

Harley-Davidson, Inc. (HOG)

\$21.20 (Stock Price as of 12/17/2025)

Price Target (6-12 Months): **\$26.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 11/26/25)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: A

Value: A

Growth: D

Momentum: A

Summary

Harley-Davidson's revamped operating model and streamlined organizational structure have enhanced efficiency and effectiveness across all functions. Exiting unprofitable markets, HOG now focuses just on high-potential markets, primarily in North America, Europe and select regions in the Asia-Pacific. It continues to benefit from its multi-year productivity cost program. However, Harley-Davidson's fundamentals continue to weaken amid multiple headwinds. Tariffs are eroding profitability, with HDMC's gross margin dropping to 26.4% from 30.1% last year. Persistent cost inflation and poor operating leverage further limit margin recovery, while management's decision to withhold 2025 HDMC guidance underscores the uncertainty. The stock warrants a cautious stance for the time being.

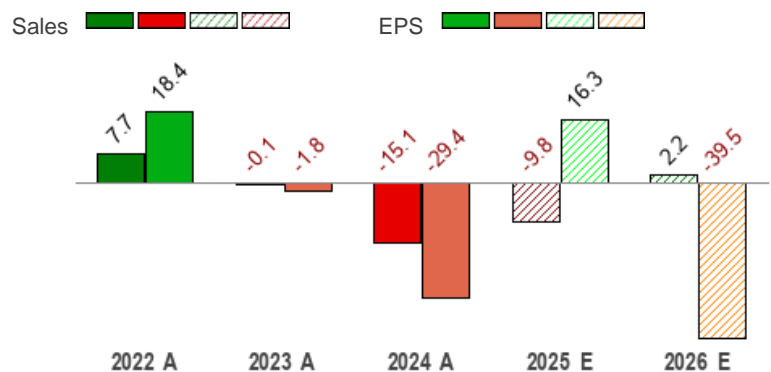
Price, Consensus & Surprise⁽¹⁾



Data Overview

52 Week High-Low	\$32.38 - \$20.45
20 Day Average Volume (sh)	2,739,311
Market Cap	\$2.5 B
YTD Price Change	-29.6%
Beta	1.33
Dividend / Div Yld	\$0.72 / 3.4%
Industry	Automotive - Domestic
Zacks Industry Rank	Bottom 39% (147 out of 243)

Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Last EPS Surprise	124.6%
Last Sales Surprise	8.0%
EPS F1 Est- 4 week change	18.1%
Expected Report Date	02/04/2026
Earnings ESP	2.2%

Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1,140 E	1,082 E	989 E	610 E	3,822 E
2025	1,084 A	1,050 A	1,080 A	527 E	3,740 E
2024	1,481 A	1,355 A	881 A	431 A	4,148 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1.27 E	0.73 E	0.74 E	-0.32 E	2.42 E
2025	1.07 A	0.88 A	3.10 A	-1.05 E	4.00 E
2024	1.72 A	1.63 A	0.91 A	-0.93 A	3.44 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/17/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 11/27/2025.

Overview

Milwaukee, WI-based Harley-Davidson, Inc. is one of the leading motorcycle makers in the world. The three reportable segments of the company are Harley-Davidson Motor Company (HDMC), Harley-Davidson Financial Services (HDFS) and LiveWire.

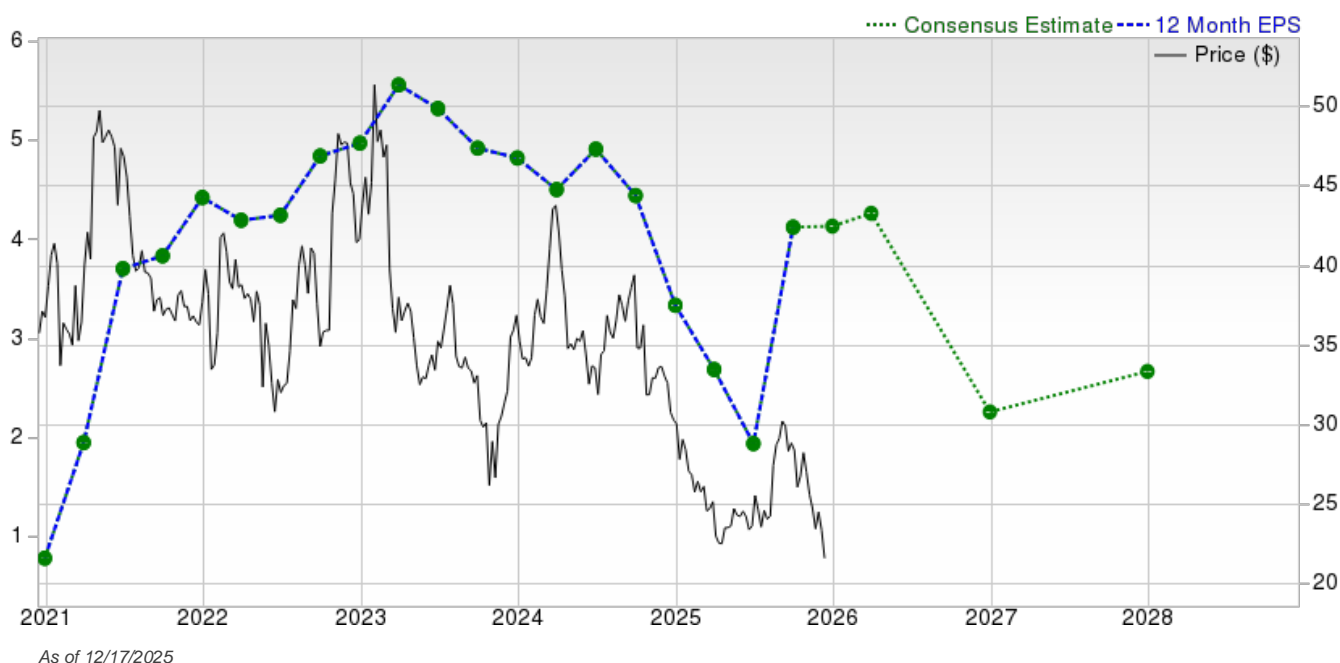
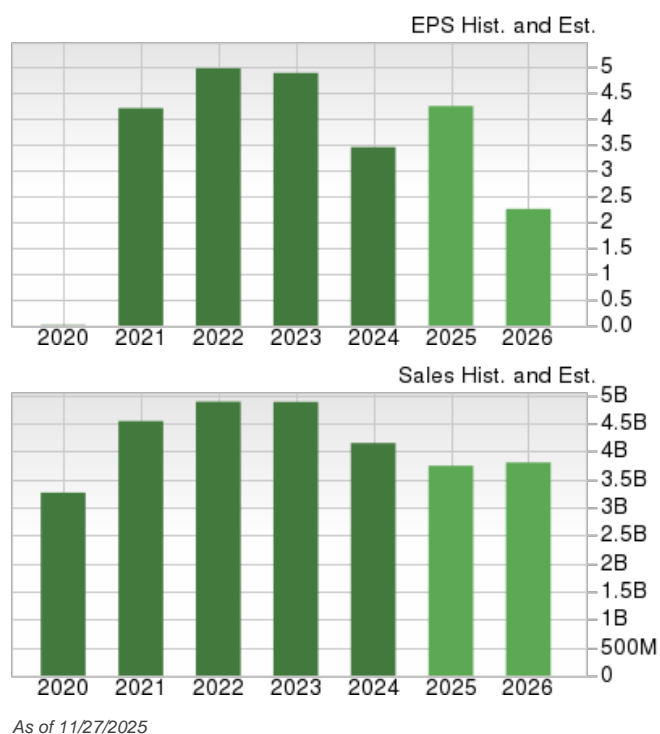
HDMC (accounting for 79.5% of total revenues in 2024) deals with the design, manufacturing, marketing and sales of Harley-Davidson motorcycles and related products. In 2021, the company expanded into Adventure Touring with its Pan America motorcycle. The Motorcycles segment has presence across the globe and serves markets like the United States, Canada, Latin America, Europe/Middle East/Africa (EMEA) and the Asia Pacific. Besides motorcycles, the segment offers a complete line of Harley-Davidson Parts & Accessories (P&A) and General Merchandise. P&A products include replacement parts, while General Merchandise includes riding gear and apparel, including Genuine MotorClothes.

The HDFS (20% of the total revenues in 2024) segment provides financing and servicing wholesale inventory receivables and retail consumer loans, majorly to buy Harley-Davidson motorcycles. The segment primarily operates in the United States and Canada.

The LiveWire unit (0.5% of the total revenues in 2024) engages in the design, marketing and sales of LiveWire electric motorcycles and related products, including STACYC electric balance bikes.

Harley Davidson distributes motorcycles and related products through a network of roughly 1,298 independent dealers worldwide. At the end of 2024, the North American Market accounted for roughly 67.5% of total global retail sales of new Harley-Davidson motorcycles. Apart from that, other markets that drove the company's retail sales were EMEA, Asia-Pacific and Latin America.

Harley-Davidson has formulated a strategic plan for 2021 through 2025 called The Hardwire, targeting long-term profitability and growth through refreshed product offerings. Key highlights of The Hardwire include investing in the Touring and heavyweight Cruiser segment, expanding into fresh untapped segments of Adventure Touring and creating a new division dedicated to electric motorcycles.



Reasons To Buy:

- ▲ HDFS transaction meaningfully de-risks the balance sheet and unlocks capital. Harley-Davidson has formed long-term **strategic partnerships with KKR and PIMCO** for HDFS. The HDFS deal materially improves HDI's capital structure: management expects ~\$1.2–\$1.25 billion of discretionary cash to be unlocked through Q1 2026 after the back-book loan sale and related actions. That cash gives Harley flexibility to reduce debt (~\$450m targeted), accelerate buybacks (beginning with a \$200M ASR under its broader \$1B repurchase program through 2026) or fund targeted product and dealer initiatives. The shift to a capital-light, fee/servicing model could lift HDFS ROE over time and reduce earnings volatility from finance receivable holdings.
- ▲ Harley-Davidson's **revamped operating model** and streamlined organizational structure have enhanced efficiency and effectiveness across all functions. Exiting unprofitable markets, HOG now focuses just on high-potential markets, primarily in North America, Europe and select regions in the Asia-Pacific. Emphasizing sportier bikes and modern marketing techniques, Harley-Davidson aims to strengthen its market position while driving productivity and reducing supply chain costs. Additionally, Harley-Davidson's electric-focused LiveWire unit continues to strengthen its position in the performance EV space, driven by its flagship models—LiveWire One and Del Mar. Management highlighted the S4 Honcho launch and a stronger product pipeline (Sprint and Sprint-adjacent bikes) for 2026.
- ▲ Harley-Davidson continues to benefit from its **multi-year productivity cost program**, a key initiative under the Hardwire strategy aimed at delivering \$400 million in improvements by 2025. From 2022 through 2024, the company has already realized \$257 million in unlevered productivity savings and is on track to achieve an additional \$100 million in 2025 and 2026. These sustained cost efficiencies support margin resilience and long-term profitability.
- ▲ Harley-Davidson's efforts to reduce **debt levels** bode well. As of Sept. 30, 2025, the company's long-term debt stood at \$3.1 billion, down from \$4.5 billion as of 2024 end. Long-term debt-to-capital ratio stood is now at more manageable levels at around 0.46. This gives HOG better financial flexibility and its ability to pursue growth initiatives.

Revamped operating model, improving performance of LiveWire unit and investor-friendly moves are set to bolster HOG's prospects.

Reasons To Sell:

- ▼ **Tariffs** are materially compressing gross margins. HDMC's gross margin fell to 26.4% in Q3 from 30.1% last year, with tariffs alone costing \$27 million in the quarter and ~\$45M YTD till Q3, expected to reach \$55-\$75M for full-year 2025. Management noted the tariff environment remains uncertain. Combined with unfavorable operating leverage and lingering cost inflation, these pressures continue to weigh on profitability. Importantly, Harley-Davidson withheld 2025 guidance for HDMC due to tariff and trade-policy uncertainty — an overhang that may keep investor sentiment cautious until there is more clarity.
- ▼ **Consumer affordability and macro sensitivity** could keep retail subdued. Management flagged ongoing pressure from weak consumer confidence, elevated interest rates, and inflation concerns. Global retail fell 6% in Q3 (North America down 5%, EMEA down 17%), with affordability called out as a key drag. While Harley is using lower APRs and targeted promotions, broader trading-down behavior could limit sustained demand recovery — especially in higher-priced Touring and CVO models. Until macro conditions ease, retail momentum may remain uneven.
- ▼ Harley-Davidson faces a **tougher landscape in the broader EV space**. Lack of consumer incentives and less supportive regulatory environment are expected to play spoilsports for its LiveWire segment. These factors suggest that EV market penetration may take significantly longer than initially projected, posing ongoing challenges for LiveWire's growth trajectory. For LiveWire, HOG now expects an operating loss of \$72-\$77 million in 2025, wider from the prior guided range of \$59-\$69 million.
- ▼ **Dealer inventory imbalances — Touring and CVO softness** could produce lumpy shipments. Although global dealer motorcycle inventories are down 13% YoY, Touring and CVO inventories remain flat and are the primary pockets of concern. Harley emphasized targeted promotions and local dealer tools to move touring inventory, but uneven family-level inventories create a risk: shipments may need to be amplified to clear Touring stock, which could pressure pricing, or dealers may hold back orders if macro/policy uncertainty persists.

Harley-Davidson faces near-term challenges, including tariff, dealer inventory imbalances and macroeconomic uncertainty.

Last Earnings Report

Harley-Davidson Q3 Earnings Beat Estimates

Harley-Davidson reported third-quarter 2025 adjusted earnings of \$3.10 per share, which topped the Zacks Consensus Estimate of \$1.38. The company had reported earnings of 91 cents per share in the year-ago quarter. The motorcycle manufacturer generated consolidated revenues (including motorcycle sales and financial services revenues) of \$1.34 billion, up 17% from the prior-year quarter.

Segmental Highlights

Harley-Davidson Motor Company: Total revenues from the Motorcycle and Related Products segment, constituting the bulk of the firm's overall revenues, rose 23% on a year-over-year basis to \$1.07 billion and topped our forecast of \$1.02 billion on higher-than-expected motorcycle shipments. Motorcycle shipments worldwide increased 33% to 36,500 units and topped our estimate of 34,541 units. In the quarter under review, revenues from the sale of motorcycles came in at \$822 million, up 34% year over year. The segment generated an operating income of \$54 million, which fell 2% year over year.

During the reported quarter, Harley-Davidson retailed 34,000 motorcycle units globally, which declined 6% year over year but topped our expectations of 32,360 units. Its retail motorcycle units sold in North America decreased 5% to 23,500. Sales in EMEA or Europe, the Middle East and Africa declined 17% year over year. Sales in the Asia Pacific fell 3% while sales in Latin America rose 16% year over year.

Revenues from parts & accessories were down 4% from a year ago to \$167 million, but beat our estimate of \$165.3 million. Revenues from apparel rose 1% year over year to \$56 million but fell short of our forecast of \$57.5 million.

Harley-Davidson Financial Services: Revenues for Harley-Davidson Financial Services totaled \$261 million. The figure declined 3% year over year. Operating income rose 472% to \$439 million.

LiveWire: During the reported quarter, the total shipment for LiveWire was 184 units, rising 86% from the year-ago quarter levels. Revenues rose 16% to \$6 million but missed our estimate of \$9.3 million. Operating loss narrowed from \$26 million to \$18 million. The reported loss was slightly narrower than our projection of a loss of \$18.6 million.

Financial Position

In the third quarter, selling, general and administrative expenses from the HDMC unit increased to \$229 million from \$208.7 million in the year-ago quarter. The company paid dividends of 18 cents per share. No shares were repurchased in the third quarter of 2025.

Harley-Davidson had cash and cash equivalents of \$1.78 billion as of Sept. 30, 2025. The long-term debt decreased to \$3.15 million from \$4.47 million recorded as of Dec. 31, 2024.

HOG Updates LiveWire Guidance

The company still withholds its 2025 HDMC financial outlook amid tariff uncertainties, but updates guidance for the LiveWire business.

For LiveWire, it now expects an operating loss of \$72-\$77 million compared with the previous estimate of a loss of \$59-\$69 million. It expects total cash usage of \$50-\$60 million.

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

Earnings Reporting Date	Nov 04, 2025
Sales Surprise	7.98%
EPS Surprise	124.64%
Quarterly EPS	3.10
Annual EPS (TTM)	4.12

Valuation

Harley-Davidson's shares are down 0.3% and 27.7% over the past six months and in the trailing 12-month period, respectively. Stocks in the Zacks Automotive-Domestic industry and the Zacks Auto-Tires-Trucks sector are up 20.4% and 15.3%, respectively, over the past six months. Over the past year, the Zacks sub industry and sector are up 23% and 17.9%, respectively. The S&P 500 index is up 17.8% and 15.9% over the past six months and in the past year, respectively.

The stock is currently trading at 10.02X forward 12-month price to earnings ratio, which compares to 81.65X for the Zacks sub-industry, 30.27X for the Zacks sector and 23.36X for the S&P 500 index.

Over the past five years, the stock has traded as high as 18.20X and as low as 5.39X, with a 5-year median of 8.24X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$26 price target reflects 10.70X forward 12-month earnings.

The table below shows summary valuation data for HOG:

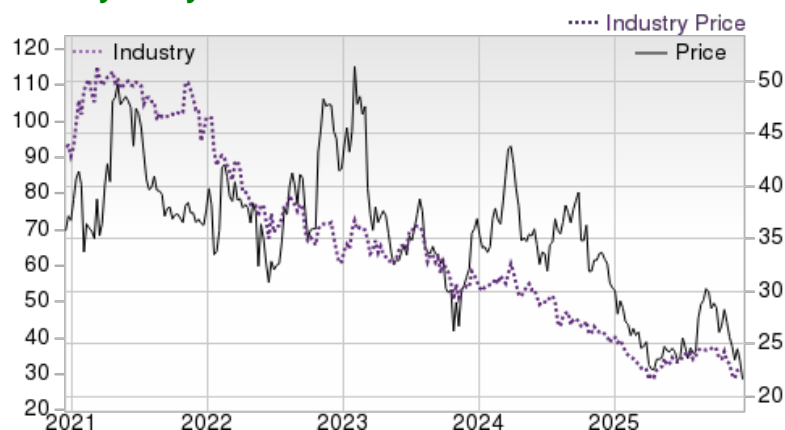
Valuation Multiples - HOG					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	10.02	81.65	30.27	23.36
	5-Year High	18.20	97.44	32.26	23.81
	5-Year Low	5.39	19.61	12.49	15.73
	5-Year Median	8.24	38.65	19.73	21.21
EV/Sales TTM	Current	0.92	3.28	1.83	5.68
	5-Year High	2.62	5.03	2.46	5.81
	5-Year Low	0.86	1.37	1.05	3.77
	5-Year Median	1.47	2.55	1.57	5.11
P/S F12M	Current	0.76	3.18	1.48	5.28
	5-Year High	1.81	4.11	1.96	5.5
	5-Year Low	0.63	1.26	0.77	8.83
	5-Year Median	1.03	2.31	1.18	5.04

As of 11/26/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 39% (147 out of 243)

Top Peers⁽¹⁾



Company (Ticker)	Rec	Rank
General Motors Compa...(GM)	Outperform	1
Ford Motor Company (F)	Neutral	3
Honda Motor Co., Ltd...(HMC)	Neutral	4
PACCAR Inc. (PCAR)	Neutral	3
Stellantis N.V. (STLA)	Neutral	3
Toyota Motor Corpora...(TM)	Neutral	3
Tesla, Inc. (TSLA)	Neutral	3
Volkswagen AG Unspoon... (VWAGY)	Underperform	4

Industry Comparison ⁽¹⁾ Industry: Automotive - Domestic				Industry Peers		
	HOG	X Industry	S&P 500	F	GM	HMC
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Outperform	Neutral
Zacks Rank (Short Term)	3	-	-	3	1	4
VGM Score	A	-	-	A	A	B
Market Cap	2.50 B	151.99 M	38.74 B	53.03 B	75.10 B	47.37 B
# of Analysts	4	4	22	6	8	2
Dividend Yield	3.40%	0.00%	1.42%	4.51%	0.75%	3.43%
Value Score	A	-	-	A	A	A
Cash/Price	0.72	0.16	0.04	0.77	0.39	0.65
EV/EBITDA	4.83	0.02	14.56	8.20	5.40	5.14
PEG Ratio	-0.33	1.92	2.18	NA	0.73	1.21
Price/Book (P/B)	0.72	1.14	3.30	1.12	1.10	0.57
Price/Cash Flow (P/CF)	3.86	8.16	15.17	4.33	3.51	4.61
P/E (F1)	5.30	16.82	19.74	12.65	7.81	10.13
Price/Sales (P/S)	0.57	0.72	3.08	0.28	0.40	0.33
Earnings Yield	19.95%	3.72%	5.04%	7.89%	12.81%	9.85%
Debt/Equity	0.88	0.08	0.57	2.20	1.40	0.66
Cash Flow (\$/share)	5.50	-0.99	8.99	3.16	23.29	6.66
Growth Score	D	-	-	B	C	C
Hist. EPS Growth (3-5 yrs)	8.43%	21.81%	8.16%	6.25%	11.86%	0.42%
Proj. EPS Growth (F1/F0)	16.28%	4.00%	8.60%	-42.93%	-2.74%	-15.01%
Curr. Cash Flow Growth	-27.23%	-19.85%	6.75%	-9.37%	2.95%	-20.98%
Hist. Cash Flow Growth (3-5 yrs)	-3.77%	4.84%	7.43%	0.05%	1.79%	-0.44%
Current Ratio	2.51	1.78	1.18	1.12	1.23	1.41
Debt/Capital	46.92%	28.06%	38.01%	68.75%	58.40%	39.92%
Net Margin	11.37%	-33.06%	12.78%	2.48%	1.62%	3.04%
Return on Equity	15.19%	-11.74%	17.00%	11.94%	12.29%	5.18%
Sales/Assets	0.38	0.61	0.53	0.65	0.66	0.70
Proj. Sales Growth (F1/F0)	-9.80%	0.00%	5.79%	-0.70%	-1.60%	-7.50%
Momentum Score	A	-	-	F	C	F
Daily Price Chg	-0.56%	0.00%	-1.16%	0.15%	-0.27%	-1.32%
1 Week Price Chg	-7.58%	0.00%	-2.40%	5.60%	6.36%	5.10%
4 Week Price Chg	-10.53%	2.56%	1.19%	4.99%	20.36%	6.08%
12 Week Price Chg	-26.27%	-24.47%	1.26%	16.54%	39.57%	-9.33%
52 Week Price Chg	-32.67%	-47.76%	14.46%	37.11%	59.84%	21.61%
20 Day Average Volume	2,704,194	278,807	2,751,030	51,878,072	9,681,112	990,597
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.02%	0.14%	0.00%
(F1) EPS Est 4 week change	18.07%	0.00%	0.00%	-1.97%	0.93%	-3.70%
(F1) EPS Est 12 week change	7.69%	0.00%	0.69%	-9.29%	9.55%	-11.52%
(Q1) EPS Est Mthly Chg	-65.02%	0.00%	0.00%	-36.75%	1.18%	NA

Analyst Earnings Model⁽²⁾

Harley-Davidson, Inc. (HOG)

In \$MM, except per share data

	2022A	2023A	2024A	2025E				2026E				2027E		
	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement														
Total Revenue	\$5,755.1	\$5,836.5	\$5,186.8	\$1,329.2	\$1,307.1	\$1,340.7	\$958.1	\$4,935.1	\$1,491.0	\$1,448.3	\$1,237.0	\$1,178.5	\$5,354.8	\$5,750.4
YoY % Chng	7.8%	1.4%	(11.1%)	(23.1%)	(19.3%)	16.5%	39.3%	(4.9%)	12.2%	10.8%	(7.7%)	23.0%	8.5%	7.4%
Total Operating Expenses	\$4,845.9	\$5,057.4	\$4,770.2	\$1,168.7	\$1,194.7	\$866.0	\$1,172.7	\$4,402.1	\$1,334.1	\$1,379.5	\$1,168.5	\$1,264.7	\$5,146.8	\$5,533.0
YoY % Chng	7.4%	4.4%	(5.7%)	(20.3%)	(13.3%)	(17.1%)	33.1%	(7.7%)	14.1%	15.5%	34.9%	7.8%	16.9%	7.5%
EBITDA	\$1,061.2	\$937.2	\$577.3	\$202.2	\$152.9	\$519.0	(\$177.5)	\$696.5	\$199.5	\$116.2	\$109.6	(\$46.9)	\$378.4	\$404.7
YoY % Chng	7.3%	(11.7%)	(38.4%)	(33.6%)	(45.4%)	257.9%	(16.6%)	20.6%	(1.3%)	(24.0%)	(78.9%)	73.6%	(45.7%)	7.0%
Depreciation & Amortization	\$151.9	\$158.1	\$160.7	\$41.7	\$40.4	\$44.2	\$37.1	\$163.5	\$42.5	\$47.5	\$41.1	\$39.3	\$170.4	\$187.4
YoY % Chng	(8.0%)	4.1%	1.6%	0.5%	4.0%	12.8%	(18.4%)	3.4%	1.9%	17.5%	(6.9%)	5.8%	4.3%	10.0%
Operating Income	\$909.3	\$779.1	\$416.6	\$160.5	\$112.4	\$474.8	(\$214.7)	\$533.0	\$157.0	\$68.7	\$68.4	(\$86.2)	\$208.0	\$217.3
YoY % Chng	10.4%	(14.3%)	(46.5%)	(39.0%)	(53.4%)	348.7%	(11.0%)	27.9%	(2.2%)	(38.9%)	(85.6%)	59.8%	(61.0%)	4.5%
Other Income (Expense), Net	\$48.7	\$71.8	\$72.3	\$16.3	\$14.5	\$14.7	\$28.7	\$74.1	\$23.9	\$24.6	\$22.9	\$24.0	\$95.4	\$113.7
YoY % Chng	142.3%	47.6%	0.7%	(20.9%)	(8.8%)	(20.1%)	64.3%	2.5%	47.1%	70.1%	55.5%	(16.3%)	28.7%	19.1%
Investment (Loss) Income	\$4.5	\$46.8	\$59.0	\$8.9	\$11.0	\$12.3	\$23.9	\$56.0	\$19.8	\$21.6	\$20.5	\$20.5	\$82.5	\$92.6
YoY % Chng	(32.2%)	930.7%	26.1%	(37.9%)	(26.1%)	(25.4%)	79.4%	(5.0%)	121.6%	97.4%	67.0%	(13.9%)	47.2%	12.3%
Interest Expense	\$31.2	\$30.8	\$30.7	\$7.7	\$7.7	\$10.2	\$6.3	\$31.9	\$8.2	\$7.8	\$6.5	\$6.7	\$29.2	\$31.4
YoY % Chng	0.8%	(1.4%)	(0.1%)	0.1%	0.2%	32.1%	(17.6%)	3.7%	6.1%	1.4%	(36.0%)	5.8%	(8.5%)	7.8%
Non-Operating Income (Expense), Net	\$22.0	\$87.8	\$100.5	\$17.5	\$17.7	\$16.8	\$46.2	\$98.2	\$35.6	\$38.4	\$36.8	\$37.8	\$148.7	\$174.8
YoY % Chng	622.5%	299.9%	14.5%	(35.8%)	(22.9%)	(38.2%)	100.3%	(2.3%)	103.1%	116.8%	119.4%	(18.1%)	51.4%	17.5%
Pre-Tax Income	\$931.2	\$866.9	\$517.1	\$178.0	\$130.2	\$491.5	(\$168.5)	\$631.3	\$192.6	\$107.2	\$105.3	(\$48.4)	\$356.7	\$392.1
YoY % Chng	13.7%	(6.9%)	(40.3%)	(38.7%)	(50.7%)	269.7%	1.1%	22.1%	8.2%	(17.7%)	(78.6%)	71.3%	(43.5%)	9.9%
Income Tax	\$192.0	\$171.8	\$72.0	\$47.2	\$24.4	\$116.4	(\$42.1)	\$145.9	\$48.1	\$26.8	\$26.3	(\$12.1)	\$89.2	\$98.0
YoY % Chng	13.5%	(10.5%)	(58.1%)	(18.8%)	(49.9%)	585.4%	18.8%	102.8%	1.9%	9.7%	(77.4%)	71.3%	(38.9%)	9.9%
Tax Rate	20.6%	19.8%	13.9%	27.0%	18.8%	23.7%	25.0%	23.1%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Net Income before Noncontrolling Interests	\$739.2	\$695.0	\$445.2	\$130.8	\$105.7	\$375.2	(\$126.4)	\$485.3	\$144.4	\$80.4	\$79.0	(\$36.3)	\$267.5	\$294.1
YoY % Chng	13.7%	(6.0%)	(36.0%)	(43.7%)	(50.9%)	223.5%	(6.7%)	9.0%	10.4%	(24.0%)	(79.0%)	71.3%	(44.9%)	9.9%
Loss Attributable to Noncontrolling Interests	\$2.2	\$11.5	\$10.2	\$2.3	\$1.8	\$2.2	\$1.7	\$8.0	\$2.4	\$2.3	\$2.1	\$2.0	\$8.8	\$9.5
YoY % Chng		426.0%	(11.8%)	(14.8%)	(36.3%)	(28.4%)	9.2%	(21.3%)	5.4%	27.5%	(6.8%)	16.6%	9.4%	7.9%
Net Income, Adjusted	\$741.4	\$706.6	\$455.4	\$133.1	\$107.6	\$377.4	(\$124.7)	\$493.4	\$146.9	\$82.7	\$81.0	(\$34.3)	\$276.3	\$303.5
YoY % Chng	8.3%	(4.7%)	(35.6%)	(43.3%)	(50.7%)	217.0%	(6.7%)	8.3%	10.3%	(23.1%)	(78.5%)	72.5%	(44.0%)	9.9%
Net Income, GAAP	\$741.4	\$706.6	\$455.4	\$133.1	\$107.6	\$377.4	(\$124.7)	\$493.4	\$146.9	\$82.7	\$81.0	(\$34.3)	\$276.3	\$303.5
YoY % Chng	14.1%	(4.7%)	(35.6%)	(43.3%)	(50.7%)	217.0%	(6.7%)	8.3%	10.3%	(23.1%)	(78.5%)	72.5%	(44.0%)	9.9%
Basic Shares Outstanding	148.0	142.4	131.4	123.9	121.5	120.6	117.6	120.9	114.6	111.6	108.6	105.6	110.1	98.1
YoY % Chng	(3.7%)	(3.8%)	(7.7%)	(8.9%)	(8.9%)	(7.3%)	(6.9%)	(8.0%)	(7.5%)	(8.2%)	(9.9%)	(10.2%)	(8.9%)	(10.9%)
Diluted Shares Outstanding	149.4	145.1	132.3	124.7	122.2	121.7	118.7	121.8	115.7	112.7	109.7	106.7	111.2	99.2
YoY % Chng	(3.6%)	(2.8%)	(8.8%)	(8.9%)	(8.9%)	(7.1%)	(6.0%)	(7.9%)	(7.3%)	(7.8%)	(9.9%)	(10.1%)	(8.7%)	(10.8%)
Basic EPS	\$5.01	\$4.96	\$3.46	\$1.07	\$0.89	\$3.13	(\$1.06)	\$4.03	\$1.28	\$0.74	\$0.75	(\$0.33)	\$2.44	\$2.98
YoY % Chng	18.4%	(1.0%)	(30.2%)	(38.2%)	(45.7%)	240.2%	(14.0%)	16.5%	19.8%	(16.7%)	(76.2%)	69.3%	(39.4%)	22.2%
Diluted EPS, Adjusted	\$4.96	\$4.87	\$3.44	\$1.07	\$0.88	\$3.10	(\$1.05)	\$4.00	\$1.27	\$0.73	\$0.74	(\$0.32)	\$2.42	\$2.95
YoY % Chng	12.2%	(1.8%)	(29.4%)	(37.8%)	(46.0%)	240.7%	(13.0%)	16.3%	18.7%	(16.6%)	(76.2%)	69.4%	(39.5%)	22.0%
Diluted EPS, GAAP	\$4.96	\$4.87	\$3.44	\$1.07	\$0.88	\$3.10	(\$1.05)	\$4.00	\$1.27	\$0.73	\$0.74	(\$0.32)	\$2.42	\$2.95
YoY % Chng	18.4%	(1.8%)	(29.4%)	(37.8%)	(46.0%)	240.7%	(13.0%)	16.3%	18.7%	(16.6%)	(76.2%)	69.4%	(39.5%)	22.0%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	A
Growth Score	D
Momentum Score	A
VGM Score	A

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

Disclosures

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

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

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

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

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

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