

Iridium Communications (IRDM)

\$18.55 (Stock Price as of 01/08/2026)

Price Target (6-12 Months): **\$19.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 10/14/24)

Prior Recommendation: Outperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

4-Sell

Zacks Style Scores:

VGM: B

Value: B

Growth: B

Momentum: F

Summary

Momentum across Service revenue and Equipment and Engineering/Support sales amid a dynamic satellite backdrop is driving Iridium. The commercial IoT unit is gaining from strong growth across consumer and commercial applications. PNT, a key catalyst, is poised to drive additional revenue for Iridium. Engineering and support revenue rides on expanded SDA work and new R&D deals, supporting future growth in government programs. We expect this metric to reach \$163.6 million in 2025, up 31.3%. It expects to generate \$1.5-\$1.8 billion in free cash flow from 2026 to 2030 and has paused share buybacks to pursue acquisitions and investments. However, for 2025, it lowered its service revenue growth outlook to about 3% from 3-5% due to PNT revenue delays and slower hosted payload and data service growth. Management remains wary of increasing rivalry in the satellite market.

Data Overview

| | |
|----------------------------|---|
| 52 Week High-Low | \$34.45 - \$15.65 |
| 20 Day Average Volume (sh) | 2,445,540 |
| Market Cap | \$1.9 B |
| YTD Price Change | 3.6% |
| Beta | 0.55 |
| Dividend / Div Yld | \$0.60 / 3.3% |
| Industry | Satellite and Communication |
| Zacks Industry Rank | Bottom 5% (233 out of 244) |

| | |
|---------------------------|-------------------|
| Last EPS Surprise | 34.6% |
| Last Sales Surprise | 1.3% |
| EPS F1 Est- 4 week change | 0.0% |
| Expected Report Date | 02/12/2026 |
| Earnings ESP | 0.0% |

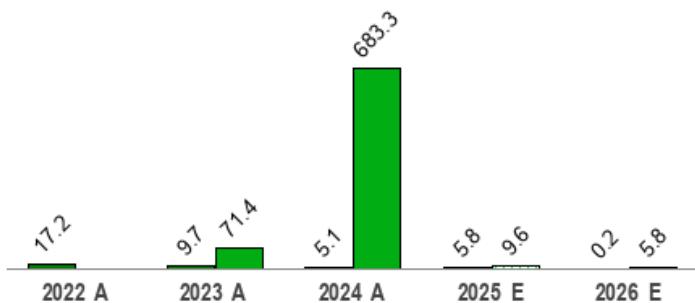
| | |
|---------|-------------|
| P/E TTM | 15.9 |
| P/E F1 | 18.0 |
| PEG F1 | 2.4 |
| P/S TTM | 2.2 |

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾

Sales EPS



Sales Estimates (millions of \$)⁽²⁾

| | Q1 | Q2 | Q3 | Q4 | Annual* |
|------|-------|-------|-------|-------|---------|
| 2026 | 218 E | 218 E | 223 E | 222 E | 881 E |
| 2025 | 215 A | 217 A | 227 A | 220 E | 879 E |
| 2024 | 204 A | 201 A | 213 A | 213 A | 831 A |

EPS Estimates⁽²⁾

| | Q1 | Q2 | Q3 | Q4 | Annual* |
|------|--------|--------|--------|--------|---------|
| 2026 | 0.28 E | 0.24 E | 0.27 E | 0.30 E | 1.09 E |
| 2025 | 0.27 A | 0.20 A | 0.35 A | 0.21 E | 1.03 E |
| 2024 | 0.16 A | 0.27 A | 0.21 A | 0.31 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 01/08/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 01/06/2026.

Overview

Founded in 2000 and headquartered in McLean, VA, Iridium Communications Inc is a satellite communications company that offers dedicated commercial global voice and data communications services to both businesses and governments in the U.S. as well as globally. It also works with non-governmental organizations.

Iridium operates one of the largest commercial constellations with a mesh architecture of 66 operational Low-Earth Orbit satellites to route traffic using radio frequency crosslinks. The inimitable architecture provides impeccable performance by minimizing the need for ground infrastructure.

The communications and satellite company sells products and services to commercial end users through a wholesale distribution network encompassing approximately 110 service providers, 310 value-added resellers and 85 value-added manufacturers.

Iridium's satellite and communications network solutions are best suited for industries such as aviation, emergency services, mining, forestry, maritime, oil and gas, transportation and utilities.

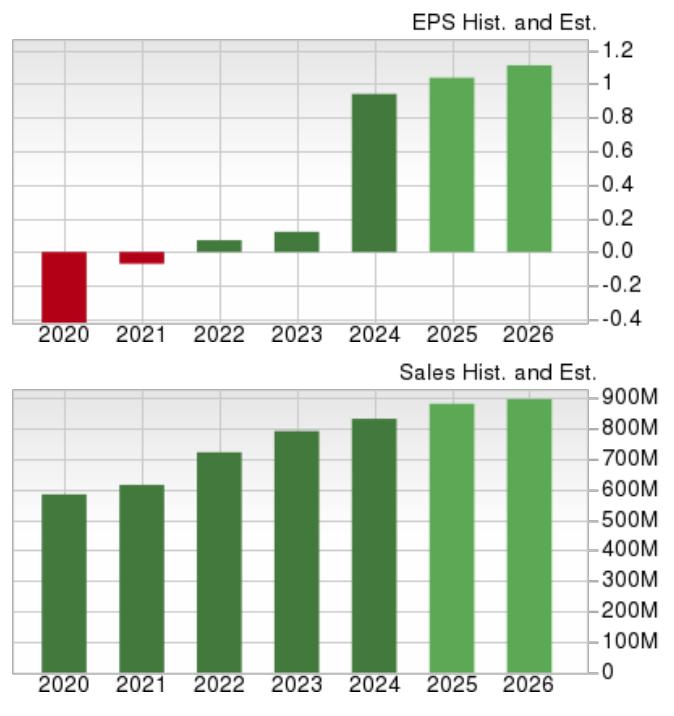
Iridium generates revenues under three segments namely Service, Subscriber equipment and Engineering and support services.

For 2024, the company reported revenues of \$830.7 million, up 5% from 2023.

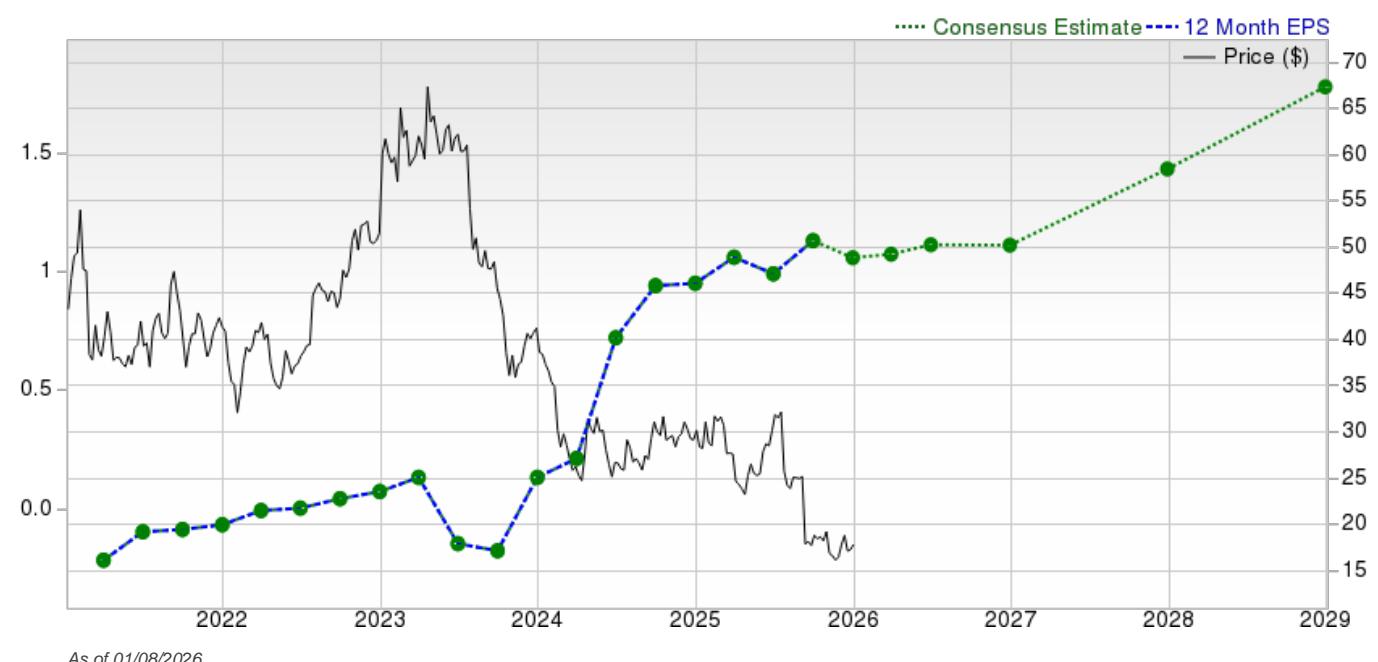
Service revenues comprised 74% of total revenues in 2024, while Subscriber equipment and Engineering and support services contributed 11% and 15%, respectively.

As of Sept. 30, the company had 2,542,000 billable subscribers, up 2% from 2,482,000 at the end of the prior-year quarter.

It faces tough competition in the mobile satellite services industry from the likes of Inmarsat, Globalstar, ORBCOMM, and Thuraya Telecommunications Co (or Thuraya).



As of 01/06/2026



Reasons To Buy:

▲ Iridium's mobile and satellite communication network leverages the advanced interlinked mesh architecture of 66 operational satellites to provide a **global reach** of its services across numerous territories. The installation of Starlink will allow the company to compete with KU and KA Band satellite operators. Hosted payload and other data services revenues grew 14% in the third quarter, driven by strength in Iridium's Satellite Time and Location (STL), a Positioning, Navigation and Timing service, which the company acquired through the Satelles transaction in April 2024. The Iridium STL business is targeted to generate more than \$100 million in service revenue per year by 2030. Hosted payload and other revenues will support 2025 growth as Iridium PNT gains momentum. With GPS jamming and spoofing becoming more common, many organizations are struggling with risks to systems that depend on it. Iridium STL, powered by Satelles, offers a stronger and more reliable timing and location service, available globally at low cost. Interest in this solution has grown significantly, and it's expected to be a key growth driver through 2030 across civil and commercial markets. Its PNT platform is gaining traction in commercial and government markets as a secure alternative to GPS, supporting critical infrastructure and navigation protection. Iridium is also developing a quantum-safe cybersecurity solution using its PNT signal to enhance identity verification and authentication, targeting a share of the \$20 billion identity verification market. Management plans to leverage its core strengths by investing in industrial-grade IoT and PNT services and pursuing complementary acquisitions in regulated, safety-driven markets such as maritime and aviation. The company also aims to expand its role in autonomous systems, providing reliable connectivity and secure PNT solutions for drones, crewless vessels and other autonomous vehicles requiring redundant, resilient communication links.

Strong growth prospects in the satellite communications space, Iridium's enhanced mesh architecture, strategic relationships with government organizations and solid subscriber base enable it to generate higher revenues.

▲ Iridium has been making **solid R&D investments to boost its technology infrastructure**. The company expects to generate about \$1 billion in annual Service revenues by 2030. To achieve this long-term goal, management is focused on developing several services, including Satellite Time and Location (STL), Midband services, Direct-to-Device (D2D) and satellite-based personal communication devices. The company unveiled Project Stardust, marking the evolution of its D2D strategy through the development of a 3GPP 5G standards-based Narrowband-Internet of Things (NB-IoT) Non-Terrestrial Network (NB-NTN) service. In 2024, the 3GPP approved Iridium's offer to expand the capability of NB-IoT for NTN into the official Work Plan for 3GPP Release 19 (set to conclude in the fourth quarter of 2025). This will likely be a key platform for its consumer-focused D2D services for smartphones and wearables. It will also support inbound roaming for IoT devices/applications, on its NB-IoT satellite network and provide reliable, worldwide coverage for these devices and applications. Standards-based chipsets are expected to reduce costs for manufacturers and customers using Iridium's global network, making it easier to add satellite connectivity alongside cellular. This could open up new opportunities in industries where satellite was once too expensive and support strong IoT growth for Iridium in the years ahead. Iridium NTN Direct will enhance the company's IoT portfolio and extend its reach into the broader terrestrial IoT market. It has signed agreements with Karrier One and Deutsche Telekom to integrate its NTN DirectSM IoT capabilities, advancing 3GPP standards-based, 5G-powered non-terrestrial networks. These partnerships aim to expand global D2D connectivity across industries and regions. It is further pursuing new revenue streams through strategic investments in intellectual property and assets that complement, rather than compete with, future D2D services. Management expects higher capital expenditures in 2025 to support the ongoing development of Iridium NTN Direct and advancement of 5G standards integration.

▲ The company shares a **strategic relationship with various government organizations**, including military and disaster response agencies and non-governmental organizations to provide robust, tactical, real-time voice and low-latency data command and control communications on a regular basis. It provides unrivalled mission-critical communications and maintenance services to all the military branches of U.S. Department of Defense ("DoD") with global coverage, low latency and mobility and security in areas where no terrestrial or wireless means of communications are available. The DoD remains focused on making continued investments in Iridium NEXT, Iridium Certus and other improved services. Iridium's (Enhanced Mobile Satellite Services) EMSS contract with the DoD provides the government with dependable global voice and data coverage for a flat rate of around \$65 per user per month, regardless of how many users they add. It's considered one of the best value deals in the satellite industry. Under the EMSS contract with the U.S. Space Force, Iridium provides extensive satellite airtime services. The contract, valued at \$738.5 million over seven years, includes unlimited global voice, paging, fax and data services for the Department of Defense and other federal agencies. In June 2024, Iridium further strengthened its collaboration with the U.S. government by signing a new five-year contract valued at nearly \$94 million. The new ECS3 contract is poised to play a pivotal role in supporting the EMSS program through 2029, with a stable source of revenue for a longer period. In October 2024, Iridium and General Dynamics Mission Systems jointly received a \$491.6 million contract modification from the Space Development Agency (SDA) for its Ground Management and Integration program, which supports the Proliferated Warfighter Space Architecture. Being part of the SDA program gives Iridium valuable insight into new satellite tech, helping shape early ideas for its next-gen network. Moreover, the company expects government business to generate higher revenues in 2025, reaching \$108 million for the full year due to an increase in the EMSS contract. It is also positioned to benefit from initiatives like Golden Dome and increased government focus on commercial space.

▲ Iridium benefits from a **highly lucrative recurring service revenue base**. The company has witnessed steady subscriber growth and mobile penetration backed by an efficient operating model. The company added 2,418,000 billable commercial subscribers in the third quarter, up from 2,341,000 in the previous year's quarter. IoT now makes up 82% of Iridium's commercial subscriber base, highlighting the company's growing dominance in low-bandwidth, high-volume connectivity solutions. Iridium's IoT partners continue to roll out new devices with its mid-band technology. In the past two years, around a dozen products have been launched across aviation, maritime, land mobile, and government sectors. Iridium expects these innovations, along with new consumer-focused applications, to drive broader adoption across industries to attract new users and drive higher IoT ARPU. Growing subscriber count for Iridium Certus GMDSS is likely to help offset the current fall in ARPU caused by main users switching plans. Management expects fourth-quarter IoT growth to accelerate from the 7% recorded in the third quarter, driven by contracted revenue from a major customer. Full-year IoT revenue growth is now projected to be just below 10%, reflecting solid performance across the business. Total service revenues rose 3% year over year to \$165.2 million, owing to

strong recurring revenues from an expanding subscriber base.

▲ As of Sept. 30, 2025, total cash and cash equivalents were \$88.5 million, with no current debt, indicating that there are no near-term concerns about paying down its debt. The current ratio of 2.67, quick ratio of 1.94 and times interest earned ratio of 2.6 also indicate that there are no short-term liquidity concerns. Additionally, these numbers are better than the industry's current ratio, quick ratio and times interest earned ratio of 0.7, 0.6 and (12.8), respectively, indicating that the company is **comfortably positioned to pursue its growth objectives**. Iridium has a strong, cash-generative business supported by steady, recurring revenue from its connected solutions. Despite rising competition, the company expects to generate \$1.5–\$1.8 billion in free cash flow over the rest of the decade, based on its current annual run rate of about \$300 million.

Reasons To Sell:

▼ Iridium offers its products and services in a highly competitive environment with **low barriers to entry**. There are inherent challenges to operating in this market, including the amount of time it takes to obtain spectrum licenses that can potentially turn away customers to competing services. There may also be resultant delays or cancellations of future implementations of products and services. For 2025, Iridium has lowered its full-year service revenue growth forecast to around 3% from 3-5% guided earlier. The outlook is impacted by the delayed timing of PNT revenue. A major customer's significant PNT deployment, while promising, depends on factors beyond its control. As a result, hosted payload and data service growth will be below trend in the fourth quarter, with full-year service revenue likely at the lower end of its prior guidance.

▼ Significant uncertainty about the **tariff rates** and their implementation timings, and how Iridium's partners' businesses will perform amid the dynamic macroeconomic conditions, remains a worry for management. The company anticipates adverse impacts on its industry due to the combined pressures of newly imposed tariffs and the U.S. government's restructuring efforts and evolving priorities. It recently witnessed funding cuts, such as USAID reducing support to international groups using satellite services for internal security, highlighting broader financial challenges for foreign agencies, NGOs and safety organizations. Although Iridium is largely protected from recent protectionist and nationalistic shifts, it expects margin impacts to arise later in the year. If Iridium imports all of its equipment from Thailand, it would face a 36% tariff rate. As a result, the company is projected to incur an additional \$6 million to \$7 million in costs over the course of this year. While mitigated, tariffs could still have a minor impact on 2026 revenue, with a potential range of \$1-\$7 million.

▼ **Growing competition** in the satellite connectivity market poses a challenge for Iridium, potentially affecting its growth and market position. The proposed acquisition of EchoStar Spectrum by Starlink marks a major competitive threat, as it could accelerate the launch of a global direct-to-device (D2D) service connecting smartphones and IoT devices via satellite. This development may undermine Iridium's advantage in global IoT communications and intensify pricing and technology pressures. Management acknowledged that such competition could begin affecting its business in the latter part of this decade, with a more significant impact expected in the 2030s. Facing mounting competition, Iridium has paused its share repurchase program, reflecting financial caution and the need to conserve capital for strategic priorities and debt reduction rather than returning cash to shareholders.

▼ Satellite systems are an integral part of Iridium's extended cyber ecosystem. Satellite communications have made it easier to exchange messages and allowing access to the Internet even in the most remote places. However, **security breaches and cyber-attacks** remain major flaws in the mobile and satellite communication systems used worldwide in aeronautics, energy and maritime industries, emergency services and by government agencies and the military. Hackers may at times be able to bypass stringent security measures to illegally access confidential information, leading to widespread security breaches. Moreover, customer contracts may not fully protect it from any liability to independent third parties with whom customers conduct their business. This leaves Iridium vulnerable to significant losses in the event of such a security breach.

▼ The company's **balance sheet is significantly leveraged**. The long-term debt was more or less steady through 2023 but grew sharply through 2024. The debt cap ratio has increased in every quarter from around 57% in fourth-quarter 2022 to around 80% in third-quarter 2025. Last available industry data indicates a ratio of around 57%, way below Iridium's. This makes the stock a much riskier bet than its peers.

Low barriers to entry, intense competition in the satellite space and a leveraged balance sheet are woes.

Last Earnings Report

Iridium Q3 Earnings Beat Estimates

Iridium reported earnings per share (EPS) of 35 cents for the third quarter of 2025, beating the Zacks Consensus Estimate by 35%. The bottom line compared favorably with the prior-year quarter's figure of 21 cents.

Iridium reported quarterly revenues of \$226.9 million, a 7% increase year over year, driven by continued strength in Service revenue and Equipment and Engineering/Support sales. The consensus estimate was \$224.05 million. The communications market is changing, with new industries now exploring satellite solutions that provide real customer value. This creates a favorable environment, expanding Iridium's opportunities. By investing in new technologies and refining its market focus, the company stays competitive with specialized, highly reliable and customized products and services.

Total Service revenues increased 3% year over year to \$165.2 million. Recurring service revenue remains the core of Iridium's business, supported by a growing subscriber base and diversified applications across aviation, maritime, government, mining and IoT. Service revenues accounted for 73% of total revenues in the third quarter, close to our estimate of \$164.3 million.

Iridium's commercial service segment continues to be the backbone of the company, representing 61% of total revenues in the quarter. Commercial revenue reached \$138.3 million, a 4% increase driven by momentum in commercial IoT, PNT and voice and data. Government service revenue was \$26.9 million, up 1%, supported by contractual rate increases under the EMSS deal with the U.S. Space Force. Hosted Payload & Data Services revenue grew 14% to \$18.7 million, mainly from Iridium's PNT service.

Subscriber Equipment sales declined 3% to \$21.5 million.

Engineering and support revenues surged 31% to \$40.2 million, due to increased U.S. government-related projects, including Space Development Agency contracts. For full-year 2025, Iridium expects equipment sales to be slightly down, while engineering revenue should be significantly higher than in 2024.

However, management decided to pause share buybacks to prioritize strategic investments and debt reduction.

Other Details

Total operating expenses were \$156.9 million compared with \$157.9 million in the prior-year quarter.

Operational EBITDA (OEBITDA) rose 10% in the third quarter to \$136.6 million, fueled by recurring service revenue and engineering and support activities.

Operating income came in at \$70.1 million compared with \$54.9 million reported in the year-ago quarter.

As of Sept. 30, the company had 2,542,000 billable subscribers, up 2% from 2,482,000 at the end of the prior-year quarter. The year-over-year rise was backed by strength in commercial IoT. Commercial IoT now represents 82% of Iridium's commercial user base, underscoring the company's strength in industrial and enterprise IoT connectivity.

Liquidity

As of Sept. 30, total cash and cash equivalents were \$88.5 million, with \$1.8 billion of net debt. Capital expenditures were \$21.5 million in the quarter under review.

In the third quarter, Iridium repurchased 1.9 million shares for \$50 million. Since the program's inception in 2021, it has retired 36.7 million shares for \$1.3 billion. As of Sept. 30, 2025, \$245.3 million remained available under the current authorization, which runs through 2027.

Updated 2025 Outlook

For 2025, it has lowered its full-year service revenue growth forecast to around 3% from 3-5% guided earlier. The outlook is impacted by the delayed timing of PNT revenue. A major customer's significant PNT deployment, while promising, depends on factors beyond its control. As a result, hosted payload and data service growth will be below trend in the fourth quarter, with full-year service revenue likely at the lower end of its prior guidance.

It is also narrowing its OEBITDA guidance to \$495–\$500 million, at the upper end of its prior range (\$490–\$500 million).

| FY Quarter Ending | 12/31/2025 |
|-------------------------|--------------|
| Earnings Reporting Date | Oct 23, 2025 |
| Sales Surprise | 1.29% |
| EPS Surprise | 34.62% |
| Quarterly EPS | 0.35 |
| Annual EPS (TTM) | 1.13 |

Recent News

On Dec. 9, 2025, Iridium was chosen by HD Hyundai Construction Equipment to power its Hi MATE vehicle monitoring system with global satellite IoT, expanding service coverage worldwide.

On Dec. 2, 2025, Iridium secured a 5-year indefinite delivery/indefinite quantity (IDIQ) contract from the U.S. Space Force's COMSO office, with a potential value of up to \$85.8 million.

On Nov. 4, 2025, Iridium partnered with Vodafone IoT to integrate its Iridium NTN DirectSM service. This collaboration will expand Vodafone IoT's coverage footprint, enabling NB-IoT devices to maintain connectivity even in the most remote or previously unreachable areas. Through Iridium's satellite-based NTN capabilities, Vodafone IoT customers will gain global, seamless IoT connectivity across both terrestrial and satellite networks.

On Oct. 27, 2025, Iridium unveiled the Iridium PNT ASIC, a compact, dedicated chip designed to protect GPS and other GNSS devices from jamming, spoofing and timing disruptions. The chip provides secure, reliable PNT data worldwide and can be easily integrated into various consumer, industrial and government devices.

On Oct. 21, 2025, Iridium was selected by the U.S. Department of Transportation for a CPNT Action Plan Rapid Phase Award II to support the broad deployment of Iridium PNT services across its network.

On Oct. 14, 2025, Iridium and Qualcomm Technologies announced the successful integration of Iridium data services into the Snapdragon Mission Tactical Radio (MTR), enabling secure communication for U.S. government customers and allied partners.

On Oct. 1, 2025, Iridium signed a Memorandum of Understanding with Karrier One, a pioneer in decentralized telecom infrastructure. The agreement will see Iridium's non-terrestrial networks (NTN) DirectSM IoT capabilities integrated directly into the Karrier One ecosystem, creating new opportunities for global connectivity.

On Sep 16, 2025, Iridium partnered with Deutsche Telekom to deliver global connectivity through Iridium's upcoming NTN Direct service. This collaboration positions both companies at the forefront of 3GPP standards-based, 5G-powered non-terrestrial networks (NTN), bringing direct-to-device (D2D) connectivity for IoT to customers across industries and geographies.

Valuation

Iridium's shares are down 43.4% in the past six months and 39.2% over the trailing 12-month period. Stocks in the Zacks sub-industry are up 154.1%, while stocks in the Zacks Computer & Technology sector are up 18.6% in six months. In the past year, the Zacks sub-industry has been up 196.2% while the sector has been up 24.6%.

The S&P 500 index is up 12.9% in six months and 18.2% in the past year.

The stock is currently trading at 2.2X trailing 12-month sales, which compares to 2.3X for the Zacks sub-industry, 8.43X for the Zacks sector and 5.99X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 12.31X and as low as 1.93X, with a five-year median of 7.65X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$19 price target reflects 2.3X forward 12-month sales.

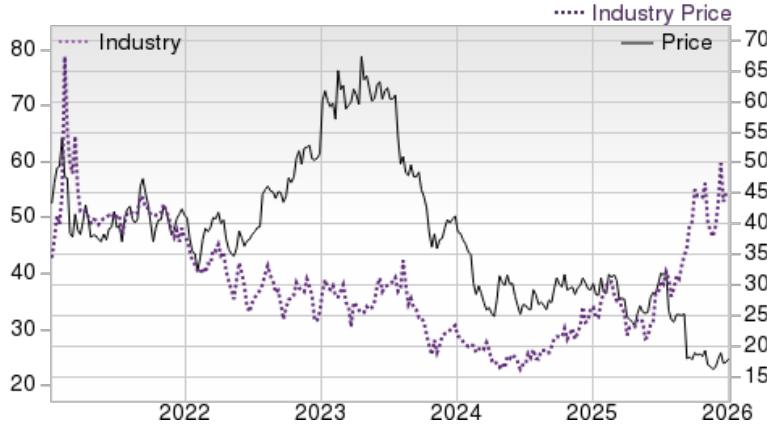
The table below shows summary valuation data for IRDM:

| Valuation Multiples - IRDM | | | | | |
|----------------------------|---------------|--------------|--------|---------|-------|
| | Stock | Sub-Industry | Sector | S&P 500 | |
| EV/EBITDA TTM | Current | 8.19 | 4.04 | 19.53 | 18.68 |
| | 5-Year High | 25.45 | 150.58 | 23.62 | 22.34 |
| | 5-Year Low | 7.65 | 3.2 | 11.99 | 13.86 |
| | 5-Year Median | 16.84 | 11.15 | 18.3 | 17.93 |
| P/S TTM | Current | 2.2 | 2.3 | 8.43 | 5.99 |
| | 5-Year High | 12.31 | 5.39 | 8.71 | 6.16 |
| | 5-Year Low | 1.93 | 0.43 | 4.37 | 3.99 |
| | 5-Year Median | 7.65 | 0.79 | 7.2 | 5.35 |
| P/B TTM | Current | 4.21 | 4.6 | 10.7 | 8.52 |
| | 5-Year High | 7.8 | 4.61 | 11.66 | 9.13 |
| | 5-Year Low | 3.29 | 0.37 | 6.5 | 6.57 |
| | 5-Year Median | 4.71 | 1.93 | 9.57 | 8.04 |

As of 01/05/2026

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 5% (233 out of 244)



Top Peers⁽¹⁾

| Company (Ticker) | Rec | Rank |
|---------------------------------|---------|------|
| ADTRAN Holdings, Inc... (ADTN) | Neutral | 3 |
| The Boeing Company (BA) | Neutral | 3 |
| Globalstar, Inc. (GSAT) | Neutral | 3 |
| Liberty Global Ltd (LBTYA) | Neutral | 3 |
| EchoStar Corporation (SATS) | Neutral | 3 |
| Telefonica SA (TEF) | Neutral | 2 |
| Viasat Inc. (VSAT) | Neutral | 3 |
| Eutelsat Communicati... (EUTLF) | NA | |

Industry Comparison⁽¹⁾ Industry: Satellite And Communication

| | IRDM | X Industry | S&P 500 | GSAT | VSAT |
|---|-----------|------------|-----------|-----------|-----------|
| Zacks Recommendation (Long Term) | Neutral | - | - | Neutral | Neutral |
| Zacks Rank (Short Term) | 3 | - | - | 3 | 3 |
| VGM Score | B | - | - | D | A |
| Market Cap | 1.89 B | 2.81 B | 40.07 B | 7.72 B | 5.10 B |
| # of Analysts | 8 | 2.5 | 22 | 2 | 2 |
| Dividend Yield | 3.33% | 0.00% | 1.38% | 0.00% | 0.00% |
| Value Score | B | - | - | F | A |
| Cash/Price | 0.05 | 0.11 | 0.04 | 0.04 | 0.24 |
| EV/EBITDA | 8.87 | 13.35 | 14.89 | 281.04 | 8.41 |
| PEG Ratio | 2.28 | 1.07 | 2.04 | NA | NA |
| Price/Book (P/B) | 4.19 | 4.19 | 3.41 | 21.13 | 1.12 |
| Price/Cash Flow (P/CF) | 6.44 | 17.74 | 15.44 | 129.06 | 3.71 |
| P/E (F1) | 17.48 | 78.43 | 18.58 | 450.74 | 83.82 |
| Price/Sales (P/S) | 2.16 | 2.15 | 3.06 | 29.44 | 1.11 |
| Earnings Yield | 6.17% | 0.23% | 5.38% | 0.23% | 1.19% |
| Debt/Equity | 4.02 | 1.30 | 0.57 | 1.33 | 1.43 |
| Cash Flow (\$/share) | 2.80 | 0.60 | 8.98 | 0.47 | 10.16 |
| Growth Score | B | - | - | C | A |
| Hist. EPS Growth (3-5 yrs) | 219.98% | 56.83% | 8.24% | NA | NA |
| Proj. EPS Growth (F1/F0) | 9.57% | 7.16% | 9.21% | 83.33% | 181.25% |
| Curr. Cash Flow Growth | -6.11% | -7.57% | 7.00% | -5.85% | 1,225.00% |
| Hist. Cash Flow Growth (3-5 yrs) | 5.58% | 4.10% | 7.49% | 39.56% | 30.86% |
| Current Ratio | 2.67 | 2.33 | 1.19 | 2.53 | 2.08 |
| Debt/Capital | 80.07% | 59.82% | 38.14% | 57.08% | 58.83% |
| Net Margin | 14.44% | -21.07% | 12.77% | -21.07% | -11.40% |
| Return on Equity | 24.93% | 0.39% | 17.03% | -3.67% | -3.65% |
| Sales/Assets | 0.34 | 0.34 | 0.53 | 0.14 | 0.30 |
| Proj. Sales Growth (F1/F0) | 5.80% | 7.28% | 5.29% | 9.20% | 3.20% |
| Momentum Score | F | - | - | A | D |
| Daily Price Chg | -2.60% | -2.60% | -0.34% | -9.58% | -13.21% |
| 1 Week Price Chg | 3.20% | 3.20% | 1.10% | 1.75% | 8.10% |
| 4 Week Price Chg | -4.56% | 5.16% | 0.50% | -13.42% | 1.15% |
| 12 Week Price Chg | -6.40% | -6.40% | 3.75% | 36.53% | 3.37% |
| 52 Week Price Chg | -38.04% | 82.61% | 16.94% | 104.99% | 319.58% |
| 20 Day Average Volume | 2,445,540 | 701,038 | 2,431,070 | 701,038 | 1,556,631 |
| (F1) EPS Est 1 week change | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| (F1) EPS Est 4 week change | 0.00% | 0.00% | 0.00% | 292.86% | 0.00% |
| (F1) EPS Est 12 week change | -7.08% | -14.96% | 0.44% | 1,250.00% | -109.05% |
| (Q1) EPS Est Mthly Chg | 0.00% | 0.00% | 0.00% | NA | 0.00% |

Analyst Earnings Model⁽²⁾

Iridium Communications Inc. (IRDM)

In \$MM, except per share data

| | 2022A | 2023A | 2024A | 2025E | | | | 2026E | | | | 2027E | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | FY Dec-22 | FY Dec-23 | FY Dec-24 | 1Q | 2Q | 3Q | 4Q | FY Dec-25 | 1Q | 2Q | 3Q | 4Q | FY Dec-26 | FY Dec-27 |
| FY Ends December 31st | | | | 31-Mar-25 | 30-Jun-25 | 30-Sep-25 | 31-Dec-25 | | 31-Mar-26 | 30-Jun-26 | 30-Sep-26 | 31-Dec-26 | | |
| Income Statement | | | | | | | | | | | | | | |
| Total Revenue | \$721.0 | \$790.7 | \$830.7 | \$214.9 | \$216.9 | \$226.9 | \$220.2 | \$878.9 | \$217.9 | \$218.0 | \$222.5 | \$222.1 | \$880.5 | \$895.0 |
| YoY % Chng | 17.3% | 9.7% | 5.1% | 5.4% | 7.9% | 6.7% | 3.4% | 5.8% | 1.4% | 0.5% | (2.0%) | 0.9% | 0.2% | 1.6% |
| Cost of Revenue | \$201.1 | \$225.1 | \$230.6 | \$61.7 | \$64.9 | \$63.4 | \$63.2 | \$253.2 | \$62.8 | \$60.7 | \$63.0 | \$63.1 | \$249.7 | \$250.0 |
| YoY % Chng | 33.7% | 11.9% | 2.4% | 2.2% | 21.5% | 12.0% | 5.0% | 9.8% | 1.9% | (6.5%) | (0.6%) | (0.1%) | (1.4%) | 0.1% |
| Gross Profit | \$519.9 | \$565.6 | \$600.1 | \$153.2 | \$152.0 | \$163.5 | \$157.0 | \$625.7 | \$155.1 | \$157.3 | \$159.5 | \$158.9 | \$630.8 | \$645.0 |
| YoY % Chng | 12.0% | 8.8% | 6.1% | 6.8% | 2.9% | 4.7% | 2.7% | 4.3% | 1.2% | 3.5% | (2.5%) | 1.3% | 0.8% | 2.2% |
| Research and Development | \$16.2 | \$20.3 | \$28.4 | \$5.4 | \$4.3 | \$4.9 | \$6.3 | \$21.0 | \$5.2 | \$5.1 | \$5.4 | \$4.2 | \$20.0 | \$18.5 |
| YoY % Chng | 36.5% | 25.0% | 40.2% | (24.7%) | (34.3%) | (20.1%) | (25.9%) | (26.3%) | (4.0%) | 19.8% | 10.1% | (32.7%) | (4.5%) | (7.3%) |
| Selling, General and Administrative | \$123.5 | \$143.7 | \$168.2 | \$35.8 | \$44.6 | \$35.5 | \$35.2 | \$151.1 | \$37.5 | \$37.8 | \$34.6 | \$34.5 | \$144.4 | \$139.3 |
| YoY % Chng | 22.9% | 16.4% | 17.0% | (2.9%) | (4.5%) | (19.2%) | (13.5%) | (10.2%) | 4.9% | (15.2%) | (2.5%) | (2.1%) | (4.4%) | (3.5%) |
| Depreciation and Amortization | \$303.5 | \$320.0 | \$203.1 | \$51.7 | \$52.8 | \$53.0 | \$51.0 | \$208.5 | \$51.7 | \$54.8 | \$53.1 | \$53.2 | \$212.9 | \$221.5 |
| YoY % Chng | (0.6%) | 5.4% | (36.5%) | 3.9% | 4.1% | 3.5% | (0.8%) | 2.6% | 0.1% | 3.8% | 0.2% | 4.4% | 2.1% | 4.1% |
| Total Cost and Operating Expenses | \$644.4 | \$709.1 | \$630.3 | \$154.5 | \$166.6 | \$156.9 | \$156.8 | \$633.7 | \$157.2 | \$158.5 | \$156.1 | \$155.1 | \$627.0 | \$629.4 |
| YoY % Chng | 13.4% | 10.0% | (11.1%) | 0.3% | 5.9% | (0.7%) | (3.2%) | 0.5% | 1.8% | (4.9%) | (0.4%) | (0.4%) | (1.1%) | 0.4% |
| Share Based Compensation | \$43.7 | \$57.5 | \$63.5 | \$11.7 | \$19.1 | \$13.2 | \$9.6 | \$53.6 | \$13.3 | \$13.7 | \$10.3 | \$11.9 | \$49.2 | \$45.8 |
| YoY % Chng | 62.7% | 31.4% | 10.4% | (16.1%) | (1.3%) | (25.6%) | (22.5%) | (15.5%) | 13.3% | (28.4%) | (21.6%) | 23.3% | (8.3%) | (6.9%) |
| Acquisition and Related Costs | | | | \$3.1 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| YoY % Chng | | | | | | | | | | | | | | |
| EBITDA | \$424.0 | \$463.1 | \$470.6 | \$122.1 | \$121.3 | \$136.6 | \$115.9 | \$495.9 | \$124.0 | \$121.7 | \$121.0 | \$125.6 | \$492.2 | \$509.0 |
| YoY % Chng | 12.1% | 9.2% | 1.6% | 6.2% | 6.4% | 9.8% | (1.0%) | 5.4% | 1.5% | 0.3% | (11.4%) | 8.3% | (0.7%) | 3.4% |
| Operating Income | \$76.7 | \$81.6 | \$200.4 | \$60.4 | \$50.3 | \$70.1 | \$64.4 | \$245.1 | \$60.7 | \$59.5 | \$66.4 | \$67.0 | \$253.5 | \$265.6 |
| YoY % Chng | 65.6% | 6.5% | 145.5% | 21.3% | 15.1% | 27.8% | 23.6% | 22.3% | 0.5% | 18.4% | (5.3%) | 4.0% | 3.4% | 4.8% |
| Interest Expense | \$65.1 | \$90.4 | \$91.1 | \$21.8 | \$22.8 | \$22.6 | \$27.0 | \$94.2 | \$22.9 | \$22.8 | \$23.3 | \$24.1 | \$93.0 | \$82.1 |
| YoY % Chng | (11.9%) | 38.9% | 0.8% | 5.6% | (4.4%) | (6.8%) | 20.6% | 3.4% | 5.1% | 0.2% | 3.0% | (11.1%) | (1.2%) | (11.8%) |
| Loss on Extinguishment of Debt | \$1.2 | \$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 |
| YoY % Chng | 35.0% | | | | | | | | | | | | | |
| Other (Income) Expense, Net | (\$0.1) | (\$4.0) | (\$0.5) | \$1.7 | \$0.9 | (\$0.4) | \$9.2 | \$11.3 | \$1.7 | \$6.3 | \$8.7 | \$6.5 | \$23.3 | \$23.9 |
| YoY % Chng | (125.7%) | (3,649.5%) | 86.7% | 4,018.6% | 34.8% | (19.2%) | 1,209.8% | 2,223.6% | 2.8% | 625.2% | 2,445.8% | (28.6%) | 105.6% | 2.6% |
| Total Other Expense, Net | \$66.2 | \$86.4 | \$90.6 | \$23.5 | \$23.6 | \$22.2 | \$36.2 | \$105.6 | \$24.7 | \$29.1 | \$32.0 | \$30.6 | \$116.4 | \$106.0 |
| YoY % Chng | (12.0%) | 30.5% | 4.9% | 14.0% | (3.4%) | (7.2%) | 67.6% | 16.5% | 4.9% | 23.3% | 44.0% | (15.5%) | 10.2% | (8.9%) |
| Pre-Tax Income | \$10.5 | (\$4.7) | \$109.8 | \$36.9 | \$26.6 | \$47.9 | \$28.2 | \$139.6 | \$36.0 | \$30.4 | \$34.4 | \$36.4 | \$137.1 | \$159.6 |
| YoY % Chng | 136.4% | (145.2%) | 2,412.7% | 26.5% | 38.7% | 54.8% | (7.5%) | 27.2% | (2.3%) | 14.0% | (28.2%) | 28.9% | (1.8%) | 16.4% |
| Income Tax | \$0.3 | (\$26.3) | \$12.3 | \$5.8 | \$3.8 | \$10.0 | \$5.9 | \$25.5 | \$7.5 | \$6.3 | \$7.2 | \$7.6 | \$28.7 | \$33.4 |
| YoY % Chng | 101.5% | (9,090.1%) | 146.7% | (26.6%) | (16.6%) | 66.6% | 194.5% | 108.2% | 29.4% | 66.7% | (28.2%) | 28.9% | 12.3% | 16.4% |
| Tax Rate | 3.2% | 553.0% | 11.2% | 15.8% | 14.3% | 20.9% | 20.9% | 18.3% | 20.9% | 20.9% | 20.9% | 20.9% | 20.9% | 20.9% |
| Loss on Equity Method Investments | | | | \$6.1 | (\$15.3) | \$0.6 | \$0.9 | \$0.7 | \$0.0 | \$2.2 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| YoY % Chng | | | | 307.0% | (350.5%) | (58.6%) | 104.9% | 57.2% | | 114.7% | | | | |
| Net Income | \$8.7 | \$15.4 | \$112.8 | \$30.4 | \$22.0 | \$37.1 | \$22.3 | \$111.8 | \$28.5 | \$24.0 | \$27.2 | \$28.8 | \$108.5 | \$126.2 |
| YoY % Chng | 193.6% | 76.7% | 631.6% | 54.7% | (32.1%) | 51.9% | (38.6%) | (0.8%) | (6.3%) | 9.3% | (26.8%) | 28.9% | (3.0%) | 16.4% |
| Basic Shares Outstanding | 128.3 | 125.6 | 118.6 | 109.8 | 107.8 | 106.1 | 104.2 | 107.0 | 102.3 | 100.4 | 98.5 | 96.6 | 99.4 | 91.8 |
| YoY % Chng | (4.0%) | (2.1%) | (5.6%) | (10.9%) | (10.6%) | (9.7%) | (11.1%) | (9.8%) | (6.8%) | (7.2%) | (7.3%) | (7.0%) | (7.7%) | |
| Diluted Shares Outstanding | 130.1 | 127.2 | 119.8 | 110.7 | 108.2 | 106.5 | 104.6 | 107.5 | 102.7 | 100.8 | 98.9 | 96.9 | 99.6 | 92.2 |
| YoY % Chng | (2.5%) | (2.2%) | (5.8%) | (10.7%) | (10.8%) | (9.9%) | (13.7%) | (10.3%) | (7.2%) | (6.9%) | (7.2%) | (7.3%) | (7.1%) | (7.6%) |
| Basic EPS | \$0.07 | \$0.12 | \$0.95 | \$0.28 | \$0.20 | \$0.35 | \$0.21 | \$1.04 | \$0.28 | \$0.24 | \$0.28 | \$0.30 | \$1.09 | \$1.38 |
| YoY % Chng | 200.0% | 71.4% | 691.7% | 75.0% | (25.9%) | 66.7% | (28.9%) | 9.9% | (6.3%) | 19.6% | (21.1%) | 39.1% | 4.6% | 26.1% |
| Diluted EPS | \$0.07 | \$0.12 | \$0.94 | \$0.27 | \$0.20 | \$0.35 | \$0.21 | \$1.03 | \$0.28 | \$0.24 | \$0.27 | \$0.30 | \$1.09 | \$1.37 |
| YoY % Chng | 200.0% | 71.4% | 683.3% | 68.8% | (25.9%) | 66.7% | (28.9%) | 9.9% | 2.8% | 19.2% | (21.4%) | 39.1% | 5.3% | 26.1% |
| Dividend Per Share | | | | \$0.52 | \$0.55 | \$0.14 | \$0.15 | \$0.15 | \$0.58 | \$0.15 | \$0.16 | \$0.16 | \$0.63 | \$0.64 |
| YoY % Chng | | | | 5.8% | 7.7% | 0.0% | 7.1% | 7.1% | 5.5% | 7.1% | 14.3% | 6.7% | 6.7% | 8.6% |

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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 | B |
| Growth Score | B |
| Momentum Score | F |
| 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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