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Zacks Report Date: December 19, 2025

F5 Networks, Inc. (FFIV)

$259.11 (Stock Price as of 12/18/2025)

Price Target (6-12 Months): **$203.00**

Long Term: 6-12 Months	**Zacks Recommendation:** (Since: 11/11/25) Prior Recommendation: Neutral	**Underperform**
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**4-Sell**
	Zacks Style Scores:	VGM: B
	Value: D | Growth: B	Momentum: B

Summary

F5 shares have underperformed the industry in the year-to-date period. The recent security incident-related operational impact, potential legal scrutiny and tarnished brand image could lead to a prolonged period of financial underperformance. The breach significantly undermines customer trust, a critical asset for a security provider, and increases churn risk among key government and Fortune 500 clients. This could potentially trigger significant near-term sales cycle disruptions and deal push-outs as clients delay new purchases to address the security fallout. Softening IT spending amid the ongoing macroeconomic uncertainties may hurt its near-term prospects. Per our model estimates, revenues will grow in the low single-digit percentage range in fiscal 2026. Forex headwinds and competition are additional concerns.

Price, Consensus & Surprise(1)

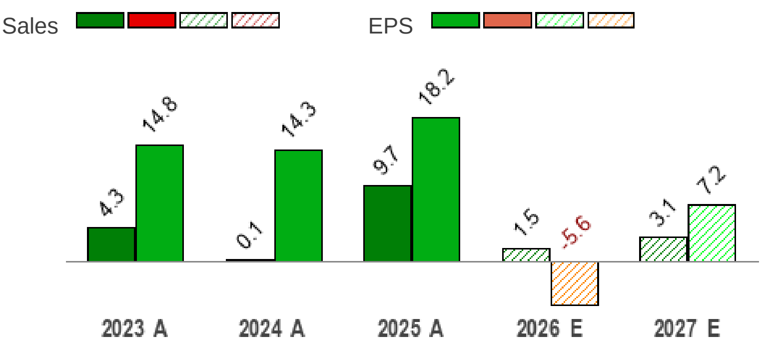
Data Overview

52 Week High-Low	$346.00 - $223.76
20 Day Average Volume (sh)	1,351,227
Market Cap	$15.1 B
YTD Price Change	3.0%
Beta	0.99
Dividend / Div Yld	$0.00 / 0.0%
Industry	Internet - Software
Zacks Industry Rank	Top 23% (55 out of 243)

Last EPS Surprise	10.9%
Last Sales Surprise	2.2%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	01/27/2026
Earnings ESP	0.0%

P/E TTM	16.4
P/E F1	17.4
PEG F1	27.6
P/S TTM	4.9

Sales and EPS Growth Rates (Y/Y %)(2)



Sales Estimates (millions of $)(2)

	Q1	Q2	Q3	Q4	Annual*
2027	771 E	766 E	827 E	867 E	3,231 E
2026	755 E	743 E	800 E	835 E	3,133 E
2025	766 A	731 A	780 A	810 A	3,088 A

EPS Estimates(2)

	Q1	Q2	Q3	Q4	Annual*
2027	3.75 E	3.75 E	4.14 E	4.38 E	16.01 E
2026	3.62 E	3.32 E	3.85 E	4.14 E	14.93 E
2025	3.84 A	3.42 A	4.16 A	4.39 A	15.81 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/18/2025.
(2) The report's text, the analyst-provided estimates, and the price target are as of 11/28/2025.

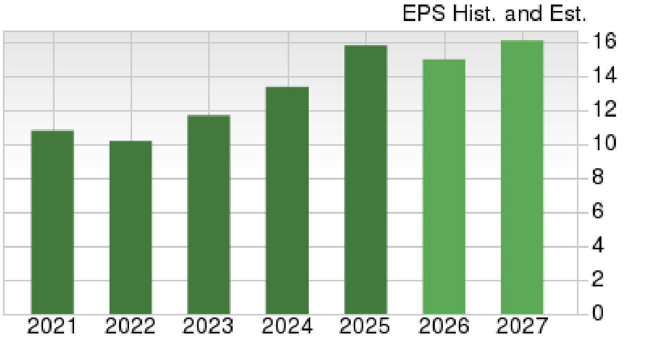
Overview

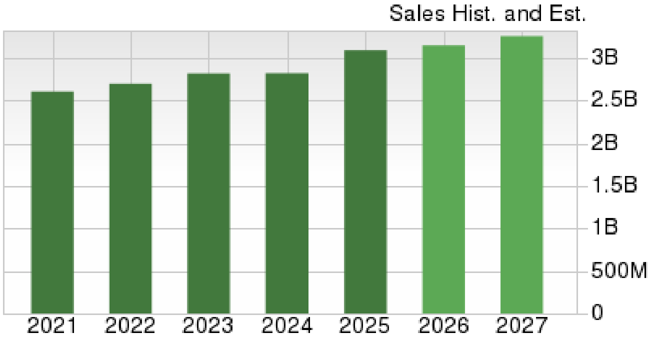
Seattle, WA-based F5 Networks Inc, founded in 1996, provides products and services to manage Internet traffic worldwide. Its application, delivery and networking products improve performance, availability and security of applications running on networks that use the Internet Protocol (IP).

The company offers BIG-IP products to manage the IP traffic between network servers, clients and other devices. The company's FirePass systems provide SSL VPN access to remote IP network users and any applications connected to those networks from any standard web browser on any device.

F5 Networks also offers TrafficShield, a web application firewall that provides application-layer protection against generalized and targeted attacks. The company's WANJet devices help combine wide area network optimization and traffic shaping in a single device to accelerate file transfers, email, data replication and other applications over the IP networks. WebAccelerator speeds up web transactions, enhances web application performance from any location, speeds up interactive performance and improves download time.

F5 Networks serves a wide variety of enterprises and service providers among Fortune 1000 and Business Week Global 1000 companies, which include telecommunications, financial services, technology, manufacturing and transportation enterprise customers as well as the government.



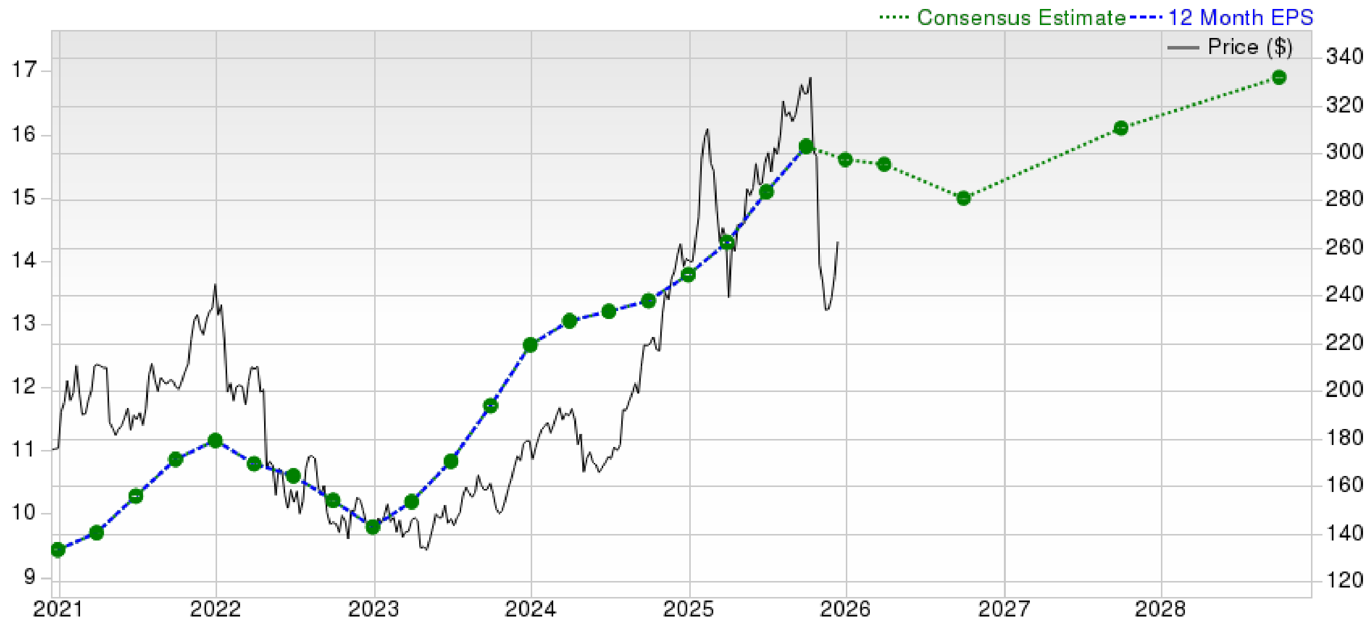


As of 11/28/2025

In fiscal 2025, the company reported revenues of $3.09 billion, which increased 9.7% from the fiscal 2024 level. Product revenues made up 49% of fiscal 2025 total revenues ($1.51 billion), and Services revenues accounted for 51% ($1.58 billion).

The company has distribution agreements with several companies, including Ingram Micro, TD SYNNEX, Arrow Electronics and Westcon. In fiscal 2024, Ingram Micro was its largest distributor, accounting for 16.3% of total net revenues, followed by TD SYNNEX, which accounted for 15.9%.

F5 has three geographic segments. In fiscal 2025, the Americas generated 56% of revenues, EMEA 27% and Asia-Pacific 17%.



As of 12/18/2025

Reasons To Sell:

> Soft IT spending, forex headwinds and acquisition-related expenses might hurt F5's near-term financial performance.

- The recent breach by a nation-state actor, which involved the theft of BIG-IP product source code and undisclosed vulnerability data, poses a severe risk to F5's standing as a security provider. The breach significantly undermines customer trust, a critical asset for a security provider, and increases churn risk among key government and Fortune 500 clients. This could potentially trigger significant near-term sales cycle disruptions and deal push-outs as clients delay new purchases to address the security fallout. Management has already guided for decelerated fiscal 2026 revenue growth, directly citing the breach's near-term impact. F5 anticipates fiscal 2026 revenues to grow in the mid-single digit range compared with the approximately 10% surge recorded for fiscal 2025. The security incident-related operational impact, potential legal scrutiny and tarnished brand image could lead to a prolonged period of financial underperformance. Per our model estimates, revenues will grow in the low single-digit percentage range in fiscal 2026.

- F5's near-term prospects might be hurt by softening IT spendings. Still-high interest rates and protracted inflationary conditions have impacted 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 F5's prospects in the near term.

- F5 has a competitive edge over ARX, BIG-IP and VIPRION. However, Cisco Systems represents the greatest competitive threat to F5, given the dominance of the former in the overall networking market. Cisco has tremendous engineering and marketing resources at its disposal. Although F5's technology has been able to hold its leading position for many years, Cisco could potentially become more competitive if it invests more aggressively in the technology. In addition, Citrix, Check Point Software Technologies and Barracuda Networks also have a strong technology platform that could pose a more significant competitive threat to improved execution.

- Although the ongoing transition toward subscription is likely to boost growth in the long run, we remain apprehensive in the near term as the transition continues to weigh on the results. Customers' adherence to a cloud-first mentality is a downtrend for hardware investment and use cases as this inclination is prolonging deal timings.

- F5 continues to acquire a large number of companies. While this improves revenue opportunities, business mix and profitability, it also adds to integration risks. Moreover, frequent acquisitions are a distraction for management, which could impact organic growth, going forward.

- A substantial portion of the company's sales is derived from outside the U.S. This exposes the company to exchange rate fluctuations and counterparty default risk. Thus, an economic condition, which impacts foreign currency exchange rates, does result in transaction exposure, which leads to profit fluctuation. Moreover, execution challenges in Europe as a result of the macroeconomic uncertainty in the region (particularly UK and Germany), are an overhang on the company.

Risks[2] (to the Underperform recommendation)

- F5 holds a major position in the application delivery controller (ADC) market as its products are important components for data center consolidation, virtualization and cloud services. Per a Grand View Research report, the global application delivery controller market size is projected to reach $8.46 billion in 2030 from $4.35 billion in 2024, witnessing a CAGR of 12.9% through 2025-2030. Also, Cisco’s decision to shift its focus from the core ADC market has helped F5 capture considerable market share. F5 is the leading developer and provider of software-defined application services to ensure that applications delivered over the Internet Protocol (IP) networks are secure, fast and available to any user anywhere, anytime on any device.

- F5 is uniquely positioned in the application networking market due to its strong presence in Layer 4-7 content switching, critical for managing the increasing capacity and security demands of modern applications. Unlike its competitors, F5 has established itself as a leader in the data center space, offering tailored solutions that seamlessly integrate with data applications. This proximity to data applications enhances F5's ability to address customer needs effectively. With a robust product portfolio and a reputation for reliability and performance, F5 is well-positioned to capitalize on the growing demand for application networking solutions. As enterprises increasingly prioritize digital transformation initiatives, F5's strategic positioning and ability to deliver comprehensive solutions tailored to customer requirements set it apart from competitors, ensuring sustained growth and market leadership in the dynamic landscape of application networking.

- F5 is currently focusing on selling more subscription-based services. This business model is helping the company in generating stable revenues while expanding margins. Subscription-based service is a high gross margin business (approximately 80%) compared with the hardware-centric model. We believe that the strategy will continue to improve the company’s top and bottom-line performances.

- F5 has a strong balance sheet with ample liquidity and fewer debt obligations. The company had long-term debt of $327 million on its books at the end of the fourth quarter of fiscal 2025. Moreover, the company ended the quarter with cash and short-term investments of approximately $1.34 billion. F5 generates strong cash flows, which provide it with ample liquidity and fund future investments. The company generated an operating cash flow of $208 million during the fourth quarter and $950 million for the full fiscal 2025.

- F5’s financial strength enables it to continue with the share buyback program. In fiscal 2025, it bought back common stock worth $502 million. During fiscal 2025, the company utilized about 55% of its free cash flow toward share buybacks, exceeding its commitment of using at least 50% of the free cash flow for share repurchase purposes. F5 has again committed to utilize 50% of its free cash flow for share buyback purposes in fiscal 2026. Its aggressive share repurchase policy is anticipated to boost investor confidence. F5’s strategy to return wealth to shareholders highlights its growth potential and stable liquidity position. We believe that apart from enhancing shareholder returns, these initiatives also raise the market value of the stock. Through share repurchases and dividend payouts, companies boost investor confidence, persuading them to buy or hold the scrip.

Last Earnings Report

F5 Q4 Earnings and Revenues Beat Estimates

FY Quarter Ending	9/30/2025
Earnings Reporting Date	**Oct 27, 2025**
Sales Surprise	**2.22%**
EPS Surprise	**10.86%**
Quarterly EPS	**4.39**
Annual EPS (TTM)	**15.81**

F5 reported better-than-expected results for the fourth quarter of fiscal 2025. FFIV reported fourth-quarter non-GAAP earnings per share (EPS) of $4.39, which surpassed the Zacks Consensus Estimate by 10.86% and came ahead of management's guidance of $3.87-$3.99 (midpoint of $3.93). The bottom line increased 19.6% year over year.

F5's revenues of $810 million for the fourth quarter beat the consensus mark by 2.22%. The top line rose 8% on a year-over-year basis. Revenues also came ahead of management's guidance of $780-$800 million (midpoint of $790 million).

FFIV's Q4 2025 Details

Product revenues (51.1% of total revenues), which comprise the Software and Systems subdivisions, increased 15.6% year over year to $414.1 million. Our model estimates for the Product segment revenues were pegged at $397.9 million.

This growth was primarily driven by a robust 42% year-over-year jump in Systems revenues, which totaled $186 million. Systems accounted for approximately 45% of total Product revenues, showing continued momentum due to demand for infrastructure upgrades. Our model estimates for the Systems revenues were pegged at $163.4 million.

The Software sub-segment also contributed to the growth, with revenues rising 0.3% year over year to $229 million. Our model estimates for the Software revenues were pegged at $234.5 million.

Global Services revenues (48.9% of total revenues) grew 2% year over year to $396 million. Our model estimates for the Global Services segment revenues were pegged at $393.4 million.

Non-GAAP gross profit increased 10.3% year over year to $683 million. The non-GAAP gross margin for the quarter came in at 84.3%, up 130 basis points from the year-ago quarter's 83%. Non-GAAP operating income soared 16.5% to $299.4 million, while the margin improved 260 basis points to 37%.

F5's Balance Sheet & Cash Flow

F5 ended the September quarter with cash and short-term investments of $1.36 billion, down from $1.44 billion in the previous quarter. The company generated an operating cash flow of $208 million during the reported quarter and $950 million for the full fiscal 2025.

In the fiscal fourth quarter, F5 repurchased shares worth $125 million. During the first nine months of fiscal 2025, the company repurchased shares worth $502 million.

F5 Initiates Q1 & FY26 Guidance

For the first quarter of fiscal 2026, F5 expects revenues between $730 million and $780 million. The company projected a non-GAAP EPS in the range of $3.35-$3.85 (midpoint $3.60) for the first quarter of fiscal 2026.

F5 anticipates that its fiscal 2026 revenues will grow in the mid-single-digit range. Non-GAAP EPS is projected between $14.50 and $15.50.

Recent News

On Nov. 19, F5 announced the creation of its Application Delivery and Security Platform (ADSP) Partner Program, designed to cultivate a sophisticated ecosystem of technology partners that extend the capabilities of F5's industry-leading platform.

On Nov. 18, F5 introduced BIG-IP v21.0, giving customers a unified approach to app delivery, security and scale in the AI era.

On Nov. 12, F5 and CrowdStrike announced a new strategic technology alliance and first-of-its-kind integration that brings advanced workload security to F5 BIG-IP.

On Nov. 3, F5 announced the integration and validation of F5 BIG-IP Next for Kubernetes with NVIDIA RTX PRO 6000 Blackwell Server Edition. This integration expands the collaboration between F5 and NVIDIA to enhance high-performance traffic management, intelligent security and scalability for advanced AI applications, including large-scale AI factories.

On Oct. 28, F5 announced the expansion of its BIG-IP Next for Kubernetes network and security solution on the newly announced NVIDIA BlueField-4 data processing unit (DPU).

On Oct. 23, F5 announced the appointment of Michael Montoya as Chief Technology Operations Officer.

On Sept. 11, F5 announced its intent to acquire CalypsoAI, an enterprise AI security provider, to integrate real-time threat defense, red teaming, and data security into the F5 Application Delivery and Security Platform.

On Aug. 25, F5 announced its recognition as a leader in the 2025 KuppingerCole Leadership Compass Report for Web Application and API Protection solutions.

On Aug. 5, F5 announced an expanded strategic partnership with Equinix to accelerate AI-ready infrastructure for secure global application delivery.

Valuation

Shares of F5 have declined 5.3% in the year-to-date period and 4.9% in the past year. Stocks in the Zacks sub-industry have returned 5% in the year-to-date period, and the Zacks Computer & Technology sector has appreciated 26.5%. In the past year, the Zacks sub-industry has returned 4.2%, and the sector has risen 28.5%.

The S&P 500 Index has returned 18.3% in the year-to-date period and 15.9% in the past year.

The stock is currently trading at 4.33x forward 12-month sales, which compares with 4.77x for the Zacks sub-industry, 6.69x for the Zacks sector, and 5.30x for the S&P 500 index.

Over the past five years, the stock has traded as high as 6.17x and as low as 2.41x, with a five-year median of 4.11x. Our Underperform recommendation indicates that the stock will perform worse than the market. Our $203 price target reflects 3.69x trailing 12-month sales.

The table below shows a summary of valuation data for FFIV:

Valuation Multiples - FFIV

		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	4.33	4.77	6.69	5.30
	5-Year High	6.17	6.12	7.40	5.50
	5-Year Low	2.41	3.03	4.25	3.83
	5-Year Median	4.11	4.70	6.30	5.04
P/B TTM	Current	3.81	5.66	10.56	8.47
	5-Year High	6.61	7.12	11.56	9.16
	5-Year Low	2.63	2.86	6.53	6.60
	5-Year Median	4.26	5.35	9.55	8.03
EV/Sales TTM	Current	4.25	5.52	8.08	5.71
	5-Year High	6.20	7.06	8.35	5.81
	5-Year Low	2.31	2.56	4.17	3.77
	5-Year Median	4.13	5.07	6.93	5.11

As of 11/26/2025 *Source: Zacks Investment Research*

Industry Analysis[1]

Zacks Industry Rank: Top 23% (55 out of 243)

Top Peers [1]

Company (Ticker)	Rec	Rank
Affirm Holdings, Inc...**(AFRM)**	Neutral	3
Datadog, Inc. **(DDOG)**	Neutral	3
Docusign Inc. **(DOCU)**	Neutral	3
Grab Holdings Limite...**(GRAB)**	Neutral	4
HubSpot, Inc. **(HUBS)**	Neutral	3
Match Group Inc. **(MTCH)**	Neutral	3
Nice **(NICE)**	Neutral	3
Palantir Technologie...**(PLTR)**	Neutral	2

Industry Comparison[1]

Industry: Internet - Software | Industry Peers

	FFIV	X Industry	S&P 500	AFRM	DOCU	PLTR
Zacks Recommendation (Long Term)	Underperform	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	4	-	-	3	3	2
VGM Score	B	-	-	C	B	C
Market Cap	15.05 B	823.43 M	38.81 B	25.21 B	13.90 B	442.58 B
# of Analysts	7	4	22	8	7	10
Dividend Yield	0.00%	0.00%	1.41%	0.00%	0.00%	0.00%
Value Score	D	-	-	F	D	F
Cash/Price	0.09	0.13	0.04	0.13	0.06	0.01
EV/EBITDA	15.22	4.92	14.58	349.49	21.95	837.51
PEG Ratio	27.75	1.83	2.21	3.47	1.29	5.11
Price/Book (P/B)	4.14	3.21	3.30	7.64	7.04	66.17
Price/Cash Flow (P/CF)	18.87	23.66	15.05	321.56	23.73	2,012.68
P/E (F1)	17.48	29.31	19.66	77.14	18.42	255.77
Price/Sales (P/S)	4.87	3.72	3.08	7.29	4.40	113.59
Earnings Yield	5.79%	2.61%	5.02%	1.30%	5.43%	0.39%
Debt/Equity	0.00	0.00	0.57	2.40	0.00	0.00
Cash Flow ($/share)	13.73	0.05	8.99	0.24	2.93	0.09
Growth Score	B	-	-	A	A	A
Hist. EPS Growth (3-5 yrs)	14.66%	14.56%	8.16%	NA	135.94%	1.61%
Proj. EPS Growth (F1/F0)	-5.57%	31.82%	8.60%	560.00%	6.20%	78.05%
Curr. Cash Flow Growth	8.45%	-14.98%	6.75%	-116.73%	34.46%	2.70%
Hist. Cash Flow Growth (3-5 yrs)	9.36%	15.37%	7.43%	21.07%	103.56%	18.94%
Current Ratio	1.56	1.59	1.18	12.80	0.73	6.43
Debt/Capital	0.00%	4.09%	38.01%	70.62%	0.00%	0.00%
Net Margin	22.42%	-1.06%	12.78%	6.74%	9.57%	28.11%
Return on Equity	21.76%	2.11%	17.00%	7.75%	15.02%	15.48%
Sales/Assets	0.51	0.59	0.53	0.32	0.80	0.55
Proj. Sales Growth (F1/F0)	1.50%	3.72%	5.79%	25.20%	7.70%	54.00%
Momentum Score	B	-	-	F	C	F
Daily Price Chg	1.19%	0.74%	0.79%	6.01%	2.38%	4.74%
1 Week Price Chg	5.86%	-0.66%	-1.83%	-1.09%	8.28%	1.00%
4 Week Price Chg	14.74%	4.86%	3.61%	22.11%	8.42%	19.23%
12 Week Price Chg	-20.03%	-10.77%	2.57%	-2.01%	-14.65%	3.67%
52 Week Price Chg	3.47%	-10.60%	15.47%	21.22%	-26.29%	150.22%
20 Day Average Volume	1,351,227	642,524	2,770,348	5,010,300	3,114,735	36,305,960
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	-0.63%	0.00%	0.00%
(F1) EPS Est 4 week change	0.00%	0.00%	0.00%	-0.63%	2.45%	0.00%
(F1) EPS Est 12 week change	-8.65%	3.69%	0.69%	14.08%	4.63%	18.52%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	0.00%	-5.99%	0.00%

Analyst Earnings Model[2]

F5, Inc. (FFIV)

In $MM, except per share data

	2023A	2024A			2025A					2026E			2027E	2028E
	FY	FY	1QA	2QA	3QA	4QA	FY	1QE	2QE	3QE	4QE	FY	FY	FY
FY Ends September 30th	Sep-23	Sep-24	31-Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	Sep-25	31-Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	Sep-26	Sep-27	Sep-28
Income Statement														
Total Revenue, Non GAAP	**$2,813.2**	**$2,816.1**	**$766.5**	**$731.1**	**$780.4**	**$810.1**	**$3,088.1**	**$754.7**	**$743.3**	**$799.5**	**$835.1**	**$3,132.6**	**$3,230.6**	**$3,295.8**
Acquisition-Related Write-Downs of Assumed Deferred Revenue	$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 Revenue, GAAP	**$2,813.2**	**$2,816.1**	**$766.5**	**$731.1**	**$780.4**	**$810.1**	**$3,088.1**	**$754.7**	**$743.3**	**$799.5**	**$835.1**	**$3,132.6**	**$3,230.6**	**$3,295.8**
Cost of Goods Sold, Non GAAP	$520.6	$484.0	$123.7	$123.8	$131.7	$126.8	$506.0	$128.3	$127.2	$134.0	$136.4	$526.0	$535.2	$549.7
Cost of Goods Sold, GAAP	$593.3	$557.6	$140.5	$141.0	$148.6	$143.9	$574.0	$144.1	$142.5	$152.0	$158.7	$597.3	$611.2	$624.1
Gross Profit, Non GAAP	**$2,292.6**	**$2,332.1**	**$642.8**	**$607.3**	**$648.7**	**$683.3**	**$2,582.0**	**$626.4**	**$616.1**	**$665.5**	**$698.7**	**$2,606.6**	**$2,695.4**	**$2,746.1**
Gross Profit, GAAP	**$2,219.9**	**$2,258.5**	**$626.0**	**$590.2**	**$631.7**	**$666.2**	**$2,514.1**	**$610.6**	**$600.8**	**$647.5**	**$676.4**	**$2,535.3**	**$2,619.4**	**$2,671.7**
Selling and Marketing, Non GAAP	$766.7	$739.5	$183.7	$194.0	$198.2	$194.1	$770.1	$188.4	$192.6	$201.2	$208.8	$791.0	$810.8	$827.3
Selling and Marketing, GAAP	$878.2	$832.3	$206.0	$218.1	$220.4	$216.0	$860.5	$210.6	$214.5	$224.0	$232.7	$881.8	$904.0	$922.4
Research and Development, Non GAAP	$464.5	$427.7	$113.1	$118.4	$119.2	$119.2	$469.8	$115.0	$119.3	$123.3	$127.4	$484.9	$499.9	$510.5
Research and Development, GAAP	$540.3	$490.1	$130.5	$136.6	$136.3	$136.4	$539.8	$132.1	$136.2	$141.0	$145.9	$555.2	$572.1	$584.2
General and Administrative, Non GAAP	$211.6	$219.4	$59.6	$61.5	$64.0	$70.6	$255.8	$62.5	$67.7	$69.4	$71.8	$271.2	$280.7	$287.3
General and Administrative, GAAP	$263.4	$268.8	$73.0	$76.6	$78.7	$94.0	$322.3	$78.7	$79.1	$85.5	$90.5	$333.8	$345.8	$353.1
Restructuring Charges	$65.4	$8.7	$11.3	$0.0	$0.0	$14.2	$25.5	$14.2	$14.2	$14.2	$14.2	$56.7	$56.7	$56.7
Total Operating Expenses, Non GAAP	**$1,442.9**	**$1,386.6**	**$356.4**	**$373.9**	**$381.4**	**$383.9**	**$1,495.7**	**$365.9**	**$379.6**	**$393.8**	**$407.9**	**$1,547.2**	**$1,591.4**	**$1,625.1**
Total Operating Expenses, GAAP	**$1,747.3**	**$1,599.9**	**$420.9**	**$431.3**	**$435.4**	**$460.6**	**$1,748.1**	**$435.5**	**$444.0**	**$464.6**	**$483.3**	**$1,827.4**	**$1,878.6**	**$1,916.3**
Stock-Based Compensation	$236.7	$219.1	$57.9	$58.9	$57.5	$57.2	$231.5	$62.0	$61.5	$61.8	$62.0	$247.2	$247.4	$246.6
Amortization & Impairment of Purchased Intangible Assets	$53.4	$51.3	$10.1	$10.1	$10.3	$10.4	$40.9	$10.0	$9.9	$10.5	$11.0	$41.3	$42.5	$43.4
Facility-Exit Costs	$6.6	$3.5	$1.2	$4.3	$1.2	$0.9	$7.7	$1.9	$2.1	$1.6	$1.8	$7.4	$7.4	$7.5
Acquisition-Related Charges	$15.0	$4.4	$0.7	$1.2	$2.0	$7.6	$11.5	$2.7	$3.2	$4.0	$4.7	$14.6	$15.8	$16.3
Cyber Incident Costs						$3.4	$3.4	$3.4	$3.4	$3.4	$3.4	$13.4	$13.4	$13.4
Adjusted EBITDA	**$962.4**	**$1,052.5**	**$309.0**	**$255.8**	**$289.8**	**$324.2**	**$1,178.8**	**$283.1**	**$258.8**	**$295.5**	**$315.9**	**$1,153.3**	**$1,200.9**	**$1,219.8**
Depreciation & Amortization	$112.7	$107.0	$22.7	$22.5	$22.5	$24.8	$92.4	$22.6	$22.3	$23.9	$25.1	$93.9	$96.9	$98.8
Operating Income, Non GAAP	**$849.7**	**$945.5**	**$286.4**	**$233.4**	**$267.3**	**$299.4**	**$1,086.4**	**$260.5**	**$236.5**	**$271.7**	**$290.8**	**$1,059.5**	**$1,104.0**	**$1,121.0**
Operating Income, GAAP	**$472.6**	**$658.6**	**$205.1**	**$158.9**	**$196.3**	**$205.7**	**$765.9**	**$175.1**	**$156.8**	**$182.9**	**$193.1**	**$707.9**	**$740.8**	**$755.4**
Other Income (Expense), Net	$13.4	$36.9	$4.0	$12.3	$16.7	$9.4	$42.4	$6.6	$7.2	$8.7	$8.5	$31.0	$31.1	$30.5
Pre-Tax Income, Non GAAP	**$863.1**	**$982.4**	**$290.3**	**$245.7**	**$284.0**	**$308.8**	**$1,128.8**	**$267.2**	**$243.6**	**$280.4**	**$299.3**	**$1,090.5**	**$1,135.1**	**$1,151.5**
Pre-Tax Income, GAAP	**$486.0**	**$695.5**	**$209.0**	**$171.2**	**$213.0**	**$215.1**	**$808.3**	**$181.7**	**$163.9**	**$191.6**	**$201.7**	**$738.9**	**$771.9**	**$785.9**
Income Tax, Non GAAP	$157.8	$188.8	$63.4	$44.6	$40.8	$52.1	$200.8	$57.4	$52.4	$60.3	$64.3	$234.5	$244.1	$247.6
Income Tax, GAAP	$91.0	$128.7	$42.6	$25.7	$23.1	$24.6	$116.0	$39.1	$35.2	$41.2	$43.4	$158.9	$166.0	$169.0
Tax Rate, Non GAAP	18.3%	19.2%	21.8%	18.1%	14.4%	16.9%	17.8%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%
Tax Rate, GAAP	18.7%	18.5%	20.4%	15.0%	10.8%	11.4%	14.3%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%
Net Income, Non GAAP	**$705.3**	**$793.7**	**$227.0**	**$201.1**	**$243.2**	**$256.6**	**$927.9**	**$209.7**	**$191.3**	**$220.1**	**$235.0**	**$856.0**	**$891.1**	**$903.9**
Net Income, GAAP	**$394.9**	**$566.8**	**$166.4**	**$145.5**	**$189.9**	**$190.5**	**$692.4**	**$142.6**	**$128.7**	**$150.4**	**$158.3**	**$580.0**	**$606.0**	**$617.0**
Basic Shares Outstanding	59.9	58.7	58.3	57.9	57.8	57.7	57.9	57.2	56.8	56.4	56.0	56.6	54.9	53.2
Diluted Shares Outstanding	60.3	59.4	59.1	58.8	58.5	58.4	58.7	58.0	57.6	57.2	56.7	57.4	55.7	54.0
Basic EPS	**$6.59**	**$9.65**	**$2.85**	**$2.51**	**$3.29**	**$3.30**	**$11.96**	**$2.49**	**$2.27**	**$2.67**	**$2.83**	**$10.25**	**$11.04**	**$11.59**
Diluted EPS, Non GAAP	**$11.70**	**$13.37**	**$3.84**	**$3.42**	**$4.16**	**$4.39**	**$15.81**	**$3.62**	**$3.32**	**$3.85**	**$4.14**	**$14.93**	**$16.01**	**$16.74**
Diluted EPS, GAAP	**$6.55**	**$9.55**	**$2.82**	**$2.48**	**$3.25**	**$3.26**	**$11.80**	**$2.46**	**$2.24**	**$2.63**	**$2.79**	**$10.12**	**$10.89**	**$11.43**

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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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	D
Growth Score	B
Momentum Score	B
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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