

Lamb Weston (LW)

\$43.98 (Stock Price as of 12/19/2025)

Price Target (6-12 Months): **\$63.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 12/12/25)

Prior Recommendation: Outperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

4-Sell

Zacks Style Scores:

VGM: A

Value: B

Growth: A

Momentum: D

Summary

Lamb Weston is benefiting from its "Focus to Win" strategy, driving strong volume growth, cost efficiencies, innovation, and shareholder returns, supporting long-term market share and margin expansion. In the first quarter of fiscal 2026, volumes rose 6%, fueled by new customer wins and solid retention across North America and Asia. Cost savings and restructuring initiatives are on track, enhancing cash flow and operational efficiency, while disciplined capital spending and dividends reinforce shareholder value. However, near-term headwinds persist, including a challenging consumer and restaurant traffic environment, ongoing pricing pressure, and soft gross margins from unfavorable price/mix, competitive dynamics, and startup and maintenance-related costs.

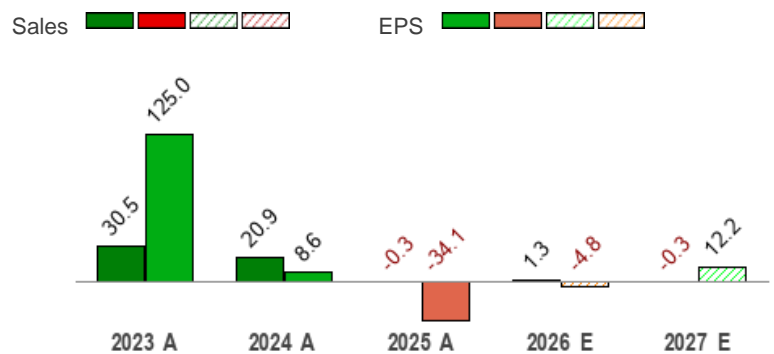
Price, Consensus & Surprise⁽¹⁾



Data Overview

52 Week High-Low	\$68.61 - \$47.87
20 Day Average Volume (sh)	1,192,719
Market Cap	\$8.3 B
YTD Price Change	-11.2%
Beta	0.44
Dividend / Div Yld	\$1.48 / 2.5%
Industry	Food - Miscellaneous
Zacks Industry Rank	Bottom 18% (199 out of 243)

Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Last EPS Surprise	37.0%
Last Sales Surprise	2.7%
EPS F1 Est- 4 week change	-1.0%
Expected Report Date	12/19/2025
Earnings ESP	0.5%

Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	1,668 E	1,610 E	1,541 E	1,695 E	6,514 E
2026	1,659 A	1,598 E	1,507 E	1,771 E	6,536 E
2025	1,654 A	1,601 A	1,521 A	1,676 A	6,451 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	0.90 E	0.83 E	1.01 E	0.85 E	3.58 E
2026	0.74 A	0.69 E	0.89 E	0.87 E	3.19 E
2025	0.73 A	0.66 A	1.10 A	0.87 A	3.35 A

*Quarterly figures may not add up to annual.

P/E TTM	17.6
P/E F1	13.8
PEG F1	4.1
P/S TTM	1.3

(1) The data in the charts and tables, except the estimates, is as of 12/19/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/15/2025.

Overview

Based in Eagle, ID, Lamb Weston Holdings, Inc. is a leading global manufacturer, marketer and distributor of value-added frozen potato products, particularly French fries, and also provides a range of appetizers.

Lamb Weston was formed in July 2016 as a wholly owned subsidiary of Conagra Brands, while it was spun off from the latter in November 2016 when it began operating independently. Lamb Weston, along with its joint venture allies, is the top frozen potato products supplier in North America, while it also operates internationally, with a robust and growing presence in emerging markets. The company mainly serves retail and foodservices customers.

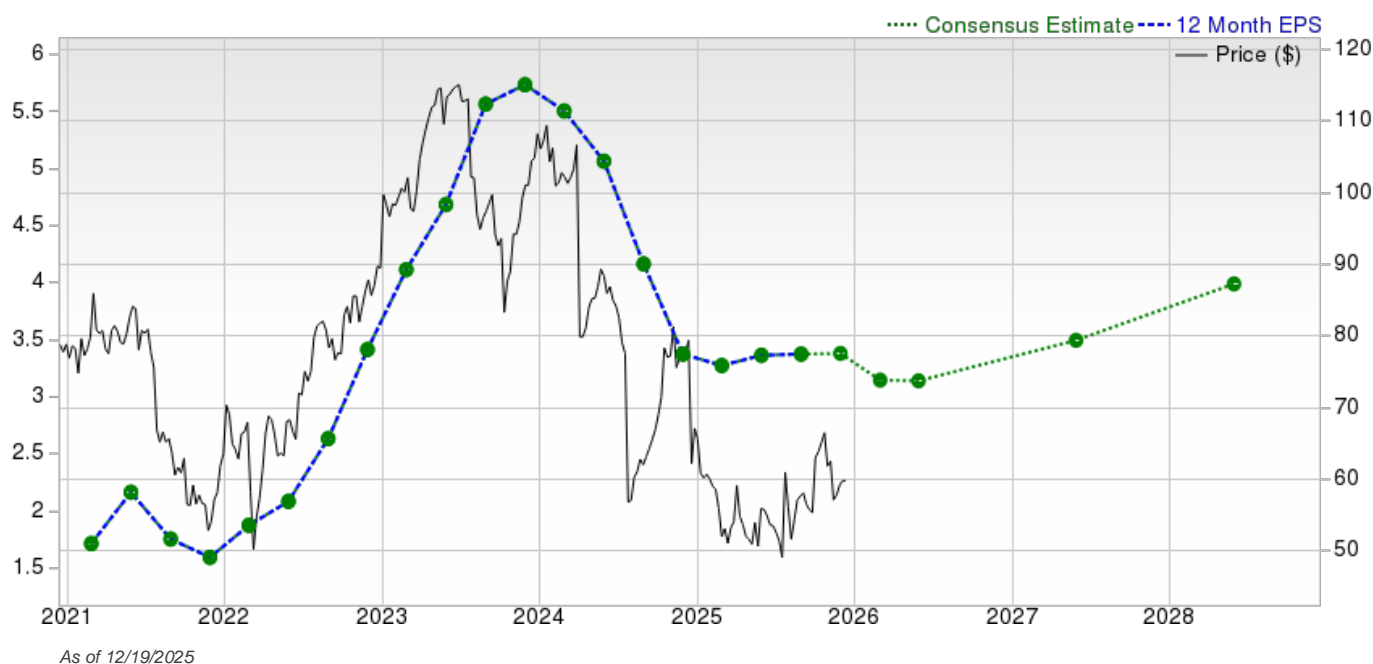
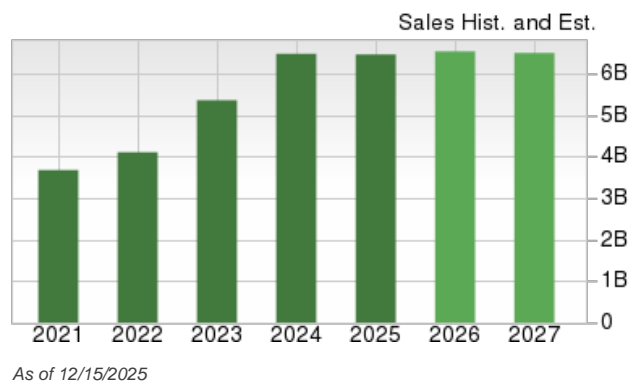
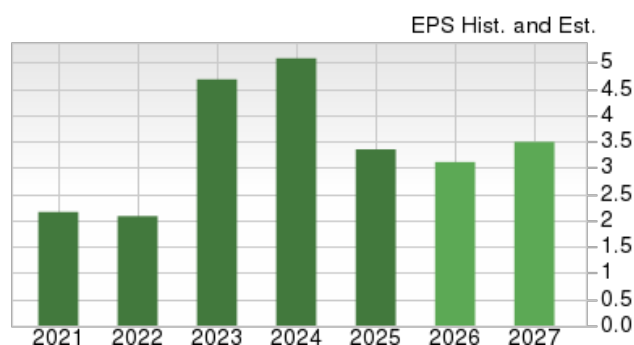
Lamb Weston operates through the following segments:

Beginning fiscal 2024, Lamb Weston began to manage its business in two reportable segments; North America and International.

The North America Segment: This includes products sold across restaurant, foodservice and retail channels in the U.S., Canada and Mexico, comprising of the company's large multinational chain customers.

The International Segment: This includes products sold across restaurant, foodservice and retail channels outside of North America.

Also, Lamb Weston operates through unconsolidated joint ventures ("JVs") and incorporates its share of earnings from these as equity method earnings. In February 2023, Lamb Weston unveiled that it has concluded the buyout of remaining equity interests in its European joint venture with Meijer Frozen Foods B.V. The company (in July 2022) bought an additional 40% stake in Lamb Weston Alimentos Modernos S.A. ("LWAMSA") — which is its joint venture in Argentina — taking its total ownership to 90%. It completed the acquisition of joint venture interests in Lamb Weston BSW sometime around mid-fiscal 2019.



Reasons To Buy:

- ▲ **Volume-Related Upside:** Lamb Weston's operational and cost-efficiency initiatives under its new "Focus to Win" strategy are already driving improved volume trends in fiscal 2026, despite a mixed consumer and restaurant traffic environment. The company delivered 6% total volume growth in the first quarter of fiscal 2026, led by 5% growth in North America and 6% growth internationally, reflecting strong customer wins and retention, particularly in North America and Asia, and benefiting from lapping a \$15 million charge in the prior-year quarter related to a voluntary product withdrawal. In North America, the company benefited from new customer contract wins and growth across channels, while in International markets, growth was supported by multinational QSR chains, particularly in Asia. The company's enhanced customer focus and strategic sales realignment, including augmenting its direct sales force with brokers to reach underpenetrated channels, are expanding reach in key categories such as C-stores, Cash & Carry, and QSRs. Management reaffirmed that volume growth is expected to continue across both segments through fiscal 2026, supported by ongoing customer momentum and strong execution under its Focus to Win strategy. We expect volume to rise 4.1% year over year in fiscal 2026.
- ▲ **Restructuring Plan Holds Promise:** Lamb Weston's Restructuring Plan aimed at enhancing efficiency, profitability and cash flow while positioning the company to make strategic investments that support its customers and drive long-term value for stakeholders. On the latest earnings call, Lamb Weston noted that its Restructuring Plan is being executed alongside the Cost Savings Program, which targets at least \$250 million in annual run-rate savings by fiscal 2028. Management reaffirmed that the company is on track to achieve \$100 million of expected savings and an additional \$60 million in working capital improvements by the end of fiscal 2026. In the first quarter of fiscal 2026, Lamb Weston recognized approximately \$32 million of pre-tax charges primarily related to the Cost Savings Program, with total expected pre-tax charges of \$70-\$100 million, most of which will be paid during fiscal 2026. These initiatives are already delivering measurable benefits; adjusted SG&A declined \$24 million year over year, reflecting savings from cost initiatives. As part of its restructuring and cost optimization efforts, Lamb Weston continues to drive sustainable process improvements across manufacturing, logistics and procurement, which are lowering costs, improving run rates and strengthening customer satisfaction. Management emphasized that these initiatives are tracking to plan and are intended not only to capture immediate efficiencies but also to embed long-term structural benefits to margins and cash flow generation.
- ▲ **Innovation Driving Growth:** Lamb Weston continues to win new business by focusing on innovation and evolving customer needs as a core pillar of its "Focus to Win" strategy. The company is leveraging its leadership in product development to strengthen customer partnerships and drive profitable growth across channels. This fall, Lamb Weston is launching new retail products aligned with emerging consumer trends, including flavor-forward offerings under its Alexia brand, such as Garlic & Parmesan Crinkle Cut Fries and Dill Pickle Seasoned Fries, as well as licensed products like Paw Patrol Waffle Fries and Shaped Tots. Internationally, innovation remains a key differentiator, with the continued rollout of Really Crunchy artisanal fries, which are performing well in multiple markets. Lamb Weston has also established global innovation hubs, one in North America and one in the Netherlands, to orchestrate breakthrough innovation platforms and enhance coordination across regions. Despite a competitive market and mixed restaurant traffic, the company's ongoing investment in trend-forward, high-quality and differentiated products underscores its ability to capture incremental market share and support customers' menu innovation.
- ▲ **Efforts to Boost Offerings:** Lamb Weston's sturdy balance sheet and capacity to generate cash keep it well-placed to boost production capacity and fuel long-term growth. Lamb Weston expects fiscal 2026 capital spending of approximately \$500 million, with \$400 million dedicated to maintenance and modernization and about \$100 million for environmental projects, primarily wastewater treatment. These investments underscore the company's commitment to improving efficiency, sustainability and capacity optimization. Operationally, Lamb Weston is proactively managing its manufacturing footprint to align production with demand. In response to sustained volume growth in North America, the company is restarting a previously curtailed production line in the second quarter of fiscal 2026 to maintain strong customer fill rates. Meanwhile, its new facility in Mar del Plata, Argentina, began shipping in early fiscal second quarter, with roughly 80% of output dedicated to export markets, primarily across Latin America. By enhancing production flexibility, modernizing operations and prioritizing efficient capital deployment, Lamb Weston is strengthening ability to meet customer demand, expand its global presence and capture market share in a growing frozen potato category.
- ▲ **Returning Wealth to Shareholders:** Lamb Weston remains committed to delivering value to its shareholders through strategic capital returns. In the first quarter of fiscal 2026, the company returned \$51.7 million to shareholders through cash dividends and repurchased \$10.4 million of its common stock under the ongoing share repurchase program. The company bought back 187,259 shares, reflecting disciplined capital deployment and confidence in its long-term value. Lamb Weston still has approximately \$348 million remaining under the current share repurchase authorization. Lamb Weston also declared a quarterly dividend of 37 cents per share, which is payable on Nov. 28, 2025. At present, Lamb Weston maintains a dividend payout ratio of 44% and a dividend yield of 2.28%, reinforcing its commitment to consistent shareholder rewards. With a strong focus on dividend growth and share repurchases, the company continues to prioritize long-term value creation for investors.

Lamb Weston's "Focus to Win" strategy fuels volume growth, cost savings, product innovation and shareholder returns, driving long-term market and margin expansion.

Reasons To Sell:

- ▼ **Challenging Operating Environment:** Lamb Weston continues to navigate macroeconomic challenges, as consumers remain financially stretched and increasingly value-conscious amid economic uncertainty. Restaurant traffic trends remain mixed, reflecting continued pressures on the broader foodservice industry. In North America, overall QSR traffic was flat during the first quarter of fiscal 2026, with growth in chicken-focused chains offset by low-single-digit declines in hamburger channels, which further dipped by about one percent in August. Internationally, trends were uneven; the United Kingdom, Lamb Weston's largest international market, saw restaurant traffic decline about 4%, while most other major markets remained relatively stable. These trends reflect persistent headwinds across both developed and international markets, underscoring the broader impact of a strained consumer environment on away-from-home dining.
- ▼ **Unfavorable Pricing Environment:** Lamb Weston continues to face pricing pressure as competitive dynamics and customer support measures weigh on price realization. In the first quarter of fiscal 2026, price/mix declined 7% at constant currency, reflecting the carryover impact of prior-year price and trade investments, as well as ongoing promotional support for customers. In North America, price/mix fell 7%, caused by continued trade investments and an unfavorable channel mix. Similarly, in the International segment, price/mix declined 6% at constant currency, reflecting pricing actions in key markets to support customers amid intensified competition. Management expects unfavorable price/mix trends to persist through the first half of fiscal 2026 before moderating later in the year. We expect price/mix to decline 4.4% year over year in fiscal 2026.
- ▼ **Soft Gross Margin:** Lamb Weston's gross margin remains under pressure from unfavorable price/mix and elevated cost structures. In the first quarter of fiscal 2026, adjusted gross profit declined \$14.2 million year over year to \$338.9 million, primarily due to adverse price/mix trends that outweighed benefits from lower manufacturing costs per pound and cost savings initiatives. The decline reflects the ongoing impact of pricing and trade investments to support customers, along with unfavorable channel mix within both segments. Management noted that gross profit margins are expected to remain relatively flat in the fiscal second quarter, constrained by higher factory burden from extended maintenance downtime at one plant and additional start-up expenses tied to the new production facility in Argentina. These factors, together with modest inflation and continued customer support measures, are expected to weigh on near-term profitability despite cost reduction efforts. We foresee an adjusted gross margin contraction of 130 bps year over year to 21.3% in fiscal 2026.

Lamb Weston faces a tough backdrop with weak restaurant traffic, pricing pressure, and soft margins as cost headwinds and customer support measures weigh on near-term profitability.

Last Earnings Report

Lamb Weston's Q1 Earnings Beat Estimates, Volume Rises 6% Y/Y

Lamb Weston reported solid first-quarter fiscal 2026 results, wherein both top and bottom lines beat the Zacks Consensus Estimate. While net sales increased, earnings decreased from the year-ago period's actuals.

Lamb Weston's adjusted earnings were 74 cents per share, beating the Zacks Consensus Estimate of 54 cents. The decrease of 5% was due to elevated income tax expense and reduced equity method investment earnings, partially offset by increased adjusted income from operations.

Net sales amounted to \$1,659.3 million, beating the Zacks Consensus Estimate of \$1,616 million. The top line increased \$5.2 million year over year.

Lamb Weston's Quarterly Results: Key Metrics & Insights

On a constant-currency basis, sales dipped 1%, as solid 6% volume growth was outweighed by a 7% drop in price/mix. Volume growth was driven by customer wins and retention, particularly in North America and Asia, and the lapping of a \$15 million charge in the last quarter related to a voluntary product withdrawal.

The decline in price/mix reflected the carryover impact of fiscal 2025 price and trade investments to support customers, ongoing price and trade support, and negative channel product mix across segments.

Adjusted gross profit fell \$14.2 million from the prior year, landing at \$338.9 million, with weaker price/mix serving as the main drag. This headwind was partially offset by elevated sales volumes, reduced manufacturing costs per pound resulting from cost savings initiatives, and the benefit of lapping a \$39 million charge in the prior year related to a voluntary product withdrawal.

Adjusted selling, general and administrative (SG&A) expenses fell \$24 million year over year, totaling \$132.4 million, supported by cost-savings measures and \$7.3 million in miscellaneous income, largely from an insurance recovery and property tax refunds.

Adjusted EBITDA rose \$2.8 million year over year, reaching \$302.2 million. This growth was driven by reduced adjusted SG&A expenses, partially offset by a decline in adjusted gross profit and equity method investment earnings (loss).

Lamb Weston Provides Q1 Insights by Segment

Net sales for the North America segment, which covers customers in the United States, Canada and Mexico, were down 2%, reaching \$1,084.6 million compared with the prior-year quarter. Volume rose 5%, driven by recent customer contract wins and broad-based growth across channels.

The price/mix of the segment fell 7%, reflecting the carryover impact of fiscal 2025 price investments, ongoing customer support through price and trade, and negative channel mix. The North America segment's adjusted EBITDA declined by \$18 million to \$260 million.

Net sales for the International segment, which includes all customers outside North America, grew 4% to \$574.7 million, including a favorable \$24.5 million from foreign currency translation. At constant currency, net sales were flat. Volume grew 6%, driven by strength in Asia and with multinational chain customers.

The price/mix of the segment declined 6% due to investments to support customers and ongoing price and trade support. International segment adjusted EBITDA rose by \$5.8 million to \$57.2 million.

Lamb Weston's Financial Health Snapshot

The company ended the quarter with cash and cash equivalents of \$98.6 million, long-term debt and financing obligations (excluding the current portion) of \$3,670.9 million and total shareholders' equity of \$1,789.8 million.

The company generated \$352 million as net cash from operating activities for the 13 weeks ending Aug. 24, 2025, wherein capital expenditures, net of proceeds from blue chip swap transactions, amounted to \$79.2 million.

In the first quarter of fiscal 2026, Lamb Weston returned \$51.7 million to its shareholders through cash dividends. The company repurchased 187,259 shares of its common stock for \$10.4 million under its share repurchase program. Approximately \$348 million remains authorized and available for future repurchases.

Lamb Weston also declared a quarterly dividend of 37 cents per share, payable on Nov. 28, 2025, to its stockholders of record as of Oct. 31.

What to Expect From Lamb Weston in FY26?

The company expects net sales at constant currency in the range of \$6.35 billion to \$6.55 billion and adjusted EBITDA of \$1.00 billion to \$1.20 billion. Capital expenditures are expected to total approximately \$500 million.

FY Quarter Ending **5/31/2025**

Earnings Reporting Date	Sep 30, 2025
Sales Surprise	2.65%
EPS Surprise	37.04%
Quarterly EPS	0.74
Annual EPS (TTM)	3.37

Recent News

Lamb Weston Expands Global Footprint With New Argentina Production Facility - Oct. 8, 2025

Lamb Weston continues to advance its international expansion strategy with the opening of a large-scale manufacturing facility in Mar del Plata, Argentina. The large-scale plant marks a strategic step in supporting growing demand for frozen potato products across Latin America, particularly in Brazil and other export-driven markets. The 40,000-square-meter facility can process up to 200 million pounds of potatoes annually, producing more than 100 varieties of frozen potato products. Around 80% of total output is expected to serve export markets, leveraging Mar del Plata's port access for efficient distribution. The investment is also expected to create new employment opportunities and contribute to broader regional development through Lamb Weston's supply network.

Valuation

Lamb Weston's shares are up 9.3% in the past six-month period and down 25.5% over the trailing 12-month period. Stocks in the Zacks sub-industry are down 9.5%, while the Zacks Consumer Staples sector is declined 4.6% in the past six-month period. Over the past year, the Zacks sub-industry and the sector are down 15.5% and 0.3%, respectively.

The S&P 500 index is up 16.3% in the past six-month period and 15.7% in the past year.

The stock is currently trading at 17.99X forward 12-month earnings, which compares to 14.59X for the Zacks sub-industry, 16.34X for the Zacks sector and 23.35X for the S&P 500 index.

Over the past five years, the stock has traded as high as 38.65X and as low as 8.56X, with a 5-year median of 21.93X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$63 price target reflects 19.07X forward 12-month earnings.

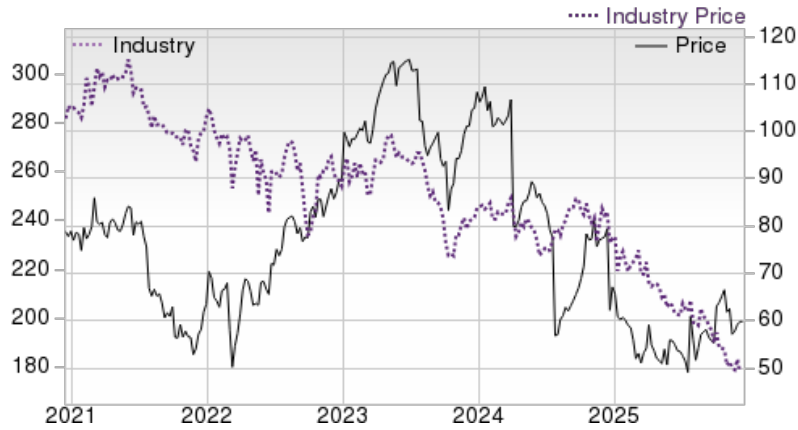
The table below shows summary valuation data for LW

Valuation Multiples - LW					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	17.99	14.59	16.34	23.35
	5-Year High	38.65	20.73	20.29	23.78
	5-Year Low	8.56	14.59	16.1	15.73
	5-Year Median	21.93	17.46	17.99	21.22
P/S F12M	Current	1.28	1.03	7.65	5.27
	5-Year High	3.42	1.99	10.94	5.5
	5-Year Low	1.05	1.03	6.59	3.83
	5-Year Median	2.1	1.52	8.79	5.05
EV/EBITDA TTM	Current	10.09	8.15	34.39	18.58
	5-Year High	23.06	15.16	45.14	22.41
	5-Year Low	8.08	8.04	33.37	13.88
	5-Year Median	15.34	13.13	39.89	17.97

As of 12/12/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 18% (199 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
B&G Foods, Inc. (BGS)	Neutral	3
Darling Ingredients ... (DAR)	Neutral	3
Kerry Group PLC (KRYAY)	Neutral	3
McCormick & Company, ... (MKC)	Neutral	3
United Natural Foods... (UNFI)	Neutral	1
Vital Farms, Inc. (VITL)	Neutral	3
Flowers Foods, Inc. (FLO)	Underperform	4
Ingredion Incorporat... (INGR)	Underperform	4

Industry Comparison⁽¹⁾ Industry: Food - Miscellaneous

	LW	X Industry	S&P 500	MKC	UNFI	VITL
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	4	-	-	3	1	3
VGM Score	A	-	-	F	A	B
Market Cap	8.27 B	1.66 B	38.81 B	18.37 B	2.01 B	1.44 B
# of Analysts	5	3	22	5	1	5
Dividend Yield	2.49%	0.00%	1.41%	2.63%	0.00%	0.00%
Value Score	B	-	-	C	A	C
Cash/Price	0.01	0.07	0.04	0.01	0.02	0.09
EV/EBITDA	11.04	9.54	14.58	16.24	12.46	15.17
PEG Ratio	4.15	1.94	2.21	4.52	NA	NA
Price/Book (P/B)	4.62	1.90	3.30	3.18	1.30	4.35
Price/Cash Flow (P/CF)	9.45	9.45	15.05	18.27	5.47	19.93
P/E (F1)	14.03	14.86	19.66	21.26	16.16	22.30
Price/Sales (P/S)	1.28	0.85	3.08	2.71	0.06	2.03
Earnings Yield	5.24%	6.22%	5.02%	4.70%	6.19%	4.50%
Debt/Equity	2.05	0.42	0.57	0.54	1.25	0.02
Cash Flow (\$/share)	6.28	1.83	8.99	3.75	6.03	1.62
Growth Score	A	-	-	F	B	B
Hist. EPS Growth (3-5 yrs)	22.58%	7.15%	8.16%	-0.22%	-43.98%	90.88%
Proj. EPS Growth (F1/F0)	-4.78%	4.01%	8.60%	2.37%	187.32%	22.88%
Curr. Cash Flow Growth	-15.34%	2.43%	6.75%	8.40%	11.28%	86.58%
Hist. Cash Flow Growth (3-5 yrs)	10.00%	4.64%	7.43%	2.77%	-15.61%	68.33%
Current Ratio	1.49	1.53	1.18	0.71	1.38	2.65
Debt/Capital	67.22%	34.55%	38.01%	34.93%	55.47%	1.80%
Net Margin	4.56%	2.70%	12.78%	11.46%	-0.32%	8.50%
Return on Equity	28.08%	9.71%	17.00%	14.30%	4.35%	20.19%
Sales/Assets	0.88	0.91	0.53	0.52	4.16	1.73
Proj. Sales Growth (F1/F0)	1.30%	0.00%	5.79%	1.60%	1.00%	25.20%
Momentum Score	D	-	-	D	C	D
Daily Price Chg	-0.22%	-0.04%	0.79%	-0.28%	-0.48%	-1.65%
1 Week Price Chg	-0.07%	0.28%	-1.83%	5.53%	-3.81%	8.10%
4 Week Price Chg	6.73%	0.97%	3.61%	1.45%	-5.37%	0.91%
12 Week Price Chg	12.30%	-3.52%	2.57%	5.94%	9.21%	-21.07%
52 Week Price Chg	-5.07%	-11.55%	15.47%	-12.50%	25.79%	-16.75%
20 Day Average Volume	1,192,719	142,553	2,770,348	2,520,795	1,092,442	2,508,028
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	-0.24%	0.00%	-0.28%
(F1) EPS Est 4 week change	-1.02%	0.00%	0.00%	-0.24%	7.37%	-0.28%
(F1) EPS Est 12 week change	7.52%	-1.45%	0.69%	-2.46%	32.04%	7.11%
(Q1) EPS Est Mthly Chg	-2.40%	0.00%	0.00%	0.14%	17.78%	-1.03%

Analyst Earnings Model⁽²⁾

Lamb Weston Holdings, Inc. (LW)

In \$MM, except per share data

	2023A	2024A	2025A		2026E					2027E				2028E
	FY	FY	FY	1QA	2QE	3QE	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends May 31st	May-23	May-24	May-25	31-Aug-25	30-Nov-25	28-Feb-26	31-May-26	May-26	31-Aug-26	30-Nov-26	28-Feb-27	31-May-27	May-27	May-28
Income Statement														
Net Sales	\$5,350.6	\$6,467.6	\$6,451.3	\$1,659.3	\$1,598.0	\$1,507.1	\$1,771.4	\$6,535.8	\$1,667.9	\$1,609.6	\$1,540.7	\$1,695.4	\$6,513.6	\$6,785.3
Price/Mix	26.0%	10.0%	(2.0%)	(7.0%)	(5.4%)	(3.3%)	(2.0%)	(4.4%)	(1.5%)	(1.3%)	0.2%	0.2%	(0.6%)	1.7%
Volume	5.0%	11.0%	2.0%	6.0%	5.3%	2.4%	2.7%	4.1%	2.0%	2.0%	2.0%	0.5%	1.6%	2.5%
Other			0.0%	0.0%	0.0%	0.0%	5.0%	1.3%	0.0%	0.0%	0.0%	(5.0%)	(1.4%)	0.0%
Reported Revenue Growth	31.0%	21.0%	0.0%	0.0%	(0.2%)	(0.9%)	5.7%	1.3%	0.5%	0.7%	2.2%	(4.3%)	(0.3%)	4.2%
Cost of Sales, Non-GAAP	\$3,854.0	\$4,708.9	\$4,990.8	\$1,320.4	\$1,271.1	\$1,135.6	\$1,417.1	\$5,144.3	\$1,310.5	\$1,264.2	\$1,145.5	\$1,339.4	\$5,059.7	\$5,236.8
Cost of Sales, GAAP	\$3,918.5	\$4,700.9	\$5,052.7	\$1,316.9	\$1,271.1	\$1,135.6	\$1,417.1	\$5,140.8	\$1,310.5	\$1,264.2	\$1,145.5	\$1,339.4	\$5,059.7	\$5,236.8
Gross Profit, Non-GAAP	\$1,496.6	\$1,758.7	\$1,460.5	\$338.9	\$326.9	\$371.5	\$354.2	\$1,391.5	\$357.3	\$345.4	\$395.2	\$356.0	\$1,453.9	\$1,548.6
Gross Profit, GAAP	\$1,432.1	\$1,766.7	\$1,398.6	\$342.4	\$326.9	\$371.5	\$354.2	\$1,395.0	\$357.3	\$345.4	\$395.2	\$356.0	\$1,453.9	\$1,548.6
SG&A, Non-GAAP	\$562.1	\$674.2	\$643.9	\$132.4	\$155.3	\$166.4	\$159.2	\$613.2	\$149.8	\$153.2	\$162.4	\$159.1	\$624.5	\$634.3
SG&A, GAAP	\$550.0	\$701.4	\$633.5	\$153.6	\$155.3	\$166.4	\$159.2	\$634.4	\$149.8	\$153.2	\$162.4	\$159.1	\$624.5	\$634.3
Restructuring Expense	\$0.0	\$0.0	\$100.0	\$32.3	\$0.0	\$0.0	\$0.0	\$32.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Adjusted EBITDA	\$1,249.4	\$1,416.7	\$1,220.5	\$302.2	\$278.1	\$305.3	\$298.0	\$1,183.6	\$314.1	\$302.7	\$336.5	\$298.6	\$1,251.9	\$1,351.8
Depreciation & Amortization	\$247.4	\$306.2	\$378.2	\$96.3	\$98.8	\$97.1	\$97.8	\$390.0	\$102.8	\$102.7	\$101.1	\$96.9	\$403.6	\$419.7
Operating Income, Non-GAAP	\$934.5	\$1,084.5	\$816.6	\$206.5	\$171.6	\$205.1	\$195.1	\$778.3	\$207.6	\$192.1	\$232.8	\$196.9	\$829.4	\$914.3
Operating Income, GAAP	\$882.1	\$1,065.3	\$665.1	\$156.5	\$171.6	\$205.1	\$195.1	\$728.3	\$207.6	\$192.1	\$232.8	\$196.9	\$829.4	\$914.3
Interest Expense, Net, Non-GAAP	\$109.2	\$135.8	\$180.0	\$43.7	\$49.3	\$47.9	\$49.0	\$190.0	\$43.1	\$45.0	\$46.9	\$44.1	\$179.1	\$175.1
Interest Expense, Net, GAAP	\$109.2	\$135.8	\$180.0	\$43.7	\$49.3	\$47.9	\$49.0	\$190.0	\$43.1	\$45.0	\$46.9	\$44.1	\$179.1	\$175.1
Pre-Tax Income, Non-GAAP	\$825.3	\$948.7	\$646.1	\$162.8	\$122.2	\$157.2	\$146.0	\$588.3	\$164.5	\$147.1	\$185.9	\$152.7	\$650.3	\$739.2
Pre-Tax Income, GAAP	\$772.9	\$929.5	\$485.1	\$112.8	\$122.2	\$157.2	\$146.0	\$538.3	\$164.5	\$147.1	\$185.9	\$152.7	\$650.3	\$739.2
Income Tax, Non-GAAP	\$196.1	\$234.8	\$183.7	\$59.2	\$33.8	\$36.5	\$30.2	\$159.8	\$43.7	\$40.3	\$49.0	\$41.0	\$174.0	\$196.8
Income Tax, GAAP	\$224.6	\$230.0	\$143.1	\$47.9	\$33.8	\$36.5	\$30.2	\$148.5	\$43.7	\$40.3	\$49.0	\$41.0	\$174.0	\$196.8
Tax Rate, Non-GAAP	22.0%	24.1%	27.3%	36.5%	26.0%	22.8%	20.0%	26.5%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%
Tax Rate, GAAP	18.2%	24.1%	28.6%	42.7%	26.0%	22.8%	20.0%	26.8%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%
Equity Method Investment Earnings (Loss), Non-GAAP	\$67.5	\$26.0	\$25.7	\$(0.6)	\$7.7	\$3.1	\$5.1	\$15.3	\$3.7	\$7.9	\$2.6	\$4.8	\$19.0	\$17.8
Equity Method Investment Earnings (Loss), GAAP	\$460.6	\$26.0	\$15.2	\$(0.6)	\$7.7	\$3.1	\$5.1	\$15.3	\$3.7	\$7.9	\$2.6	\$4.8	\$19.0	\$17.8
Net Income, Non-GAAP	\$696.7	\$739.9	\$478.6	\$103.0	\$96.2	\$123.7	\$120.9	\$443.8	\$124.5	\$114.7	\$139.5	\$116.6	\$495.2	\$560.2
Net Income, GAAP	\$1,008.9	\$725.5	\$357.2	\$64.3	\$96.2	\$123.7	\$120.9	\$405.1	\$124.5	\$114.7	\$139.5	\$116.6	\$495.2	\$560.2
Basic Shares Outstanding	144.5	144.9	142.2	139.5	139.2	138.9	138.6	139.1	138.3	138.0	137.7	137.4	137.9	136.7
Diluted Shares Outstanding	145.2	145.6	142.7	139.8	139.5	139.2	138.9	139.4	138.6	138.3	138.0	137.7	138.2	137.0
Basic EPS	\$6.98	\$5.01	\$2.51	\$0.46	\$0.69	\$0.89	\$0.87	\$2.91	\$0.90	\$0.83	\$1.01	\$0.85	\$3.59	\$4.10
Diluted EPS, Non-GAAP	\$4.80	\$5.08	\$3.35	\$0.74	\$0.69	\$0.89	\$0.87	\$3.19	\$0.90	\$0.83	\$1.01	\$0.85	\$3.58	\$4.09
Diluted EPS, GAAP	\$6.95	\$4.98	\$2.50	\$0.46	\$0.69	\$0.89	\$0.87	\$2.91	\$0.90	\$0.83	\$1.01	\$0.85	\$3.58	\$4.09
Dividend Per Share	\$1.05	\$1.28	\$1.46	\$0.37	\$0.37	\$0.39	\$0.39	\$1.52	\$0.39	\$0.39	\$0.41	\$0.41	\$1.60	\$1.68

Zacks Stock Rating System

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

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Zacks Rank

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

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Value Score	B
Growth Score	A
Momentum Score	D
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.

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