

Helmerich & Payne (HP)

\$31.06 (Stock Price as of 01/06/2026)

Price Target (6-12 Months): **\$32.00**

Long Term: 6-12 Months | **Zacks Recommendation:** **Neutral**
(Since: 08/11/25)
Prior Recommendation: Underperform

Short Term: 1-3 Months | **Zacks Rank:** (1-5) **3-Hold**
Zacks Style Scores: VGM: B
Value: A | Growth: D | Momentum: C

Summary

Helmerich & Payne benefits from a diversified portfolio across onshore, offshore, and international markets, strengthened by KCAD acquisition expanding its Middle East presence. Its seven rigs reactivation in Saudi Arabia further enhance long-term profitability. Its advanced drilling automation, strong Permian market share, and stable offshore operations support long-term revenue durability. A strong balance sheet and disciplined capital allocation further enhance financial resilience. However, near-term profitability faces pressure from reactivation costs, integration risks from the KCAD acquisition, and sensitivity to commodity cycles. Elevated Fiscal 2026 capex, geopolitical uncertainties in multiple regions, and range-bound U.S. rig demand also constrain growth visibility. As such, the stock warrants a cautious stance.

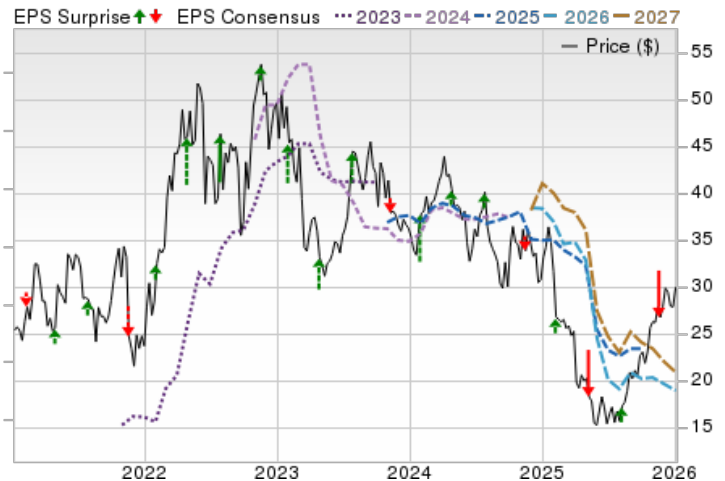
Data Overview

52 Week High-Low	\$37.30 - \$14.65
20 Day Average Volume (sh)	1,273,943
Market Cap	\$3.1 B
YTD Price Change	8.7%
Beta	0.56
Dividend / Div Yld	\$1.00 / 3.2%
Industry	Oil and Gas - Drilling
Zacks Industry Rank	Bottom 9% (222 out of 244)

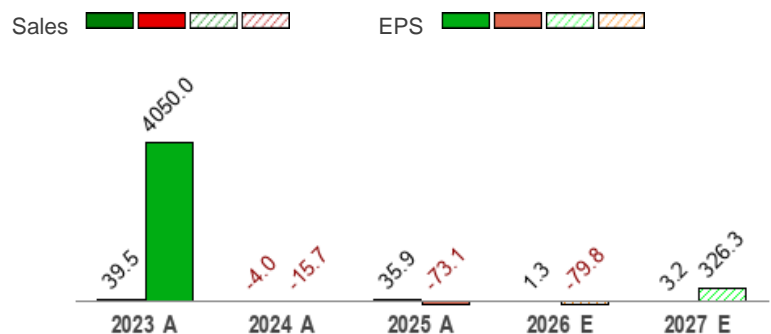
Last EPS Surprise	-103.9%
Last Sales Surprise	3.7%
EPS F1 Est- 4 week change	1.9%
Expected Report Date	02/04/2026
Earnings ESP	-13.2%

P/E TTM	33.2
P/E F1	163.5
PEG F1	-22.8
P/S TTM	0.8

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	984 E	937 E	962 E	1,036 E	3,917 E
2026	950 E	934 E	947 E	965 E	3,796 E
2025	677 A	1,016 A	1,041 A	1,012 A	3,746 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	0.27 E	0.15 E	0.08 E	0.32 E	0.81 E
2026	0.10 E	0.00 E	0.00 E	0.09 E	0.19 E
2025	0.71 A	0.02 A	0.22 A	-0.01 A	0.94 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/06/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/26/2025.

Overview

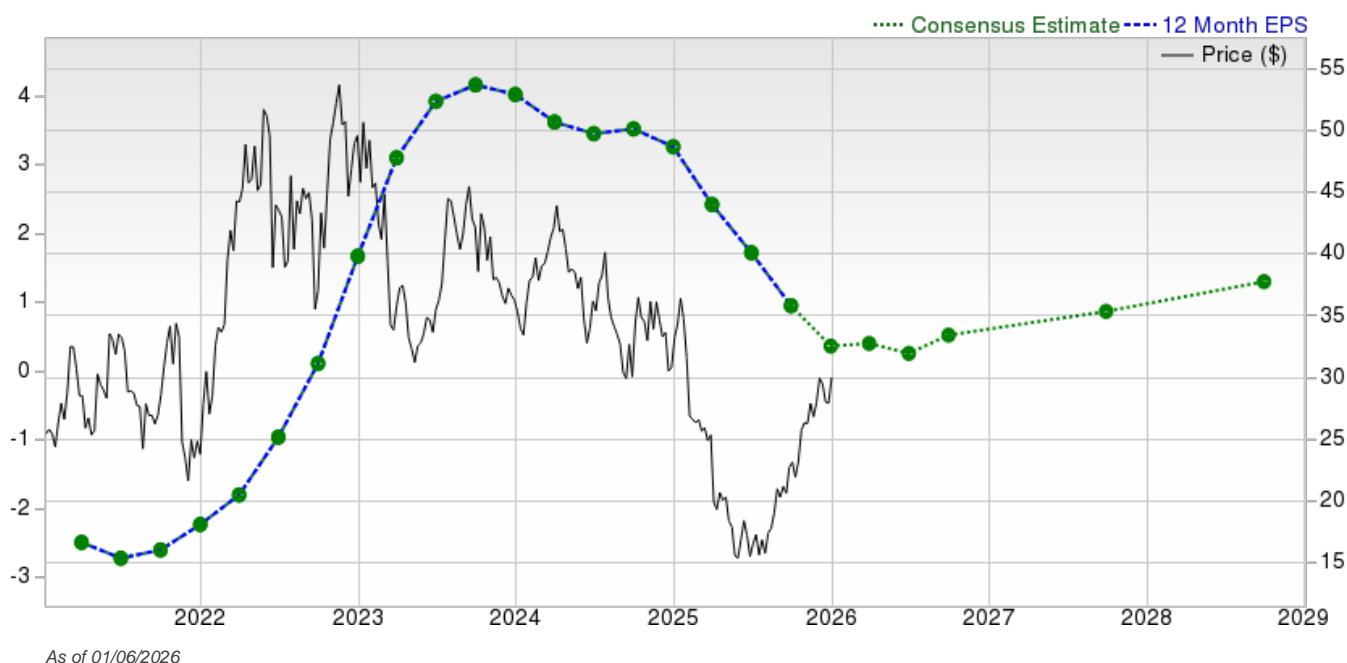
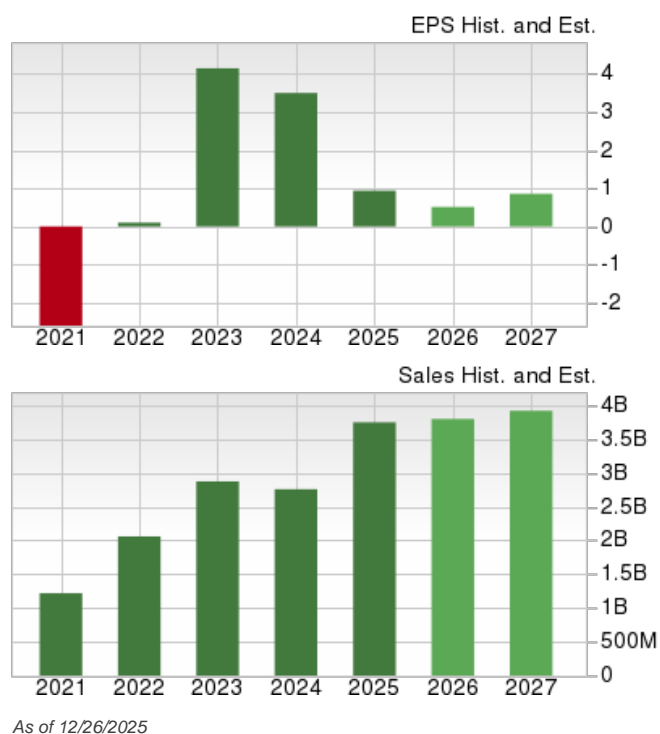
Incorporated in 1940, Helmerich & Payne Inc. is engaged in the contract drilling of oil and gas wells in the U.S. and internationally. The company supplies drilling rigs, equipment, personnel, and camps on a contractual basis to explore for and develop oil and gas from onshore areas and from fixed platforms, tension-leg platforms, and spars in offshore areas. The technologically advanced FlexRigs rigs, multi-pad drilling, hydraulic fracturing coupled with horizontal drilling, have greatly increased drilling efficiencies of the firm. Helmerich & Payne divides its operations into three business segments: North America Solutions, International Solutions and Offshore Gulf of Mexico.

North America Solutions: As of Sep 30, 2024, the company's North American drilling business consisted of 228 rigs available for work (151 under contract). Helmerich & Payne conducts its domestic land drilling primarily in Oklahoma, California, Texas, Wyoming, Colorado, Louisiana, Mississippi, Pennsylvania, Ohio, Utah, New Mexico, Montana, North Dakota, West Virginia and Nevada. The company holds leading positions in various oil/gas basins like Permian, Eagle Ford and Woodford Shale. During fiscal 2024 (twelve months ending Sept. 30, 2024), the North America Solutions operations contributed approximately 89% of the company's operating revenues.

Offshore Gulf of Mexico: The domestic offshore drilling unit's key assets include seven rigs (three under contract). Helmerich & Payne carries out offshore drilling in the Gulf of Mexico. The company has changed the name from Offshore Gulf of Mexico to Offshore Solutions, effective Jan 16, 2025.

International Solutions: This segment is primarily active in Colombia and Argentina, in addition to Bahrain and the United Arab Emirates ("UAE"). It has 12 rigs in Argentina and five in Colombia. With the acquisition of KCA Deutag in January 2025, HP expanded its international presence, increasing its rig count in key Middle Eastern markets and strengthening its offshore operations.

Additionally, Helmerich & Payne is involved in the ownership, development, and operation of commercial real estate properties as well as the research and development of rotary steerable technology.



Reasons To Buy:

- ▲ Helmerich & Payne's international footprint is expanding meaningfully, supported by the KCAD acquisition and the reactivation of seven rigs in Saudi Arabia beginning fiscal year 2026, which increases the active Saudi fleet from 17 to 24. Management highlighted improving FlexRig margins and a more diverse presence spanning Saudi Arabia, Kuwait, Oman, Argentina, and Europe. This broader exposure enhances long-term revenue durability, positions HP for the Middle East's multi-year drilling cycle, and gives the company a stronger pipeline of partnerships that can scale over time.
- ▲ Helmerich & Payne continues to differentiate itself through advanced drilling automation, rig-floor automation, high-torque top drives, and digital solutions that grew 20% year over year. Customers are increasingly seeking longer laterals and complex well designs, and HP's investments—such as HexGrips and slip lifters—directly support these trends. With one-third of the fleet already equipped with automation features and strong customer adoption underway, HP remains well positioned to capture premium pricing, strengthen performance-based contracts, and maintain industry-leading operational metrics.
- ▲ Despite U.S. rig-count softness and Permian activity declines in 2025, HP expanded its market share in the Permian from 33% to 37%. The company also added 19 new E&P customers during the year, reflecting strong demand for its rigs and efficiency-driven offerings. With roughly half of HP's rigs on term contracts and half on performance-based contracts, the company maintains superior revenue visibility. Tight industry utilization for super-spec rigs (80%+) further supports pricing strength and limits downside in an otherwise subdued U.S. drilling environment.
- ▲ Helmerich & Payne's offshore division—now operating across the Gulf of America, Caspian Sea, Norway, the U.K. North Sea, Africa, and Canada—provides stable, low-capital, multi-year revenue streams. With nearly 30% global share of platform operations and maintenance, this business diversifies HP beyond land drilling cyclicality. The segment contributed \$35 million in direct margin in the fourth quarter of fiscal year 2025, above guidance, and continues to benefit from an anticipated global offshore investment cycle. Its predictable cash flows help offset volatility in North America and international land markets.
- ▲ HP has repaid \$210 million of its \$400 million term loan ahead of schedule and now expects to eliminate the entire outstanding balance by the end of the third quarter of fiscal 2026. This rapid deleveraging demonstrates strong cash generation and disciplined capital allocation. Based on our model estimates, we expect the company's 2026 revenue to rise 1.3% year over year to \$3.8 billion. Lower interest expense will structurally improve earnings per share and free cash flow in coming years. Combined with stable operating cash flows of \$543 million in fiscal 2025, the balance sheet trajectory materially reduces financial risk and enhances shareholder value optionality.
- ▲ Helmerich & Payne maintains a consistent, sustainable dividend backed by robust cash generation from its diversified operations. The offshore segment delivers steady, low-volatility returns, while certain low-capital-intensity businesses contribute predictable income streams. This financial stability, combined with disciplined capital allocation and an investment-grade balance sheet, supports the company's ability to return value to shareholders through dividends.

Helmerich & Payne's acquisition of KCA Deutag positions the company as a global leader in drilling services.

Reasons To Sell:

- ▼ Although reactivating seven Saudi rigs boosts long-term prospects, the near-term financial impact is negative. Management noted that fiscal year 2026's first half will experience elevated operating costs and capital outlays that are not fully capitalized, resulting in softer margins and depressed profitability before improvements materialize. Reactivation costs will also spill into the second quarter, meaning investors face a multi-quarter drag on international results. This temporary margin compression may produce volatile quarter-to-quarter earnings and weaken sentiment. Based on our model estimates, the operating loss for this segment is expected to reach \$261.5 million in 2025.
- ▼ The KCAD acquisition significantly broadened HP's international footprint, but it also introduced complexity. Managing operations in six countries, aligning safety systems, and integrating different operating models creates execution risk. The company also operates across three ERP systems and is spending aggressively to consolidate onto a single platform, adding both cost pressure and integration uncertainty. Any delays, cost overruns, or operational issues could impair expected synergies.
- ▼ Helmerich & Payne's operations are closely tied to oil and gas market cycles. Fluctuations in commodity prices can directly influence customers' drilling budgets, rig demand, and day-rate negotiations. Prolonged price weakness may lead to reduced activity levels, impacting utilization, margins, and overall earnings stability.
- ▼ Helmerich & Payne's maintenance and reactivation capex guidance for the fiscal year 2026, projected at \$230 million to \$250 million, along with expected depreciation of approximately \$690 million, could place pressure on the company's free cash flow. Although these investments are essential to support long-term growth and operational capabilities, they may constrain near-term shareholder returns, particularly if there is a slowdown in drilling activity.
- ▼ HP is expanding in regions such as Saudi Arabia, Oman, Algeria, Libya, and Australia—areas where political, regulatory, or security conditions can shift quickly. Projects often depend on long-cycle IOC/NOC planning, which can be delayed by fiscal changes, regional instability, or macro shocks. The company already experienced Eastern Hemisphere challenges in fiscal 2025, requiring restructuring and strategy realignment. Such unpredictability poses risk to steady utilization, contract visibility, and international margin recovery.
- ▼ Helmerich & Payne expects U.S. rig count to remain range-bound through 2026, reflecting subdued domestic drilling activity. Moreover, continued improvements in drilling efficiency, such as longer laterals and faster cycle times, may reduce the number of rigs required to deliver the same production volumes. While HP benefits from efficiency-driven premium pricing, structural efficiency gains across the sector may limit absolute rig demand growth. This dynamic could cap North America revenue expansion and restrict upside in an already mature market.

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Last Earnings Report

Helmerich & Payne Q4 Earnings Miss Estimates, Revenues Beat

Helmerich & Payne reported a fourth-quarter fiscal 2025 adjusted net loss of 1 cent per share, which substantially missed the Zacks Consensus Estimate of adjusted net income of 26 cents. Moreover, the bottom line decreased considerably from the year-ago quarter's reported profit of 76 cents. This was due to a weakness in the company's International Solutions segment, along with the impact of non-recurring one-time charges of \$56 million.

Operating revenues of \$1 billion beat the Zacks Consensus Estimate of \$976 million. Sales from Drilling Services beat the consensus mark by 3.2%. Moreover, the figure increased 45.8% from the year-ago quarter's level.

The company distributed approximately \$25 million to its shareholders as part of its ongoing dividend program.

As of the end of October, HP repaid \$210 million on its existing \$400 million term loan, up from prior expectations of \$200 million by the end of calendar year 2025. The company now expects to repay the entire term loan by the end of the third quarter of fiscal 2026.

Q4 Segmental Performance

North America Solutions: Operating revenues of \$572.3 million were down 7.4% year over year on lower activity levels, with 141 average active rigs. The top line beat our projection of \$541 million.

Operating profit totaled \$118.2 million compared with \$155.6 million in the prior-year period. However, the reported figure beat our estimate of \$99.3 million.

International Solutions: Operating revenues of \$241.2 million increased 430.6% from the year-ago quarter's level of \$45.5 million. Moreover, the top line beat our projection of \$240.8 million.

Operating loss reached \$75.7 million, compared unfavorably with the prior-year period loss of \$3.9 million. The figure also compared unfavorably with our projected loss of \$45.8 million.

Offshore Solutions: Revenues of \$180.3 million increased 554.7% from the year-ago quarter's level of \$27.5 million. Additionally, the top line beat our projection of \$154.7 million.

Operating profit totaled \$20.3 million compared with \$4.3 million in the year-ago quarter. The figure beat our estimate of \$19.8 million.

Financial Position

In the reported quarter, HP spent \$426.4 million on capital programs. As of Sept. 30, 2025, HP had \$196.8 million in cash and cash equivalents, while the long-term debt totaled \$2.1 billion (debt-to-capitalization of 42.1%).

Guidance for FY26

The company anticipates gross capital expenditures of \$280-\$320 million in fiscal 2026, with \$40-\$60 million directed toward North America Solutions operations to support customer-driven upgrades that preserve its industry-leading technical capabilities. It plans to allocate \$230-\$250 million toward maintenance and reactivation across its global drilling fleet, including capital tied to recently announced rig reactivations in Saudi Arabia, while the remaining spend will cover corporate and other needs. Capital outlays are expected to be weighted toward the first half of the fiscal year, and ongoing asset sales — including reimbursements for lost or damaged tubulars and sales of used drilling equipment — are projected to offset expenditures by about \$40 million. Operating guidance for fiscal 2026 includes an average contracted rig count of 132-148 in North America Solutions, an operating rig count of 58-68 for International Solutions and Offshore direct margins of \$100-\$115 million with roughly 30-35 management contracts and platform rigs. Additionally, annual cost guidance reflects lower General and Administrative expenses — more than \$50 million below pro forma fiscal 2025 levels — and a notable year-over-year reduction in cash taxes.

FY Quarter Ending 9/30/2025

Earnings Reporting Date	Nov 17, 2025
Sales Surprise	3.70%
EPS Surprise	-103.85%
Quarterly EPS	-0.01
Annual EPS (TTM)	0.94

Recent News

HP Announced Reactivation of Seven Rigs In Saudi Arabia

On **Nov 17**, HP announced that it will restart operations on seven suspended Saudi rigs in early 2026, extending the contract terms accordingly. The move strengthens its Middle East position, supported by FlexRig technology and the KCA Deutag acquisition. By mid-2026, HP expects to run 24 rigs in Saudi Arabia amid improving market demand.

Valuation

Helmerich & Payne shares are up 80.7% in the past six months but down 9.5% over the trailing 12-month period. Stocks in the Zacks sub-industry and the Zacks Oil-Energy sector are up 35.1% and 13.3% in the six-month period, respectively. Over the past year, the Zacks sub-industry and sector are down 14.5% but up 1.7%, respectively.

The S&P 500 index is up 14.8% in the six-month period and 18.2% in the past year.

The stock is currently trading at 0.69X forward 12-month sales, which compares to 1.91X for the Zacks sub-industry, 1.23X for the Zacks sector and 5.34X for the S&P 500 index.

Over the past five years, the stock has traded as high as 2.72X and as low as 0.38X, with a 5-year median of 1.42X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$32 price target reflects 0.79X F12M sales.

The table below shows summary valuation data for HP

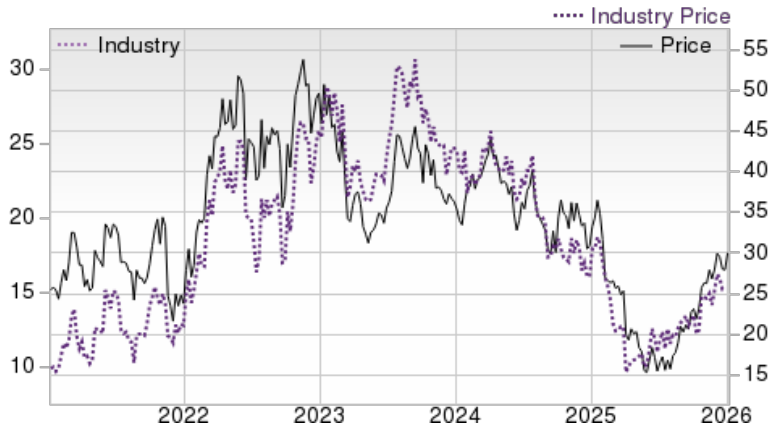
Valuation Multiples - HP					
		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	0.69	1.91	1.23	5.34
	5-Year High	2.72	3.22	1.23	5.53
	5-Year Low	0.38	1.01	0.74	3.85
	5-Year Median	1.42	1.96	0.98	5.01
EV/EBITDA TTM	Current	5.18	4.65	5.41	18.84
	5-Year High	91.56	24.81	6.84	22.37
	5-Year Low	3.7	4.16	2.78	13.85
	5-Year Median	5.21	14.48	4.4	17.94
P/B TTM	Current	0.98	1.28	5.41	18.84
	5-Year High	2.07	1.6	6.84	22.37
	5-Year Low	0.49	0.31	2.78	13.85
	5-Year Median	1.21	1.06	4.4	17.94

As of 12/24/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 9% (222 out of 244)

Top Peers⁽¹⁾



Company (Ticker)	Rec	Rank
Valaris Limited (VAL)	Outperform	3
Nabors Industries Lt...(NBR)	Neutral	4
Patterson-UTI Energy...(PTEN)	Neutral	3
Transocean Ltd. (RIG)	Neutral	3
Seadrill Limited (SDRL)	Neutral	3
Noble Corporation PL...(NE)	Underperform	5
Precision Drilling C...(PDS)	Underperform	5
Royal Vopak (VOPKY)	NA	

Industry Comparison⁽¹⁾ Industry: Oil And Gas - Drilling

Industry Peers

	HP	X Industry	S&P 500	NBR	NE	RIG
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Underperform	Neutral
Zacks Rank (Short Term)	3	-	-	4	5	3
VGM Score	B	-	-	B	B	A
Market Cap	3.07 B	2.82 B	39.40 B	848.19 M	4.61 B	4.75 B
# of Analysts	8	2.5	22	3	2	3
Dividend Yield	3.21%	0.00%	1.39%	0.00%	6.89%	0.00%
Value Score	A	-	-	A	C	B
Cash/Price	0.08	0.19	0.04	0.53	0.10	0.27
EV/EBITDA	7.34	5.25	14.79	3.37	6.40	13.14
PEG Ratio	-22.88	NA	2.04	NA	NA	NA
Price/Book (P/B)	1.10	0.90	3.38	0.90	1.02	0.59
Price/Cash Flow (P/CF)	4.27	5.20	15.41	1.14	6.49	5.09
P/E (F1)	164.05	23.65	18.79	NA	28.05	25.86
Price/Sales (P/S)	0.82	1.23	3.12	0.27	1.34	1.23
Earnings Yield	1.64%	3.75%	5.32%	-13.92%	3.55%	3.94%
Debt/Equity	0.73	0.44	0.57	2.50	0.44	0.60
Cash Flow (\$/share)	7.29	5.16	8.98	51.07	4.47	0.85
Growth Score	D	-	-	C	B	A
Hist. EPS Growth (3-5 yrs)	28.91%	28.91%	8.24%	NA	68.74%	NA
Proj. EPS Growth (F1/F0)	-79.79%	39.52%	9.18%	NA	-66.52%	NA
Curr. Cash Flow Growth	-4.72%	27.94%	7.00%	-13.88%	55.52%	587.04%
Hist. Cash Flow Growth (3-5 yrs)	12.75%	4.34%	7.49%	0.13%	29.68%	36.78%
Current Ratio	1.80	1.70	1.19	2.09	1.75	1.08
Debt/Capital	42.10%	30.69%	38.14%	71.43%	30.36%	37.51%
Net Margin	-4.37%	4.87%	12.77%	7.08%	6.57%	-75.71%
Return on Equity	3.21%	3.21%	17.03%	-30.85%	3.98%	0.45%
Sales/Assets	0.56	0.40	0.53	0.65	0.44	0.21
Proj. Sales Growth (F1/F0)	1.30%	-0.99%	5.29%	8.40%	6.10%	12.10%
Momentum Score	C	-	-	F	C	C
Daily Price Chg	4.11%	0.00%	0.64%	5.14%	0.10%	1.65%
1 Week Price Chg	7.50%	5.29%	-0.05%	5.24%	3.42%	5.47%
4 Week Price Chg	6.38%	0.00%	0.81%	5.74%	-9.08%	-2.93%
12 Week Price Chg	36.53%	14.18%	3.72%	43.79%	5.26%	34.69%
52 Week Price Chg	-5.72%	-1.97%	15.51%	-5.28%	-12.32%	8.29%
20 Day Average Volume	1,273,943	284,633	2,399,304	284,633	1,512,526	27,222,388
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	-0.04%	0.00%	0.00%
(F1) EPS Est 4 week change	1.92%	-0.55%	0.00%	-0.04%	-19.14%	-14.53%
(F1) EPS Est 12 week change	-25.86%	-2.44%	0.44%	-9.15%	-33.23%	9.89%
(Q1) EPS Est Mthly Chg	-21.17%	0.00%	0.00%	-0.39%	-3.57%	0.00%

Analyst Earnings Model⁽²⁾

Helmerich & Payne, Inc. (HP)

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														
Drilling Services	\$2,862.7	\$2,746.1	\$674.6	\$1,012.4	\$1,005.5	\$990.2	\$3,678.7	\$935.4	\$916.1	\$925.7	\$946.2	\$3,723.4	\$3,840.1	\$4,022.0
Other	\$9.7	\$10.5	\$2.7	\$3.6	\$35.4	\$21.5	\$67.4	\$14.9	\$17.4	\$21.2	\$18.8	\$72.4	\$77.3	\$81.3
Total Revenue	\$2,872.4	\$2,756.6	\$677.3	\$1,016.0	\$1,040.9	\$1,011.7	\$3,746.0	\$950.4	\$933.5	\$946.9	\$965.0	\$3,795.9	\$3,917.4	\$4,103.3
Drilling Services and Other Operating Expenses	\$1,719.6	\$1,629.2	\$412.1	\$705.1	\$735.3	\$714.9	\$2,567.4	\$665.2	\$671.6	\$657.9	\$685.9	\$2,680.5	\$2,671.3	\$2,745.4
Gross Profit	\$1,152.8	\$1,127.4	\$265.2	\$310.9	\$305.6	\$296.8	\$1,178.6	\$285.2	\$262.0	\$289.0	\$279.2	\$1,115.4	\$1,246.0	\$1,357.9
Depreciation and Amortization	\$382.3	\$397.3	\$99.1	\$157.7	\$179.5	\$188.9	\$625.1	\$171.1	\$162.0	\$178.8	\$177.7	\$689.6	\$726.7	\$765.5
Research and Development	\$30.0	\$41.0	\$9.4	\$9.4	\$7.8	\$7.6	\$34.1	\$6.3	\$5.3	\$6.4	\$6.4	\$24.5	\$25.4	\$26.6
Selling, General and Administrative	\$206.7	\$244.9	\$63.1	\$80.8	\$65.5	\$77.6	\$287.1	\$66.8	\$68.2	\$73.0	\$71.7	\$279.8	\$300.8	\$317.7
Asset Impairment Charge	\$12.1	\$0.0	\$0.0	\$1.8	\$173.3	\$18.9	\$194.0	\$18.9	\$18.9	\$18.9	\$18.9	\$75.7	\$75.7	\$75.7
Restructuring Charges	\$0.0	\$0.0	\$0.0	\$0.0	\$4.7	\$7.5	\$12.1	\$7.5	\$7.5	\$7.5	\$7.5	\$29.8	\$29.8	\$29.8
Acquisition Transaction Costs		\$15.0	\$10.5	\$29.9	\$8.6	\$5.7	\$54.7	\$5.7	\$5.7	\$5.7	\$5.7	\$22.7	\$22.7	\$22.7
Income From Asset Sales	(\$40.2)	(\$28.2)	(\$7.7)	(\$10.9)	(\$5.4)	(\$7.8)	(\$31.9)	(\$7.8)	(\$7.8)	(\$7.8)	(\$7.8)	(\$31.4)	(\$31.4)	(\$31.4)
Total Operating Costs and Expenses	\$2,310.5	\$2,299.2	\$586.4	\$973.9	\$1,169.2	\$1,013.2	\$3,742.7	\$933.6	\$931.3	\$940.4	\$965.9	\$3,771.1	\$3,821.0	\$3,952.1
EBITDA	\$944.2	\$854.8	\$190.0	\$199.8	\$51.2	\$187.4	\$628.4	\$187.9	\$164.3	\$185.3	\$176.8	\$714.3	\$823.1	\$916.8
Operating Income	\$561.9	\$457.4	\$90.9	\$42.2	(\$128.3)	(\$1.5)	\$3.3	\$16.8	\$2.2	\$6.5	(\$0.8)	\$24.7	\$96.4	\$151.3
Interest and Dividend Income	\$28.4	\$41.2	\$21.7	\$7.3	\$2.9	\$3.4	\$35.2	\$10.8	\$5.7	\$5.6	\$6.4	\$28.5	\$27.0	\$27.9
Interest Expense	\$17.3	\$29.1	\$22.3	\$28.3	\$29.2	\$28.0	\$107.8	\$24.9	\$25.6	\$23.8	\$25.7	\$100.0	\$103.1	\$107.9
Net Interest (Income) Expense	(\$11.1)	(\$12.1)	\$0.6	\$21.1	\$26.3	\$24.6	\$72.6	\$14.2	\$19.9	\$18.3	\$19.3	\$71.6	\$76.1	\$80.1
Gain (Loss) on Investment Securities	\$11.3	\$14.0	(\$13.4)	\$27.8	(\$0.3)	(\$36.5)	(\$22.4)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Foreign Currency Exchange Loss		(\$5.6)	(\$0.9)	(\$6.0)	(\$9.2)	\$6.5	(\$9.7)	(\$2.3)	(\$2.5)	(\$1.8)	(\$0.2)	(\$6.8)	(\$5.9)	(\$5.9)
Other (Income) Expenses	(\$9.1)	(\$3.1)	(\$0.4)	(\$1.6)	(\$31.3)	\$6.0	(\$27.2)	(\$12.5)	(\$20.6)	(\$14.0)	(\$31.9)	(\$79.1)	(\$89.4)	(\$95.6)
Net Interest & Other (Income) Expenses	(\$31.5)	(\$23.6)	\$14.5	(\$2.3)	\$4.6	\$60.6	\$77.4	\$4.0	\$1.8	\$6.0	(\$12.5)	(\$0.7)	(\$7.4)	(\$9.6)
Pre-Tax Income	\$593.4	\$481.0	\$76.4	\$44.4	(\$132.9)	(\$62.1)	(\$74.1)	\$12.8	\$0.5	\$0.5	\$11.7	\$25.5	\$103.8	\$160.9
Income Tax	\$159.3	\$136.9	\$21.6	\$41.5	\$29.0	(\$6.3)	\$85.8	\$2.7	\$0.1	\$0.1	\$2.5	\$5.3	\$21.8	\$33.8
Tax Rate	26.8%	28.5%	28.3%	93.3%	(21.8%)	10.1%	(115.8%)	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%
Net Income, Adjusted	\$434.0	\$353.1	\$71.4	\$1.9	\$21.9	(\$1.2)	\$94.0	\$10.1	\$0.4	\$0.4	\$9.2	\$20.1	\$82.0	\$127.1
Net Income, GAAP	\$434.1	\$344.2	\$54.8	\$3.0	(\$161.9)	(\$55.8)	(\$159.9)	\$10.1	\$0.4	\$0.4	\$9.2	\$20.1	\$82.0	\$127.1
Earnings Allocated to Unvested Shareholders	\$5.9	\$4.7	\$0.8	\$0.4	\$0.3	(\$0.1)	\$1.4	\$0.4	\$0.2	\$0.2	\$0.2	\$1.1	\$1.0	\$1.0
Net Income Attributable to Non-Controlling Interest			\$0.0	\$1.3	\$0.9	\$1.6	\$3.7	\$1.6	\$1.6	\$1.6	\$1.6	\$6.2	\$6.2	\$6.2
Net Income to Common Shareholder, Adjusted	\$428.2	\$348.4	\$70.7	\$1.5	\$21.5	(\$1.1)	\$92.6	\$9.7	\$0.1	\$0.2	\$9.0	\$19.0	\$81.0	\$126.1
Net Income to Common Shareholder, GAAP	\$428.2	\$339.4	\$54.4	\$1.3	(\$163.1)	(\$57.7)	(\$165.1)	\$8.2	(\$1.4)	(\$1.4)	\$7.5	\$12.8	\$74.8	\$119.9
Basic Shares Outstanding	102.4	98.9	98.9	99.4	99.4	99.4	99.3	99.4	99.4	99.4	99.4	99.4	99.4	99.4
Diluted Shares Outstanding	102.9	99.1	99.2	99.4	99.4	99.4	99.3	99.4	99.4	99.4	99.4	99.4	99.4	99.4
Basic EPS	\$4.18	\$3.43	\$0.55	\$0.01	(\$1.64)	(\$0.58)	(\$1.66)	\$0.08	(\$0.01)	(\$0.01)	\$0.08	\$0.13	\$0.75	\$1.21
Diluted EPS, Adjusted	\$4.15	\$3.50	\$0.71	\$0.02	\$0.22	(\$0.01)	\$0.94	\$0.10	\$0.00	\$0.00	\$0.09	\$0.19	\$0.81	\$1.27
Diluted EPS, GAAP	\$4.16	\$3.43	\$0.54	\$0.01	(\$1.64)	(\$0.58)	(\$1.66)	\$0.08	(\$0.01)	(\$0.01)	\$0.08	\$0.13	\$0.75	\$1.21
Dividend per Share	\$1.00	\$1.00	\$0.25	\$0.25	\$0.25	\$0.25	\$0.75	\$0.25	\$0.25	\$0.25	\$0.25	\$1.00	\$1.00	\$1.00
Supplemental Dividend per Share	\$0.94	\$0.68	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$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.

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

Zacks Rank

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

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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	C
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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