Zacks Report Date: December 13, 2025

GE Aerospace (GE)

$299.81 (Stock Price as of 12/12/2025)

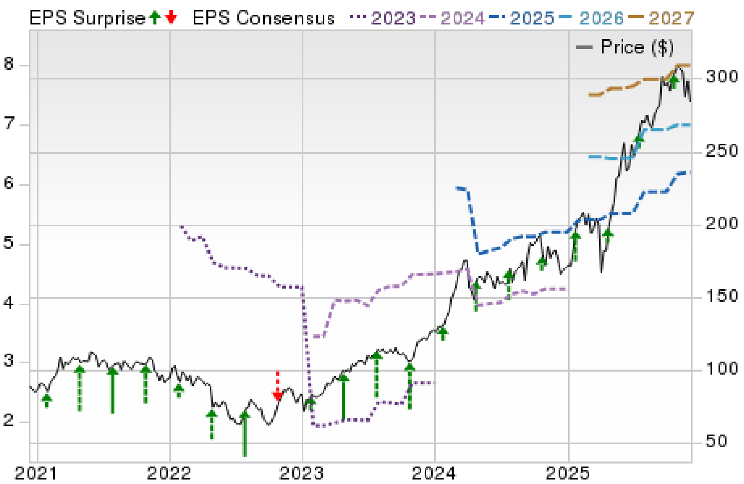
Price Target (6-12 Months): **$314.00**

Long Term: 6-12 Months	**Zacks Recommendation:** (Since: 09/26/25) Prior Recommendation: Outperform	**Neutral**
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**2-Buy**
	Zacks Style Scores:	VGM: C
	Value: D | Growth: B	Momentum: A

Summary

GE Aerospace has been witnessing strength in its businesses, driven by robust demand for commercial engines, propulsion and additive technologies. Rising U.S. & international defense budgets, geopolitical tensions, positive airline & airframer dynamics and robust demand for commercial air travel augur well for the company. Its portfolio-reshaping actions are likely to unlock values for its shareholders. The company raised its dividend by 28.6% to 36 cents per share in February 2025. However, GE Aerospace has been dealing with high costs and expenses related to certain projects and restructuring activities, which are likely to affect its margins and profitability. Supply-chain disruptions may also result in delays and increased costs. Given GE Aerospace's international presence, foreign exchange headwinds might be worrying for it.

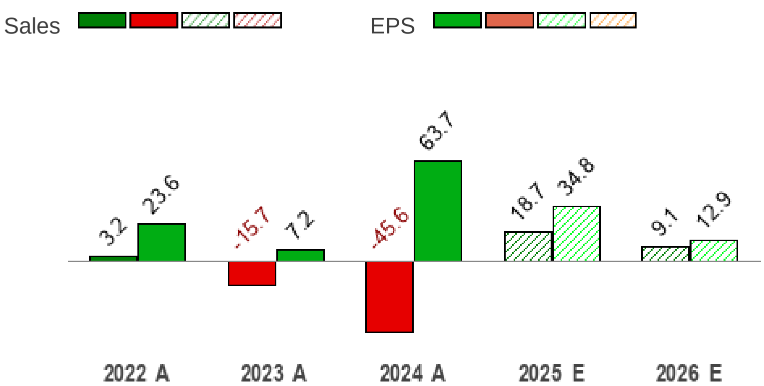
Price, Consensus & Surprise(1)



Data Overview

52 Week High-Low	$316.67 - $159.36
20 Day Average Volume (sh)	4,273,483
Market Cap	$316.2 B
YTD Price Change	79.8%
Beta	1.40
Dividend / Div Yld	$1.44 / 0.5%
Industry	[Aerospace - Defense]
Zacks Industry Rank	Top 30% (72 out of 243)
Last EPS Surprise	13.7%
Last Sales Surprise	9.4%
EPS F1 Est- 4 week change	0.5%
Expected Report Date	01/22/2026
Earnings ESP	-1.9%
P/E TTM	48.9
P/E F1	48.4
PEG F1	2.1
P/S TTM	7.2

Sales and EPS Growth Rates (Y/Y %)(1)



Sales Estimates (millions of $)(1)

	Q1	Q2	Q3	Q4	Annual*
2026	10,216 E	11,469 E	12,340 E	12,456 E	45,511 E
2025	9,001 A	10,151 A	11,305 A	11,176 E	41,633 E
2024	15,203 A	8,223 A	8,943 A	9,879 A	35,121 A

EPS Estimates(1)

	Q1	Q2	Q3	Q4	Annual*
2026	1.62 E	1.85 E	1.91 E	1.58 E	7.01 E
2025	1.49 A	1.66 A	1.66 A	1.40 E	6.20 E
2024	0.82 A	1.20 A	1.15 A	1.32 A	4.60 A

*Quarterly figures may not add up to annual.

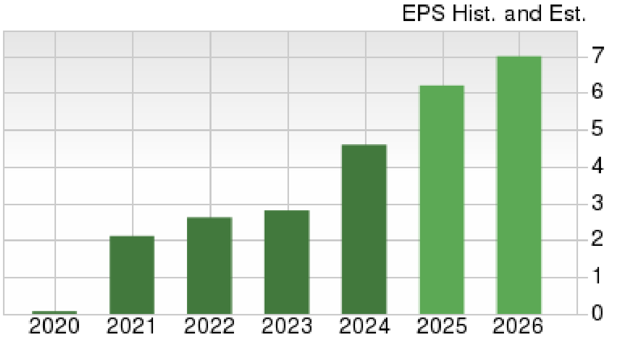
(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 12/12/2025.
(2) The report's text and the price target are as of 11/28/2025.

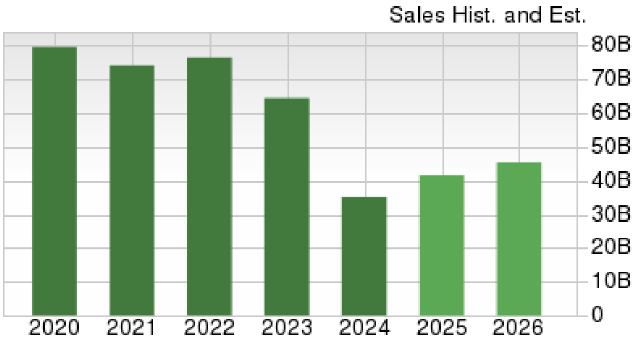
Overview

GE Aerospace (erstwhile General Electric Company) is a leading designer, developer and producer of jet engines, components and integrated systems for military, commercial and business aircraft. Its products and services range from jet engines like LEAP, GE9X & GEnx, airframes, engine gear, and transmission components and services, among others. Founded in 1892, General Electric (now GE Aerospace) is currently headquartered in Evendale, OH. In April 2024, GE Aerospace emerged as a separate public company, following the spin-off of GE Vernova business from General Electric.

The company operates its businesses in the United States (44.8% of 2024 net revenues), Europe (20.2%), Asia (9.3%), the Middle East and Africa (19%), and the Americas (6.7%). Exiting 2024, it had an employee base of 53,000 people. GE Aerospace currently operates as an aviation-focused company, under the following segments:

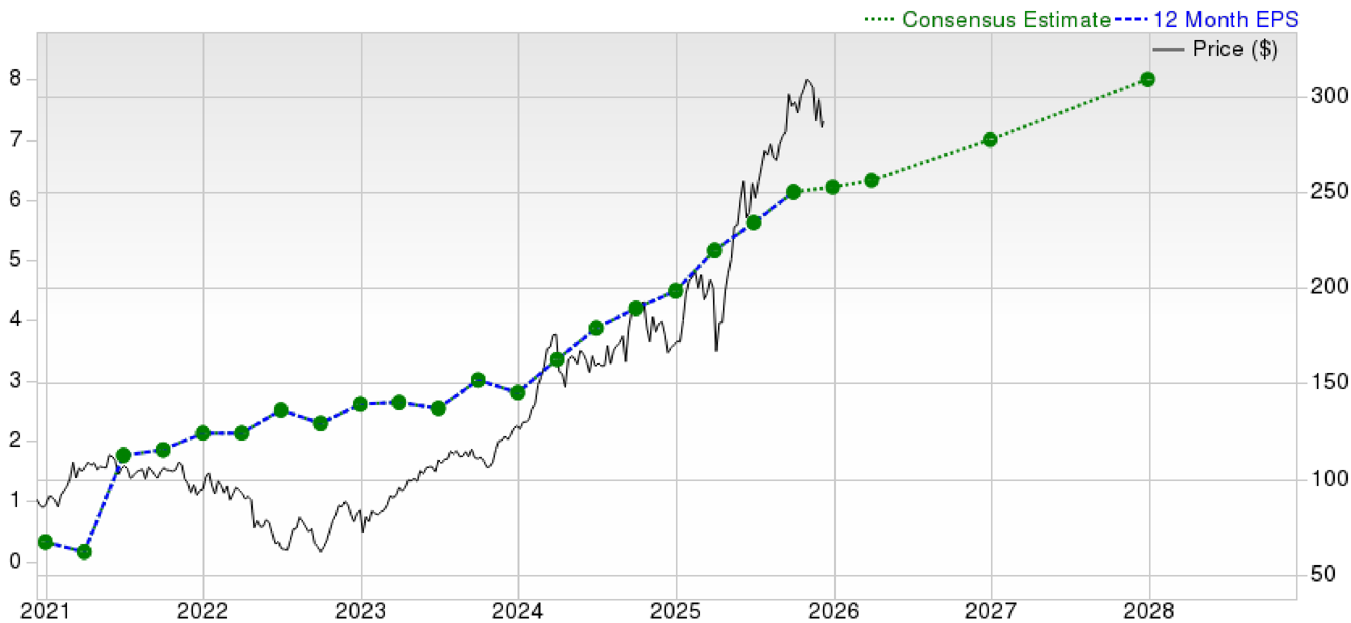
Commercial Engines & Services segment (70% of revenues generated in 2024) is engaged providing engines, spare parts and maintenance, repair and overhaul services for commercial aircraft. Its offerings are deployed across widebody, narrowbody, regional and business aviation platforms and support both original equipment deliveries and long-term aftermarket requirements. Its customers include major global airlines and aircraft manufacturers such as Boeing and Airbus and other independent maintenance providers. The segment generates revenues through engine deliveries as well as through recurring aftermarket activity such as scheduled shop visits, component replacement and long-term service agreements tied to flight hours and engine utilization.





As of 12/12/2025

Defense & Propulsion Technologies segment (30% of revenues generated in 2024) supplies defense engines and mission-critical aircraft systems. Its Defense & Systems business designs and supports jet engines as well as avionics and power systems for military forces, governments and commercial airframers with services extending to engine maintenance, repair and overhaul and spare parts. Its engine platforms support a broad set of fighter jets, surveillance aircraft, tankers, rotorcraft and marine applications. The Propulsion & Additive Technologies business is engaged in supplying turboprop engines, combustors, propellers and additive-manufactured components for commercial and military end users. It operates under brands including Avio Aero, Dowty Propellers, Unison and others.



As of 12/12/2025

Reasons To Buy:

Strength in the commercial & defense sectors, driven by favorable market dynamics, is likely to benefit GE Aerospace. Solid liquidity position and portfolio-restructuring plans augur well for it.

- GE Aerospace is benefiting from a growing installed base and higher utilization of engine platforms, driven by strong momentum and growth across commercial & defense sectors. Solid demand for LEAP, GEnx & GE9X engines and services, supported by growth in air traffic, fleet renewal and expansion activities, is proving beneficial for the **Commercial Engines & Services business**. During the first nine months of 2025, the company received an order from Cathay Pacific to power their latest Boeing 777 9 aircraft with GE9X engines. GE Aerospace inked a deal with Qatar Airways to supply more than 400 GE9X and GEnx engines. It represents the largest widebody engine deal in GE Aerospace's history. The company also secured a deal from International Airlines Group to provide GEnx engines for British Airways' 32 new Boeing 787 aircraft. Also, the company signed new deals with three major customers. GE Aerospace received an order from Ana Holdings to deliver more than 75 LEAP engines to power its Boeing 737 MAX and A321 NEO fleets. The company was also selected to deliver GEnx engines for its 18 new Boeing 787s. The company received an order from Malaysia Aviation Group to supply 60 LEAP engines and spare parts for its new Boeing 737 MAX planes. GE Aerospace also received an order from Korean Air to deliver GEnx and GE9X engines for up to 50 wide-body Boeing jets. Also, in 2024, the company received orders for more than 4,600 commercial and defense engines, including commitments from American Airlines, British Airways and the Polish Armed Forces. Commitments from Qatar Airways and EVA Air for its GEnx engines also hold promise. The Commercial Engines & Services business' revenues and orders jumped 24% and 16%, respectively, on a year-over-year basis in the first nine months.

- Growing popularity for the company's propulsion & additive technologies, critical aircraft systems and aftermarket services in the defense sector is driving the **Defense & Propulsion Technologies business**' performance. During the first nine months of the year, the company secured a $5 billion contract from the U.S. Air Force to supply F110 engines, parts and support services as part of a Foreign Military Sales (FMS) program. Also, GE Aerospace received an Indefinite Delivery Indefinite Quantity (IDIQ) contract from the U.S. Army to supply F110 engines for F-15 and F-16 jets used by allied countries. It also successfully tested the T901 engine on a Black Hawk helicopter and completed the design review for the new XA102 engine. The Defense & Propulsion Technologies business' revenues increased 11% year over year and orders grew 5% in the first nine months. Rising U.S. & international defense budgets and heightened geopolitical tensions, along with positive airline & airframer dynamics and robust demand for commercial air travel, will augur well for GE Aerospace in the quarters ahead. For 2025, it expects adjusted revenues to increase in the high-teen-digit range, including low-20s growth in the commercial engines and services unit and high-single-digit growth in the defense and propulsion technologies unit.

- GE Aerospace remains committed to **making investments to boost growth**. For instance, the company plans to invest more than $1 billion in its MRO facilities around the world over the next five years. This includes the acquisition of a dedicated LEAP test cell, which will unlock a major constraint in its shop visit output. In 2025, GE Aerospace plans to invest $1 billion in U.S. manufacturing and technology to boost production capabilities to meet the growing demand for its engines and services. These investments will allow the company to boost its operational capacities, introduce new technologies to further reduce turnaround time and costs and provide better services to its commercial and defense customers. It has a strong pipeline of MRO contracts from several customers like Airbus, El Al Israeli Airlines, Royal Jordanian, flydubai and China Airlines. During the third quarter, the company's LEAP internal shop visits grew more than 30% year over year as it continues to expand its capacity to support aftermarket growth. In 2024, GE Aerospace expanded LEAP aftermarket capacity by 40%. Also, in 2025, the company expects more than 20% growth in LEAP deliveries.

- The company conducted several **portfolio reshaping actions** over the years to dispose non-profitable businesses, boost financial position and unlock values for its shareholders. In November 2021, General Electric completed the divestment of the GE Capital Aviation Services business to AerCap Holdings N.V. In January 2023, it spun off its healthcare business, GE HealthCare, into a separate public company. Also, in April 2024, it completed the spin-off of the GE Vernova business. This marks the completion of the company's multi-year portfolio restructuring actions, separating into three stand-alone publicly-traded companies. This enables GE Aerospace to rebalance its portfolio toward the Aerospace business and flourish through better operational focus, capital allocation policies and financial flexibility.

- GE Aerospace's commitment to **reward its shareholders** through dividends and share buybacks is encouraging. In the first nine months of 2025, it bought back shares for $5.6 billion. In the same period, the company paid dividends of $1.1 billion, up 52.6% year over year, to its shareholders. In addition, in 2024, it rewarded its shareholders with a dividend payment of $1 billion and repurchased shares for $5.4 billion. The company raised its dividend by 28.6% to 36 cents per share in February 2025. Expecting to generate $7.1-$7.3 billion in free cash flow, GE Aerospace plans to repurchase shares worth approximately $7 billion in 2025. Also, from 2024-2026, the company plans to boost total shareholder returns by 20% to approximately $24 billion through a mix of dividends and share repurchases. After 2026, it aims to consistently return at least 70% of its free cash flow each year through both dividends and buybacks. At the third-quarter 2025 end, the company's cash, cash equivalents and restricted cash were $12.5 billion, much higher than the short-term borrowings of $2.07 billion. This implies that the company has sufficient cash to meet its short-term debt obligations.

Reasons To Sell:

- GE Aerospace has been dealing with the adverse impacts of the **high cost of sales and operating expenses**. In the third quarter of 2025, its cost of sales surged 24.7% year over year to $7.76 billion due to an increase in raw material costs. The cost of sales, as a percentage of total revenues, climbed 40 basis points to reach 63.7%. Also, research and development expenses increased 25.4% to $415 million in the quarter. The company incurred high costs and expenses related to certain projects and restructuring activities. Escalating expenses, if not controlled, are likely to hurt the company's bottom line in the quarters ahead.

Supply-chain disruptions within the defense sector and rising operating expenses raise concerns for GE Aerospace.

- The **rising debt level** is concerning for the company. Exiting third-quarter 2025, GE Aerospace's long-term debt was $18.8 billion, higher than $17.2 billion reported at 2024-end. Also, the stock looks more leveraged than the industry. Its long-term debt/capital ratio is currently pegged at 0.50, higher than 0.48 in the industry. High debt levels can increase its financial obligations and prove detrimental to profitability in the quarters ahead.

- GE Aerospace is dependent on a **global supply chain**, and in recent years, it has experienced supply-chain disruptions that resulted in delays and increased costs that continue to weigh on its operations. In particular, the shortage of critical materials, which are essential for defense technologies, along with widespread geopolitical tensions, has been impacting the global supply chain. Such supply-chain challenges pushed up the cost of raw materials needed to manufacture defense products, as well as impacted the timely delivery of defense equipment and systems. For instance, in the first quarter of 2025, the company experienced supply-chain challenges, which affected the delivery of LEAP engines to some extent. In the second quarter, delays in repairing the CFM56 fan modules became a major bottleneck for GE Aerospace's largest MRO site in Celma, Brazil. This issue slowed engine turnaround times and disrupted overall maintenance flow. Even in the third quarter, despite improved supplier performance, there are still not enough parts to support LEAP engine repairs, resulting in slower-than-required turnaround times. Also, in 2025, GE Aerospace expects to incur an additional $500 million in costs from the newly imposed tariffs. A stark improvement in the supply-chain challenges impacting the defense industry cannot be expected in the near term, which will likely remain a threat for defense contractors like GE Aerospace. Also, a shortage of skilled labor force continues to pose a threat to the company.

- Geographical diversification helps GE Aerospace's businesses to flourish. However, international presence keeps the company exposed to the risk of **adverse currency fluctuations**. This is because a strengthening U.S. dollar may require the company to either raise prices or contract profit margins in locations outside the US. Thus, adverse currency movements are a worry for the company.

- Any **dip in consumer confidence** — a key determinant of the economy's health — may seriously affect spending. The company's customers, particularly from the commercial aerospace sector, remain sensitive to macroeconomic factors, including interest rate hikes, credit availability and more, which may negatively impact their sentiment. Cumulatively, these may adversely impact the company's growth and profitability.

Last Earnings Report

GE Aerospace Q3 Earnings & Revenues Surpass Estimates, Increase Y/Y

FY Quarter Ending	12/31/2024
Earnings Reporting Date	Oct 21, 2025
Sales Surprise	9.36%
EPS Surprise	13.70%
Quarterly EPS	1.66
Annual EPS (TTM)	6.13

GE Aerospace reported third-quarter 2025 results, wherein both revenues and earnings surpassed the Zacks Consensus Estimate.

It is worth noting that in April 2024, GE Aerospace emerged as a separate public company, following the spin-off of GE Vernova Inc. from General Electric.

Inside The Headlines

The company's third-quarter adjusted earnings were $1.66 per share, which beat the Zacks Consensus Estimate of $1.46. The bottom line surged 44% year over year.

Total revenues were $12.2 billion, indicating a year-over-year increase of 24%. Total orders grew 2% on a year-over-year basis to $12.8 billion.

Adjusted revenues were $11.3 billion, marking a year-over-year increase of 26%. The metric beat the consensus estimate of $10.3 billion.

Segmental Discussion

Revenues from the company's Commercial Engines & Services business jumped 27% year over year to $8.88 billion. The Zacks Consensus Estimate for the business' revenues was pegged at $8.25 billion. The results were driven by higher shop visit work scope, increased revenues from spare parts and equipment and favorable pricing. Total orders in the segment rose 5% year over year to $10.3 billion.

The Defense & Propulsion Technologies segment's revenues totaled $2.83 billion, up 26% year over year. The Zacks Consensus Estimate for the segment's revenues was pegged at $2.52 billion. Results benefited from the strong momentum in the Defense & Systems and Propulsion & Additive Technologies businesses. Total orders in the segment decreased 5% year over year to $2.9 billion owing to timing issues across quarters.

Margin Profile

GE Aerospace's cost of sales (comprising costs of equipment and services sold) surged 24.7% year over year at $7.76 billion. Selling, general and administrative expenses decreased 10.2% year over year to $1.2 billion. Research and development expenses totaled $415 million, reflecting a year-over-year rise of 25.4%.

GE Aerospace's operating profit (non-GAAP) was $2.3 billion, up 26.5% year over year. The margin was 20.3%, relatively stable year over year.

GE Aerospace's Balance Sheet & Cash Flow

Exiting the third quarter of 2025, GE Aerospace had cash, cash equivalents and restricted cash of $12.5 billion compared with $13.6 billion at the end of December 2024. The company's long-term borrowings were $18.8 billion compared with $17.2 billion at the end of December 2024.

In the third quarter, the adjusted free cash flow was $2.36 billion compared with $1.82 billion in the year-ago quarter.

In the same quarter, it rewarded its shareholders with a dividend payment of $0.4 billion. The company repurchased shares for approximately $1.8 billion during the same period.

Outlook

For 2025, GE expects adjusted revenues to grow in the high-teens range from the year-ago period's actual. Operating profit is estimated to be in the band of $8.65-$8.85 billion. Adjusted earnings are predicted to be in the range of $6.00-$6.20 per share. The free cash flow is anticipated to be in the band of $7.1-$7.3 billion, with the conversion rate projected to be more than 100%.

GE Aerospace expects the Commercial Engines & Services segment's revenues to grow in the low twenties range, whereas operating profit is anticipated to be in the band of $8.45-$8.65 billion. For the Defense & Propulsion Technologies segment, revenues are projected to increase in the high-single-digit range, whereas operating profit is anticipated to be in the band of $1.2-$1.3 billion.

Recent News

Upgradation of West Jefferson Facility — Nov. 24, 2025

GE Aerospace committed to invest approximately $53 million over a span of three years to expand its North Carolina-based West Jefferson facility by more than 35,000 square feet. This expansion will generate more than 40 additional jobs at the facility.

MOU With Military Aviation Works — Oct. 29, 2025

GE Aerospace signed a Memorandum of Understanding (MOU) with Poland's Military Aviation Works (WZL-2) to develop maintenance, repair and overhaul capability for the F110-GE-129 engine that powers the F-15EX fighter jet. The collaboration will assess tooling, training and facility requirements to build local support capacity for intermediate and depot-level engine maintenance in Poland.

Agreement With Hanwha Aerospace — Oct. 22, 2025

GE Aerospace signed an agreement with Hanwha Aerospace to supply 88 T700 engine kits and 40 F404 engine kits. The engines will support Korea's Surion helicopter and T-50/TA-50/FA-50 Golden Eagle programs.

MOU With Hanwha Aerospace — Oct. 21, 2025

GE Aerospace signed a Memorandum of Understanding (MOU) with Hanwha Aerospace to jointly develop LM2500 and LM500 marine gas turbine packages in Korea. The collaboration is intended to expand opportunities across Korean, U.S. and allied naval programs and strengthen the global maritime defense supply chain.

Dividend Update — Sept. 18, 2025

GE Aerospace's board of directors approved a quarterly cash dividend of 36 cents per share, payable Oct. 27, 2025, to shareholders of record as of Sept. 29, 2025.

Services Contract With Silk Way West Airlines — Sept. 15, 2025

GE Aerospace entered into an extended services contract with Silk Way West Airlines to maintain the latter's operational fleet of Boeing aircraft. The deal will cover six GE90-115B-equipped 777 Freighters, five GEnx-2B-powered 747-8 Freighters and four GE9X-equipped 777-8 Freighters.

Partnership With BETA — Sept. 4, 2025

GE Aerospace entered into a partnership and equity investment agreement with BETA Technologies Inc. ("BETA"), pending regulatory approval. The collaboration aims to advance the development of hybrid electric aviation by pairing BETA's strong innovation capabilities with GE's industry expertise.

Valuation

GE Aerospace's shares are up 77.8% and 62.8% in the year-to-date period and over the trailing 12-month period, respectively. Stocks in the Zacks sub-industry are up 26.5%, while the Zacks Aerospace sector is up 25.3% in the year-to-date period. Over the past year, the Zacks sub-industry is up 17.7% and the sector is up 16.5%.

The S&P 500 index is up 18.3% and up 15.9% in the year-to-date period and over the past year, respectively.

The stock is currently trading at 42.83X forward 12-month price-to-earnings, which compares to 29.09X for the Zacks sub-industry, 31.98X for the Zacks sector and 23.48X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 48.9X and as low as 15.39X, with a 5-year median of 34.65X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our $314 price target reflects 44.97X forward 12-month earnings.

The table below shows summary valuation data for GE

Valuation Multiples - GE					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	42.83	29.09	31.98	23.48
	5-Year High	48.9	30.75	34.5	23.81
	5-Year Low	15.39	17.67	18.42	15.73
	5-Year Median	34.65	22.95	24.32	21.21
P/Sales F12M	Current	6.94	2.5	2.65	5.3
	5-Year High	7.51	2.5	2.76	5.5
	5-Year Low	0.84	1.27	1.23	3.83
	5-Year Median	1.73	1.74	1.67	5.04

As of 11/27/2025 Source: Zacks Investment Research

Industry Analysis[1] **Zacks Industry Rank:** Top 30% (72 out of 243)

Top Peers (1)

Company (Ticker)	Rec	Rank
Crane Company **(CR)**	Neutral	3
Danaher Corporation **(DHR)**	Neutral	4
Honeywell Internatio...**(HON)**	Neutral	3
Hitachi Ltd. **(HTHIY)**	Neutral	3
ITT Inc. **(ITT)**	Neutral	2
3M Company **(MMM)**	Neutral	3
Sumitomo Corp. **(SSUMY)**	Neutral	3
Carlisle Companies I...**(CSL)**	Underperform	4

Industry Comparison[1] Industry: Aerospace - Defense

Industry Peers

	GE	X Industry	S&P 500	HON	HTHIY	MMM
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	2	-	-	3	3	3
VGM Score	B	-	-	B	B	F
Market Cap	316.24 B	3.06 B	39.36 B	122.95 B	144.88 B	89.72 B
# of Analysts	4	4	22	7	3	4
Dividend Yield	0.48%	0.00%	1.39%	2.46%	0.61%	1.73%
Value Score	D	-	-	C	C	D
Cash/Price	0.05	0.11	0.04	0.11	0.08	0.06
EV/EBITDA	32.84	3.32	14.58	14.54	14.55	15.59
PEG Ratio	2.07	2.01	2.22	2.59	1.29	2.59
Price/Book (P/B)	16.63	3.38	3.34	6.93	3.39	19.19
Price/Cash Flow (P/CF)	51.74	16.60	15.19	16.11	21.02	16.88
P/E (F1)	48.36	26.94	19.74	18.20	27.83	20.97
Price/Sales (P/S)	7.20	2.47	3.02	3.02	2.16	3.61
Earnings Yield	2.07%	-1.12%	5.01%	5.49%	3.60%	4.77%
Debt/Equity	0.99	0.20	0.57	1.70	0.13	2.54
Cash Flow ($/share)	5.79	0.11	8.99	12.02	1.50	10.01
Growth Score	B	-	-	B	C	F
Hist. EPS Growth (3-5 yrs)	62.06%	17.95%	8.13%	8.42%	59.11%	-4.75%
Proj. EPS Growth (F1/F0)	34.78%	13.11%	8.50%	7.58%	-35.23%	10.41%
Curr. Cash Flow Growth	36.32%	16.51%	6.86%	7.09%	-4.31%	-24.07%
Hist. Cash Flow Growth (3-5 yrs)	-7.56%	2.25%	7.31%	2.08%	7.48%	-4.83%
Current Ratio	1.08	1.41	1.18	1.36	1.16	1.84
Debt/Capital	49.67%	31.07%	38.15%	62.91%	11.74%	71.72%
Net Margin	18.34%	4.64%	12.78%	15.07%	7.98%	13.70%
Return on Equity	34.01%	8.24%	17.00%	38.11%	13.10%	98.47%
Sales/Assets	0.35	0.56	0.53	0.53	0.74	0.64
Proj. Sales Growth (F1/F0)	18.50%	2.46%	5.75%	5.90%	8.50%	3.10%
Momentum Score	A	-	-	B	B	A
Daily Price Chg	3.95%	-1.17%	-1.07%	-0.10%	0.29%	0.18%
1 Week Price Chg	-4.86%	0.55%	-0.43%	-0.45%	-1.03%	-2.66%
4 Week Price Chg	-1.43%	2.11%	1.33%	-3.11%	-5.21%	-1.01%
12 Week Price Chg	0.92%	-0.70%	2.95%	-7.87%	16.97%	8.69%
52 Week Price Chg	81.89%	18.33%	12.83%	-14.95%	19.52%	30.17%
20 Day Average Volume	4,273,483	1,186,896	2,755,288	3,682,072	357,286	2,724,871
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.49%	0.00%	0.00%	-0.02%	1.19%	0.14%
(F1) EPS Est 12 week change	5.66%	1.42%	0.68%	0.81%	1.04%	1.61%
(Q1) EPS Est Mthly Chg	0.07%	0.00%	0.00%	-0.09%	NA	0.00%

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.

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

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.

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.