

Darden Restaurants (DRI)

\$183.30 (Stock Price as of 12/11/2025)

Price Target (6-12 Months): **\$189.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 08/24/22)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: B

Value: B

Growth: B

Momentum: F

Summary

Shares of Darden have outperformed the industry in the past year. The company is benefiting from business model enhancements and menu simplifications. This, along with a focus on technological enhancements with reference to online ordering, bodes well. The company intends to enhance its internal digital media capabilities to drive traffic and growth. Also, the focus on new restaurant openings and the Uber partnership bodes well. Earnings estimates for fiscal 2026 have increased in the past 60 days, depicting analysts' optimism over the stock's growth potential. However, increased operating expenses and commodity costs are a concern. The company is cautious about beef price increases. For fiscal 2026, it expects total inflation to be between 3% and 3.5%.

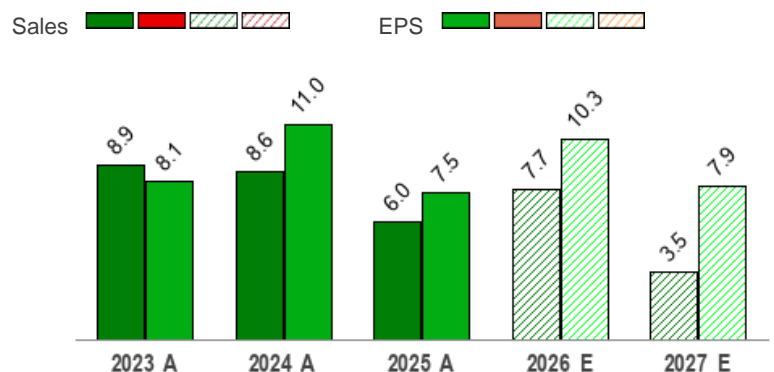
Price, Consensus & Surprise⁽¹⁾



Data Overview

52 Week High-Low	\$228.27 - \$159.67
20 Day Average Volume (sh)	1,270,453
Market Cap	\$21.3 B
YTD Price Change	-1.8%
Beta	0.66
Dividend / Div Yld	\$6.00 / 3.3%
Industry	Retail - Restaurants
Zacks Industry Rank	Bottom 22% (187 out of 243)

Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Last EPS Surprise	-1.5%
Last Sales Surprise	0.2%
EPS F1 Est- 4 week change	-0.2%
Expected Report Date	12/18/2025
Earnings ESP	-1.7%

Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	3,181 E	3,216 E	3,424 E	3,643 E	13,464 E
2026	3,045 A	3,075 E	3,300 E	3,592 E	13,011 E
2025	2,757 A	2,890 A	3,158 A	3,272 A	12,077 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	2.08 E	2.44 E	3.34 E	3.50 E	11.36 E
2026	1.97 A	2.10 E	2.97 E	3.49 E	10.53 E
2025	1.75 A	2.03 A	2.80 A	2.98 A	9.55 A

*Quarterly figures may not add up to annual.

P/E TTM	18.7
P/E F1	17.4
PEG F1	1.9
P/S TTM	1.7

(1) The data in the charts and tables, except the estimates, is as of 12/11/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/01/2025.

Overview

Founded in 1968 and based in Orlando, FL, Darden Restaurants is one of the largest casual dining restaurant operators worldwide.

As of May 25, 2025, the company, operating via its subsidiaries, oversees restaurants throughout the United States and Canada, excluding five restaurants operating under joint venture or other contractual agreements and 85 franchised restaurants. Darden disclosed the operation of 69 franchised restaurants in Latin America, the Caribbean, Asia and the Middle East.

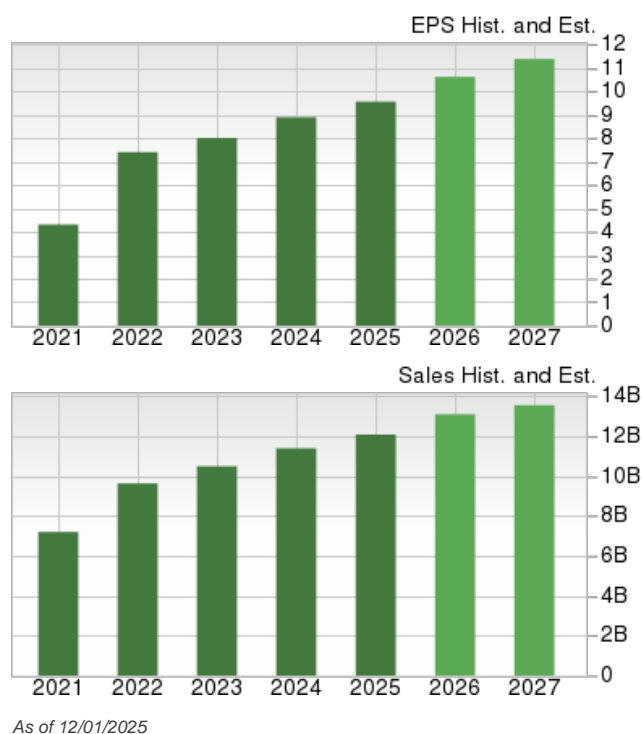
The company reports its business under four segments: Olive Garden (43.2% of total revenues for fiscal 2025), LongHorn Steakhouse (25.1%), Fine Dining (10.8%) and Other Business (20.9%).

Florida-based Olive Garden is the largest full-service Italian restaurant in America. The brand features a menu, which has a variety of Italian food made with fresh ingredients.

LongHorn Steakhouse is a full-service steakhouse restaurant, with locations primarily in the eastern United States. The brand offers signature fresh steaks and chicken and salmon, shrimp, ribs, pork chops, burgers and prime rib.

Fine Dining includes The Capital Grille and Eddie V's, while the Other Business segment consists of Cheddar's Scratch Kitchen, Yard House, Seasons 52, Bahama Breeze, consumer packaged goods and franchise revenues. All company-owned stores are full-service.

On Jun 14, 2023, the company acquired the Ruth's Hospitality Group by purchasing 100 percent equity interest for a total consideration of \$724.6 million. The acquisition encompasses 77 company-owned locations, 74 franchisee-owned locations and four managed locations operating under contractual agreements. Other Business segment comprises Cheddar's Scratch Kitchen (acquired in 2017).



Reasons To Buy:

▲ **Cheddar's, a Long-Term Growth Driver:** Cheddar's Scratch Kitchen continues to emerge as a key long-term growth driver within Darden's portfolio. The brand capitalizes on operational efficiency and Darden's scale to deliver high-quality meals at compelling price points. During the fiscal first quarter, Cheddar's introduced a limited-time Hawaiian Sirloin priced at \$16.49, inclusive of sides and its signature Honey Butter Croissant, reinforcing its strong value positioning. Industry data from Technomic ranked Cheddar's first among casual dining brands for both price and affordability, underscoring the brand's value leadership.

Various sales-boosting initiatives and cost-saving efforts undertaken by the company are expected to drive growth.

Off-premise momentum remains another growth lever, with first-party delivery fueling a 15% year-over-year increase in off-premise sales. Management emphasized that delivery will continue to be promoted across digital and in-restaurant channels, highlighting the potential to capture incremental demand. Within Darden's "Other Business" segment, Cheddar's delivered the strongest same-restaurant sales performance, signaling its growing contribution to the company's overall strategy.

▲ **Brand Renaissance Strategy:** Darden is executing a brand renaissance strategy designed to strengthen long-term growth and market share across its portfolio. The company is emphasizing culinary innovation, menu affordability and digital convenience while maintaining operational excellence. Olive Garden is testing lighter portion options at lower price points to enhance value perception, alongside expanding first-party delivery through Uber Direct, which is attracting younger, higher-income customers. Marketing campaigns, including free delivery promotions, have lifted digital engagement and sustained elevated delivery volumes.

At LongHorn Steakhouse, the strategy remains anchored in quality and consistency, with the brand maintaining industry leadership in food, service and atmosphere scores. Yard House and Cheddar's are enhancing core menu platforms and leveraging Darden's scale to balance value and distinctiveness, while fine dining concepts are deploying targeted promotions, such as multi-course prix fixe offerings, to drive traffic amid softer category trends.

Across the enterprise, management is reinvesting in affordability and marketing to accelerate top-line growth, even at the expense of modest near-term margin pressure. With disciplined strategic planning, significant scale and data-driven insights, Darden views its brand renaissance as central to sustaining relevance, attracting diverse consumer cohorts and positioning its portfolio for durable earnings growth.

▲ **Digitalization & Store Expansion Efforts:** Darden is intensifying its digital initiatives to enhance convenience and expand customer reach. Olive Garden and Cheddar's leveraged first-party delivery through Uber Direct, which has proven effective in attracting younger and more affluent guests. Post-promotion, delivery orders stabilized roughly 40% above pre-campaign levels, with management noting higher frequency and check averages among delivery customers. Digital channels continue to play a central role in sustaining off-premise momentum, which remains a meaningful traffic driver across the portfolio.

On the development front, the company is executing a balanced growth strategy that combines corporate expansion with franchising. Management raised fiscal 2026 guidance to approximately 65 new restaurant openings, reflecting confidence in the pipeline. In July, Darden completed the sale of eight Canadian Olive Garden units to Recipe Unlimited, Canada's largest full-service operator, and entered into an agreement for 30 new Olive Garden restaurants over the next decade. Early prototypes of smaller, more efficient restaurant formats at Yard House and Cheddar's have demonstrated strong performance and cost advantages, reinforcing the company's ability to expand with attractive returns.

These initiatives highlight Darden's dual focus on digital innovation and disciplined development, supporting sustained growth in both domestic and international markets. The company expects to open approximately 65 net restaurants in fiscal 2026.

▲ **Initiatives to Attract Guests at LongHorn:** LongHorn Steakhouse continues to build guest traffic through a strategy centered on quality, simplicity and culture. Management emphasized consistent execution of every menu item to maintain high food standards, which has earned LongHorn the top ranking among major casual dining brands for food quality, service, atmosphere and value, according to Technomic benchmarks. This operational consistency has been critical in sustaining guest loyalty and attracting new customers.

The brand's focus on delivering reliable dining experiences has allowed it to post same-restaurant sales growth of 5.5% in the fiscal first quarter, placing it in the top quartile of the industry for the thirteenth consecutive quarter. LongHorn's ability to provide strong value perception and consistent service remains a key driver of guest traffic and competitive differentiation.

▲ **Uber Partnership and Delivery Expansion:** Darden continues to expand its first-party delivery strategy through its partnership with Uber Direct, initially rolled out at Olive Garden and Cheddar's Scratch Kitchen. The initiative is proving effective in attracting younger, more affluent customers who value convenience and typically generate higher average checks than dine-in guests. Delivery transactions rose sharply during a promotional campaign offering one million free deliveries, and even after the program ended, weekly order volumes remained approximately 40% above pre-campaign levels.

Management emphasized that delivery is highly incremental, with roughly half of orders representing new occasions rather than cannibalized dine-in or takeout sales. The company plans to extend Uber-enabled first-party delivery to an additional brand in the third quarter of fiscal 2026, underscoring its confidence in the model. While marketplace delivery through third-party aggregators remains under evaluation, Darden maintains its preference for first-party arrangements, citing greater control over customer experience and economics.

Reasons To Sell:

▼ **Cost Inflation:** Despite solid cost management, higher labor costs due to increased wages are expected to persistently keep profits under pressure. In the fiscal first quarter, total operating costs and expenses inched up 8.8% year over year to \$2.7 billion. The upside was primarily due to increased food and beverage expenses, restaurant expenses, labor costs and marketing expenses. Our model predicts total operating costs and expenses in fiscal 2026 to rise 6.2% year over year to \$11.4 billion.

The company anticipates inflationary costs to persist. For fiscal 2026, it expects total inflation to be between 3% and 3.5%. Commodities inflation is projected to be between 3% and 4%. The company is cautious about beef price increases. Darden plans to take pricing actions below total inflation and aims to offset cost pressures through scale advantages and productivity improvements.

▼ **Limited International Presence:** Darden's restaurants are located in the United States and Canada, and the company has no exposure to international markets. While several other fast-casual restaurateurs are capitalizing on the emerging market potential, Darden seems to be slow on this front. We believe that the company needs to expand its presence beyond the United States in order to offset the impact of cutthroat competition in the saturated domestic market.

▼ **Industry Susceptible to Consumer Discretionary Spending:** Darden operates in the retail restaurant space that is highly dependent on consumer discretionary spending. Consumers' propensity to spend largely depends on the overall macroeconomic scenario. Although higher disposable income and increased wages are favoring the industry right now, it can change with the slightest disruption in the economy. Darden, therefore, is highly vulnerable to the inconsistent nature of consumer discretionary spending.

High costs and the company's limited international presence remain concerns.

Last Earnings Report

Darden Q1 Earnings Miss Estimates, Revenues Top

Darden reported first-quarter fiscal 2026 results, with earnings missing the Zacks Consensus Estimate, but revenues beat the same.

DRI's Fiscal Q1 Earnings & Revenues

During the fiscal first quarter, Darden reported adjusted earnings per share (EPS) of \$1.97, missing the Zacks Consensus Estimate of \$2.00. In the prior-year quarter, DRI reported an adjusted EPS of \$1.75.

Total sales during the quarter were \$3,044.7 million, surpassing the consensus mark of \$3,040 million. Sales increased 10.4% from the prior-year quarter's level. This upside was backed by a blended same-restaurant sales increase of 4.7%. Also, contributions from 103 Chuy's restaurants and 22 net new restaurants added to the positives.

DRI's Sales by Segments

Darden reports business under four segments — Olive Garden, LongHorn Steakhouse, Fine Dining, including The Capital Grille and Eddie V's, and Other Business.

During the fiscal first quarter, sales at Olive Garden increased 7.6% year over year to \$1.3 billion. Our estimate for the metric was \$1.3 billion. Comps in the segment increased 5.9% year over year compared with a 6.9% rise reported in the previous quarter.

At LongHorn Steakhouse, sales were up 8.8% year over year to \$776.4 million. Our estimate for the metric was \$811.5 million. Comps in the segment rose 5.5% year over year compared with 6.7% growth reported in the previous quarter.

Sales in Fine Dining increased 2.7% year over year to \$286.5 million. Our estimate for the metric was \$285 million. Comps in the segment fell 0.2% year over year compared with a 3.3% drop reported in the previous quarter.

Sales in Other Business increased 22.5% year over year to \$680.7 million. Our estimate for the metric was \$628.5 million. Comps in the Other Business rose 3.3% year over year compared with a 1.2% rise reported in the previous quarter.

DRI's Q1 Operating Highlights

In the fiscal first quarter, total operating costs and expenses inched up 8.8% year over year to \$2.7 billion. The upside was primarily due to increased food and beverage expenses, restaurant expenses, labor costs and marketing expenses. The figure missed our projection of \$2.72 billion.

DRI's Balance Sheet

As of Aug. 24, 2025, cash and cash equivalents were \$211 million compared with \$240 million as of May 25, 2025.

During the fiscal first quarter, inventories were \$309.6 million compared with \$311.6 million reported in the previous quarter. As of Aug. 24, 2025, long-term debt was \$2.13 billion compared with \$2.12 billion as of May 25, 2025.

During the fiscal first quarter, Darden's board of directors repurchased approximately 0.9 million shares of its common stock, worth approximately \$183 million.

Darden's FY26 Outlook

For fiscal 2026, the company expects total sales growth of 7.5% to 8.5% (compared with the prior estimate of 7% to 8%), including approximately 2% growth related to the 53rd week. Same-restaurant sales growth in fiscal 2026 is anticipated to be between 2.5% and 3.5% year over year, compared with the earlier estimate of 2% to 3.5%. Adjusted diluted EPS from continuing operations continues to be anticipated in the band of \$10.50-\$10.70.

The company expects to open approximately 65 net new restaurants and a total capital spending of \$700-\$750 million in fiscal 2026.

FY Quarter Ending **5/31/2025**

Earnings Reporting Date	Sep 18, 2025
Sales Surprise	0.17%
EPS Surprise	-1.50%
Quarterly EPS	1.97
Annual EPS (TTM)	9.78

Valuation

Darden's shares are down 17.2% in the past six months, but up 4.4% in the trailing 12-month period. Stocks in the Zacks sub-industry are down 6.6%, but the sector is up 6.1% in the past six months. Over the past year, the Zacks sub-industry is down 10.5% but the sector is up 5.7%.

The S&P 500 index is up 18.3% in the past six months and 16.2% in the past year.

The stock is currently trading at 16.34X forward 12-month earnings, which compares to 24.2X for the Zacks sub-industry, 24.9X for the Zacks sector, and 23.57X for the S&P 500 index.

Over the past five years, the stock has traded as high as 34.55X and as low as 13.49X, with a 5-year median of 17.66X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$189 price target reflects 17.2X forward 12-month earnings.

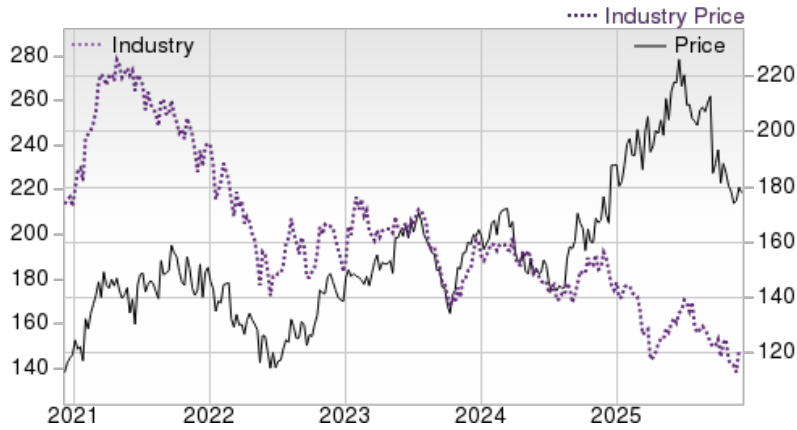
The table below shows the summary valuation data for DRI.

Valuation Multiples - DRI					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	16.34	24.2	24.9	23.57
	5-Year High	34.55	30.45	34.33	23.82
	5-Year Low	13.49	22.25	21.48	15.73
	5-Year Median	17.66	25.4	24.79	21.19
P/S F12M	Current	1.57	3.51	1.65	5.33
	5-Year High	2.54	5.45	2.05	5.5
	5-Year Low	1.36	3.34	1.2	3.83
	5-Year Median	1.68	4.12	1.54	5.04
EV/EBITDA TTM	Current	11.33	18.1	13.37	18.65
	5-Year High	42.98	32.79	27.12	22.41
	5-Year Low	9.37	15.84	11.27	13.87
	5-Year Median	12.34	18.91	14.54	17.96

As of 11/28/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 22% (187 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Bloomin' Brands, Inc..(BLMN)	Neutral	3
Domino's Pizza Inc (DPZ)	Neutral	3
Brinker Internationa...(EAT)	Neutral	3
Restaurant Brands In...(QSR)	Neutral	3
Yum! Brands, Inc. (YUM)	Neutral	3
Yum China (YUMC)	Neutral	3
Chipotle Mexican Gri...(CMG)	Underperform	4
Texas Roadhouse, Inc...(TXRH)	Underperform	5

Industry Comparison⁽¹⁾ Industry: Retail - Restaurants

	DRI	X Industry	S&P 500	CMG	YUM	YUMC
Zacks Recommendation (Long Term)	Neutral	-	-	Underperform	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	4	3	3
VGM Score	B	-	-	C	C	A
Market Cap	21.32 B	718.23 M	39.70 B	46.11 B	41.13 B	17.21 B
# of Analysts	11	4	22	13	9	6
Dividend Yield	3.27%	0.00%	1.4%	0.00%	1.92%	2.02%
Value Score	B	-	-	D	C	A
Cash/Price	0.01	0.10	0.04	0.03	0.03	0.13
EV/EBITDA	12.37	9.40	14.74	19.05	20.12	8.37
PEG Ratio	1.93	2.30	2.21	3.56	2.31	1.77
Price/Book (P/B)	9.58	2.31	3.43	14.31	NA	2.71
Price/Cash Flow (P/CF)	13.03	9.37	15.24	25.36	23.81	13.04
P/E (F1)	17.47	21.08	19.79	30.04	24.27	19.07
Price/Sales (P/S)	1.72	0.69	3.06	3.91	5.10	1.49
Earnings Yield	5.78%	4.05%	4.98%	3.33%	4.12%	5.25%
Debt/Equity	0.96	0.22	0.57	0.00	-1.53	0.01
Cash Flow (\$/share)	14.07	1.96	8.99	1.38	6.22	3.65
Growth Score	B	-	-	B	B	B
Hist. EPS Growth (3-5 yrs)	32.81%	9.39%	8.13%	37.49%	8.48%	15.81%
Proj. EPS Growth (F1/F0)	10.26%	4.74%	8.50%	3.57%	11.31%	7.30%
Curr. Cash Flow Growth	7.44%	10.34%	6.86%	19.93%	6.63%	7.10%
Hist. Cash Flow Growth (3-5 yrs)	17.19%	7.45%	7.31%	25.15%	7.29%	3.69%
Current Ratio	0.40	0.72	1.18	1.54	1.69	1.32
Debt/Capital	48.96%	34.96%	38.15%	0.00%	NA	0.76%
Net Margin	8.90%	2.24%	12.78%	13.04%	17.95%	7.81%
Return on Equity	52.35%	5.63%	17.00%	45.39%	-21.79%	14.08%
Sales/Assets	0.98	0.93	0.53	1.28	1.17	1.05
Proj. Sales Growth (F1/F0)	7.70%	2.92%	5.75%	5.50%	8.30%	3.50%
Momentum Score	F	-	-	F	D	D
Daily Price Chg	2.33%	0.43%	0.21%	2.74%	2.94%	1.45%
1 Week Price Chg	-1.04%	-0.97%	0.64%	-1.68%	-5.38%	-3.97%
4 Week Price Chg	4.49%	0.10%	2.43%	11.12%	-1.08%	2.70%
12 Week Price Chg	-4.90%	-5.62%	4.06%	-12.41%	1.97%	8.65%
52 Week Price Chg	11.10%	-13.37%	14.04%	-47.29%	6.84%	-4.72%
20 Day Average Volume	1,270,453	654,003	2,755,288	18,231,224	2,061,916	1,509,794
(F1) EPS Est 1 week change	-0.16%	0.00%	0.00%	0.00%	-0.04%	0.00%
(F1) EPS Est 4 week change	-0.16%	0.00%	0.00%	-0.61%	0.50%	-0.27%
(F1) EPS Est 12 week change	-0.43%	-2.32%	0.68%	-3.79%	1.88%	-0.19%
(Q1) EPS Est Mthly Chg	0.00%	-0.26%	0.00%	-1.24%	-0.42%	-1.43%

Analyst Earnings Model⁽²⁾

Darden Restaurants, Inc. (DRI)

In \$MM, except per share data

	2023A	2024A	2025A	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	2028E
FY Ends May 31st	FY May-23	FY May-24	FY May-25	1Q Aug-25	2Q Nov-25	3Q Feb-26	4Q May-26	FY May-26	1Q Aug-26	2Q Nov-26	3Q Feb-27	4Q May-27	FY May-27	FY May-28
Income Statement														
Total Revenue	\$10,487.8	\$11,390.0	\$12,076.7	\$3,044.7	\$3,074.6	\$3,299.5	\$3,592.0	\$13,010.8	\$3,180.9	\$3,216.0	\$3,424.0	\$3,642.8	\$13,463.7	\$14,095.2
YoY % Chng	8.9%	8.6%	6.0%	10.4%	6.4%	4.5%	9.8%	7.7%	4.5%	4.6%	3.8%	1.4%	3.5%	4.7%
Food & Beverage	\$3,355.9	\$3,523.9	\$3,657.0	\$929.1	\$921.6	\$989.5	\$1,048.6	\$3,888.8	\$979.6	\$961.5	\$1,022.8	\$1,073.8	\$4,037.7	\$4,133.7
Restaurant Labor	\$3,346.3	\$3,619.3	\$3,833.1	\$988.0	\$992.9	\$1,054.6	\$1,125.0	\$4,160.5	\$997.3	\$1,020.2	\$1,066.8	\$1,139.8	\$4,224.1	\$4,468.3
Restaurant Expenses	\$1,702.2	\$1,836.6	\$1,968.8	\$510.1	\$532.1	\$524.9	\$579.8	\$2,146.9	\$543.2	\$539.7	\$545.9	\$590.5	\$2,219.3	\$2,316.2
Gross Profit	\$2,083.4	\$2,410.2	\$2,617.8	\$617.5	\$628.0	\$730.6	\$838.5	\$2,814.6	\$660.8	\$694.7	\$788.5	\$838.7	\$2,982.6	\$3,177.0
YoY % Chng	4.4%	15.7%	8.6%	9.7%	2.5%	4.0%	13.3%	7.5%	7.0%	10.6%	7.9%	0.0%	6.0%	6.5%
Marketing Expenses	\$118.3	\$144.5	\$169.9	\$49.1	\$44.0	\$35.2	\$42.5	\$170.8	\$49.3	\$47.9	\$37.1	\$44.9	\$179.3	\$190.6
Restaurant-Level EBITDA	\$1,965.1	\$2,265.7	\$2,456.6	\$574.3	\$584.0	\$695.4	\$796.0	\$2,649.7	\$611.5	\$646.7	\$751.3	\$793.8	\$2,803.3	\$2,986.4
YoY % Chng	3.3%	15.3%	8.4%	10.8%	3.6%	4.3%	12.5%	7.9%	6.5%	10.7%	8.0%	(0.3%)	5.8%	6.5%
General & Administrative Expenses	\$386.1	\$479.2	\$520.3	\$136.1	\$131.5	\$122.9	\$133.8	\$524.3	\$155.5	\$144.4	\$126.2	\$136.9	\$563.0	\$588.7
Marketing, General & Administrative Expenses	\$504.4	\$623.7	\$690.2	\$185.2	\$175.5	\$158.1	\$176.3	\$695.1	\$204.8	\$192.4	\$163.3	\$181.8	\$742.3	\$779.4
Depreciation and Amortization	\$387.8	\$459.9	\$516.1	\$135.1	\$127.5	\$128.3	\$139.9	\$530.7	\$130.0	\$129.6	\$130.4	\$139.2	\$529.3	\$577.4
Impairments & Disposal of Assets, Net	(\$10.8)	\$12.4	\$49.2	(\$42.0)	\$0.0	\$0.0	\$0.0	(\$42.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Goodwill Impairment	\$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
Total Operating Costs & Expenses	\$9,286.0	\$10,075.8	\$10,714.4	\$2,705.5	\$2,749.5	\$2,855.3	\$3,069.6	\$11,380.0	\$2,855.0	\$2,843.3	\$2,929.3	\$3,125.2	\$11,752.8	\$12,274.9
YoY % Chng	9.7%	8.5%	6.3%	8.8%	5.8%	4.2%	6.3%	6.2%	5.5%	3.4%	2.6%	1.8%	3.3%	4.4%
Adjusted EBITDA	\$1,589.6	\$1,824.6	\$1,977.2	\$439.0	\$456.8	\$577.3	\$662.0	\$2,135.1	\$456.7	\$501.9	\$624.9	\$656.6	\$2,239.0	\$2,396.3
YoY % Chng	3.9%	14.8%	8.4%	11.9%	2.7%	3.4%	13.8%	8.0%	3.8%	9.9%	8.2%	(0.8%)	4.9%	7.0%
EBITDA, GAAP	\$1,589.6	\$1,774.1	\$1,878.4	\$474.3	\$452.5	\$572.5	\$662.2	\$2,161.6	\$456.0	\$502.3	\$625.2	\$656.9	\$2,240.3	\$2,397.6
YoY % Chng	3.8%	11.6%	5.9%	21.4%	7.8%	4.1%	27.9%	15.1%	(3.9%)	11.0%	9.2%	(0.8%)	3.6%	7.0%
Operating Income, Adjusted	\$1,201.8	\$1,366.0	\$1,463.8	\$303.9	\$330.1	\$449.2	\$522.4	\$1,605.5	\$325.9	\$372.7	\$494.7	\$517.7	\$1,711.0	\$1,820.3
YoY % Chng	3.4%	13.7%	12.3%	12.3%	3.2%	5.3%	16.9%	9.7%	7.2%	12.9%	10.1%	(0.9%)	6.6%	6.4%
Operating Income, GAAP	\$1,201.8	\$1,314.2	\$1,362.3	\$339.2	\$325.1	\$444.2	\$522.4	\$1,630.8	\$325.9	\$372.7	\$494.7	\$517.7	\$1,711.0	\$1,820.3
YoY % Chng	3.4%	9.4%	3.7%	26.0%	11.3%	6.2%	36.5%	19.7%	(3.9%)	14.7%	11.4%	(0.9%)	4.9%	6.4%
Interest Expense, Net, Adjusted	\$81.3	\$137.4	\$172.4	\$45.4	\$45.0	\$47.9	\$52.3	\$190.6	\$46.6	\$46.9	\$50.2	\$53.5	\$197.9	\$207.1
Interest Expense, Net, GAAP	\$81.3	\$138.7	\$175.1	\$45.4	\$45.7	\$48.1	\$52.5	\$191.8	\$46.9	\$47.3	\$50.2	\$53.5	\$197.9	\$207.1
Other (Income) Expense, 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
Pre-Tax Income, Adjusted	\$1,120.5	\$1,227.3	\$1,288.7	\$258.5	\$284.4	\$401.1	\$469.8	\$1,413.8	\$279.0	\$325.4	\$444.5	\$464.2	\$1,513.0	\$1,613.2
YoY % Chng	2.5%	9.5%	5.0%	10.7%	3.9%	5.2%	17.3%	9.7%	7.9%	14.4%	10.8%	(1.2%)	7.0%	6.6%
Pre-Tax Income, GAAP	\$1,120.5	\$1,175.5	\$1,187.2	\$293.8	\$279.4	\$396.1	\$469.8	\$1,439.1	\$279.0	\$325.4	\$444.5	\$464.2	\$1,513.0	\$1,613.2
YoY % Chng	2.5%	4.9%	1.0%	26.6%	13.6%	6.3%	39.6%	21.2%	(5.0%)	16.5%	12.2%	(1.2%)	5.1%	6.6%
Income Tax, Adjusted	\$137.0	\$154.7	\$158.3	\$27.1	\$38.4	\$54.1	\$63.4	\$183.1	\$37.7	\$43.9	\$60.0	\$62.7	\$204.3	\$217.8
Income Tax, GAAP	\$137.0	\$145.0	\$136.2	\$35.9	\$36.3	\$51.5	\$61.1	\$184.8	\$36.3	\$42.3	\$57.8	\$60.3	\$196.7	\$209.7
Tax Rate, Adjusted	12.2%	12.6%	12.3%	10.5%	13.5%	13.5%	13.5%	12.9%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%
Tax Rate, GAAP	12.2%	12.3%	11.5%	12.2%	13.0%	13.0%	13.0%	12.8%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%
Net Income from Continuing Operations, Adjusted	\$983.5	\$1,072.6	\$1,130.4	\$231.4	\$246.0	\$346.9	\$406.4	\$1,230.7	\$241.3	\$281.5	\$384.5	\$401.5	\$1,308.8	\$1,395.4
YoY % Chng	3.0%	9.1%	5.4%	10.8%	2.5%	5.1%	15.6%	8.9%	4.3%	14.4%	10.8%	(1.2%)	6.3%	6.6%
Net Income from Continuing Operations, GAAP	\$983.5	\$1,030.5	\$1,051.0	\$257.9	\$243.1	\$344.6	\$408.8	\$1,254.3	\$242.7	\$283.1	\$386.7	\$403.8	\$1,316.3	\$1,403.5
YoY % Chng	3.0%	4.8%	2.0%	24.2%	12.7%	6.4%	34.5%	19.3%	(5.9%)	12.7%	12.2%	(1.2%)	4.9%	6.6%
Earnings (Loss) from Discontinued Operations	(\$1.6)	(\$2.9)	(\$1.4)	(\$0.1)	\$0.0	\$0.0	\$0.0	(\$0.1)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Income, GAAP	\$981.9	\$1,027.6	\$1,049.6	\$257.8	\$243.1	\$344.6	\$408.8	\$1,254.2	\$242.7	\$283.1	\$386.7	\$403.8	\$1,316.3	\$1,403.5
YoY % Chng	3.1%	4.7%	2.1%	24.4%	13.0%	6.5%	34.5%	19.5%	(5.8%)	16.5%	12.2%	(1.2%)	5.0%	6.6%
Diluted Shares Outstanding	122.9	120.8	118.4	117.6	117.2	116.8	116.3	117.0	115.9	115.5	115.1	114.7	115.3	113.6
YoY % Chng	(4.7%)	(1.7%)	(2.0%)	(1.3%)	(0.9%)	(1.1%)	(1.3%)	(1.2%)	(1.4%)	(1.4%)	(1.4%)	(1.4%)	(1.4%)	(1.5%)
Diluted EPS from Continuing Operations, Adjusted	\$8.00	\$8.88	\$9.55	\$2.10	\$2.10	\$2.97	\$3.49	\$10.53	\$2.08	\$2.44	\$3.34	\$3.50	\$11.36	\$12.29
YoY % Chng	8.1%	11.0%	7.5%	12.6%	3.4%	6.1%	17.2%	10.3%	5.7%	16.1%	12.4%	0.2%	7.9%	8.2%
Diluted EPS from Continuing Operations, GAAP	\$8.00	\$8.53	\$8.88	\$2.19	\$2.07	\$2.95	\$3.51	\$10.73	\$2.09	\$2.45	\$3.36	\$3.52	\$11.43	\$12.36
YoY % Chng	8.1%	6.6%	4.1%	25.9%	14.0%	7.7%	36.2%	20.8%	(4.4%)	18.2%	13.9%	0.2%	6.5%	8.2%
Diluted EPS, GAAP	\$7.99	\$8.51	\$8.86	\$2.19	\$2.07	\$2.95	\$3.51	\$10.73	\$2.09	\$2.45	\$3.36	\$3.52	\$11.43	\$12.36
YoY % Chng	8.1%	6.5%	4.1%	25.9%	14.0%	7.7%	36.2%	21.1%	(4.4%)	18.2%	13.9%	0.2%	6.5%	8.2%

Zacks Stock Rating System

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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	B
Growth Score	B
Momentum Score	F
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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