ZACKS | Our Research. Your Success.

Zacks Report Date: December 17, 2025

Leggett & Platt Inc. (LEG)

$11.32 (Stock Price as of 12/17/2025)

Price Target (6-12 Months): **$12.00**

Long Term: 6-12 Months | **Zacks Recommendation:** **Neutral**
(Since: 12/05/25)
Prior Recommendation: Outperform

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

Summary

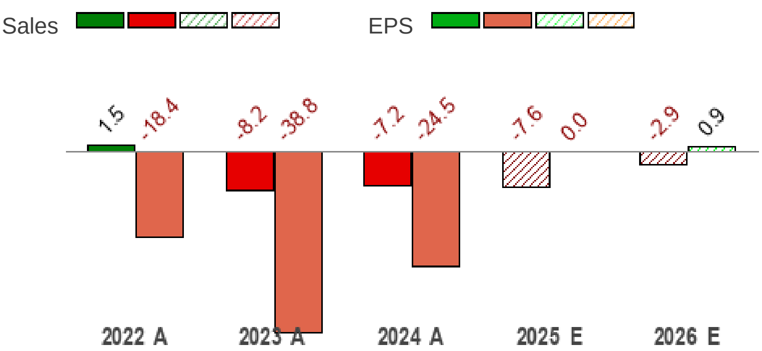
Shares of Leggett have outperformed the industry in the past six months. Its prospects are gaining from disciplined capital management, stable liquidity and a clear commitment to deleveraging. Furthermore, the benefits from the restructuring program and ongoing portfolio optimization are encouraging. The multiyear restructuring program, which includes facility consolidation, divestitures of non-core businesses, and operational efficiency improvements, is expected to provide a lasting boost to the company's profitability. However, weak residential demand, sales attrition due to the restructuring efforts, discounted pricing trends and softness in the Bedding products segment are concerning Leggett. Earnings estimates for 2025 and 2026 have remained unchanged over the past 30 days, limiting the upside potential of the stock.

Price, Consensus & Surprise(1)

Data Overview

52 Week High-Low	$12.03 - $6.48
20 Day Average Volume (sh)	2,440,969
Market Cap	$1.5 B
YTD Price Change	19.2%
Beta	0.75
Dividend / Div Yld	$0.20 / 1.7%
Industry	Furniture
Zacks Industry Rank	Top 29% (71 out of 243)
Last EPS Surprise	-3.3%
Last Sales Surprise	1.2%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/12/2026
Earnings ESP	0.0%
P/E TTM	11.0
P/E F1	10.8
PEG F1	22.5
P/S TTM	0.4

Sales and EPS Growth Rates (Y/Y %)(2)



Sales Estimates (millions of $)(2)

	Q1	Q2	Q3	Q4	Annual*
2026	949 E	1,000 E	1,030 E	954 E	3,933 E
2025	1,022 A	1,058 A	1,036 A	935 E	4,052 E
2024	1,097 A	1,129 A	1,102 A	1,056 A	4,384 A

EPS Estimates(2)

	Q1	Q2	Q3	Q4	Annual*
2026	0.25 E	0.29 E	0.30 E	0.22 E	1.06 E
2025	0.24 A	0.30 A	0.29 A	0.22 E	1.05 E
2024	0.23 A	0.29 A	0.32 A	0.21 A	1.05 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/17/2025.
(2) The report's text, the analyst-provided estimates, and the price target are as of 12/08/2025.

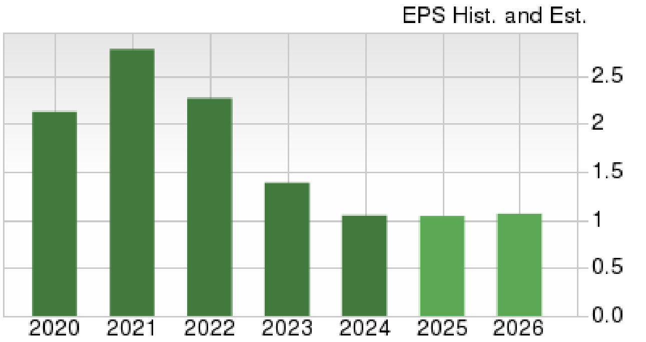
Overview

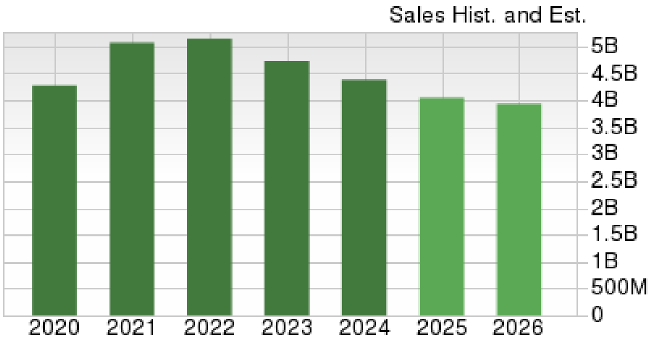
Headquartered in Carthage, MO, Leggett and Platt Inc. is a global manufacturer that conceives, designs, and produces a wide variety of engineered components and products found in many homes, offices, and automobiles.

The company's product lines include components for bedding, automotive seat and lumber systems, specialty bedding foams and private-label finished mattresses, residential as well as office furniture, flooring underlayment, adjustable beds, and bedding industry machinery. The company operates under three segments, seven groups and 14 business units.

Bedding Products (which accounted for 40% of total 2024 trade sales) segment supplies a variety of components and machinery used by bedding manufacturers in the production and assembly of their finished products. Also, it produces private-label finished mattresses for bedding brands and adjustable bed bases. Additionally, it manufactures and supplies specialty foam chemicals, steel rods and drawn steel wire to its operations and customers.

The Specialized Products (28.3%) segment supplies lumbar support and seat suspension systems, motors and actuators and control cables used by automotive manufacturers. Also, it produces and distributes tubing and tube assemblies for the aerospace industry, as well as engineered hydraulic cylinders used in the material-handling and construction industries.





As of 12/08/2025

The Furniture, Flooring & Textile Products (31.7%) segment supplies a wide range of components for residential and work furniture manufacturers, as well as selected private-label finished furniture. It also sells carpet cushions, hard surface flooring underlayment, and textile and geo components.

As of 12/17/2025

Reasons To Buy:

Leggett is gaining from its solid balance sheet, ongoing restructuring activities aimed at enhancing its portfolio, driving margins and expanding the business.

- **Strengthened Balance Sheet and Improved Liquidity:** Leggett has taken significant steps to strengthen its financial position. As of the first nine months of 2025, the company had net debt of $1.04 billion, down from $1.6 billion in the year-ago comparative period. This resulted in lowering its net debt-to-12-month adjusted EBITDA ratio to 2.6x from 3.8x in the year-ago period. While leverage remains elevated, this improvement demonstrates disciplined capital management and a clear commitment to deleveraging. Total liquidity at the end of the third quarter of 2025 stood at $974 million, including $461 million in cash and $513 million of available capacity under the revolving credit facility. The amendment of the credit agreement, which extended the maturity to 2030, further supports financial flexibility. These measures collectively provide Leggett with the ability to withstand market volatility while continuing to fund strategic initiatives.

- **Margin Expansion Through Restructuring Initiatives:** Despite weaker sales, Leggett delivered margin improvement in the first nine months of 2025, with the adjusted EBIT margin expanding by 60 basis points (bps) to 6.9% year over year. The margin expansion was driven by metal margin gains, restructuring benefits, and disciplined cost controls. The multiyear restructuring program, which includes facility consolidation, divestitures of non-core businesses, and operational efficiency improvements, is expected to provide a lasting boost to the company's profitability. Management still anticipates $60-$70 million in annual EBIT benefits once all initiatives are fully implemented. Among the given range, the EBIT benefits in 2025 are expected to be around $60 million, with another $10 million expected to be realized in 2026. These benefits through restructuring actions suggest that even in a challenging demand environment, Leggett has levers to protect and grow margins.

- **Progress on Portfolio Optimization:** As a part of the restructuring initiative, Leggett is advancing in strategic portfolio optimization. One of the key components of this optimization strategy was the planned divestiture of the Aerospace business, which was closed on Aug. 29, 2025. Leggett sold its Aerospace Products Group to Flow Intermediate II, LLC (a Delaware limited liability company) and Flow UK Holdco, Limited (a UK corporation). Another key component includes business consolidation, which the company highlighted during its third quarter of 2025 earnings call. With the restructuring strategy almost coming to a close, Leggett shed light on making notable progress on the second phase of the flooring consolidation during the third quarter of 2025, and expects this consolidation to be completed by 2025-end. Moreover, in early September 2025, the company announced the consolidation of its Kentucky adjustable bed manufacturing operation into its Mexico operation by 2025-end. This move's announcement was based on lowering the volume and tariffs on imported components to reduce the cost disadvantage for its domestic production.

  These strategic divestitures and business consolidations allow Leggett to sharpen its focus on core businesses where it has stronger competitive positioning, while also improving the balance sheet. It also highlights management's disciplined approach to capital allocation and willingness to streamline the portfolio for long-term value creation.

- **Focus on Business Diversification:** Leggett's operations span multiple segments, including Bedding, Specialized Products, and Furniture, Flooring & Textiles. This diversification offers a measure of resilience in volatile markets. While Bedding and Automotive sales were soft in the second quarter, strength in Textiles, Work Furniture, and rod and wire sales provided important offsets. Such a balance helps mitigate risks tied to cyclical swings in individual end markets. The company's broad product portfolio, ranging from mattress components to automotive seating systems and flooring underlayment, positions it to capture opportunities across industries while buffering against downturns in any one category.

- **Commitment to Shareholder Returns:** Even as it executes restructuring and prioritizes deleveraging, Leggett has maintained its dividend policy. The company declared a quarterly dividend of $0.05 per share in August 2025, consistent with the prior year. This commitment signals confidence in the company's cash flow stability and reinforces its longstanding history of returning capital to shareholders. During the first nine months of 2025, Leggett returned its shareholders $7 million through dividend payments and $20 million through share repurchases.

  While share repurchases remain limited for now, the company has indicated that once deleveraging targets are achieved, it will consider re-engaging in opportunistic buybacks and selective acquisitions. The dividend, coupled with potential future capital returns, enhances the investment case for income-focused shareholders.

- **Strong ROE:** Leggett's superior return on equity (ROE) is indicative of its growth potential. The company's ROE is 17.4%, which is up from 9.4% for the industry it belongs to. This indicates efficiency in using its shareholders' funds.

Reasons To Sell:

Weak demand, sales attrition, high debt, and tariff risks hurt prospects.

- **Weakness in Bedding and Automotive Demand:** Leggett's core businesses remain under pressure from soft end-market demand. The Bedding segment, which is the largest contributor to the company's trade sales, recorded an 11% year-over-year sales decline in the first nine months of 2025. Ongoing customer weakness, retailer merchandising changes in Adjustable Bed and Specialty Foam, lower trade rod sales, and restructuring-related sales attrition continue to weigh on this segment's performance.

  Management noted that mattress consumption in the United States improved sequentially in the third quarter of 2025, marking the second sequential growth. But industry volumes were still down in the low single digits. Automotive sales also remain challenged as tariffs, affordability issues, and OEM production cuts pressure the supply chain. These trends point toward ongoing structural headwinds in key categories rather than temporary disruptions, suggesting that recovery may not come quickly.

- **Restructuring-Related Sales Attrition:** The multiyear restructuring program has helped Leggett reduce costs and expand margins, but it has also reduced the company's revenue base. Management now expects approximately $60 million in sales attrition in 2025 once all facility closures and divestitures are completed. In Bedding, the divestiture of a U.S. machinery business and the closure of certain spring operations have already contributed to volume declines. While restructuring has improved efficiency, the contraction in sales is a trade-off that limits top-line growth potential, especially at a time when end-market demand is already soft. This sales attrition represents a meaningful limitation on future growth.

- **Margin Pressure in Furniture and Flooring:** The Furniture, Flooring & Textile Products segment illustrates the risks of competitive pricing pressure. Despite a 1% year-over-year decline in trade sales, adjusted EBIT for this segment fell year over year by 22% to $66.6 million in the first nine months of 2025, with adjusted EBIT margin contracting 180 bps. Management attributed the decline to aggressive discounting in Flooring and Textiles, a trend that began late 2024 and has persisted into 2025. Competitive imports and customer-driven pricing concessions have forced the company to accept lower profitability to defend its market share.

  During the third quarter of 2025, Leggett highlighted that aggressive competitive discounting, mainly in Flooring and Textiles, has led to pricing adjustments, which are expected to negatively impact the fourth quarter of 2025. These dynamics highlight that certain product categories may struggle to generate margin expansion even as restructuring initiatives take effect in other parts of the business.

- **Elevated Leverage Constrains Flexibility:** Leggett has made progress in paying down debt, reducing its leverage ratio to 2.6x net debt-to-12-month adjusted EBITDA so far in 2025. While this is an improvement from previous periods, it still represents a relatively high level of debt for a cyclical manufacturer. Until proceeds are applied to further deleveraging and the portfolio optimization efforts conclude, Leggett's balance sheet remains a source of concern. Elevated leverage restricts the company's ability to pursue further acquisitions, invest in growth initiatives, or significantly increase shareholder returns. This constraint limits strategic flexibility at a time when competitors with stronger balance sheets may be better positioned to capitalize on industry shifts.

- **Tariff and Macroeconomic Uncertainty:** Tariff policy represents both a near-term opportunity and a long-term risk for Leggett. On the positive side, domestic steel tariffs have expanded metal margins, benefiting the company's rod and wire operations. However, broad-based tariffs also raise the risk of higher inflation, weaker consumer confidence, and slower demand. The company is exposed to imported components and finished goods in Bedding, Home Furniture, and Automotive supply chains, leaving it vulnerable to trade disruptions. Management acknowledged that while tariffs are currently a net positive, volatility in global trade policy remains a major uncertainty. If tariffs shift in ways that disadvantage Leggett's sourcing model, the impact could offset the gains from metal margins.

- **Muted 2025 Outlook:** Leggett's 2025 guidance reinforces the limited growth potential in the near term. Sales in 2025 are expected to decline between 6% and 9% compared with 2024, with adjusted EPS in the range of $1.00-$1.10. At the midpoint, this represents flat growth compared with 2024 because of metal margin expansion and restructuring benefit offset by lower volume. For 2025, our model expects net trade sales to decline year over year by 6.6% to $4.05 billion.

  Volume across key segments is expected to decline, including declines by mid-teens in the Bedding segment, declines by mid-single digits in the Specialized Products segment, and low single digits in the Furniture, Flooring & Textile Products segment. With industry demand still under pressure, and with restructuring-related sales attrition further limiting top-line expansion, the path to meaningful growth remains uncertain.

Last Earnings Report

Leggett's Q3 Earnings Miss, Margins Hold Steady Amid Soft Demand

FY Quarter Ending	12/31/2024
Earnings Reporting Date	Oct 27, 2025
Sales Surprise	1.18%
EPS Surprise	-3.33%
Quarterly EPS	0.29
Annual EPS (TTM)	1.04

Leggett & Platt reported third-quarter 2025 sales of $1.04 billion, down 6% year over year, but topping the Zacks Consensus Estimate by 1.2%.

The decline reflected soft demand in residential end markets, Automotive, and Hydraulic Cylinders, partly offset by gains in Textiles and Work Furniture. Organic sales fell 4%, while divestitures lowered sales 2%.

Adjusted EPS of 29 cents missed the Zacks Consensus Estimate by 3.3% and fell 9% year over year, primarily due to volume declines, though metal margin expansion offered some cushion.

Segment Highlights

Bedding Products: Sales fell 10%, with a 13% volume drop. Adjusted EBIT margin improved 220 bps to 6.6%, aided by metal margin expansion and restructuring gains.

Specialized Products: Sales declined 7% (organic down 2%), reflecting weaker Automotive and Hydraulic Cylinders performance. Adjusted EBIT margin increased slightly to 9.7%.

Furniture, Flooring & Textile Products: Sales were flat year over year; adjusted EBIT margin fell 230 bps to 5.5%, impacted by pricing pressure in Flooring and Textiles.

Margins and Profitability

Gross profit stood at $194 million, down 3% year over year, with gross margin essentially flat. Despite volume headwinds, pricing discipline and restructuring benefits helped sustain margins.

Adjusted EBIT came in at $73 million, down 4% year over year, while adjusted EBIT margin rose 10 basis points (bps) to 7.0%. Reported EBIT surged to $171 million, reflecting an $87 million gain from the Aerospace divestiture.

Balance Sheet & Cash Flow

Leggett ended Q3 with $461 million in cash, $974 million in total liquidity, and $1.5 billion in long-term debt, down $296 million sequentially following Aerospace proceeds. Operating cash flow improved to $126 million, up 32% year over year, driven by better working capital management. Capital expenditures were $16 million and dividends totaled $7 million. No material share repurchases occurred.

2025 Outlook

Management reaffirmed the midpoint of 2025 guidance, narrowing the range. Sales are projected between $4 billion and $4.1 billion (down 6-9% year over year), while adjusted EPS is expected at $1.00-$1.10, flat at midpoint versus 2024. The company targets an operating cash flow of $300 million and continues to focus on deleveraging and disciplined cost execution

Valuation

Leggett's shares are up 20.7% in the past six months, but down 6.9% over the trailing 12-month period. Stocks in the Zacks sub-industry are down 1.7% and the Zacks Consumer Discretionary sector is down 3.8% in the past six months. Over the past year, the Zacks sub-industry has been down 31.5%, and the sector is down 2%.

The S&P 500 index is up 17.3% in the past six months and 16.3% in the past year.

The stock is currently trading at 10.46X forward 12-month earnings, which compares to 10.14X for the Zacks sub-industry, 18.33X for the Zacks sector, and 23.61X for the S&P 500 index.

Over the past five years, the stock has traded as high as 22.3X and as low as 5.93X, with a 5-year median of 14.49X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our $12 price target reflects 11.11X forward 12-month earnings.

The table below shows the summary valuation data for LEG.

Valuation Multiples - LEG

		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	10.46	10.14	18.33	23.61
	5-Year High	22.3	15.03	39.87	23.82
	5-Year Low	5.93	8.14	15.44	15.73
	5-Year Median	14.49	10.56	9.11	21.19
P/S F12M	Current	0.38	0.41	2.35	5.34
	5-Year High	1.56	1.09	3.48	5.5
	5-Year Low	0.21	0.4	1.68	3.83
	5-Year Median	0.82	0.61	2.3	5.04
EV/EBITDA TTM	Current	7.13	6.63	10.33	18.73
	5-Year High	13.61	12.07	17.33	22.41
	5-Year Low	1.43	2.96	8.06	13.87
	5-Year Median	9.46	7.86	10.28	17.96

As of 12/05/2025 *Source: Zacks Investment Research*

Industry Analysis[1] **Zacks Industry Rank:** Top 29% (71 out of 243)

Top Peers [1]

Company (Ticker)	Rec	Rank
La-Z-Boy Incorporate...**(LZB)**	Outperform	1
Flexsteel Industries...**(FLXS)**	Neutral	2
MillerKnoll, Inc. **(MLKN)**	Neutral	4
PURPLE INNOVATION, I... **(PRPL)**	Neutral	3
Sleep Number Corpora...**(SNBR)**	Neutral	4
Bassett Furniture In...**(BSET)**	Underperform	3
Ethan Allen Interior...**(ETD)**	Underperform	5
Hooker Furnishings C...**(HOFT)**	Underperform	3

Industry Comparison[1] Industry: Furniture

	LEG	X Industry	S&P 500	LZB	MLKN	SNBR
				Industry Peers		
Zacks Recommendation (Long Term)	Neutral	-	-	Outperform	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	1	4	4
VGM Score	A	-	-	B	B	A
Market Cap	1.55 B	193.71 M	38.58 B	1.64 B	1.14 B	193.71 M
# of Analysts	4	1.5	22	1	2	2
Dividend Yield	1.75%	0.00%	1.42%	2.44%	4.49%	0.00%
Value Score	A	-	-	A	A	A
Cash/Price	0.29	0.16	0.04	0.21	0.15	0.01
EV/EBITDA	6.65	3.04	14.55	4.45	11.52	2.16
PEG Ratio	22.70	1.00	2.20	NA	0.75	NA
Price/Book (P/B)	1.59	1.14	3.33	1.56	0.88	NA
Price/Cash Flow (P/CF)	1.61	5.71	15.10	6.12	4.04	3.29
P/E (F1)	10.90	11.98	19.71	14.98	8.97	NA
Price/Sales (P/S)	0.37	0.49	3.09	0.78	0.30	0.13
Earnings Yield	9.09%	6.67%	5.06%	6.67%	11.14%	-44.47%
Debt/Equity	1.54	0.01	0.57	0.00	1.02	0.00
Cash Flow ($/share)	7.12	1.71	8.99	6.49	4.13	2.58
Growth Score	C	-	-	D	C	A
Hist. EPS Growth (3-5 yrs)	-22.16%	-20.09%	8.16%	0.53%	-7.01%	-65.88%
Proj. EPS Growth (F1/F0)	0.00%	-0.71%	8.57%	-9.25%	-4.62%	-320.00%
Curr. Cash Flow Growth	159.39%	-14.58%	6.75%	5.57%	-10.77%	-18.40%
Hist. Cash Flow Growth (3-5 yrs)	12.15%	4.57%	7.43%	11.00%	3.71%	-16.66%
Current Ratio	2.15	1.90	1.18	1.94	1.67	0.19
Debt/Capital	60.60%	2.20%	38.01%	0.00%	51.69%	NA
Net Margin	5.38%	0.75%	12.78%	4.29%	-0.41%	-5.42%
Return on Equity	16.27%	4.67%	17.00%	11.19%	10.96%	NA
Sales/Assets	1.14	1.08	0.53	1.09	0.95	1.77
Proj. Sales Growth (F1/F0)	-7.60%	0.00%	5.79%	1.80%	3.70%	-17.00%
Momentum Score	B	-	-	D	F	D
Daily Price Chg	-1.80%	0.30%	-0.24%	0.40%	0.30%	3.91%
1 Week Price Chg	3.76%	3.08%	-0.59%	3.08%	5.71%	27.03%
4 Week Price Chg	30.59%	5.41%	2.76%	34.20%	20.25%	116.84%
12 Week Price Chg	25.44%	-9.01%	2.15%	15.57%	-12.25%	11.69%
52 Week Price Chg	5.93%	-32.71%	12.39%	-11.06%	-34.01%	-55.07%
20 Day Average Volume	2,440,969	54,798	2,743,646	663,912	688,913	841,139
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.00%	0.00%	0.00%	7.72%	-0.53%	0.00%
(F1) EPS Est 12 week change	5.56%	-7.18%	0.69%	-7.18%	2.76%	-209.43%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	5.36%	-5.75%	0.00%

Analyst Earnings Model[2]

Leggett & Platt, Incorporated (LEG)

In $MM, except per share data

FY Ends December 31st	2022A FY Dec-22	2023A FY Dec-23	2024A FY Dec-24	2025E 1QA 31-Mar-25	2QA 30-Jun-25	3QA 30-Sep-25	4QE 31-Dec-25	FY Dec-25	2026E 1QE 31-Mar-26	2QE 30-Jun-26	3QE 30-Sep-26	4QE 31-Dec-26	FY Dec-26	2027E FY Dec-27
Income Statement														
Net Trade Sales	**$5,146.7**	**$4,725.3**	**$4,383.6**	**$1,022.1**	**$1,058.0**	**$1,036.4**	**$935.3**	**$4,051.8**	**$948.9**	**$999.8**	**$1,029.7**	**$954.3**	**$3,932.8**	**$4,050.7**
Reported Growth (YoY % Chng)	1.5%	(8.2%)	(7.2%)	(6.8%)	(6.3%)	(5.9%)	(11.5%)	(7.6%)	(7.2%)	(5.5%)	(0.6%)	2.0%	(2.9%)	3.0%
Cost of Goods Sold	$4,169.9	$3,871.5	$3,634.5	$832.1	$865.4	$842.7	$772.3	$3,312.5	$775.9	$818.5	$839.0	$785.6	$3,219.1	$3,306.3
YoY % Chng	3.4%	(7.2%)	(6.1%)	(8.6%)	(8.1%)	(6.5%)	(12.3%)	(8.9%)	(6.8%)	(5.4%)	(0.4%)	1.7%	(2.8%)	2.7%
Gross Profit	**$976.8**	**$853.8**	**$749.1**	**$190.0**	**$192.6**	**$193.7**	**$163.0**	**$739.3**	**$173.0**	**$181.3**	**$190.7**	**$168.7**	**$713.7**	**$744.4**
YoY % Chng	(5.9%)	(12.6%)	(12.3%)	1.9%	3.3%	(3.4%)	(7.2%)	(1.3%)	(9.0%)	(5.8%)	(1.5%)	3.5%	(3.5%)	4.3%
Selling and Administrative Expenses	$427.3	$465.4	$508.8	$123.6	$118.4	$124.5	$147.5	$514.0	$124.0	$123.1	$131.7	$128.7	$507.4	$524.5
YoY % Chng	1.2%	8.9%	9.3%	(1.8%)	(10.0%)	(2.0%)	18.5%	1.0%	0.3%	3.9%	5.8%	(12.7%)	(1.3%)	3.4%
Amortization of Intangibles	$66.8	$69.0	$22.0	$5.0	$3.6	$3.8	$3.9	$16.3	$3.8	$3.8	$4.1	$3.8	$15.6	$16.0
YoY % Chng	(1.0%)	3.3%	(68.1%)	2.0%	(23.4%)	(47.2%)	(24.1%)	(25.7%)	(23.2%)	6.5%	6.8%	(3.0%)	(4.8%)	3.0%
Gain on Aerospace Products Group Sale				$0.0	$0.0	$86.8	$0.0	$86.8	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Net Gain from Sale of Assets and Businesses	($0.7)	($10.9)	($30.9)	($3.2)	($18.4)	($2.5)	($15.9)	($40.0)	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Other (Income) Expense, net	($2.3)	($33.9)	$648.2	($1.5)	($19.8)	($105.7)	($23.4)	($150.4)	($15.9)	($15.6)	($18.4)	($18.0)	($67.9)	($71.2)
EBITDA, Adjusted	**$664.8**	**$513.4**	**$402.5**	**$98.2**	**$105.3**	**$102.2**	**$79.8**	**$385.5**	**$89.2**	**$99.4**	**$103.9**	**$82.7**	**$375.2**	**$395.4**
YoY % Chng	(12.0%)	(22.8%)	(21.6%)	1.7%	1.4%	(9.1%)	(11.0%)	(4.2%)	(9.2%)	(5.6%)	1.6%	3.6%	(2.7%)	5.4%
EBITDA, GAAP	**$664.8**	**$89.5**	**($293.9)**	**$94.5**	**$120.1**	**$200.5**	**$64.1**	**$479.2**	**$89.2**	**$99.4**	**$103.9**	**$82.7**	**$375.2**	**$395.4**
YoY % Chng	(15.1%)	(86.5%)	(428.4%)	(1.5%)	120.6%	75.7%	(17.6%)	263.1%	(5.6%)	(17.3%)	(48.2%)	29.0%	(21.7%)	5.4%
Depreciation & Amortization - Segments	$167.8	$167.5	$123.7	$28.3	$26.1	$25.5	$25.2	$105.1	$24.6	$25.5	$26.5	$24.9	$101.5	$104.7
Depreciation & Amortization - Unallocated	$12.0	$12.4	$12.3	$3.3	$3.6	$3.9	$4.0	$14.8	$3.5	$3.8	$4.0	$3.7	$15.0	$15.6
Depreciation & Amortization	$179.8	$179.9	$136.0	$31.6	$29.7	$29.4	$29.2	$119.9	$28.1	$29.3	$30.5	$28.6	$116.5	$120.2
Operating Income, Adjusted	**$485.0**	**$333.5**	**$266.5**	**$66.6**	**$75.6**	**$72.8**	**$50.6**	**$265.6**	**$61.1**	**$70.1**	**$73.3**	**$54.2**	**$258.6**	**$275.1**
YoY % Chng	(14.6%)	(31.2%)	(20.1%)	4.6%	6.2%	(4.2%)	(8.9%)	(0.3%)	(8.3%)	(7.3%)	0.7%	6.9%	(2.6%)	6.4%
Operating Income, GAAP	**$485.0**	**($90.4)**	**($429.9)**	**$62.9**	**$90.4**	**$171.1**	**$34.9**	**$359.3**	**$61.1**	**$70.1**	**$73.3**	**$54.2**	**$258.6**	**$275.1**
YoY % Chng	(18.6%)	(118.6%)	(375.6%)	(0.2%)	114.7%	120.2%	(20.0%)	183.6%	(2.9%)	(22.5%)	(57.1%)	55.0%	(28.0%)	6.4%
Interest Expense	$85.5	$88.4	$85.9	$18.8	$20.5	$18.5	$14.2	$72.0	$16.8	$17.5	$19.6	$14.7	$68.6	$69.7
YoY % Chng	11.8%	3.4%	(2.8%)	(13.0%)	(8.5%)	(11.9%)	(32.2%)	(16.2%)	(10.7%)	(14.6%)	6.1%	3.4%	(4.7%)	1.7%
Interest Income	$4.1	$5.4	$6.6	$1.0	$1.8	$1.8	$2.6	$7.2	$1.7	$2.5	$1.8	$2.1	$8.1	$8.5
YoY % Chng	57.7%	31.7%	22.2%	0.0%	(25.0%)	80.0%	20.1%	9.7%	71.8%	39.9%	(1.5%)	(19.8%)	12.2%	4.0%
Net Interest Expense	$81.4	$83.0	$79.3	$17.8	$18.7	$16.7	$11.5	$64.7	$15.1	$15.0	$17.8	$12.5	$60.4	$61.3
Pre-Tax Income, Adjusted	**$403.6**	**$250.5**	**$187.2**	**$48.8**	**$56.9**	**$56.1**	**$39.1**	**$200.9**	**$46.0**	**$55.1**	**$55.5**	**$41.6**	**$198.2**	**$213.9**
YoY % Chng	(18.3%)	(37.9%)	(25.3%)	13.2%	11.1%	0.2%	6.0%	7.3%	(5.7%)	(3.2%)	(1.1%)	6.4%	(1.4%)	7.9%
Pre-Tax Income, GAAP	**$403.6**	**($173.4)**	**($509.2)**	**$45.1**	**$71.7**	**$154.4**	**$23.4**	**$294.6**	**$46.0**	**$55.1**	**$55.5**	**$41.6**	**$198.2**	**$213.9**
YoY % Chng	(22.7%)	(143.0%)	(193.7%)	6.4%	111.3%	167.6%	(6.3%)	157.9%	2.0%	(23.2%)	(64.1%)	77.8%	(32.7%)	7.9%
Income Tax, Adjusted	$93.7	$61.5	$42.9	$15.8	$15.6	$15.9	$7.8	$55.1	$11.5	$13.8	$13.9	$10.4	$49.5	$53.5
Income Tax, GAAP	$93.7	($36.6)	$2.2	$14.5	$19.2	$27.2	$4.7	$65.6	$11.5	$13.8	$13.9	$10.4	$49.5	$53.5
Tax Rate, Adjusted	23.2%	24.6%	22.9%	32.4%	27.4%	28.3%	20.0%	27.4%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Tax Rate, GAAP	23.2%	21.1%	(0.4%)	32.2%	26.8%	17.6%	20.0%	22.3%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Net Income, Adjusted	**$309.9**	**$189.0**	**$144.2**	**$33.0**	**$41.3**	**$40.2**	**$31.3**	**$145.8**	**$34.5**	**$41.3**	**$41.6**	**$31.2**	**$148.6**	**$160.4**
YoY % Chng	(18.6%)	(39.0%)	(23.7%)	2.8%	3.8%	(7.8%)	8.6%	1.1%	4.5%	(0.0%)	3.5%	(0.2%)	1.9%	7.9%
Net Income (Including Minority Interest)	**$309.9**	**($136.8)**	**($511.4)**	**$30.6**	**$52.5**	**$127.2**	**$18.7**	**$229.0**	**$34.5**	**$41.3**	**$41.6**	**$31.2**	**$148.6**	**$160.4**
YoY % Chng	(23.0%)	(144.1%)	(273.8%)	(3.2%)	108.7%	183.3%	31.9%	144.8%	12.7%	(21.3%)	(67.3%)	66.7%	(35.1%)	7.9%
Minority Interest	$0.1	$0.0	$0.1	$0.0	$0.0	$0.1	$0.0	$0.1	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Net Income, GAAP	**$309.8**	**($136.8)**	**($511.5)**	**$30.6**	**$52.5**	**$127.1**	**$18.7**	**$228.9**	**$34.5**	**$41.3**	**$41.6**	**$31.2**	**$148.6**	**$160.4**
YoY % Chng	(23.0%)	(144.2%)	(273.9%)	(3.2%)	108.7%	183.1%	31.9%	144.8%	12.7%	(21.3%)	(67.3%)	66.7%	(35.1%)	7.9%
Diluted Shares Outstanding	136.5	136.3	137.3	138.6	139.6	140.2	140.2	139.7	140.2	140.2	140.2	140.2	140.2	140.2
YoY % Chng	(0.1%)	(0.1%)	0.7%	0.9%	1.7%	1.6%	1.4%	1.7%	1.2%	0.4%	0.0%	0.0%	0.4%	0.0%
Diluted EPS, Adjusted	**$2.27**	**$1.39**	**$1.05**	**$0.24**	**$0.30**	**$0.29**	**$0.22**	**$1.05**	**$0.25**	**$0.29**	**$0.30**	**$0.22**	**$1.06**	**$1.14**
YoY % Chng	(18.3%)	(38.8%)	(24.5%)	4.3%	3.4%	(9.4%)	6.3%	0.3%	2.5%	(1.8%)	2.4%	(0.2%)	0.7%	7.9%
Diluted EPS, GAAP	**$2.27**	**($1.00)**	**($3.73)**	**$0.22**	**$0.38**	**$0.91**	**$0.13**	**$1.64**	**$0.25**	**$0.29**	**$0.30**	**$0.22**	**$1.06**	**$1.14**
YoY % Chng	(22.8%)	(144.1%)	(273.0%)	(4.3%)	108.7%	175.8%	33.6%	144.1%	11.8%	(22.5%)	(67.4%)	66.7%	(35.5%)	7.9%

Zacks Stock Rating System

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

Zacks Recommendation

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

Zacks Rank

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

Zacks Style Scores

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

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

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

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

Disclosures

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

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

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

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

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