and travel-related services. In 2024, ticket sales accounted for 88.6% of passenger revenues. Loyalty travel awards and travel-related services generated 7.5% and 3.8% of passenger revenues, respectively.

Geographically, passenger revenues are generated by both domestic operations and international operations in the Atlantic, Latin America and the Pacific region.

In 2024, 69.2% of passenger revenue was derived from domestic activities. Domestic passenger revenue increased 4% year over year. Operations in the Atlantic, Latin American and the Pacific regions accounted for 17.9%, 7.8% and 5.0% of 2024 passenger revenues, respectively.

As of Dec 31, 2024, Delta's fleet included roughly 1,292 aircraft. Delta aims to retire certain planes and add new jets that are 25% more fuel-efficient on an average per seat mile.

The company's fiscal year coincides with the calendar year.



Reasons To Buy:

- ▲ Despite concerns of a slowdown of the economy, the **overall scenario regarding air travel demand** following the pandemic remains impressive. While air travel demand remains stable on the leisure front, business travel has also made an encouraging comeback.
- ▲ The **southward movement of oil prices** bodes well for the bottom-line growth of airlines, including Delta. This is because fuel expenses are a significant input cost for airlines. Crude oil is struggling in 2025, with prices sliding to multi-month lows. Tariff concerns, weakening consumer confidence and production increase by OPEC+ have all resulted in this downward pressure. Notably, DAL witnessed 13% decline in expenses on aircraft fuel and related taxes in the June quarter. With oil prices moving south, the average fuel price per gallon (on an adjusted basis) in the third quarter declined 11% year over year to \$2.25. Per IATA, the average jet fuel cost is expected to be \$86 per barrel in 2025, down from \$99 per barrel in 2024. The total fuel bill in 2025 is expected to be \$236 billion, down from the \$261 billion recorded in 2024.
- ▲ Delta's **liquidity position** is encouraging. The airline ended the third quarter of 2025 with cash and cash equivalents of \$3.8 billion, higher than the current debt level of \$2.1 billion. This implies that the company has sufficient cash to meet its current debt obligations. Meanwhile, long-term debt level has decreased to \$12.7 billion at the end of the third quarter 2025 from \$14.37 billion at third-quarter 2024-end. DAL's efforts to repay its debts are encouraging, too. The company's times interest earned ratio of 9.0 compares favorably with the industrial levels.
- ▲ Highlighting its **shareholder-friendly stance**, DAL's management announced a 25% hike in the quarterly dividend payout. This was the second dividend increase announced by Delta since its resumption of quarterly dividend payments following the COVID-induced hiatus. In June 2024, management announced a 50% hike in its quarterly dividend payout. Under the CARES Act, airlines were prohibited from paying dividends or buying back shares till September 30, 2022. Following the recent increase, the new quarterly dividend becomes 18.75 cents per share (annualized 75 cents per share). Dividend-paying stocks like DAL are generally safe bets for creating wealth, as these payouts act as a hedge against economic uncertainty, which characterizes current times.

A good liquidity position gives operational flexibility while the dividend hike indicates cash flow stability and a shareholder-friendly stance.

Reasons To Sell:

- ▼ DAL is burdened with **rising non-fuel unit costs**. The escalation of non-fuel expenses is mainly driven by salaries and related costs, which increased 5% to \$4.4 billion in the third quarter of 2025. The same has increased 7% in the first nine months of 2025. The northward movement was due to higher wages stemming from the contract with pilots that was ratified in 2023. Primarily due to the increase in salaries and related costs, non-fuel unit costs were up 2% in the first nine months of 2025.
- ▼ Stock prices of companies like Delta are **notoriously volatile**. This is mainly because the health of the company is tied to the economy, which is undergoing a turbulent phase led by the tariff-induced uncertainty. As such, shares of Delta may not be suitable for investors who are not comfortable with the often substantial day-to-day volatility as is the current scenario.
- ▼ The **global IT outage** on July 19, 2024, impacted Delta greatly, resulting in multiple flight cancellations. Delta was the hardest hit. DAL's prolonged crisis was due to its dependence on Microsoft systems for flight crew scheduling. As a result of onrecurrence of DAL's crew tracking-related tools being affected, the rescheduling of the airline's multiple canceled flights became difficult, given the uncertainty surrounding the arrangement of a full crew. Per CEO Ed Bastian, the outage cost DAL approximately \$500 million over five days. DAL not only had to refund tickets for the canceled flights but also had to spend significantly on hotel accommodations and other compensation for its customers impacted by the outage. According to the CEO, the severity of the impact left DAL with "no choice" but to seek outage-related damages. Even though Delta has now recovered, reoccurrence of such events do not bode well and are best avoided.

High labor costs and tariff-induced uncertainty represent major headwinds at DAL.

Last Earnings Report

Earnings Beat at Delta in Q3

Delta reported third-quarter 2025 earnings (excluding 46 cents per share from non-recurring items) of \$1.71 per share, which beat the Zacks Consensus Estimate of \$1.52. Earnings increased 14% on a year-over-year basis due to low fuel costs. Revenues in the September-end quarter were \$16.67 billion, beating the Zacks Consensus Estimate of \$15.79 billion and increasing 5.6% on a year-over-year basis owing to improving air-travel demand. Adjusted operating revenues (excluding third-party refinery sales) increased 4.1% year over year to \$15.2 billion.

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

Earnings Reporting Date	Oct 09, 2025
Sales Surprise	5.61%
EPS Surprise	12.50%
Quarterly EPS	1.71
Annual EPS (TTM)	6.12

Passenger revenues, which accounted for 81% of total revenues, increased 3% year over year at \$13.51 billion. Domestic passenger revenues increased 5% year over year, driven by the resurgence in air-travel demand.

Delta's diversified revenue base grew in double digits year-over-year, contributing to the top -line growth. Premium revenue grew 9 % year over year, with improvement across all products. Loyalty revenue too increased 9% as SkyMiles members continued to deepen engagement beyond flight. Corporate sales increased 8% year over year.

Cargo revenues improved 19% year over year to \$233 million. Other revenues jumped 24% to \$2.9 billion. Adjusted operating margin was 11.2% in the third quarter of 2025 compared with 9.4% a year ago.

Below, we present all figures (in percentage terms) in comparison with the third-quarter 2024 results.

Revenue passenger miles (a measure of air traffic) increased 2% to 67.2 billion. Capacity (measured in available seat miles) expanded 4% to 79 billion. The load factor (percentage of seats filled by passengers) decreased 100 basis points to 86%. Passenger revenue per available seat mile declined 1% to 17.08 cents. Passenger mile yield inched up 1% to 19.97 cents. On an adjusted basis, total revenue per available seat mile was flat at 19.22 cents.

Total operating expenses, including special items, increased 5% to \$15 billion. Salaries and related costs rose 5% to \$4.4 billion. Fuel gallons consumed jumped 4% to \$1.114 billion. Average fuel price per gallon (adjusted) fell 11% to \$2.25. Non-fuel unit cost (adjusted or CASM-Ex) inched up 0.3% to 13.35 cents, reflecting strong cost management.

DAL exited the third quarter of 2025 with cash and cash equivalents of \$3.8 billion compared with \$3.97 billion at the end of the third quarter of 2024. The company had an adjusted net debt of \$15.6 billion at the end of the September quarter, a reduction of \$2.4 billion from the 2024-end. Adjusted operating cash flow in the September quarter was \$1.8 billion, with gross capital expenditures and free cash flow of \$1.1 billion and \$833 million, respectively.

Q4 Guidance

Delta expects fourth-quarter 2025 adjusted earnings per share in the \$1.6-\$1.9 band. The adjusted operating margin is expected in the 10.5-12% band. With air-travel demand stabilizing, revenues on an adjusted basis are expected to increase in the 2-4% band from the fourth quarter of 2024 level.

DAL's FY25 Earnings Guidance Impressive

The company expects full-year earnings to be \$6 per share. The current guidance is at the upper half of the previously guided range of \$5.25-\$6.25 per share. DAL expects free cash flow for 2025 to be in the \$3.5 - \$4 billion band, in line with long-term targets.

Recent News

Expansion Update -- Oct. 28, 2025

Delta launched its first-ever nonstop flight from Atlanta to Marrakech marking a major milestone in connecting the Southeastern United States to the heart of Morocco. The flight from Atlanta will operate three times a week.

Valuation

DAL's shares are down 2.9% year to date. Shares gained 1.8% over the trailing 12-month period. Stocks in the Zacks sub-industry are up 6.4% while those in the Zacks Transportation sector are down 5.3%, year to date. Over the past year, the Zacks sub-industry has been up 13.4% and the Zacks Transportation sector is down 9.9%.

The S&P 500 index is up 18.5% year to date and 23.1% in a year's time.

The stock is currently trading at 0.59X forward 12-month price to sales, which compares to 0.61X for the Zacks sub-industry, 1.5X for the Zacks sector and 5.51X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 1.14X and as low as 0.34X, with a 5-year median of 0.53X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$63 price target reflects 0.62X forward 12-month sales.

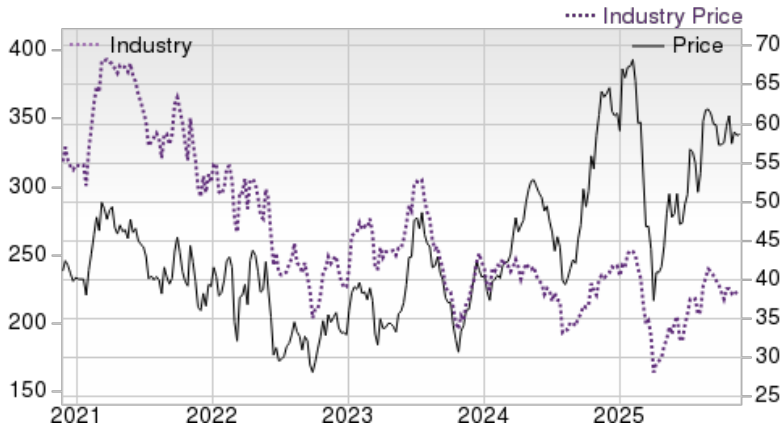
The table below shows summary valuation data for DAL

Valuation Multiples - DAL					
		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	0.59	0.61	1.5	5.51
	5-Year High	1.14	1.06	2.68	5.52
	5-Year Low	0.34	0.33	1.4	3.85
	5-Year Median	0.53	0.49	1.37	4.98
EV/S TTM	Current	0.66	0.67	2.06	5.15
	5-Year High	3.56	3.13	4.15	5.84
	5-Year Low	0.53	0.5	1.76	3.46
	5-Year Median	0.77	0.76	2.38	4.95

As of 10/29/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 35% (157 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
SkyWest, Inc. (SKYW)	Outperform	2
American Airlines Gr...(AAL)	Neutral	3
Air China Ltd. (AIRYY)	Neutral	4
Allegiant Travel Com...(ALGT)	Neutral	3
Deutsche Lufthansa A...(DLAKY)	Neutral	3
Southwest Airlines C...(LUV)	Neutral	3
United Airlines Hold...(UAL)	Neutral	3
Alaska Air Group, In...(ALK)	Underperform	5

Industry Comparison⁽¹⁾ Industry: Transportation - Airline

	DAL	X Industry	S&P 500	AAL	LUV	UAL
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	3	3
VGM Score	B	-	-	C	C	B
Market Cap	39.62 B	3.86 B	37.59 B	8.65 B	17.21 B	30.96 B
# of Analysts	8	5	22	8	8	8
Dividend Yield	1.24%	0.00%	1.52%	0.00%	2.16%	0.00%
Value Score	A	-	-	A	A	A
Cash/Price	0.10	0.42	0.04	0.90	0.18	0.45
EV/EBITDA	6.14	4.71	14.28	4.90	7.40	4.52
PEG Ratio	1.79	0.71	2.19	1.76	0.57	0.88
Price/Book (P/B)	2.10	1.68	3.28	NA	2.21	2.16
Price/Cash Flow (P/CF)	6.02	4.35	14.62	2.39	8.85	4.87
P/E (F1)	10.46	10.08	19.79	16.74	30.03	8.83
Price/Sales (P/S)	0.63	0.60	3.01	0.16	0.62	0.53
Earnings Yield	9.92%	7.41%	5.03%	5.95%	3.34%	11.33%
Debt/Equity	0.68	0.69	0.57	-6.34	0.52	1.45
Cash Flow (\$/share)	10.08	2.36	8.99	5.49	3.76	19.65
Growth Score	C	-	-	F	D	D
Hist. EPS Growth (3-5 yrs)	51.59%	32.57%	8.17%	-3.70%	-5.00%	37.87%
Proj. EPS Growth (F1/F0)	-2.76%	16.13%	8.30%	-60.20%	15.63%	2.07%
Curr. Cash Flow Growth	2.23%	-4.08%	7.00%	-12.30%	-10.13%	7.56%
Hist. Cash Flow Growth (3-5 yrs)	-2.43%	0.47%	7.32%	-4.31%	-8.52%	3.58%
Current Ratio	0.40	0.70	1.18	0.54	0.49	0.67
Debt/Capital	40.43%	44.00%	38.16%	NA	34.41%	59.25%
Net Margin	7.36%	4.85%	12.77%	1.11%	1.38%	5.64%
Return on Equity	23.83%	12.77%	17.03%	-18.14%	6.39%	26.94%
Sales/Assets	0.81	0.74	0.53	0.87	0.89	0.77
Proj. Sales Growth (F1/F0)	3.00%	1.22%	5.53%	1.10%	2.70%	3.80%
Momentum Score	D	-	-	D	D	C
Daily Price Chg	3.59%	1.27%	1.55%	1.79%	1.46%	3.71%
1 Week Price Chg	0.27%	-1.35%	0.49%	0.86%	-0.06%	-2.98%
4 Week Price Chg	0.36%	-2.78%	-2.47%	-2.31%	3.19%	-3.22%
12 Week Price Chg	-1.80%	-4.38%	3.79%	-2.02%	1.15%	-8.93%
52 Week Price Chg	-5.92%	2.62%	11.99%	-12.20%	2.62%	-1.25%
20 Day Average Volume	7,918,380	263,711	3,114,983	51,934,680	8,202,663	6,000,667
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	-0.07%	0.03%	0.23%	0.06%	1.72%	1.03%
(F1) EPS Est 12 week change	6.95%	2.56%	0.58%	85.57%	11.85%	5.46%
(Q1) EPS Est Mthly Chg	-0.23%	-0.18%	-0.10%	-1.82%	0.94%	-0.73%

Analyst Earnings Model⁽²⁾

Delta Air Lines, Inc. (DAL)

In \$MM, except per share data

	2021A	2022A	2023A	2024A	2025E				2026E				2027E		
	FY	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-21	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement															
Total Operating Revenue	\$29,899.0	\$50,582.0	\$58,048.0	\$61,643.0	\$14,040.0	\$16,648.0	\$16,673.0	\$16,128.6	\$63,489.6	\$13,945.8	\$16,439.2	\$16,360.3	\$16,810.7	\$63,556.0	\$65,869.4
Third Party Refinery Sales	\$3,229.0	\$4,977.0	\$3,379.0	\$4,642.0	\$1,062.0	\$1,141.0	\$1,476.0	\$1,372.5	\$5,051.5	\$1,322.5	\$1,454.8	\$1,482.4	\$1,449.3	\$5,708.9	\$5,875.3
Total Operating Revenue, Adjusted	\$26,670.0	\$45,605.0	\$54,669.0	\$57,001.0	\$12,978.0	\$15,507.0	\$15,197.0	\$14,756.1	\$58,438.1	\$12,623.4	\$14,984.4	\$14,877.9	\$15,361.4	\$57,847.1	\$59,994.1
Salaries & Related Costs	\$9,728.0	\$11,902.0	\$14,607.0	\$16,161.0	\$4,083.0	\$4,402.0	\$4,443.0	\$4,253.7	\$17,181.7	\$3,700.7	\$3,665.9	\$3,969.7	\$4,012.5	\$15,348.8	\$15,015.6
Aircraft Fuel & Related Taxes	\$5,633.0	\$11,482.0	\$11,069.0	\$10,566.0	\$2,410.0	\$2,458.0	\$2,570.0	\$2,573.7	\$10,011.7	\$2,640.8	\$2,756.8	\$2,678.7	\$2,881.4	\$10,957.6	\$11,739.1
Ancillary Businesses and Refinery	\$3,957.0	\$5,756.0	\$4,172.0	\$5,416.0	\$1,250.0	\$1,409.0	\$1,724.0	\$1,462.6	\$5,845.6	\$1,282.2	\$1,523.3	\$1,777.9	\$1,613.7	\$6,197.1	\$6,493.8
Contracted Services	\$2,420.0	\$3,345.0	\$4,041.0	\$4,228.0	\$1,121.0	\$1,155.0	\$1,166.0	\$1,247.8	\$4,689.8	\$1,033.8	\$1,195.2	\$1,203.0	\$1,251.3	\$4,683.3	\$4,858.0
Pilot Agreement and Related Expenses		\$0.0	\$864.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Landing Fees and Other Rents	\$2,019.0	\$2,181.0	\$2,563.0	\$3,150.0	\$851.0	\$878.0	\$921.0	\$887.9	\$3,537.9	\$863.4	\$924.5	\$934.3	\$967.9	\$3,690.0	\$3,797.4
Depreciation and Amortization	\$1,998.0	\$2,107.0	\$2,341.0	\$2,513.0	\$607.0	\$602.0	\$614.0	\$504.1	\$2,327.1	\$542.1	\$423.8	\$624.7	\$630.8	\$2,221.3	\$2,326.6
Regional Carrier Expense	\$1,736.0	\$2,051.0	\$2,200.0	\$2,328.0	\$613.0	\$651.0	\$649.0	\$645.6	\$2,558.6	\$563.8	\$651.4	\$650.4	\$671.7	\$2,537.3	\$2,626.8
Aircraft Maintenance Materials & Outside Repairs	\$1,401.0	\$1,982.0	\$2,432.0	\$2,616.0	\$646.0	\$591.0	\$667.0	\$652.2	\$2,556.2	\$564.6	\$642.9	\$654.6	\$672.6	\$2,534.7	\$2,626.2
Passenger Commissions & Other Selling Expenses	\$953.0	\$1,891.0	\$2,334.0	\$2,485.0	\$552.0	\$673.0	\$645.0	\$638.2	\$2,508.2	\$550.8	\$650.1	\$643.4	\$663.8	\$2,508.0	\$2,598.6
Passenger Service	\$756.0	\$1,453.0	\$1,750.0	\$1,788.0	\$430.0	\$482.0	\$485.0	\$473.9	\$1,870.9	\$411.6	\$480.6	\$479.4	\$493.5	\$1,865.1	\$1,932.1
Aircraft Rent	\$430.0	\$508.0	\$532.0	\$548.0	\$137.0	\$137.0	\$135.0	\$140.7	\$549.7	\$121.4	\$138.7	\$138.9	\$144.4	\$543.3	\$562.5
Restructuring Charges	(\$19.0)	(\$124.0)	\$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
Profit Sharing	\$108.0	\$563.0	\$1,383.0	\$1,389.0	\$124.0	\$470.0	\$392.0	\$354.4	\$1,340.4	\$287.8	\$387.8	\$366.9	\$372.5	\$1,414.9	\$1,473.6
Government Grant Recognition	(\$4,512.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Expenses	\$1,405.0	\$1,700.0	\$2,239.0	\$2,460.0	\$647.0	\$638.0	\$578.0	\$632.0	\$2,495.0	\$551.8	\$623.6	\$619.0	\$649.4	\$2,443.8	\$2,526.1
Total Operating Expenses	\$28,013.0	\$46,921.0	\$52,527.0	\$55,648.0	\$13,471.0	\$14,546.0	\$14,989.0	\$14,466.9	\$57,472.9	\$13,114.7	\$14,064.4	\$14,740.9	\$15,025.3	\$56,945.3	\$58,576.4
Total Operating Expenses, Adjusted	\$29,197.0	\$42,039.0	\$48,335.0	\$50,985.0	\$12,388.0	\$13,458.0	\$13,502.0	\$13,083.4	\$52,431.4	\$11,781.2	\$12,598.7	\$13,247.5	\$13,565.1	\$51,192.4	\$52,657.1
EBITDA, Adjusted	(\$529.0)	\$5,673.0	\$8,675.0	\$8,529.0	\$1,198.0	\$2,650.0	\$2,309.0	\$2,176.8	\$8,333.8	\$1,384.2	\$2,809.5	\$2,255.1	\$2,427.1	\$8,876.0	\$9,663.6
EBITDAR, Adjusted	(\$99.0)	\$6,181.0	\$9,207.0	\$9,077.0	\$1,335.0	\$2,787.0	\$2,444.0	\$2,317.5	\$8,883.5	\$1,505.6	\$2,948.2	\$2,394.0	\$2,571.5	\$9,419.3	\$10,226.1
Operating Income	\$1,886.0	\$3,661.0	\$5,521.0	\$5,995.0	\$569.0	\$2,102.0	\$1,684.0	\$1,661.7	\$6,016.7	\$831.2	\$2,374.8	\$1,619.4	\$1,785.3	\$6,610.7	\$7,293.0
Operating Income, Adjusted	(\$2,527.0)	\$3,566.0	\$6,334.0	\$6,016.0	\$591.0	\$2,048.0	\$1,695.0	\$1,672.7	\$6,006.7	\$842.2	\$2,385.8	\$1,630.4	\$1,796.3	\$6,654.7	\$7,337.0
Interest Expense, Net	\$1,279.0	\$1,029.0	\$834.0	\$747.0	\$179.0	\$172.0	\$171.0	\$174.9	\$696.9	\$154.0	\$174.6	\$161.8	\$178.2	\$668.6	\$687.9
Loss/(Gain) on Investments, Loss on extinguishment of debt and Miscellaneous, Net	\$210.0	\$718.0	(\$921.0)	\$590.0	\$70.0	(\$644.0)	(\$264.0)	\$0.0	(\$838.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Non-Operating Expense, Net	\$1,488.0	\$1,747.0	(\$87.0)	\$1,337.0	\$249.0	(\$472.0)	(\$93.0)	\$174.9	(\$141.1)	\$154.0	\$174.6	\$161.8	\$178.2	\$668.6	\$687.9
Pre-Tax Income	\$398.0	\$1,914.0	\$5,608.0	\$4,658.0	\$320.0	\$2,574.0	\$1,777.0	\$1,486.8	\$6,157.8	\$677.1	\$2,200.2	\$1,457.6	\$1,607.2	\$5,942.1	\$6,605.1
Pre-Tax Income, Adjusted	(\$3,415.0)	\$2,703.0	\$5,220.0	\$5,201.0	\$382.0	\$1,805.0	\$1,483.0	\$1,486.8	\$5,156.8	\$677.1	\$2,200.2	\$1,457.6	\$1,607.2	\$5,942.1	\$6,605.1
Income Tax	\$118.0	\$596.0	\$999.0	\$1,201.0	\$80.0	\$444.0	\$360.0	\$301.2	\$1,185.2	\$137.2	\$445.7	\$295.3	\$325.6	\$1,203.8	\$1,338.1
Income Tax, Adjusted	(\$817.0)	\$650.0	\$1,200.0	\$1,212.0	\$84.0	\$435.0	\$363.0	\$363.9	\$1,245.9	\$165.7	\$538.6	\$356.8	\$393.4	\$1,454.5	\$1,616.8
Tax Rate	29.8%	31.1%	17.8%	25.8%	25.0%	17.2%	20.3%	20.3%	19.2%	20.3%	20.3%	20.3%	20.3%	20.3%	20.3%
Tax Rate, Adjusted	23.9%	24.0%	23.0%	23.3%	22.0%	24.1%	24.5%	24.5%	24.2%	24.5%	24.5%	24.5%	24.5%	24.5%	24.5%
Net Income	\$280.0	\$1,318.0	\$4,609.0	\$3,457.0	\$240.0	\$2,130.0	\$1,417.0	\$1,185.6	\$4,972.6	\$540.0	\$1,754.5	\$1,162.3	\$1,281.6	\$4,738.3	\$5,267.0
Net Income, Adjusted	(\$2,598.0)	\$2,053.0	\$4,020.0	\$3,990.0	\$298.0	\$1,370.0	\$1,120.0	\$1,122.9	\$3,910.9	\$511.4	\$1,661.6	\$1,100.8	\$1,213.8	\$4,487.6	\$4,988.4
Basic Shares Outstanding	636.0	638.0	639.0	641.0	644.0	649.0	649.0	648.0	647.5	647.0	646.0	645.0	644.0	645.5	641.5
Diluted Shares Outstanding	641.0	641.0	643.0	648.0	652.0	652.0	654.0	653.0	649.0	652.0	651.0	650.0	649.0	650.5	646.5
Basic EPS	\$0.44	\$2.07	\$7.21	\$5.39	\$0.37	\$3.28	\$2.18	\$1.83	\$7.66	\$0.83	\$2.72	\$1.80	\$1.99	\$7.34	\$8.21
Diluted EPS	\$0.44	\$2.06	\$7.17	\$5.33	\$0.37	\$3.27	\$2.17	\$1.82	\$7.63	\$0.83	\$2.70	\$1.79	\$1.97	\$7.29	\$8.15
Diluted EPS, Adjusted	(\$4.08)	\$3.20	\$6.25	\$6.16	\$0.46	\$2.10	\$1.71	\$1.72	\$5.99	\$0.78	\$2.55	\$1.69	\$1.87	\$6.90	\$7.72
Dividend per Share	\$0.00	\$0.00	\$0.20	\$0.50	\$0.15	\$0.15	\$0.19	\$0.19	\$0.68	\$0.19	\$0.19	\$0.21	\$0.21	\$0.79	\$0.87

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.

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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.

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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Value Score	A
Growth Score	C
Momentum Score	D
VGM Score	B

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

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