

## Medifast, Inc. (MED)

**\$11.04** (Stock Price as of 12/26/2025)

Price Target (6-12 Months): **\$13.00**

Long Term: 6-12 Months | **Zacks Recommendation:** **Neutral**  
(Since: 12/05/24)  
Prior Recommendation: Outperform

Short Term: 1-3 Months | **Zacks Rank:** (1-5) **4-Sell**  
Zacks Style Scores: VGM: A  
Value: B | Growth: B | Momentum: A

### Summary

Medifast has been navigating a challenging period marked by declining coach productivity, lower customer acquisition trends and shifting industry dynamics tied to the rapid adoption of GLP-1 medications. However, the company is working to reposition itself for long-term relevance through a broader focus on metabolic health, enhanced product innovation and a more streamlined, data-driven approach to strengthening its coach network. Medifast's strong liquidity and debt-free balance sheet remain noteworthy as it undergoes this transition. While the near-term picture remains under pressure, with revenues, margins and guidance reflecting persistent headwinds, the company's habit-based coaching model, expanding product platforms and strategic transformation efforts offer potential longer-term opportunities.


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



### Data Overview

52 Week High-Low	\$18.59 - \$10.36
20 Day Average Volume (sh)	287,565
Market Cap	\$121.3 M
YTD Price Change	-37.3%
Beta	0.48
Dividend / Div Yld	\$0.00 / 0.0%
Industry	<a href="#">Food - Miscellaneous</a>
Zacks Industry Rank	Bottom 19% (195 out of 243)

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

Sales	   	EPS	   
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Last EPS Surprise	-2,000.0%
Last Sales Surprise	4.1%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/17/2026
Earnings ESP	0.0%

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

	Q1	Q2	Q3	Q4	Annual*
2026	90 E	102 E	86 E	72 E	351 E
2025	116 A	106 A	89 A	74 E	385 E
2024	175 A	169 A	140 A	119 A	602 A

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

	Q1	Q2	Q3	Q4	Annual*
2026	-0.20 E	0.02 E	-0.32 E	-0.63 E	-1.14 E
2025	-0.11 A	0.04 A	-0.21 A	-0.80 E	-1.08 E
2024	0.66 A	0.92 A	0.35 A	0.10 A	1.84 A

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/26/2025.

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

## Overview

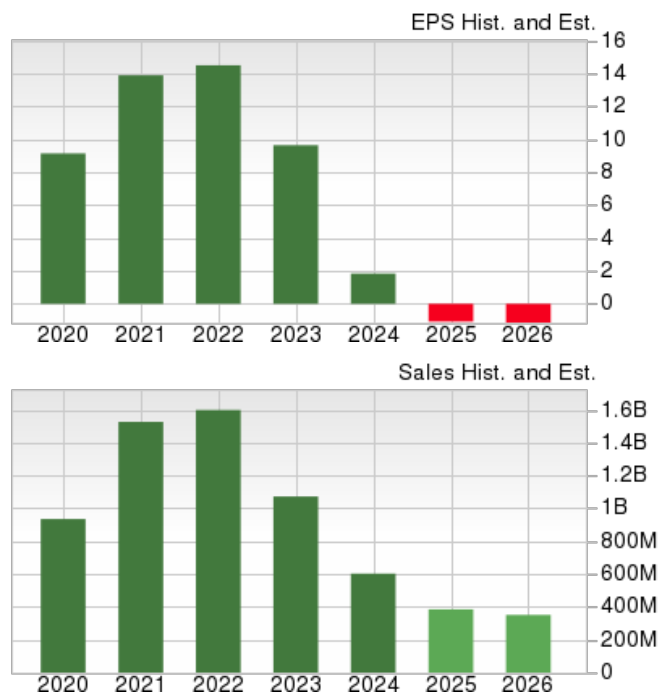
Incorporated in 1989, Medifast is a leading manufacturer and distributor of clinically-proven healthy living products and programs. The company produces, distributes and sells weight loss, weight management and healthy living products through its direct online channels as well as franchise weight control centers.

Medifast is a 40+ year old health and wellness company known for its science-backed, coach-guided lifestyle system. The company is currently executing a strategic transformation focused on metabolic health and a return to growth strategy by fueling coach productivity and coach growth. The company operates a well-capitalized business with strong and effective leadership that has a powerful lifestyle brand and business model that boasts a network of approximately 19,500 active earning independent coaches that have impacted more than 3 million lives.

Medifast is ensuring that its coaches are positioned to succeed in the GLP-1 environment. Regardless of their needs, an integrated, coach-supported, lifestyle-based approach helps clients achieve their health goals. Coaches introduce clients to a set of healthy habits, often beginning with healthy eating, alongside exclusive products and plans. These offerings are one component that supports the company's mission and helps make it easier for clients to build and sustain healthy habits in their lives.

Medifast's scientifically designed Fuelings, as well as innovative product lines like OPTAVIA ASCEND and OPTAVIA ACTIVE, continue to address the needs of these clients. It also continues to work on enhancing the digital tools and improving the client experience to help the company achieve its goals. It believes its coach-based model is scalable and drives both client success and growth, and is a key competitive advantage.

OPTAVIA product line is sold through its community of independent coaches who offer support and guidance to their clients. In partnership with OPTAVIA coaches, franchise partners, resellers and its Scientific Advisory Board, Medifast offers comprehensive wellness products and programs that focus on creating sustainable change by helping people learn to incorporate healthy habits into their lives.



As of 12/15/2025



As of 12/26/2025

## Reasons To Buy:

- ▲ **Keeping Up With the Evolving Trends:** The weight loss market is highly competitive and served by a wide range of players, and in recent years, the industry has undergone a rapid and fundamental transformation, driven by rising consumer awareness and the widespread adoption of GLP-1 medications. These drugs have reshaped public discourse around obesity by providing millions with a potent tool for appetite control and weight reduction. In response, Medifast is strategically positioning itself to compete effectively in this new landscape. While GLP-1 medications are highly effective, they are not a complete solution, as long-term weight management still depends on meaningful lifestyle changes and the development of healthy habits—particularly to preserve lean mass. Medifast sees a compelling opportunity here, supported by clinical insights showing that clients following its programs improve body composition by reducing body fat while maintaining muscle. Whether individuals are using a GLP-1 medication, transitioning off one, or not using one at all, Medifast's programs provide a structured pathway toward sustainable metabolic health rather than short-term weight loss alone. The company emphasizes that many weight challenges stem not only from lifestyle factors but also from underlying metabolic dysfunction—an area where it aims to take a leadership role. Looking ahead, Medifast is preparing to roll out major innovations built on the science of metabolic synchronization, featuring next-generation ingredients designed to enhance metabolic performance. These advancements are intended to further support the company's broader vision of holistic, long-term health and wellness.
- Medifast is actively advancing various initiatives to broaden its presence in the expansive health and wellness market. A significant avenue for growth lies in the realm of weight loss medications.
- ▲ **Strong Coach Network:** Medifast emphasizes that the human connection provided by coaches is essential in translating scientific guidance into meaningful, lasting results. Coaches play a pivotal role in helping clients adopt the behavioral changes required for long-term success. To support this mission, Medifast has been equipping coaches with updated clinical data, enabling them to more effectively serve clients and reach new customer segments. This enhanced training will continue into 2026. Coaches are also developing a deeper understanding of GLP-1 medications, informed by real-world experience working with clients who are currently using or have previously used these drugs. This knowledge strengthens their ability to support clients in an increasingly dynamic metabolic health landscape. Additionally, the company is streamlining the coach development pathway to encourage early success and foster leadership skills, while introducing more intuitive incentives and clearer business-building strategies to help coaches grow and thrive within the OPTAVIA ecosystem.
- ▲ **Concentration on Sustainable Growth:** Medifast's long-term growth strategy is built on a series of key initiatives, including accelerating product and program innovation, expanding into new market segments and geographies, elevating the overall coach and client experience, harnessing deeper data-driven insights, and improving operational efficiency. The company continues to advance its vision of becoming a science-backed leader in holistic metabolic health, moving well beyond its historical focus on weight loss. This strategic shift reflects the broader need to address a critical reality: more than 90% of U.S. adults are metabolically unhealthy. Medifast's differentiated, research-driven approach emphasizes sustainable outcomes. Clinical findings show that clients retained 98% of their lean mass while reducing visceral fat by 14%—a compelling contrast to GLP-1 medications, where roughly 40% of weight loss typically comes from lean mass. In addition, the rollout of Premier+ pricing and enhancements to the autoship program have helped simplify and strengthen the company's value proposition.
- ▲ **Strong Balance Sheet:** The company continues to demonstrate financial strength, supported by a healthy balance sheet and a conservative capital structure. As of Sept. 30, 2025, it reported \$173.5 million in cash, cash equivalents and investment securities, with no debt, highlighting its solid liquidity position. This reflects an improvement from Dec. 31, 2024, when cash, cash equivalents and investment securities totaled \$162.3 million, also with no outstanding debt. The increase in available liquidity over this period indicates disciplined financial management and enhances the company's flexibility to support ongoing operations, navigate market conditions, and invest in strategic initiatives without relying on external borrowings.

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## Reasons To Sell:

- ▼ **Near-Term Challenges Persist:** Despite continued efforts to broaden its customer base, Medifast remains challenged by a difficult operating environment. In the third quarter of 2025, both the top and bottom lines declined year over year, with net revenues falling 36.2%, largely due to a 35% decline in the number of active earning OPTAVIA coaches. Average revenue per active earning coach was \$4,585, down 1.9% year over year, reflecting persistent pressure in client acquisition amid a shifting landscape, including the rapid adoption of GLP-1 medications for weight loss.
- ▼ **Margins Pressures:** Medifast continues to face margin pressures. During the third quarter, gross profit totaled \$62.2 million, down 41.2% year over year due to lower sales. Gross margin came in at 69.5%, a sharp decline of 590 basis points (bps) from 75.4% the prior-year period. A 450-basis-point loss of leverage on fixed costs and a 180-basis-point reserve reformulation for the Essential product line drove this contraction. The company reported a loss from operations of \$4.1 million. As a percentage of revenues, the loss from operations was 4.6% for the quarter compared with an operating income of 1.5% in the prior-year period.
- ▼ **Weak Guidance:** Management expects fourth-quarter 2025 revenues between \$65 million and \$80 million, reflecting continued uncertainty in the operating environment. The company also projects a loss per share of 70 cents to \$1.25 for the quarter, indicating ongoing margin pressures. These expectations highlight the challenges the business continues to navigate as it works toward stabilising performance.
- ▼ **Intense Competition:** Medifast continues to feel the pressure of a rapidly evolving health and wellness landscape. The company competes in a crowded space that includes weight-loss programs, surgical options, nutritional supplements, and broader lifestyle-focused services. The surge in GLP-1 medications has particularly disrupted Medifast's customer pipeline, as more consumers opt for pharmaceutical weight-management solutions. In this environment, brands must innovate continuously to stay aligned with shifting consumer preferences in weight-loss approaches and supplement development.

MED is encountering difficulties in attracting customers, because of a range of macroeconomic elements, such as intense competition and a general slowdown in consumer spending.

## Last Earnings Report

### Medifast's Q3 Loss Wider Than Expected, Sales Decline 36% Y/Y

Medifast delivered third-quarter 2025 results, with the top line surpassing the Zacks Consensus Estimate while the bottom line missing the same. Both the metrics showed a year-over-year decline.

Management is shifting its strategy from being a weight-loss company to becoming a leader in metabolic health. The company believes its coach-guided, clinically proven system can address underlying metabolic issues, positioning it in a larger and more sustainable market.

**FY Quarter Ending** 12/31/2024

Earnings Reporting Date	Nov 03, 2025
Sales Surprise	4.11%
EPS Surprise	-2,000.00%
Quarterly EPS	-0.21
Annual EPS (TTM)	-0.18

### Medifast's Quarterly Performance: Key Insights

MED reported a quarterly loss of 21 cents per share, wider than the Zacks Consensus Estimate of a loss of 1 cent. The result also marks a sharp reversal from the prior-year quarter's earnings of 10 cents per share.

Net revenues of \$89.4 million declined 36.2% year over year due to a drop in the number of active earning OPTAVIA coaches. However, the metric exceeded the Zacks Consensus Estimate of \$86 million. The average revenue per active earning OPTAVIA Coach was \$4,585, down from \$4,672, mainly caused by pressure in client acquisition associated with the rapid adoption of GLP-1 medications for weight loss.

The number of active earning OPTAVIA Coaches has been going downward year over year since the first quarter of 2023, reflecting continued challenges in client acquisition due to the growing acceptance of GLP-1 medications for weight loss. The total number of active earning OPTAVIA coaches declined 35% to 19,500 from 30,000 seen in the year-earlier quarter.

### MED's Margin & Cost Details

Gross profit was \$62.2 million, down 41.2% year over year on lower revenues, partially offset by reduced cost of sales. The gross margin was 69.5%, down 590 basis points (bps) year over year. The decline reflects 450 bps of loss of leverage on fixed costs and 180 bps related to reserves for the reformulation of the Essential product line.

Selling, general and administrative expenses (SG&A) fell 36% year over year to \$66.2 million. This decrease was primarily caused by a \$19.7 million reduction in OPTAVIA coach compensation due to lower volume and fewer active earning coaches. In addition, SG&A for the quarter also included decreases of \$5.6 million in company-led marketing, \$2.9 million in convention costs and \$2 million related to the company's collaboration with LifeMD, Inc., all of which did not recur in the period.

As a percentage of revenues, SG&A increased 20 bps year over year to 74.1%. The increase was primarily due to 520 bps associated with the loss of leverage on fixed costs and other smaller increases, partially offset by a 360-bps reduction related to company-led marketing and a 210-bps reduction related to convention costs incurred in the prior-year period that did not recur in the third quarter of 2025.

The loss from operations was \$4.1 million in contrast to the operating income of \$2.1 million in the year-ago quarter. As a percentage of revenues, this represented a loss from operations of 4.6% of revenues versus an operating margin of 1.5% in the prior-year period.

### Medifast's Financial Health Snapshot

MED concluded the quarter with cash, cash equivalents and investment securities of \$173.5 million, no debt (as of Sept. 30, 2025) and total shareholders' equity of \$214.7 million.

### Sneak Peek Into MED's 2025 Outlook

The company expects fourth-quarter 2025 revenues between \$65 million and \$80 million, with loss per share expected to be between 70 cents and \$1.25.

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## Valuation

Medifast's shares are down 8.7% in the past six-month period and 32.2% over the trailing 12-month period. Stocks in the Zacks sub-industry are down 10.9% and Zacks Consumer Staples sector are down 5.6%, respectively, in the past six-month period. Over the past year, the Zacks sub-industry and the sector are down 17.9% and 2.8%, respectively.

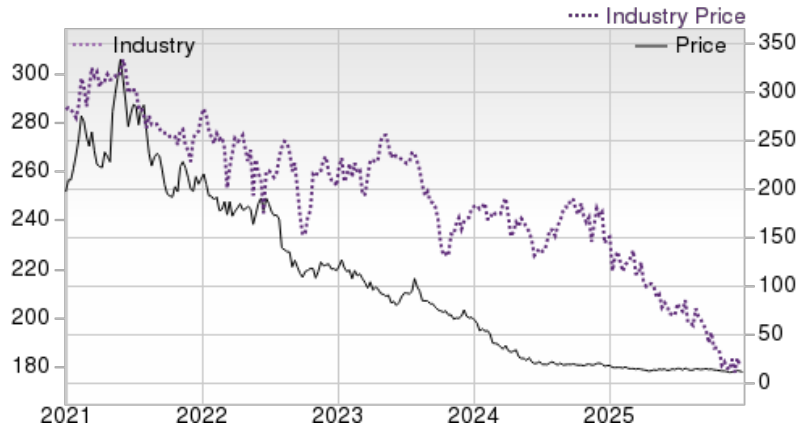
The S&P 500 index is up 15.7% in the past six-month period and 14.3% in the past year.

The stock is currently trading at 0.39X forward 12-month sales, which compares to 1.03X for the Zacks sub-industry, 7.57X for the Zacks sector and 5.33X for the S&P 500 index.

Over the past five years, the stock has traded as high as 2.91X and as low as 0.22X, with a 5-year median of 0.81X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$13 price target reflects 0.41X forward 12-month sales.

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## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Bottom 19% (195 out of 243)



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

Company (Ticker)	Rec	Rank
John B. Sanfilippo &...(JBSS)	Outperform	1
Burcon NutraScience...(BRCNF)	Neutral	3
The Chefs' Warehouse...(CHEF)	Neutral	4
Freshpet, Inc. (FRPT)	Neutral	3
Lamb Weston (LW)	Neutral	5
SunOpta, Inc. (STKL)	Neutral	4
United Natural Foods...(UNFI)	Neutral	1
Vital Farms, Inc. (VITL)	Neutral	3

## Industry Comparison<sup>(1)</sup> Industry: Food - Miscellaneous

	MED	X Industry	S&P 500	BGS	STKL	VITL
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	4	-	-	3	4	3
VGM Score	A	-	-	C	A	B
Market Cap	121.34 M	1.74 B	39.26 B	365.49 M	456.45 M	1.42 B
# of Analysts	1	3	22	1	1	5
Dividend Yield	0.00%	0.00%	1.4%	16.63%	0.00%	0.00%
Value Score	B	-	-	A	A	C
Cash/Price	1.43	0.06	0.04	0.17	0.00	0.10
EV/EBITDA	-3.32	9.16	14.73	7.47	13.16	14.90
PEG Ratio	NA	1.96	2.23	NA	NA	NA
Price/Book (P/B)	0.57	2.12	3.38	0.78	2.74	4.28
Price/Cash Flow (P/CF)	3.76	8.90	15.45	0.67	8.90	19.61
P/E (F1)	-10.22	14.89	20.04	8.96	25.20	22.10
Price/Sales (P/S)	0.28	0.79	3.15	0.20	0.58	2.00
Earnings Yield	-9.78%	6.60%	4.94%	11.16%	3.97%	4.54%
Debt/Equity	0.00	0.42	0.57	4.29	1.34	0.02
Cash Flow (\$/share)	2.94	1.83	8.98	6.82	0.42	1.62
Growth Score	B	-	-	D	A	B
Hist. EPS Growth (3-5 yrs)	-41.83%	7.15%	8.21%	-27.11%	82.22%	90.88%
Proj. EPS Growth (F1/F0)	NA%	4.01%	8.54%	-27.14%	36.36%	22.03%
Curr. Cash Flow Growth	-72.82%	0.63%	7.00%	183.94%	22.31%	86.58%
Hist. Cash Flow Growth (3-5 yrs)	-16.10%	4.81%	7.48%	24.56%	46.11%	68.33%
Current Ratio	4.45	1.54	1.19	3.20	0.98	2.65
Debt/Capital	0.00%	34.55%	38.15%	81.10%	55.14%	1.80%
Net Margin	0.06%	2.29%	12.77%	-13.61%	0.16%	8.50%
Return on Equity	-0.89%	9.71%	17.03%	8.50%	14.91%	20.19%
Sales/Assets	1.56	0.92	0.53	0.62	1.15	1.73
Proj. Sales Growth (F1/F0)	-36.00%	0.00%	5.85%	NA	12.20%	25.20%
Momentum Score	A	-	-	C	F	B
Daily Price Chg	-2.13%	0.00%	-0.03%	0.66%	0.00%	-2.91%
1 Week Price Chg	-4.13%	0.00%	1.40%	-4.18%	-2.37%	-2.68%
4 Week Price Chg	0.64%	-1.31%	1.18%	-0.87%	0.53%	-2.97%
12 Week Price Chg	-21.09%	-6.87%	3.19%	3.16%	-37.42%	-24.49%
52 Week Price Chg	-37.27%	-15.03%	16.06%	-35.54%	-51.60%	-15.04%
20 Day Average Volume	287,565	197,320	2,767,182	1,381,587	778,446	2,473,859
(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%	0.00%	0.00%	-0.97%
(F1) EPS Est 12 week change	-120.41%	-1.50%	0.67%	-7.27%	-16.67%	6.37%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	0.00%	0.00%	-3.59%



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

### Medifast, Inc. (MED)

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														
Revenue	\$1,598.6	\$1,072.1	\$602.5	\$115.7	\$105.6	\$89.4	\$74.3	\$385.0	\$90.4	\$102.1	\$86.4	\$72.0	\$351.0	\$368.5
Cost of Sales, Non-GAAP	\$446.0	\$296.2	\$155.3	\$31.5	\$28.9	\$27.3	\$25.1	\$112.8	\$25.5	\$25.9	\$25.4	\$22.6	\$99.4	\$103.1
Cost of Sales, GAAP	\$458.2	\$296.2	\$157.8	\$31.5	\$28.9	\$27.3	\$25.1	\$112.8	\$25.5	\$25.9	\$25.4	\$22.6	\$99.4	\$103.1
Gross Profit, Non-GAAP	\$1,152.6	\$775.9	\$447.2	\$84.2	\$76.6	\$62.2	\$49.2	\$272.2	\$65.0	\$76.2	\$60.9	\$49.4	\$251.6	\$265.4
Gross Profit, GAAP	\$1,140.4	\$775.9	\$444.6	\$84.2	\$76.6	\$62.2	\$49.2	\$272.2	\$65.0	\$76.2	\$60.9	\$49.4	\$251.6	\$265.4
Selling, General, & Administrative, Non-GAAP	\$936.6	\$641.9	\$424.2	\$85.5	\$77.7	\$66.2	\$61.0	\$290.4	\$69.0	\$77.4	\$66.5	\$59.0	\$271.9	\$284.9
Selling, General, & Administrative, GAAP	\$955.6	\$649.4	\$441.7	\$85.5	\$77.7	\$66.2	\$61.0	\$290.4	\$69.0	\$77.4	\$66.5	\$59.0	\$271.9	\$284.9
EBITDA	\$195.8	\$139.5	\$15.6	\$2.0	\$3.0	(\$0.6)	(\$9.9)	(\$5.5)	(\$1.8)	\$2.1	(\$2.8)	(\$7.8)	(\$10.3)	(\$8.1)
Depreciation & Amortization	\$11.0	\$13.1	\$12.7	\$3.3	\$4.0	\$3.5	\$1.9	\$12.6	\$2.2	\$3.3	\$2.7	\$1.8	\$10.0	\$11.4
Operating Income/(Loss), Non-GAAP	\$216.0	\$134.0	\$23.0	(\$1.3)	(\$1.1)	(\$4.1)	(\$11.8)	(\$18.2)	(\$4.0)	(\$1.2)	(\$5.6)	(\$9.6)	(\$20.4)	(\$19.5)
Operating Income/(Loss), GAAP	\$184.8	\$126.4	\$2.9	(\$1.3)	(\$1.1)	(\$4.1)	(\$11.8)	(\$18.2)	(\$4.0)	(\$1.2)	(\$5.6)	(\$9.6)	(\$20.4)	(\$19.5)
Interest Expense (Income)	\$0.7	(\$2.5)	(\$4.8)	(\$1.3)	(\$1.4)	(\$1.4)	(\$1.4)	(\$5.5)	(\$1.4)	(\$1.4)	(\$1.4)	(\$1.4)	(\$5.7)	(\$5.7)
Other Income (Expense)	(\$0.0)	(\$0.1)	(\$3.9)	\$0.5	\$2.6	(\$0.0)	(\$0.0)	\$3.1	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)
Total Other Expense, Non-GAAP	\$0.7	(\$2.4)	(\$5.0)	(\$2.4)	(\$6.5)	(\$1.4)	(\$1.4)	(\$11.8)	(\$1.4)	(\$1.4)	(\$1.4)	(\$1.4)	(\$5.7)	(\$5.7)
Total Other Expense, GAAP	\$0.7	(\$2.4)	(\$0.9)	(\$1.8)	(\$3.9)	(\$1.4)	(\$1.4)	(\$8.6)	(\$1.4)	(\$1.4)	(\$1.4)	(\$1.4)	(\$5.7)	(\$5.7)
Pre-Tax Income/(Loss), Non-GAAP	\$215.2	\$136.4	\$28.0	\$1.1	\$5.5	(\$2.7)	(\$10.3)	(\$6.4)	(\$2.6)	\$0.3	(\$4.1)	(\$8.2)	(\$14.7)	(\$13.8)
Pre-Tax Income/(Loss), GAAP	\$184.1	\$128.8	\$3.8	\$0.5	\$2.9	(\$2.7)	(\$10.3)	(\$9.6)	(\$2.6)	\$0.3	(\$4.1)	(\$8.2)	(\$14.7)	(\$13.8)
Income Tax, Non-GAAP	\$51.8	\$31.1	\$7.7	\$2.3	\$5.0	(\$0.4)	(\$1.5)	\$5.4	(\$0.4)	\$0.0	(\$0.6)	(\$1.2)	(\$2.2)	(\$2.1)
Income Tax, GAAP	\$40.5	\$29.4	\$1.7	\$1.3	\$0.4	(\$0.4)	(\$1.5)	(\$0.2)	(\$0.4)	\$0.0	(\$0.6)	(\$1.2)	(\$2.2)	(\$2.1)
Tax Rate, Non-GAAP	24.1%	22.8%	27.7%	204.1%	91.2%	14.9%	14.9%	(83.7%)	14.9%	14.9%	14.9%	14.9%	14.9%	14.9%
Tax Rate, GAAP	22.0%	22.8%	44.8%	246.8%	13.7%	14.9%	14.9%	2.5%	14.9%	14.9%	14.9%	14.9%	14.9%	14.9%
Net Income/(Loss), Non-GAAP	\$163.5	\$105.2	\$20.2	(\$1.2)	\$0.5	(\$2.3)	(\$8.8)	(\$11.8)	(\$2.2)	\$0.2	(\$3.5)	(\$7.0)	(\$12.5)	(\$11.8)
Net Income/(Loss), GAAP	\$143.6	\$99.4	\$2.1	(\$0.8)	\$2.5	(\$2.3)	(\$8.8)	(\$9.4)	(\$2.2)	\$0.2	(\$3.5)	(\$7.0)	(\$12.5)	(\$11.8)
Basic Shares Outstanding	11.2	10.9	10.9	10.9	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Diluted Shares Outstanding	11.3	10.9	11.0	10.9	11.1	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Basic EPS	\$12.82	\$9.13	\$0.19	(\$0.07)	\$0.23	(\$0.21)	(\$0.80)	(\$0.85)	(\$0.20)	\$0.02	(\$0.32)	(\$0.63)	(\$1.14)	(\$1.07)
Diluted EPS, Non-GAAP	\$14.50	\$9.64	\$1.84	(\$0.11)	\$0.04	(\$0.21)	(\$0.80)	(\$1.08)	(\$0.20)	\$0.02	(\$0.32)	(\$0.63)	(\$1.14)	(\$1.07)
Diluted EPS, GAAP	\$12.73	\$9.10	\$0.19	(\$0.07)	\$0.23	(\$0.21)	(\$0.80)	(\$0.85)	(\$0.20)	\$0.02	(\$0.32)	(\$0.63)	(\$1.14)	(\$1.07)
Dividend Per Share	\$6.56	\$4.95	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



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## 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.

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### 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	<b>B</b>
Growth Score	<b>B</b>
Momentum Score	<b>A</b>
VGM Score	<b>A</b>

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

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