

## Pediatrix Medical (MD)

**\$21.93** (Stock Price as of 01/07/2026)

Price Target (6-12 Months): **\$25.00**

Long Term: 6-12 Months | **Zacks Recommendation:** **Outperform**  
(Since: 11/21/25)  
Prior Recommendation: Neutral

Short Term: 1-3 Months | **Zacks Rank:** (1-5) **2-Buy**  
Zacks Style Scores: VGM: A  
Value: A | Growth: B | Momentum: D

### Summary

Pediatrix Medical's revenues have been benefiting from stable volumes, rates and inorganic growth. It is boosting service offerings across maternal-fetal medicine, neonatology and obstetrics. The company projects adjusted EBITDA to be within the range of \$270-\$290 million in 2025. It remains focused on streamlining its portfolio by divesting non-core assets, allowing it to sharpen its focus on high-margin core services. Pediatrix Medical has a strong pipeline of future buyouts and continued expansion of specialty care services. It projects net income to be in the range of \$155.9-\$170.5 million for 2025. It bought back shares worth \$20.9 million in the first nine months of 2025. The stock has outperformed the industry in the past six months. Consequently, MD is expected to offer substantial upside potential from the current price levels.

### Data Overview

52 Week High-Low	\$24.99 - \$11.84
20 Day Average Volume (sh)	729,205
Market Cap	\$1.9 B
YTD Price Change	2.5%
Beta	0.73
Dividend / Div Yld	\$0.00 / 0.0%
Industry	<a href="#">Medical Services</a>
Zacks Industry Rank	Bottom 28% (175 out of 244)

Last EPS Surprise	45.7%
Last Sales Surprise	1.8%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/19/2026
Earnings ESP	0.0%

P/E TTM	10.8
P/E F1	11.0
PEG F1	1.2
P/S TTM	1.0

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



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



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

	Q1	Q2	Q3	Q4	Annual*
2026	472 E	481 E	497 E	498 E	1,947 E
2025	458 A	469 A	493 A	476 E	1,897 E
2024	495 A	504 A	511 A	502 A	2,013 A

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

	Q1	Q2	Q3	Q4	Annual*
2026	0.33 E	0.47 E	0.49 E	0.51 E	1.80 E
2025	0.33 A	0.53 A	0.67 A	0.46 E	1.99 E
2024	0.20 A	0.34 A	0.44 A	0.51 A	1.51 A

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/07/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/30/2025.

## Overview

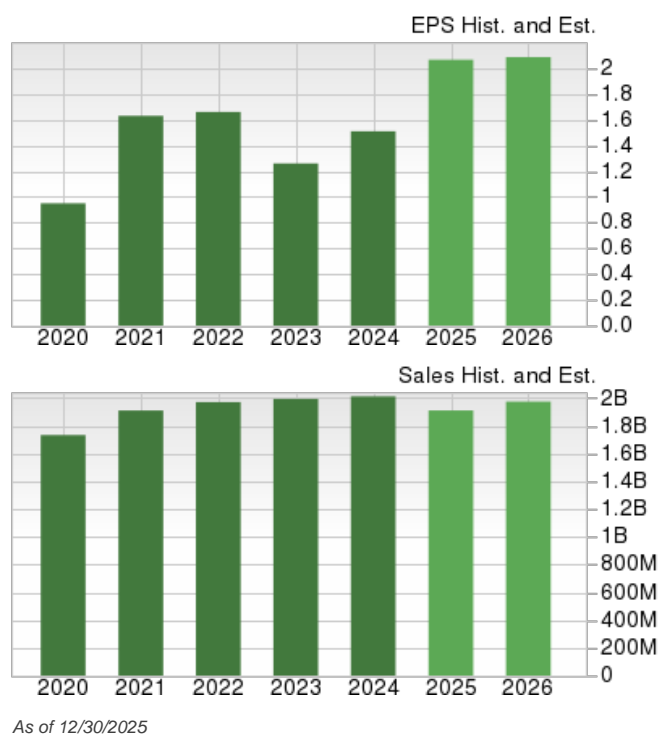
Headquartered in Sunrise, FL, Pediatrix Medical Group, Inc. changed its corporate name from Mednax, effective Jul 1, 2022, to improve brand awareness. It continues trading under its current ticker symbol, MD.

It was incorporated in Florida in 2007. Originally, Pediatrix Medical was founded in Florida in 1979 and later adopted the name Mednax. The company provides newborn, maternal-fetal, radiology, pediatric cardiology and other pediatric subspecialties physician services in the United States and Puerto Rico. It also offers neonatal care services such as clinical care to babies born prematurely or with complications within specific units at hospitals through neonatal physician subspecialists, neonatal nurse practitioners and other pediatric clinicians, etc.

MD has around 2,335 affiliated physicians and clinicians practicing in 36 states as of Dec 31., 2024. Many of these physicians deliver neonatal clinical care, primarily within hospital-based neonatal intensive care units to babies born prematurely or with medical complications. The company has over 580 affiliated physicians who provide maternal-fetal and obstetrical medical care to expectant mothers with complicated pregnancies. Its network also includes other pediatric subspecialists, including over 230 physicians providing pediatric intensive care, 20 physicians providing pediatric surgical care, etc.

Its perioperative consulting company also has a team of anesthesiologists, operating room nurse executives and perioperative business strategists, who develop and provide solutions to boost the performance, resources and capacity within hospital operating rooms and across the care continuum. The range of services includes strategic assessments and transformations, central sterile redesign, physician engagement and governance plus workforce support.

MD generates the majority of its revenues (85.6% of net revenues in 2024) by providing physician services for hospital-based units and other hospital settings. It also earns by charging hospitals, administrative fees (14.2%). This fee is charged for administrative services provided by MD's affiliated physicians or when the hospital does not generate sufficient patient volume. Other revenues accounted for 0.2% of total revenues in 2024.



---

## Reasons To Buy:

▲ **Stable Volumes:** Stable volumes and rates are expected to fuel top-line growth in 2025. The company has been experiencing consistent revenue growth over the past several years on the back of operational excellence and inorganic growth via strategic acquisitions. Net revenues grew 1.1% and 0.9%, respectively, year over year in 2023 and 2024, respectively. The metric came in at \$1.4 billion in the first nine months of 2025. Management also expects adjusted EBITDA to lie between \$270 million and \$290 million for 2025. Pediatrix Medical is expected to boost its services across maternal-fetal medicine, neonatology and obstetric, and 18 pediatric subspecialty offerings. Net income is estimated to be between \$155.9 million and \$170.5 million for 2025.

Pediatrix Medical's stable volumes, telehealth operations, strategic acquisitions and restructuring efforts augur well for long-term growth.

▲ **Telehealth Services:** Pediatrix Medical is expanding telehealth services in a bid to ensure access to healthcare even when staying at home. Such services lead to a decline in overall healthcare spending, boost access to quality care and bring about improved patient outcomes. Given the easy access and affordability of such services, we expect this business line to generate steady revenue streams going forward and aid margins. Its shares have outperformed the industry in the past six months.

▲ **Strategic Acquisitions:** Pediatrix Medical has actively pursued growth through acquisitions. Notable buys include vRad in 2015, expanding its telemedicine services, and nine physician group practices in 2019, covering neonatology, maternal-fetal medicine, radiology, and other pediatric subspecialties. In 2020, it acquired a pediatric subspecialty practice for \$2.1 million, followed by additional acquisitions in 2021, including pediatric orthopedics, multi-location urgent care, cardiology, neurology, and maternal-fetal medicine practices. In early 2022, Pediatrix purchased Night Lite Pediatrics, a 13-clinic urgent care network in Orlando. In the first quarter of 2024, it added a maternal-fetal medicine practice in California. In September 2025, it acquired several neonatology, maternal-fetal medicine and OB hospitalist practices for \$19.2 million. With a strong pipeline and plans for modest future investments, the company is likely to witness continued growth.

▲ **Streamlining Portfolio:** MD has streamlined its portfolio by divesting low-profit, non-core assets to sharpen its focus on core services. In 2019, it sold MedData to Frazier Healthcare Partners, refocusing on physician services and patient care. The company later sold American Anesthesiology, reducing COVID-19-related cash losses and lowering its risk profile. In another strategic move, Pediatrix sold MEDNAX Radiology Solutions, centering its efforts on pediatrics and obstetrics. It has also undertaken an accelerated portfolio restructuring plan aiming to sell underperforming office-based practices and primary and urgent care clinic platforms in some states. MD aims to focus on core hospital-based services and maternal-fetal medicine. It expects to achieve \$30 million annualized EBITDA improvement from portfolio restructuring. This move will likely improve its business mix and cash-generation prowess.

---

---

## Risks<sup>(2)</sup>

- Pediatrix Medical continues to operate with elevated leverage, with net debt of \$602.5 million substantially exceeding its \$340.1 million cash balance as of Sept. 30, 2025. This can push interest expense higher, while its total debt-to-EBITDA of 8.1% remains well above the industry average of 2.4%, limiting financial flexibility.
  - The company's free cash flow (FCF) has been inconsistent, declining in three of the last five years. FCF fell 24.2% in 2023 to \$104 million before improving in 2024 and early 2025, but sustainability remains uncertain. The management's restructuring efforts have yet to demonstrate stable, long-term cash generation.
  - Pediatrix faces intense competition across maternal-fetal and pediatric care, increasing pricing pressures. Also, as the underlying fertility rate continues to decline, lower births will affect demand for the company's services. Also, cost pressures and reimbursement challenges could dampen margins.
-

## Last Earnings Report

### Pediatric Medical Q3 Earnings Beat Estimates on Declining Expenses

Pediatric Medical reported third-quarter 2025 adjusted earnings per share (EPS) of 67 cents, which surpassed the Zacks Consensus Estimate by 45.7%. The bottom line surged 52.3% year over year.

Net revenues tumbled 3.6% year over year to \$492.9 million. Nevertheless, the top line beat the consensus mark by 1.8%.

The quarterly results were aided by higher collection activity, improved patient acuity and a favorable payor mix, along with a sharp decline in operating expenses. However, the upside was partly offset by a drop in net revenues resulting from the adverse impact of practice dispositions.

### MD's Q3 Update

Same-unit revenues advanced 8% year over year, which beat our growth estimate of 3.4%. Same-unit revenues, attributable to patient volume, rose 0.4% year over year in the quarter under review.

Same-unit revenues from net reimbursement-related factors grew 7.6% year over year on the back of improved patient acuity in its hospital-based practices, favorable collection activity and higher administrative fees from hospital partners. The metric beat our growth estimate of 2.1%.

Total operating expenses of \$424.8 million decreased 11% year over year and came lower than our estimate of \$425.1 million. The year-over-year decline resulted from lower practice salaries and benefits, practice supplies and other operating expenses, and transformational and restructuring-related costs.

Practice salaries and benefits of Pediatric Medical came in at \$332.3 million, which fell 8.9% year over year due to the impact of practice dispositions. Interest expenses decreased 11.7% year over year to \$8.9 million, lower than our estimate of \$9.3 million.

Net income totaled \$71.7 million compared with the prior-year quarter's figure of \$19.4 million. Adjusted EBITDA rose 45% year over year to \$87.3 million, which surpassed our estimate of \$59.9 million.

### MD's Financial Update (as of Sept. 30, 2025)

Pediatric Medical exited the third quarter with cash and cash equivalents of \$340.1 million, which rose 47.9% from the 2024-end level. There were no outstanding borrowings on its revolving credit facility at the quarter-end.

Total assets of \$2.2 billion rose 2.2% from the figure at 2024-end.

Total debt, including finance leases, net, amounted to \$602.5 million, down 2.5% from the figure as of Dec. 31, 2024.

Total shareholders' equity of \$890.7 million improved 16.4% from the 2024-end level.

MD generated net cash from operations of \$157 million in the first nine months of 2025 compared with \$73.6 million in the prior-year comparable period.

### Share Repurchase Update for MD

Pediatric Medical bought back common shares for \$20.9 million in the first nine months of 2025. It had a leftover capacity of \$229.1 million under its \$250 million repurchase program (approved in August 2025) as of Sept. 30, 2025.

### MD's 2025 View

Management now projects adjusted EBITDA within \$270-\$290 million, up from the prior view of \$245-\$255 million.

Net income is estimated to be between \$155.90 million and \$170.50 million for 2025, higher than the earlier guidance of \$126.02-\$133.32 million.

Interest expenses are currently forecasted at \$36.16 million for 2025. Income tax expenses are expected to be in the range of \$57.61-\$63.01 million.

Depreciation and amortization expenses are now estimated to be \$22.51 million. Transformational and restructuring-related expenses are expected to be \$18.72 million at present.

### FY Quarter Ending 12/31/2025

Earnings Reporting Date	Nov 03, 2025
Sales Surprise	1.82%
EPS Surprise	45.65%
Quarterly EPS	0.67
Annual EPS (TTM)	2.04

## Valuation

Pediatric Medical's shares are up 52.8% over the past six months and 66.9% over the 12-months period. Stocks in the Zacks sub-industry and the Zacks Medical sector are up 5.4% and 11.9%, over the past six months, respectively. Over the past year, the Zacks sub-industry and the sector are up 7.8% and 8.2%, respectively.

The S&P 500 index is up 14.6% over the past six months and 20.2% in the past year.

The stock is currently trading at 10.49X forward 12-month earnings, which compares to 16.54X for the Zacks sub-industry, 21.28X for the Zacks sector and 23.44X for the S&P 500 index.

Over the past five years, the stock has traded as high as 25.17X and as low as 5.76X, with a 5-year median of 9.86X. Our Outperform recommendation indicates that the stock will perform better than the market. Our \$25.00 price target reflects 12.06X forward earnings.

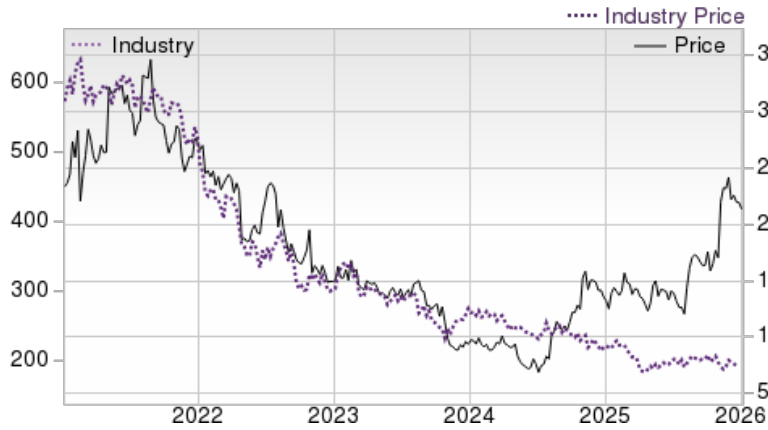
The table below shows summary valuation data for MD.

Valuation Multiples - MD					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	10.49	16.54	21.28	23.44
	5-Year High	25.17	18.78	23.59	23.8
	5-Year Low	5.76	13.21	17.84	15.74
	5-Year Median	9.86	15.44	20.62	21.23
P/S F12M	Current	0.95	0.48	2.16	5.31
	5-Year High	1.61	0.92	3.41	5.49
	5-Year Low	0.28	0.43	2.03	3.82
	5-Year Median	0.55	0.62	2.65	5.04
P/B TTM	Current	2.11	2.13	4.08	8.6
	5-Year High	3.75	3.09	6.1	9.13
	5-Year Low	0.66	1.69	3.59	6.57
	5-Year Median	1.59	2.24	4.54	8.04

As of 12/29/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Bottom 28% (175 out of 244)



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

Company (Ticker)	Rec	Rank
Medpace Holdings, In... <b>(MEDP)</b>	Outperform	<b>2</b>
Alignment Healthcare... <b>(ALHC)</b>	Neutral	<b>3</b>
BrightSpring Health ... <b>(BTSG)</b>	Neutral	<b>3</b>
Concentra Group Hold... <b>(CON)</b>	Neutral	<b>4</b>
Cencora, Inc. <b>(COR)</b>	Neutral	<b>3</b>
Natera, Inc. <b>(NTRA)</b>	Neutral	<b>3</b>
Revvity Inc. <b>(RVTY)</b>	Neutral	<b>3</b>
Teladoc Health, Inc. <b>(TDOC)</b>	Neutral	<b>3</b>

## Industry Comparison<sup>(1)</sup> Industry: Medical Services

	MD	X Industry	S&P 500	CON	MEDP	NTRA
Zacks Recommendation (Long Term)	Outperform	-	-	Neutral	Outperform	Neutral
Zacks Rank (Short Term)	<b>2</b>	-	-	<b>4</b>	<b>2</b>	<b>3</b>
VGM Score	<b>A</b>	-	-	<b>A</b>	<b>C</b>	<b>D</b>
Market Cap	1.88 B	400.41 M	40.07 B	2.50 B	17.27 B	35.19 B
# of Analysts	5	3	22	4	4	5
Dividend Yield	0.00%	0.00%	1.38%	1.28%	0.00%	0.00%
Value Score	<b>A</b>	-	-	<b>B</b>	<b>D</b>	<b>F</b>
Cash/Price	0.25	0.15	0.04	0.02	0.02	0.03
EV/EBITDA	-72.85	4.40	14.89	10.95	35.37	-231.18
PEG Ratio	1.23	1.89	2.04	2.05	2.06	NA
Price/Book (P/B)	2.11	2.00	3.41	6.40	58.81	27.88
Price/Cash Flow (P/CF)	12.44	11.29	15.44	10.56	43.94	NA
P/E (F1)	11.26	15.62	18.58	13.03	36.88	NA
Price/Sales (P/S)	0.98	1.21	3.06	1.20	7.32	16.62
Earnings Yield	9.53%	4.07%	5.38%	7.69%	2.71%	-0.65%
Debt/Equity	0.65	0.09	0.57	4.10	0.00	0.00
Cash Flow (\$/share)	1.76	0.18	8.98	1.85	13.95	-1.21
Growth Score	<b>B</b>	-	-	<b>B</b>	<b>A</b>	<b>A</b>
Hist. EPS Growth (3-5 yrs)	5.15%	-3.44%	8.24%	NA	31.96%	NA
Proj. EPS Growth (F1/F0)	31.79%	14.70%	9.21%	-10.96%	17.18%	-55.56%
Curr. Cash Flow Growth	14.92%	0.53%	7.00%	-7.03%	40.27%	-61.04%
Hist. Cash Flow Growth (3-5 yrs)	-12.49%	7.22%	7.49%	NA	25.98%	-4.92%
Current Ratio	1.83	1.65	1.19	1.20	0.57	3.27
Debt/Capital	39.32%	26.14%	38.14%	80.57%	0.00%	0.00%
Net Margin	8.44%	-1.25%	12.77%	7.33%	18.36%	-14.61%
Return on Equity	20.45%	-6.66%	17.03%	48.42%	91.88%	-25.07%
Sales/Assets	0.91	0.76	0.53	0.76	1.29	1.21
Proj. Sales Growth (F1/F0)	-5.80%	5.60%	5.29%	13.50%	18.70%	30.50%
Momentum Score	<b>D</b>	-	-	<b>B</b>	<b>F</b>	<b>F</b>
Daily Price Chg	-1.62%	0.00%	-0.34%	-2.69%	0.69%	2.28%
1 Week Price Chg	-2.65%	-0.45%	1.10%	-3.10%	0.61%	-2.10%
4 Week Price Chg	2.57%	0.81%	0.50%	-0.56%	9.33%	9.12%
12 Week Price Chg	33.31%	0.00%	3.75%	-3.94%	19.20%	41.79%
52 Week Price Chg	72.27%	-5.43%	16.94%	-1.22%	72.90%	44.05%
20 Day Average Volume	729,205	336,928	2,431,070	696,696	180,796	984,176
(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%	-0.58%	0.00%	0.00%
(F1) EPS Est 12 week change	14.60%	0.00%	0.44%	-4.79%	7.08%	-241.56%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	-1.81%	0.00%	0.00%



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

### Pediatric Medical Group, Inc. (MD)

In \$MM, except per share data

	2022A	2023A	2024A	2025E				2026E				2027E		
	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement														
Net Revenue	\$1,972.0	\$1,994.6	\$2,012.9	\$458.4	\$468.8	\$492.9	\$476.4	\$1,896.5	\$471.5	\$480.9	\$496.7	\$498.2	\$1,947.4	\$2,031.6
Practice Salaries & Benefits	\$1,383.3	\$1,448.3	\$1,440.8	\$337.0	\$323.5	\$332.3	\$333.4	\$1,326.2	\$347.4	\$343.5	\$352.3	\$361.2	\$1,404.4	\$1,487.7
Practice Supplies & Other Expenses	\$121.7	\$124.8	\$117.7	\$18.7	\$20.6	\$20.2	\$21.3	\$80.8	\$20.5	\$22.3	\$22.2	\$22.3	\$87.3	\$91.3
Gross Profit	\$467.0	\$421.6	\$454.3	\$102.6	\$124.7	\$140.3	\$121.8	\$489.5	\$103.6	\$115.2	\$122.2	\$114.7	\$455.7	\$452.6
General and Administrative Expenses	\$231.4	\$227.5	\$238.4	\$58.6	\$55.7	\$60.8	\$52.0	\$227.1	\$64.0	\$61.0	\$66.4	\$57.0	\$248.4	\$255.1
Depreciation & Amortization	\$35.6	\$36.2	\$32.2	\$5.3	\$5.3	\$5.6	\$6.3	\$22.5	\$5.5	\$5.6	\$6.0	\$6.4	\$23.4	\$24.7
Transformational And Restructuring Related Expenses	\$27.3	\$2.2	\$64.3	\$6.6	\$3.8	\$6.0	\$2.3	\$18.7	\$7.0	\$4.2	\$6.5	\$2.5	\$20.3	\$22.0
Goodwill Impairment		\$148.3	\$150.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Long-lived Asset Impairments			\$27.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Loss on Disposal of Businesses			\$9.7	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Operating Expense	\$1,799.3	\$1,987.3	\$2,081.6	\$426.3	\$409.0	\$424.8	\$415.4	\$1,675.4	\$444.4	\$436.5	\$453.4	\$449.5	\$1,783.8	\$1,880.8
Adjusted EBITDA	\$241.0	\$200.4	\$224.0	\$49.2	\$73.2	\$87.3	\$75.6	\$285.4	\$45.4	\$60.1	\$61.7	\$63.6	\$230.8	\$221.0
Operating Income	\$172.7	\$7.3	(\$68.7)	\$32.1	\$59.9	\$68.1	\$61.1	\$221.1	\$27.1	\$44.5	\$43.3	\$48.8	\$163.6	\$150.8
Investment & Other Income	\$3.7	\$4.3	\$5.8	\$4.7	\$3.7	\$5.9	\$5.9	\$20.2	\$5.9	\$5.9	\$5.9	\$5.9	\$23.5	\$23.5
Net Gain on Investments in Divested Businesses				\$0.0	\$0.0	\$20.9	\$0.0	\$20.9	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Interest Expense	\$39.7	\$42.1	\$40.7	\$9.2	\$9.1	\$8.9	\$9.0	\$36.2	\$10.0	\$10.0	\$9.8	\$9.7	\$39.5	\$41.0
Loss on Early Extinguishment of Debt	\$57.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Equity in Earnings of Unconsolidated affiliate	\$1.7	\$2.1	\$2.3	\$0.4	\$0.5	\$1.9	\$0.0	\$2.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Non-Operating Expenses	\$91.3	\$55.7	\$32.6	\$4.0	\$4.9	(\$19.7)	\$3.1	(\$7.7)	\$4.1	\$4.1	\$3.9	\$3.8	\$16.0	\$17.5
Pre-Tax Income	\$81.4	(\$48.4)	(\$101.3)	\$28.1	\$55.0	\$87.8	\$58.0	\$228.8	\$22.9	\$40.4	\$39.4	\$44.9	\$147.6	\$133.3
Income Taxes	\$18.8	\$12.0	(\$2.3)	\$7.4	\$15.7	\$16.1	\$20.3	\$59.4	\$6.0	\$10.6	\$10.3	\$11.8	\$38.7	\$34.9
Tax Rate	23.1%	(24.9%)	2.2%	26.2%	28.6%	18.3%	35.0%	26.0%	26.2%	26.2%	26.2%	26.2%	26.2%	26.2%
Non-Controlling Interest	(\$0.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Income, Adjusted	\$140.0	\$103.6	\$125.7	\$28.5	\$45.6	\$57.5	\$38.4	\$170.1	\$27.5	\$38.4	\$39.6	\$40.6	\$146.1	\$137.4
Net Income from Continuing Operation	\$62.6	(\$60.4)	(\$99.1)	\$20.7	\$39.3	\$71.7	\$37.7	\$169.4	\$16.9	\$29.8	\$29.1	\$33.2	\$108.9	\$98.4
Loss (Income) from Discontinued Operations	\$3.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Income, GAAP	\$66.3	(\$60.4)	(\$99.1)	\$20.7	\$39.3	\$71.7	\$37.7	\$169.4	\$16.9	\$29.8	\$29.1	\$33.2	\$108.9	\$98.4
Basic Shares Outstanding	83.5	82.2	83.3	84.4	84.8	84.6	83.4	84.3	82.3	81.1	79.9	78.8	80.5	75.9
Diluted Shares Outstanding	84.1	82.2	83.3	85.4	85.5	85.6	84.4	85.3	83.3	82.1	80.9	79.8	81.5	76.9
Basic EPS	\$0.75	(\$0.73)	(\$1.19)	\$0.25	\$0.46	\$0.85	\$0.45	\$2.01	\$0.21	\$0.37	\$0.36	\$0.42	\$1.36	\$1.30
Diluted EPS, Adjusted	\$1.66	\$1.26	\$1.51	\$0.33	\$0.53	\$0.67	\$0.46	\$1.99	\$0.33	\$0.47	\$0.49	\$0.51	\$1.80	\$1.79
Diluted EPS from Continuing Operation	\$0.74	(\$0.73)	(\$1.19)	\$0.24	\$0.46	\$0.84	\$0.45	\$1.99	\$0.20	\$0.36	\$0.36	\$0.42	\$1.34	\$1.29
Diluted EPS, GAAP	\$0.79	(\$0.73)	(\$1.19)	\$0.24	\$0.46	\$0.84	\$0.45	\$1.99	\$0.20	\$0.36	\$0.36	\$0.42	\$1.34	\$1.29



## 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	B
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.

## 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.