

## Marriott International (MAR)

**\$325.06** (Stock Price as of 01/08/2026)

Price Target (6-12 Months): **\$338.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

Neutral

(Since: 09/13/23)

Prior Recommendation: Outperform

Short Term: 1-3 Months

**Zacks Rank:** (1-5)

3-Hold

Zacks Style Scores:

VGM: B

Value: D

Growth: B

Momentum: A

## Summary

Shares of Marriott have outperformed the industry in the past six months. The company is benefiting from solid rooms growth, profit gains and continued development momentum. Global revenue per available room improved slightly, led by strength in international markets. Management is advancing digital transformation and expanding the Marriott Bonvoy loyalty program to deepen guest engagement and drive incremental fee revenues. Strategic growth through conversions, new unit openings and an expanding development pipeline remains central to its long-term plan. Earnings estimates for 2026 have increased in the past 30 days, depicting analysts optimism regarding the stock growth potential. However, challenging macroeconomic conditions and high debt levels are a concern.

## Price, Consensus & Surprise<sup>(1)</sup>

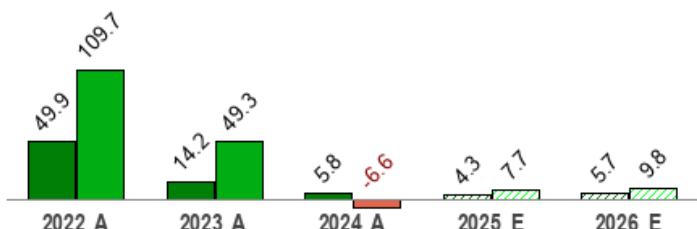


## Data Overview

52 Week High-Low	<b>\$322.60 - \$205.40</b>
20 Day Average Volume (sh)	<b>1,364,689</b>
Market Cap	<b>\$85.7 B</b>
YTD Price Change	<b>2.9%</b>
Beta	<b>1.16</b>
Dividend / Div Yld	<b>\$2.68 / 0.8%</b>
Industry	<b><a href="#">Hotels and Motels</a></b>
Zacks Industry Rank	<b>Bottom 10% (220 out of 244)</b>

## Sales and EPS Growth Rates (Y/Y %)<sup>(2)</sup>

Sales       EPS   



## Sales Estimates (millions of \$)<sup>(2)</sup>

		Q1	Q2	Q3	Q4	Annual*
Last EPS Surprise	<b>2.5%</b>					
Last Sales Surprise	<b>0.6%</b>					
EPS F1 Est- 4 week change	<b>0.7%</b>	2026	6,556 E	7,111 E	6,890 E	7,125 E
Expected Report Date	<b>02/10/2026</b>	2025	6,263 A	6,744 A	6,489 A	6,691 E
Earnings ESP	<b>-0.7%</b>	2024	5,977 A	6,439 A	6,255 A	6,429 A

## EPS Estimates<sup>(2)</sup>

		Q1	Q2	Q3	Q4	Annual*
P/E TTM	<b>32.3</b>					
P/E F1	<b>32.3</b>	2026	2.49 E	2.94 E	2.66 E	2.96 E
PEG F1	<b>3.7</b>	2025	2.32 A	2.65 A	2.47 A	2.61 E
P/S TTM	<b>3.3</b>	2024	2.13 A	2.50 A	2.26 A	2.45 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 01/07/2026.

## Overview

Marriott International Inc. is a leading worldwide hospitality company focused on lodging management and franchising after the spin-off of its timeshare business into a publicly traded company in November 2011.

At the end of third-quarter 2025, Marriott's development pipeline totaled 3,923 hotels with approximately 596,000 rooms. More than 250,000 rooms were under construction. In the quarter, the company added approximately 17,900 rooms to its worldwide lodging portfolio.

As of Sept. 30, 2025, the company operated, franchised and acted as a licensor of hotels, timeshare properties and other lodging properties of 9,700 properties across 143 countries and territories under more than 30 brand names.

The company has grouped its brand portfolio into five groups:

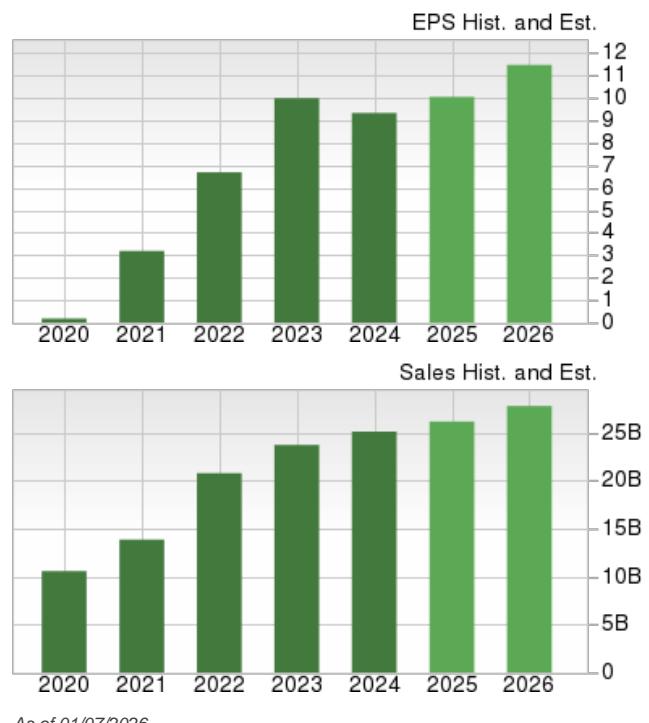
**Luxury:** The company's classic luxury hotel brands include JW Marriott, The Ritz-Carlton, and St. Regis. Meanwhile, Marriott's distinctive luxury hotel brands comprise W Hotels, The Luxury Collection, EDITION and Bulgari.

**Premium:** The company's classic premium hotel brands include Marriott Hotels, Sheraton, Delta Hotels, Marriott Executive Apartments, and Marriott Vacation Club. Moreover, its distinctive premium hotel brands comprise Westin, Renaissance, Le Méridien, Autograph Collection, Gaylord Hotels, Tribute Portfolio and Design Hotels.

**Select:** The company's classic select hotel brands include Courtyard, Residence Inn, Fairfield by Marriott, SpringHill Suites, Four Points, TownePlace Suites, and Protea Hotels. Meanwhile, Marriott's distinctive select hotel brands comprise Aloft, AC Hotels by Marriott, Element, and Moxy.

**Midscale:** The company's classic midscale hotel brands include City Express by Marriott.

**Residences:** This is the company's new brand portfolio with 141 properties as of Sept. 30, 2025.



As of 01/07/2026



As of 01/08/2026

## Reasons To Buy:

▲ **Solid Brand Position to Drive Long-Term Growth:** Marriott is a leading company in the luxury and lifestyle space, which includes brands that own nearly 9,700 properties in 143 countries and territories as of June-end. The company's extensive portfolio and strong brand position allow it to charge a premium room rate in the highly competitive lodging industry.

Supporting growth in international markets and steady performance in the United States and Canada, leisure transient remained the strongest segment in the third quarter of 2025, rising 1% globally. Luxury also continued to lead the portfolio, with solid demand across key markets.

Looking ahead, the company expects RevPAR growth to improve from the third quarter, with global RevPAR projected to rise 1% to 2% in the fourth quarter. Full-year 2025 RevPAR is expected to increase between 1.5% and 2.5%, with international regions continuing to outperform the United States and Canada. For 2026, group demand remains a key strength, supported by a 7% increase in group pace for the year.

▲ **Demand Continues to Improve:** Marriott witnessed robust demand in second-quarter 2025. The company's global RevPAR increased 0.5% year over year, supported by a 0.9% rise in ADR and offsetting a 0.3% decrease in occupancy.

In the United States and Canada, although RevPAR declined 0.4% year over year, the luxury segment remained the strongest performer with luxury RevPAR up 4%. The company's international RevPAR increased 2.6%, supported by growth across multiple regions. RevPAR in APAC rose nearly 5% due to robust ADR growth and higher demand from international travelers. RevPAR in the Europe, the Middle East and Africa (EMEA) region increased 2.5% year over year, and would have been up around 5% excluding the impact of last year's Olympics and Euro 2024 events.

With global trends improving, the company expects the recovery momentum to continue. Attributes such as pent-up demand for all types of travel, the shift of spending toward experiences versus goods, sustained high levels of employment, lifting of travel restrictions and opening borders (in most markets) are likely to aid the company in the upcoming periods. The company now expects global RevPAR to rise 1.5-2.5% year over year in 2025.

▲ **Loyalty Program:** Marriott continues to strengthen its Bonvoy loyalty platform. As of Sept. 30, 2025, membership reached nearly 260 million, up 18% year over year. The program remains a key driver of guest engagement and supports multiple parts of the business, including Marriott Bonvoy Boutiques, Marriott Media Network, Homes and Villas, and a portfolio of 32 co-branded credit cards across 11 countries. Co-branded credit card fees grew 13% in the third quarter, supported by strong card acquisitions and higher global spending. International card fees rose nearly 20%, helped by strong demand in Japan and the UAE. The company is also in active discussions on new U.S. card agreements, reflecting the growing relevance of Bonvoy and the expansion of the global lodging portfolio. In the third quarter of 2025, total gross fee revenues increased 4% year over year to \$1.34 billion. The upside was primarily driven rooms growth in higher RevPAR, rooms growth and co-branded credit card fees.

▲ **Strong Expansion Plans:** Marriott is consistently trying to expand its presence worldwide and capitalize on the demand for hotels in international markets. At the end of third-quarter 2025, Marriott's development pipeline totaled 3,923 hotels with approximately 596,000 rooms. More than 250,000 rooms were under construction. In the quarter, the company added approximately 17,900 rooms to its worldwide lodging portfolio, with nearly 13,900 net rooms in international markets.

Despite uncertainty around construction costs and a challenging financing environment in the United States and Europe, Marriott has seen strong demand for its brands. Global signings reached a record level in the first nine months of the year. Global signings grew 35% year over year. Net rooms increased 4.7% over the past 12 months, with a healthy pipeline. Conversions, including multi-unit deals, accounted for about 30% of the signings and openings in the first nine months of 2025.

With the removal of the Sonder rooms from Marriott's system, the company expects net rooms growth to be close to 4.5% (compared with the prior expectation of 5%) in 2025. With continued progress in global signings, the company projects long-term global net rooms growth in the mid-single-digit range.

The company is also trying to strengthen its presence outside the United States, especially in Asia, Latin America, the Middle East and Africa. The company's European pipeline has grown consistently in the recent past and is expected to continue going forward.

▲ **New Brands and Luxury Expansion:** Marriott is advancing its growth strategy with new brand affiliations, acquisitions and expansion in the luxury segment. In the third quarter of 2025, Marriott continued to expand its brand portfolio to support growth. The company introduced Outdoor Collection by Marriott Bonvoy, which includes Postcard Cabins and Trailborn Hotels, offering guests outdoor-focused stays. In the third quarter, Marriott also announced the U.S. debut of Series by Marriott through an agreement to convert five FOUND Hotels in major cities. These brand additions enhance the company's reach across new segments. Marriott also highlighted spending tied to the citizenM transaction as part of its full-year investment plans, supporting the continued expansion of its broader portfolio.

▲ **Embracing Technology to Strengthen Guest Engagement:** Marriott is advancing digital capabilities through a multi-year upgrade of its property management, reservations and loyalty platforms. The company is rolling out new cloud-based systems across its global portfolio, designed to create a more efficient and flexible technology foundation. These upgrades aim to support better on-property capabilities and open new revenue opportunities. Marriott expects the updated systems to improve how guests interact with the platform and help hotels deliver a smoother experience as more properties transition to the new technology.

Marriott is poised to grow on the back of a solid brand position, increased demand for travel and significant international exposure.



## Reasons To Sell:

▼ **Challenging Macro Environment:** The company faced mixed demand trends under a challenging macro environment. In the third quarter of 2025, business transient RevPAR was flat globally and down slightly in the United States and Canada, partly impacted by a 14% decline in government RevPAR. For the full year, RevPAR growth is expected between 1.5% and 2.5% over last year, at the lower end of the previous range or 1.5-3.5%.

Challenging macro-economic condition and high debt remain a concern.

In the third quarter of 2025, the company reported soft performance in Greater China. RevPAR in the region was flat, reflecting a weak macro environment and the impact of multiple typhoons. Leisure demand remained steady, but business transient demand declined. The company also noted lower expectations for certain fee revenues in Asia.

▼ **High Debt a Concern:** Maintaining liquidity has become a herculean task during the current scenario. As of Sept. 30, 2025, the company's total debt amounted to \$16 billion compared with \$15.7 billion reported in the previous quarter. Its times-interest-earned ratio at the end of third-quarter 2025 was 5.4x, down from 5.7x reported in the year ago-quarter. Although the company ended the third quarter with cash and cash equivalents of \$0.7 billion, which was in-line with the previous quarter's figure, it might not be enough to manage the high debt level.

▼ **Lingering Uncertainty in Various International Markets:** Despite immense growth potential, a sluggish economy and oversupply in Brazil exert pressure on the Latin American region. In the Middle East, sanctions on Qatar have reduced travel into and out of that country. Meanwhile, political unrest, lower government spending, new hotel supply and a tough oil market continue to hurt tourism in other Middle East markets. Also, the slowdown in the Chinese economy is affecting discretionary spending and travel.

## Last Earnings Report

### Marriott Q3 Earnings Beat Estimates, RevPAR Rises Y/Y

Marriott International reported third-quarter 2025 results, with adjusted earnings and revenues beating the Zacks Consensus Estimate. Its earnings beat the estimate for the fourth straight quarter. Both metrics increased on a year-over-year basis.

The company delivered strong performance in the quarter, supported by solid rooms growth, profit gains and continued development momentum. Global revenue per available room improved slightly, led by strength in international markets. The Asia Pacific region performed well, driven by healthy travel demand in Japan, Australia and Vietnam. The luxury segment continued to outperform, supported by strong rates and sustained demand. The company's broad portfolio, spanning from midscale to luxury brands and including extended stay and unique lodging offerings, continued to attract strong owner preference.

Development activity remained robust, with record year-to-date signings and steady progress in conversions. Conversions accounted for a meaningful portion of new additions, highlighting continued interest from owners and franchise partners.

### MAR's Q3 Earnings & Revenue Discussion

Marriott's adjusted earnings per share (EPS) of \$2.47 beat the Zacks Consensus Estimate of \$2.41. It reported adjusted earnings of \$2.26 per share in the prior-year quarter.

Quarterly revenues of \$6,489 million beat the consensus mark of \$6,454 million. The top line moved up 4% on a year-over-year basis.

Revenues from Base management and Franchise fees were \$314 million and \$876 million, respectively, up 1% and 8% year over year. We estimated the metrics to be \$314.9 million and \$865.3 million, respectively.

However, Incentive management fees decreased of 7% year over year to \$148 million. We expected the metric to be \$144.2 million.

### MAR's RevPAR & Margins

RevPAR for worldwide comparable system-wide properties rose 0.5% (in constant dollars) year over year. This upside was backed by a 0.9% increase in average daily rate ("ADR"), offset by a 0.3% fall in occupancy year over year.

Comparable system-wide RevPAR in the Asia Pacific (excluding China) increased 4.7% (in constant dollars) year over year. Occupancy moved up 1.2% year over year, while ADR rose 3%. Comparable system-wide RevPAR in Greater China remained flat year over year.

On a constant-dollar basis, international comparable system-wide RevPAR increased 2.6% year over year. Occupancy and ADR gained 0.8% and 1.4%, respectively, year over year. Comparable system-wide RevPAR in Europe gained 0.8% year over year. RevPAR in the Caribbean & Latin America and the Middle East & Africa rose 2.8% and 8.7%, respectively, year over year.

Total expenses remained almost flat year over year at \$5.31 billion. Our estimate was pegged at \$5.41 billion.

Adjusted EBITDA amounted to \$1.35 billion compared with \$1.23 billion reported in the prior-year quarter. We predicted the metric to be \$1.32 billion.

### Balance Sheet of MAR

At the third-quarter end, Marriott's total debt was \$16 billion compared with \$15.7 billion reported in the prior quarter. Cash and cash equivalents, as of Sept. 30, 2025, were \$0.7 billion compared with \$0.4 billion as of 2024-end.

Year to date (through Sept. 30, 2025), the company repurchased 9.7 million shares worth \$2.6 billion.

### MAR's Unit Developments

At the end of the third quarter, Marriott's worldwide development pipeline totaled 3,923 hotels. As of the quarter's end, about 1,536 properties with more than 250,000 rooms were under construction.

### Marriott's Q4 & 2025 Outlook

For the fourth quarter, management anticipates gross fee revenues in the range of \$1.382-\$1.402 billion. General and administrative expenses are anticipated in the range of \$251-\$261 million. Adjusted EBITDA is expected to be between \$1.371 billion and \$1.401 billion. MAR estimates fourth-quarter EPS to be between \$2.54 and \$2.62. The company predicts worldwide system-wide RevPAR year-over-year growth to be 1-2% in the fourth quarter.

The company still expects worldwide system-wide RevPAR to increase 1.5-2.5% year over year in 2025.

For 2025, Marriott now expects its gross fee revenues to be \$5.395-\$5.415 billion compared with the prior expected range of \$5.365-\$5.420 billion. General and administrative expenses are anticipated in the range of \$975-\$985 million compared with the prior expected range of \$965-\$985 million.

FY Quarter Ending	12/31/2025
Earnings Reporting Date	Nov 04, 2025
Sales Surprise	0.55%
EPS Surprise	2.49%
Quarterly EPS	2.47
Annual EPS (TTM)	9.89

---

Adjusted EBITDA is expected to be between \$5.352 billion and \$5.382 billion compared with the previous expectation of \$5.310-\$5.395 billion. The company now envisions 2025 EPS in the band of \$9.98-\$10.06 compared with the prior expectation of \$9.85-\$10.09.

---

## Valuation

Marriott's shares are up 15% in the past six months and 17.7% in the trailing 12-month period. Stocks in the Zacks sub-industry are up 12.5%, but the Zacks Consumer Discretionary sector is down 6.9% in the past six months. Over the past year, the Zacks sub-industry is up 2.2%, and the sector is up 3.8%.

The S&P 500 index is up 14.4% in the past six months and 19.5% in the past year.

The stock is currently trading at 27.99X forward 12-month earnings, which compares to 22.58X for the Zacks sub-industry, 18.39X for the Zacks sector and 23.36X for the S&P 500 index.

Over the past five years, the stock has traded as high as 75.5X and as low as 18.61X, with a 5-year median of 24.46X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$338 price target reflects 29.41X forward 12-month earnings.

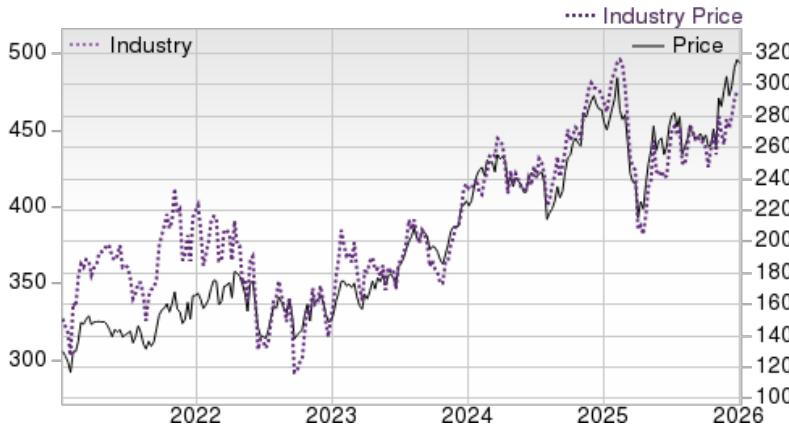
The table below shows summary valuation data for MAR.

Valuation Multiples - MAR					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	27.99	22.58	18.39	23.36
	5-Year High	75.5	65.73	40.67	23.8
	5-Year Low	18.61	19.08	15.47	15.74
	5-Year Median	24.46	23.62	19.1	21.21
P/S F12M	Current	3.11	2.67	2.48	5.66
	5-Year High	4.1	3.86	3.5	5.66
	5-Year Low	2.06	2.2	1.68	3.82
	5-Year Median	2.66	2.64	2.3	5.04
EV/EBITDA TTM	Current	20.59	16.44	10.44	18.9
	5-Year High	95.09	89.02	17.42	22.34
	5-Year Low	15.52	13.17	8.05	13.86
	5-Year Median	19.31	16.75	10.3	17.93

As of 01/06/2026

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Bottom 10% (220 out of 244)



## Top Peers<sup>(1)</sup>

Company (Ticker)	Rec	Rank
Accor SA - Sponsored... (ACCYY)	Neutral	3
Hyatt Hotels Corpora... (H)	Neutral	3
Hilton Grand Vacatio... (HGV)	Neutral	5
Hilton Worldwide Hol... (HLT)	Neutral	3
Intercontinental Hot... (IHG)	Neutral	4
Wynn Macau, Limited ... (WYNMY)	Neutral	2
Sands China Ltd. (SCHYY)	Underperform	4
Oriental Land (OLCLY)	NA	

## Industry Comparison<sup>(1)</sup> Industry: Hotels And Motels

	MAR	X Industry	S&P 500	H	HLT	SCHYY
<b>Zacks Recommendation (Long Term)</b>	Neutral	-	-	Neutral	Neutral	Underperform
<b>Zacks Rank (Short Term)</b>	3	-	-	3	3	4
<b>VGM Score</b>	B	-	-	F	B	A
Market Cap	85.67 B	5.25 B	40.07 B	15.70 B	68.22 B	0.00 M
# of Analysts	7	4	22	7	8	2
Dividend Yield	0.84%	0.29%	1.38%	0.36%	0.20%	2.19%
<b>Value Score</b>	D	-	-	C	D	C
Cash/Price	0.01	0.05	0.04	0.05	0.02	NA
EV/EBITDA	22.92	12.97	14.89	9.45	30.68	NA
PEG Ratio	3.62	2.49	2.04	1.85	2.50	NA
Price/Book (P/B)	NA	4.14	3.41	4.14	NA	18.03
Price/Cash Flow (P/CF)	28.15	12.76	15.44	19.68	35.90	11.01
P/E (F1)	31.77	19.29	18.58	49.41	31.94	15.12
Price/Sales (P/S)	3.30	2.95	3.06	2.27	5.81	NA
Earnings Yield	3.60%	5.12%	5.38%	2.03%	3.13%	6.61%
Debt/Equity	-4.63	0.24	0.57	1.47	-2.37	5.55
Cash Flow (\$/share)	11.34	2.27	8.98	8.40	8.18	2.27
<b>Growth Score</b>	B	-	-	F	B	A
Hist. EPS Growth (3-5 yrs)	49.20%	41.58%	8.24%	-20.77%	89.37%	NA
Proj. EPS Growth (F1/F0)	7.72%	18.37%	9.21%	-64.48%	12.64%	22.22%
Curr. Cash Flow Growth	-8.98%	1.26%	7.00%	2.28%	8.08%	19.23%
Hist. Cash Flow Growth (3-5 yrs)	5.47%	4.81%	7.49%	4.81%	5.57%	-7.89%
Current Ratio	0.47	0.96	1.19	0.69	0.66	0.63
Debt/Capital	NA%	52.15%	38.14%	59.55%	NA	84.74%
Net Margin	10.07%	1.06%	12.77%	-1.27%	14.19%	NA
Return on Equity	-89.29%	-0.40%	17.03%	3.22%	-42.78%	NA
Sales/Assets	0.96	0.51	0.53	0.47	0.72	NA
Proj. Sales Growth (F1/F0)	4.30%	5.90%	5.29%	6.80%	7.20%	9.30%
<b>Momentum Score</b>	A	-	-	F	A	A
Daily Price Chg	-0.81%	0.00%	-0.34%	-1.34%	0.08%	-2.19%
1 Week Price Chg	-0.69%	-0.69%	1.10%	-0.07%	-0.17%	-4.85%
4 Week Price Chg	11.26%	2.70%	0.50%	6.88%	8.21%	-7.53%
12 Week Price Chg	19.94%	2.70%	3.75%	12.69%	10.71%	5.07%
52 Week Price Chg	16.72%	1.85%	16.94%	8.56%	20.63%	-0.73%
20 Day Average Volume	1,364,689	35,563	2,431,070	703,314	1,522,078	9,820
(F1) EPS Est 1 week change	0.72%	0.00%	0.00%	-5.91%	0.33%	0.00%
(F1) EPS Est 4 week change	0.74%	0.00%	0.00%	-5.88%	0.33%	0.00%
(F1) EPS Est 12 week change	0.66%	-0.89%	0.44%	-8.55%	1.47%	-1.00%
(Q1) EPS Est Mthly Chg	1.50%	0.00%	0.00%	-6.28%	0.00%	NA

## Analyst Earnings Model<sup>(2)</sup>

### Marriott International, Inc. (MAR)

In \$M, except per share data

FY Ends December 31st	2022A	2023A	2024A	2025E	2026E	2027E								
	FY Dec-22	FY Dec-23	FY Dec-24	1Q Dec-25	2Q Dec-25	3Q Dec-25	FY Dec-25	1Q Dec-26	2Q Dec-26	3Q Dec-26	4Q Dec-26	FY Dec-26	FY Dec-27	
<b>Income Statement</b>														
Total Revenue	\$20,773.0	\$23,713.0	\$25,100.0	\$6,263.0	\$6,744.0	\$6,489.0	\$6,690.9	\$26,186.9	\$6,555.8	\$7,110.7	\$6,890.1	\$7,124.8	\$27,681.4	\$29,527.3
YoY % Chng	49.9%	14.2%	5.8%	4.8%	4.7%	3.7%	4.1%	4.3%	4.7%	5.4%	6.2%	6.5%	5.7%	6.7%
Owned, Leased and Other - Direct	\$1,074.0	\$1,165.0	\$1,200.0	\$296.0	\$328.0	\$326.0	\$323.3	\$1,273.3	\$299.0	\$328.5	\$328.6	\$326.0	\$1,282.1	\$1,290.8
YoY % Chng	46.3%	8.5%	3.0%	3.5%	10.8%	8.7%	1.7%	6.1%	1.0%	0.2%	0.8%	0.8%	0.7%	0.7%
Depreciation, Amortization and Other	\$193.0	\$189.0	\$183.0	\$51.0	\$53.0	\$50.0	\$49.0	\$203.0	\$50.9	\$53.4	\$50.6	\$53.3	\$208.2	\$216.4
YoY % Chng	(12.3%)	(2.1%)	(3.2%)	13.3%	12.8%	11.1%	6.6%	10.9%	(0.3%)	0.7%	1.2%	8.8%	2.6%	3.9%
General, Administrative and Other	\$891.0	\$1,011.0	\$1,074.0	\$245.0	\$245.0	\$234.0	\$258.4	\$982.4	\$246.2	\$246.3	\$233.7	\$261.3	\$987.5	\$1,001.0
YoY % Chng	8.3%	13.5%	6.2%	(6.1%)	(1.2%)	(15.2%)	(10.6%)	(8.5%)	0.5%	0.5%	(0.1%)	1.1%	0.5%	1.4%
Restructuring, Merger-Related Charges	\$12.0	\$60.0	\$77.0	\$1.0	\$6.0	(\$40.0)	\$8.0	(\$23.0)	\$8.0	\$8.0	\$8.0	\$8.0	\$32.0	\$32.0
YoY % Chng	50.0%	400.0%	28.3%	(87.5%)	0.0%	(54.4%)	(84.6%)	(129.9%)	700.0%	0.0%	120.0%	0.0%	239.1%	0.0%
Reimbursed Costs	\$15,141.0	\$17,424.0	\$18,799.0	\$4,722.0	\$4,874.0	\$4,739.0	\$4,918.5	\$19,253.5	\$4,821.9	\$5,197.3	\$5,050.2	\$5,226.9	\$20,296.3	\$21,645.3
YoY % Chng	46.7%	15.1%	7.9%	4.9%	4.9%	1.2%	(1.1%)	2.4%	2.1%	6.6%	6.6%	6.3%	5.4%	6.6%
Total Expenses	\$17,311.0	\$19,849.0	\$21,333.0	\$5,315.0	\$5,508.0	\$5,309.0	\$5,557.1	\$21,689.1	\$5,426.0	\$5,833.5	\$5,671.1	\$5,875.6	\$22,806.2	\$24,185.4
YoY % Chng	43.0%	14.7%	7.5%	4.2%	5.0%	(0.0%)	(2.1%)	1.7%	2.1%	5.9%	6.8%	5.7%	5.2%	6.0%
Adjusted EBITDA	\$3,853.0	\$4,656.0	\$4,981.0	\$1,217.0	\$1,415.0	\$1,349.0	\$1,386.8	\$5,367.8	\$1,268.9	\$1,474.6	\$1,378.0	\$1,487.0	\$5,608.5	\$6,104.4
YoY % Chng	69.1%	20.8%	7.0%	6.6%	6.9%	9.8%	7.8%	7.8%	4.3%	4.2%	2.2%	7.2%	4.5%	8.8%
Operating Income, Adjusted	\$3,203.0	\$3,935.0	\$4,161.0	\$1,016.0	\$1,186.0	\$1,119.0	\$1,149.4	\$4,470.4	\$1,032.2	\$1,226.9	\$1,135.5	\$1,240.2	\$4,634.8	\$5,101.4
YoY % Chng	94.2%	22.9%	5.7%	6.7%	5.9%	10.0%	7.2%	7.4%	1.6%	3.5%	1.5%	7.9%	3.7%	10.1%
Operating Income, Reported	\$3,462.0	\$3,864.0	\$3,767.0	\$948.0	\$1,236.0	\$1,180.0	\$1,133.7	\$4,497.7	\$1,129.8	\$1,277.2	\$1,219.0	\$1,249.2	\$4,875.2	\$5,341.9
YoY % Chng	97.8%	11.6%	(2.5%)	8.2%	3.4%	25.0%	50.8%	19.4%	19.2%	3.3%	3.3%	10.2%	8.4%	9.6%
Gains and Other Income	\$11.0	\$40.0	\$31.0	(\$2.0)	\$5.0	\$3.0	\$2.3	\$8.3	\$2.0	\$3.3	\$2.7	\$2.7	\$10.7	\$11.6
Interest Expense	\$403.0	\$565.0	\$695.0	\$192.0	\$203.0	\$206.0	\$208.0	\$809.0	\$189.4	\$186.0	\$206.5	\$217.5	\$799.4	\$799.2
Interest Income	\$26.0	\$30.0	\$40.0	\$9.0	\$12.0	\$12.0	\$11.1	\$44.1	\$11.0	\$12.4	\$11.9	\$12.1	\$47.5	\$50.7
Equity in Earnings (Losses) - Other	\$18.0	\$9.0	\$8.0	\$1.0	\$4.0	\$5.0	\$15.0	\$5.0	\$5.0	\$5.0	\$5.0	\$20.0	\$20.0	\$20.0
Pre-Tax Income, Adjusted	\$2,855.0	\$3,449.0	\$3,545.0	\$832.0	\$1,004.0	\$933.0	\$959.8	\$3,728.8	\$860.8	\$1,061.6	\$948.7	\$1,042.5	\$3,913.6	\$4,384.4
YoY % Chng	129.7%	20.8%	2.8%	3.6%	4.0%	8.6%	4.6%	5.2%	3.5%	5.7%	1.7%	8.6%	5.0%	12.0%
Pre-Tax Income, Reported	\$3,114.0	\$3,378.0	\$3,151.0	\$764.0	\$1,054.0	\$994.0	\$944.2	\$3,756.2	\$958.4	\$1,111.9	\$1,032.2	\$1,051.5	\$4,154.0	\$4,625.0
YoY % Chng	163.9%	8.5%	(6.7%)	5.1%	1.3%	26.5%	57.9%	19.2%	25.4%	5.5%	3.8%	11.4%	10.6%	11.3%
Income Tax, Adjusted	\$676.0	\$422.0	\$885.0	\$187.0	\$276.0	\$259.0	\$257.2	\$979.2	\$198.0	\$286.6	\$256.1	\$281.5	\$1,022.2	\$1,183.8
YoY % Chng	252.1%	(37.6%)	109.7%	2.2%	10.8%	17.2%	10.9%	10.6%	5.9%	3.9%	(1.1%)	9.4%	4.4%	15.8%
Income Tax, Reported	\$756.0	\$295.0	\$776.0	\$99.0	\$291.0	\$266.0	\$260.0	\$916.0	\$249.2	\$289.1	\$268.4	\$273.4	\$1,080.0	\$1,202.5
YoY % Chng	833.3%	(61.0%)	163.1%	(39.3%)	8.6%	31.7%	81.8%	18.0%	151.7%	(0.7%)	0.9%	5.1%	17.9%	11.3%
Tax Rate, Adjusted	23.7%	12.2%	25.0%	22.5%	27.5%	27.8%	26.8%	26.3%	23.0%	27.0%	27.0%	27.0%	26.1%	27.0%
Tax Rate, Reported	24.3%	8.7%	24.6%	13.0%	27.6%	26.8%	27.5%	24.4%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%
Net Income, Adjusted	\$2,179.0	\$3,027.0	\$2,660.0	\$645.0	\$728.0	\$674.0	\$702.6	\$2,749.6	\$662.8	\$775.0	\$692.5	\$761.0	\$2,891.3	\$3,200.6
YoY % Chng	107.3%	38.9%	(12.1%)	4.0%	1.7%	5.6%	2.4%	3.4%	2.8%	6.5%	2.8%	8.3%	5.2%	10.7%
Net Income, Reported	\$2,358.0	\$3,083.0	\$2,375.0	\$665.0	\$763.0	\$728.0	\$684.1	\$2,840.1	\$709.2	\$822.8	\$763.8	\$778.1	\$3,073.9	\$3,422.5
YoY % Chng	114.6%	30.7%	(23.0%)	17.9%	(1.2%)	24.7%	50.4%	19.6%	6.6%	7.8%	4.9%	13.7%	8.2%	11.3%
Basic Shares Outstanding	324.4	301.5	284.2	276.9	274.2	271.8	268.8	272.9	265.8	262.8	259.8	256.8	261.3	249.3
YoY % Chng	(0.9%)	(7.1%)	(5.7%)	(4.6%)	(4.1%)	(3.4%)	(3.6%)	(4.0%)	(4.0%)	(4.2%)	(4.4%)	(4.5%)	(4.3%)	(4.6%)
Diluted Shares Outstanding	325.8	302.9	285.2	277.7	274.7	272.5	269.5	273.6	266.5	263.5	260.5	257.5	262.0	250.0
YoY % Chng	(1.1%)	(7.0%)	(5.8%)	(4.8%)	(4.2%)	(3.5%)	(3.8%)	(4.1%)	(4.0%)	(4.1%)	(4.4%)	(4.5%)	(4.2%)	(4.6%)
Basic EPS	\$7.27	\$10.23	\$8.36	\$2.40	\$2.78	\$2.68	\$2.55	\$10.41	\$2.67	\$3.13	\$2.94	\$3.03	\$11.77	\$13.73
YoY % Chng	116.4%	40.7%	(18.3%)	23.7%	3.0%	28.8%	56.1%	24.5%	11.2%	12.6%	9.7%	19.1%	13.1%	16.7%
Diluted EPS, Adjusted	\$6.69	\$9.99	\$9.33	\$2.32	\$2.65	\$2.47	\$2.61	\$10.05	\$2.49	\$2.94	\$2.66	\$2.96	\$11.04	\$12.81
YoY % Chng	109.7%	49.3%	(6.6%)	8.9%	6.0%	9.3%	6.4%	7.7%	7.2%	11.0%	7.6%	13.4%	9.9%	16.0%
Diluted EPS, GAAP	\$7.24	\$10.18	\$8.33	\$2.39	\$2.78	\$2.67	\$2.54	\$10.38	\$2.66	\$3.12	\$2.93	\$3.02	\$11.74	\$13.69
YoY % Chng	116.8%	40.6%	(18.2%)	23.8%	3.3%	29.0%	55.7%	24.6%	11.3%	12.3%	9.8%	19.0%	13.1%	16.7%
Dividend Per Share	\$1.00	\$1.96	\$2.41	\$0.63	\$0.67	\$0.67	\$0.67	\$2.64	\$0.67	\$0.71	\$0.71	\$0.71	\$2.80	\$2.96
YoY % Chng	96.0%	23.0%	21.2%	6.3%	6.3%	6.3%	6.3%	9.5%	6.3%	6.0%	6.0%	6.0%	6.1%	5.7%

## 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	D
Growth Score	B
Momentum Score	A
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.

### 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.

No part of this report can be reprinted, republished or transmitted electronically without the prior written authorization of ZIR.