

InterDigital, Inc. (IDCC)

\$357.75 (Stock Price as of 11/28/2025)

Price Target (6-12 Months): **\$376.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 11/21/25)

Prior Recommendation: Outperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: C

Value: C

Growth: A

Momentum: F

Summary

InterDigital is focused on pursuing agreements with unlicensed customers in the handset and consumer electronics markets. The company aims to become a leading designer and developer of technology solutions and innovation for the mobile industry, IoT and allied technology areas by leveraging its research and development capabilities, technological know-how and rich industry experience. It boasts a comprehensive portfolio of more than 33,000 granted patents and applications. The company is collaborating with major academic institutions worldwide to expedite 6G research. However, InterDigital is exposed to significant customer concentration risks. Macroeconomic conditions, such as rising inflation, negatively impact IDCC's operations. Soft demand trends in the consumer electronics, IoT/Auto market. Forex volatility remains a concern.

Data Overview

52 Week High-Low	\$412.60 - \$169.58
20 Day Average Volume (sh)	297,294
Market Cap	\$9.2 B
YTD Price Change	84.7%
Beta	1.54
Dividend / Div Yld	\$2.80 / 0.8%
Industry	Wireless Equipment
Zacks Industry Rank	Top 13% (31 out of 243)

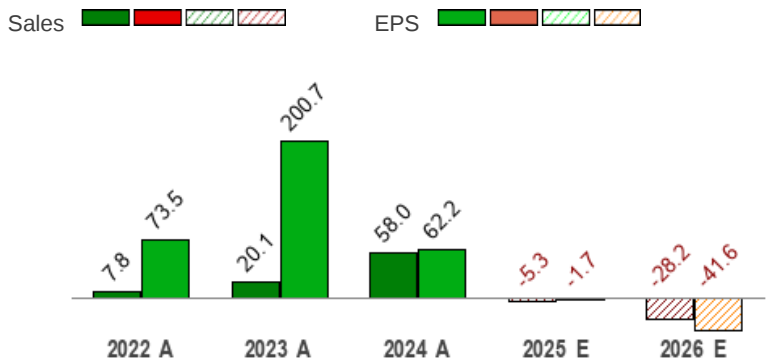
Last EPS Surprise	44.0%
Last Sales Surprise	5.6%
EPS F1 Est- 4 week change	1.3%
Expected Report Date	02/05/2026
Earnings ESP	0.0%

P/E TTM	19.4
P/E F1	24.3
PEG F1	-1.0
P/S TTM	9.9

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	150 E	149 E	152 E	141 E	591 E
2025	211 A	301 A	165 A	147 E	823 E
2024	264 A	223 A	129 A	253 A	869 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	2.20 E	2.25 E	2.62 E	1.53 E	8.59 E
2025	4.21 A	6.52 A	2.55 A	1.43 E	14.71 E
2024	3.58 A	4.57 A	1.63 A	5.15 A	14.97 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 11/28/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 11/24/2025.

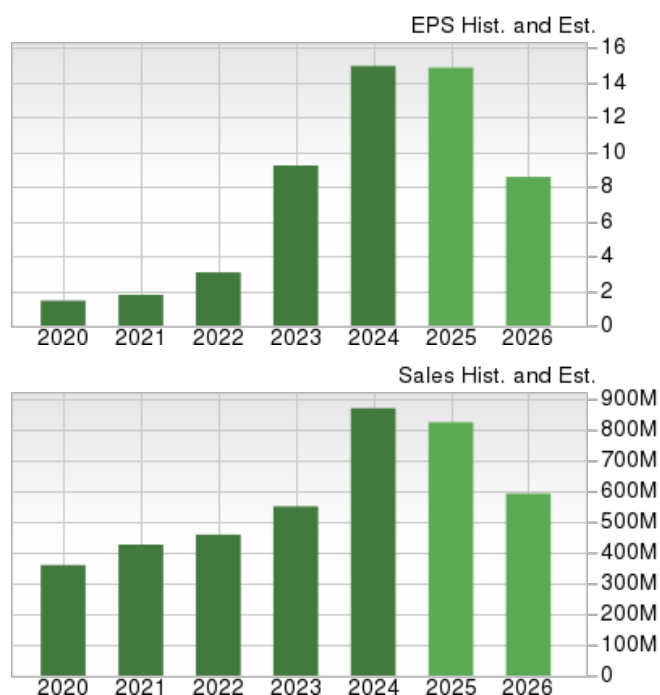
Overview

Headquartered in Wilmington, DE, InterDigital, Inc. is a pioneer in advanced mobile technologies that enables wireless communications and capabilities. The company engages in designing and developing a wide range of advanced technology solutions, which are used in digital cellular as well as wireless 3G, 4G and IEEE 802-related products and networks.

Furthermore, the company's team of skilled engineers has an expertise in major mobile connectivity as well as in technologies related to content delivery. Notably, InterDigital's secure and scalable horizontal platform, oneMPOWER, enables businesses to launch and manage Internet of Things (IoT) applications. The company also provides video encoding and transmission technologies while conducting fundamental research into video coding, IoT, smart home, imaging sciences, augmented reality and virtual reality, and artificial intelligence and machine learning technologies. The patented technologies of the company are used in several products like mobile devices, wireless infrastructure equipment as well as IoT devices and software platforms.

InterDigital derives revenues primarily from patent licensing, with contributions from patent sales, product sales, technology solutions licensing, and sales and engineering services. It has one of the most significant patent portfolios in the wireless and video industries. The company reports under a single operating segment.

The company has incorporated high quality video and artificial intelligence (AI) research team along with an established portfolio of video expertise to expand its footprint in wireless and video technologies and consumer electronics. InterDigital actively contributes to the technical development of standards pertaining to digital cellular and wireless communications and other technologies. Leveraging economies of scale and interoperability functions, these standards provide detailed specifications for wireless communications products and systems. Moreover, the standardization process benefits both implementers and consumers as it encourages the development of ideas and technical solutions that result in innovative standards.



As of 11/24/2025



As of 11/28/2025

Reasons To Buy:

- ▲ InterDigital is focused on pursuing agreements with unlicensed customers in the handset and consumer electronics markets. The company aims to become a leading designer and developer of technology solutions and innovation for the mobile industry, IoT and allied technology areas by leveraging its research and development (R&D) capabilities, technological knowhow and rich industry experience. At the same time, it intends to enhance its licensing revenue base by adding licensees and expanding into adjacent technology areas that align with its intellectual property position.
- ▲ InterDigital's commitment toward licensing its broad portfolio of technologies to wireless terminal equipment makers, which allows it to expand its core market capability, is laudable. The company has leading companies such as Huawei, Samsung, LG, Amazon, Zebra Technologies and Apple under its licensing agreement. IDCC recently inked a patent license agreement with Vivo. With this seven out of ten largest smartphone vendors are now IDCC's licensee. InterDigital is eyeing annual licensing potential from new consumer electronics business at \$150 million in three to five years. The combined revenue-generating potential of the wireless and consumer electronics licensing platforms has reached around \$650 million. This underscores the strength of its portfolio across several key technologies related to cellular wireless, including 3G, 4G, and 5G, WiFi, and HEVC video technology.
- ▲ InterDigital's global footprint, diversified product portfolio and the ability to penetrate in different markets are impressive. Apart from the company's strong portfolio of wireless technology solutions, the addition of technologies related to sensors, user interface and video to its offerings are likely to drive considerable value, considering the massive size of the market it licenses. InterDigital is optimizing its strength in core wireless licensing business and has taken steps to drive shareholder value through the buyout of Technicolor licensing business. This has created significant new licensing opportunity in the video and consumer electronics markets. The company is poised to gain from future growth opportunities, fueled by the 5G rollout. Strategic acquisitions like the buyout of the Research & Innovation unit of Technicolor SA are anticipated to be accretive to InterDigital's financials and contribute to its long-term growth.
- ▲ InterDigital boasts a comprehensive portfolio of more than 33,000 granted patents and applications. The company witnessed an exceptional year in innovation in 2024, with more than 5,000 new patent filings worldwide. In 2024, adjusted EBITDA grew 60% year over year to \$551 million, indicating greater operational efficiency and improved profitability.
- ▲ InterDigital inked a patent license agreement with Google for an undisclosed amount. By licensing its innovative cellular wireless, Wi-Fi and HEVC video patented technologies to Google, the company ensures its continued influence and relevance in the rapidly evolving landscape of consumer electronics. Last year it has also signed a patent license agreement with Samsung, the largest TV manufacturer and industry leader in consumer electronics. The agreement grants Samsung Electronics license to various technologies, including HEVC, VVC, Wi-Fi and ATSC 3.0 for computer display monitors and digital TVs. Panasonic Entertainment & Communication Co. also renewed its license agreement in 2024.
- ▲ InterDigital has collaborations with major academic institutions worldwide to expedite 6G research. Data traffic demand is growing at an exponential rate worldwide, and 5G networks are required to support this high-capacity end-user throughput. The MIMO (Multiple-Input, Multiple-Output) technology leverages an active antenna system that consists of multiple antenna elements to augment the performance, reliability and overall efficiency of wireless communication systems. Advanced MIMO is a further enhancement in the performance and capabilities of existing MIMO systems. 6G, which relies on Massive MIMO technology, will enable significantly higher data rates than its predecessors, leading to improved spectrum efficiency. IDCC has joined forces with IIT Kanpur to accelerate critical advancements in MIMO systems that will enable 6G networks to cater to a diverse range of applications. It is also collaborating with the University of Surrey to drive research in unique areas, such as reconfigurable intelligent surfaces and integrated sensing and communication, to pave the way for the development of cutting-edge 6G technologies. IDCC's AI-powered Receiver Design for Future Wireless Communications was validated by Keysight Technology. The state-of-the-art innovation also optimizes throughput performance, reduces communication overhead and simplifies receiver architecture, making it suitable for 6G applications.

InterDigital is focused on pursuing agreements with unlicensed customers in the handset and consumer electronics markets.

Reasons To Sell:

- ▼ InterDigital has been working to expand its revenue base through continuous development, commercialization and licensing of technology projects, which in turn tend to put pressure on margins. The company faces substantial competitive pressure and thus needs to constantly work on product quality and customer service. Also, in order to hedge the competitive pressure, InterDigital has to invest significantly in R&D to come up with innovative technology solutions, which in turn leads to escalated costs. InterDigital's policy of acquiring companies further adds to integration risks.
- ▼ Unfavorable macroeconomic conditions, such as rising inflation, can negatively impact InterDigital's operations. The lion's share of the company's revenue comes from patent license agreements with fixed payments negotiated prior to the recent rise in inflation. This inflationary pressure can lead to greater operating expenses without any corresponding improvement in revenues. This can significantly strain InterDigital's profit margin.
- ▼ Rising tensions between the United States and China owing to trade restrictions imposed on the sale of communication equipment and technology solutions to China-based firms are expected to hurt the industry's credibility. A major portion of InterDigital's licensees and customers are international. IDCC is also taking various initiatives to expand its global footprint. Adverse movements in foreign exchange rates can negatively impact the company's financial performance.
- ▼ InterDigital is exposed to significant customer concentration risks. In 2024, Apple, Samsung and Xiaomi accounted for over 50% of total revenues. If any of the major licensees fail to meet their payment obligations, IDCC's revenue and cash flow will be severely affected.
- ▼ InterDigital witnessing weak demand trends in the consumer electronics, IoT/Auto market. Per our estimate, the company is expected to derive \$130.4 million in revenues from this vertical, indicating a 51.5% year over year decline.

Soft demand in some end markets and macroeconomic uncertainty are concerns. High research and development cost further reduces the company's profitability.

Last Earnings Report

IDCC Q3 Earnings Beat Estimates, Revenues Surge Y/Y

InterDigital reported strong third-quarter 2025 results, with both the top and bottom lines beating the Zacks Consensus Estimate. The company generated higher revenues year over year, owing to healthy licensing momentum in the smartphone business. IDCC is also advancing its leadership position in AI (artificial intelligence) applications for wireless and video technology.

IDCC's Net Income

GAAP net income improved to \$67.5 million or \$1.93 per share from \$34.2 million or \$1.14 per share a year ago. Healthy top-line expansion drove net income.

Non-GAAP net income increased to \$78.2 million or \$2.55 per share from \$44.9 million or \$1.63 per share in the year-earlier quarter. The bottom line beat the Zacks Consensus Estimate of \$1.79.

IDCC's Revenues

Net sales in the quarter rose to \$164.7 million from \$128.7 million in the year-ago quarter. The year-over-year growth was induced by a multi-year license agreement with Samsung. The top line beat the consensus estimate of \$156 million.

In the third quarter, smartphone revenues increased 56% year over year to \$136.4 million. A license agreement signed with major smartphone maker Samsung boosted the top line during the quarter. Representing 85% of the global smartphone market, eight out of the 10 largest smartphone vendors are now IDCC's licensee. Revenues from CE, IoT/Auto group declined to \$28.2 million from \$40.6 million in the prior year quarter.

Annualized recurring revenue increased to \$588 million, up 49% year over year, while catch-up revenues declined to \$17.7 million from \$30 million a year ago.

IDCC's Other Details

Adjusted EBITDA rose to \$105 million, up 62% year over year. Total operating expenses decreased to \$88.9 million from \$89.4 million in the year-ago quarter. Operating income increased to \$75.8 million from \$39.4 million in the year-earlier quarter.

IDCC's Cash Flow & Liquidity

In the third quarter, InterDigital generated \$395.9 million in cash from operations compared with cash generation of \$77.6 million in the year-earlier quarter.

As of Sept. 30, 2025, it had \$1.26 billion in cash, cash equivalents and short-term investments, with \$77 million of long-term debt and other liabilities compared.

IDCC's Guidance

For 2025, the company expects revenues in the range of \$820-824 million. Adjusted EBITDA is currently forecasted at \$569-577 million. IDCC expects non-GAAP earnings in the band of \$14.57-\$14.83. The company is steadily advancing 6G development and placing strong emphasis on AI integration. This bodes well for long-term growth.

For the fourth quarter of 2025, InterDigital estimates revenues to be between \$144 million and \$148 million. Adjusted EBITDA is estimated in the band of \$68-\$76 million. Non-GAAP earnings are expected to be within \$1.38-\$1.63 per share.

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

Earnings Reporting Date	Oct 30, 2025
Sales Surprise	5.57%
EPS Surprise	43.98%
Quarterly EPS	2.55
Annual EPS (TTM)	17.37

Recent News

On Oct 30, 2025, InterDigital announced that it has acquired Deep Render, an AI startup with strong expertise in video codecs. The buyout will expedite IDCC's AI native video research and boost capabilities in video compression.

On 11 Sep, 2025, InterDigital announced that it has secured a favorable verdict by a court in Brazil in its legal battle against Disney.

Valuation

InterDigital's shares are up 76.5% in the trailing 12-month period and up 61.2% in the past six months. Stocks in the Zacks sub-industry are up 11% in the past year and up 11.2% in the past six months. Stocks in the Zacks Computer and Technology sector are up 23.5% in the past year and up 25.8% in the past six months.

The S&P 500 Index is up 13% in the past year and up 16.3% in the past six months.

The stock is currently trading at 11.4X trailing 12-month EV/EBITDA, which compares to 28.3X for the Zacks sub-industry, 18.58X for the Zacks sector and 17.91X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 16.77X and as low as 3.78X, with a five-year median of 8.28X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$376 price target reflects 10.55X forward 12-month earnings.

The table below shows summary valuation data for IDCC.

Valuation Multiples - IDCC					
		Stock	Sub-Industry	Sector	S&P 500
EV/EBITDA TTM	Current	11.4	28.3	18.58	17.91
	5-Year High	16.77	25.86	23.69	22.4
	5-Year Low	3.78	6.55	12.05	13.87
	5-Year Median	8.28	15.37	18.37	17.95
P/E F12M	Current	35.62	25.35	27.57	22.8
	5-Year High	78.05	31.13	30.04	23.81
	5-Year Low	13.06	14.05	18.7	15.73
	5-Year Median	24.89	19.73	26.62	21.21
P/S F12M	Current	13.38	3.83	6.44	5.14
	5-Year High	15.79	4.57	7.4	5.5
	5-Year Low	2.82	1.76	4.25	3.83
	5-Year Median	5.34	2.38	6.3	5.04

As of 11/21/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 13% (31 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
BK TECHNOLOGIES, INC...(BKT)	Outperform	
AST SpaceMobile, Inc...(ASTS)	Neutral	3
Aviat Networks, Inc. (AVNW)	Neutral	3
Clearfield, Inc. (CLFD)	Neutral	2
Comtech Telecommunic...(CMTL)	Neutral	4
Sonim Technologies, ...(SONM)	Neutral	3
Ubiquiti Inc. (UI)	Neutral	1
HTC Corp. (HTCXF)	NA	

Industry Comparison⁽¹⁾ Industry: Wireless Equipment

	IDCC	X Industry	S&P 500	AVNW	CLFD	CMTL
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	2	4
VGM Score	C	-	-	F	B	A
Market Cap	9.21 B	406.32 M	37.98 B	283.84 M	406.32 M	90.67 M
# of Analysts	3	3	22	4	1	1
Dividend Yield	0.78%	0.00%	1.46%	0.00%	0.00%	0.00%
Value Score	C	-	-	B	C	C
Cash/Price	0.14	0.22	0.04	0.23	0.26	0.44
EV/EBITDA	14.62	11.33	14.48	18.16	23.08	-7.58
PEG Ratio	-1.00	1.60	2.21	NA	NA	NA
Price/Book (P/B)	8.37	2.73	3.36	1.07	1.58	0.86
Price/Cash Flow (P/CF)	20.28	20.28	14.93	12.59	38.05	3.45
P/E (F1)	24.32	24.05	20.30	9.29	54.37	NA
Price/Sales (P/S)	9.92	1.95	3.10	0.63	2.34	0.18
Earnings Yield	4.16%	3.15%	4.91%	10.76%	1.84%	-43.79%
Debt/Equity	0.02	0.07	0.57	0.39	0.00	2.01
Cash Flow (\$/share)	17.64	0.71	8.99	1.76	0.77	0.89
Growth Score	A	-	-	F	A	A
Hist. EPS Growth (3-5 yrs)	96.26%	-3.95%	8.16%	-11.16%	-44.28%	NA
Proj. EPS Growth (F1/F0)	-1.74%	38.01%	8.18%	42.51%	20.00%	44.40%
Curr. Cash Flow Growth	45.74%	-3.26%	7.00%	-39.33%	-197.43%	-66.51%
Hist. Cash Flow Growth (3-5 yrs)	35.47%	10.18%	7.31%	12.10%	NA	-15.75%
Current Ratio	1.89	1.99	1.19	1.84	5.42	1.71
Debt/Capital	1.53%	16.61%	38.15%	27.91%	0.00%	41.67%
Net Margin	53.50%	2.95%	12.82%	2.95%	-4.65%	-31.09%
Return on Equity	51.89%	8.24%	17.00%	12.04%	1.07%	-11.69%
Sales/Assets	0.47	0.65	0.53	0.73	0.56	0.65
Proj. Sales Growth (F1/F0)	-5.30%	2.78%	5.53%	3.20%	10.00%	-8.20%
Momentum Score	F	-	-	F	F	C
Daily Price Chg	-0.59%	0.52%	0.54%	1.84%	3.13%	0.99%
1 Week Price Chg	-5.97%	-5.97%	3.73%	-4.57%	-4.75%	-9.06%
4 Week Price Chg	-1.16%	-14.07%	0.13%	-11.42%	-16.83%	7.75%
12 Week Price Chg	24.31%	-0.54%	5.67%	-1.07%	-10.84%	37.84%
52 Week Price Chg	82.56%	17.94%	13.54%	39.67%	-4.05%	-9.73%
20 Day Average Volume	297,294	286,708	2,762,023	115,378	117,951	276,122
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	-1.52%	-18.80%	0.00%
(F1) EPS Est 4 week change	1.28%	0.00%	0.15%	-5.24%	-18.80%	NA
(F1) EPS Est 12 week change	2.51%	0.46%	0.60%	-3.83%	-18.80%	-10.07%
(Q1) EPS Est Mthly Chg	-33.66%	-11.27%	-0.04%	-27.36%	NA	NA

Analyst Earnings Model⁽²⁾

InterDigital, Inc. (IDCC)

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	\$457.8	\$549.6	\$868.5	\$210.5	\$300.6	\$164.7	\$147.0	\$822.8	\$150.0	\$149.0	\$151.8	\$140.6	\$591.4	\$616.6
Research and Portfolio Development	\$185.2	\$195.3	\$196.9	\$47.4	\$53.7	\$53.1	\$63.0	\$217.2	\$46.5	\$45.3	\$42.2	\$66.5	\$200.4	\$211.7
Licensing	\$71.4	\$79.4	\$169.2	\$17.7	\$23.9	\$19.7	\$23.7	\$85.0	\$18.0	\$17.9	\$14.2	\$17.2	\$67.5	\$69.1
General and Administrative	\$47.4	\$53.3	\$62.9	\$13.6	\$17.6	\$16.1	\$25.4	\$72.6	\$16.6	\$17.0	\$15.1	\$16.0	\$64.7	\$61.3
Restructuring Activities	\$3.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Operating Expenses	\$307.3	\$328.0	\$429.0	\$78.7	\$95.2	\$88.9	\$112.1	\$374.8	\$81.1	\$80.3	\$71.5	\$99.7	\$332.5	\$342.1
Share Based Compensation	\$22.1	\$35.7	\$46.0	\$9.5	\$11.8	\$9.3	\$11.0	\$41.7	\$8.2	\$10.0	\$12.2	\$9.2	\$39.7	\$41.8
Depreciation and Amortization	\$78.6	\$77.8	\$69.9	\$18.2	\$19.5	\$19.8	\$21.0	\$78.5	\$16.4	\$18.5	\$19.1	\$16.8	\$70.8	\$75.6
Adjusted EBITDA	\$254.5	\$345.2	\$551.0	\$159.1	\$236.7	\$104.9	\$69.0	\$569.7	\$93.5	\$97.3	\$111.6	\$67.0	\$369.4	\$391.9
Operating Income	\$150.5	\$221.6	\$439.5	\$131.8	\$205.4	\$75.8	\$34.9	\$448.0	\$68.9	\$68.7	\$80.3	\$41.0	\$258.9	\$274.5
Interest Expense	\$29.5	\$44.8	\$45.4	\$9.9	\$9.5	\$10.0	\$6.8	\$36.3	\$6.6	\$8.3	\$6.6	\$6.1	\$27.6	\$27.1
Other Income (Expense), Net	(\$3.5)	\$57.8	\$35.3	\$10.3	\$15.1	\$10.2	\$6.8	\$42.4	\$8.7	\$9.7	\$7.8	\$8.1	\$34.2	\$38.6
Total Non-Operating Income (Expenses), Net	\$33.0	(\$13.0)	\$10.1	(\$0.4)	(\$5.6)	(\$0.2)	\$0.0	(\$6.1)	(\$2.1)	(\$1.4)	(\$1.1)	(\$2.0)	(\$6.6)	(\$11.4)
Pre-Tax Income	\$117.6	\$234.6	\$429.4	\$132.2	\$211.0	\$76.0	\$34.9	\$454.1	\$71.0	\$70.1	\$81.4	\$43.0	\$265.5	\$285.9
Income Tax	\$25.5	\$23.6	\$70.8	\$16.6	\$30.5	\$8.5	\$8.0	\$63.6	\$15.6	\$15.4	\$17.9	\$9.5	\$58.4	\$62.9
Tax Rate	21.7%	10.0%	16.5%	12.6%	14.4%	11.2%	23.0%	14.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Net Income before Non-Controlling Interests	\$92.1	\$211.1	\$358.6	\$115.6	\$180.6	\$67.5	\$26.9	\$390.5	\$55.4	\$54.7	\$63.5	\$33.5	\$207.1	\$223.0
Non-Controlling Interests	\$1.6	\$3.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Income, Non-GAAP	\$154.8	\$254.4	\$408.9	\$125.7	\$195.3	\$78.2	\$43.8	\$443.0	\$67.3	\$68.8	\$79.7	\$46.4	\$262.2	\$281.1
Acquisition Related Amortization	\$42.5	\$40.9	\$33.4	\$8.7	\$8.9	\$9.1	\$9.0	\$35.6	\$7.3	\$8.2	\$8.3	\$7.4	\$31.2	\$33.2
Related Income Tax and Noncontrolling Interest Effect Of Above Items	\$16.9	\$16.5	\$15.3	\$3.7	\$4.4	\$3.9	\$5.0	\$16.9	\$3.6	\$4.1	\$4.3	\$3.7	\$15.7	\$16.9
Net Income, GAAP	\$93.7	\$214.1	\$358.6	\$115.6	\$180.6	\$67.5	\$26.9	\$390.5	\$55.4	\$54.7	\$63.5	\$33.5	\$207.1	\$223.0
Basic Shares Outstanding	30.1	26.9	25.3	25.7	25.9	25.8	25.8	25.8	25.7	25.7	25.6	25.6	25.7	25.5
Diluted Shares Outstanding, Non-GAAP	30.5	27.6	27.3	29.8	29.9	30.6	30.6	30.3	30.6	30.5	30.5	30.4	30.5	30.3
Diluted Shares Outstanding, GAAP	30.5	28.1	29.7	33.5	33.7	34.9	34.9	34.3	34.9	34.8	34.8	34.7	34.8	34.6
Basic EPS	\$3.11	\$7.97	\$14.16	\$4.49	\$6.97	\$2.62	\$1.04	\$15.12	\$2.15	\$2.13	\$2.48	\$1.31	\$8.07	\$8.76
Diluted EPS, Non-GAAP	\$5.08	\$9.23	\$14.97	\$4.21	\$6.52	\$2.55	\$1.43	\$14.71	\$2.20	\$2.25	\$2.62	\$1.53	\$8.59	\$9.27
Diluted EPS, GAAP	\$3.07	\$7.62	\$12.07	\$3.45	\$5.35	\$1.93	\$0.77	\$11.50	\$1.59	\$1.57	\$1.83	\$0.97	\$5.95	\$6.45
Dividend per Share	\$1.40	\$1.50	\$1.70	\$0.60	\$0.60	\$0.70	\$0.70	\$2.60	\$0.60	\$0.60	\$0.60	\$0.60	\$2.40	\$2.40

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	C
Growth Score	A
Momentum Score	F
VGM Score	C

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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