

Martin Marietta (MLM)

\$643.14 (Stock Price as of 12/24/2025)

Price Target (6-12 Months): **\$670.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 03/25/25)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: D

Value: D

Growth: C

Momentum: F

Summary

Martin Marietta's third-quarter 2025 earnings and revenues missed the Zacks Consensus Estimate by 10.2% and 9.8%, with the metrics increasing year over year by 23.3% and 12%, respectively. The quarter's performance reflects strong infrastructure activity, with nonresidential construction booming mainly because of robust data center development. This led the aggregates business's revenues up 17% year over year, with shipments rising 8%. Moreover, the portfolio optimization move is expected to bode well for increased operational efficiency in the upcoming period. The SOAR 2030 strategy expectations for a strong financial foundation and shareholder value are encouraging as well. However, ongoing weakness in residential construction and other macro risks are concerning. Its shares have underperformed the industry in the past six months.

Data Overview

52 Week High-Low	\$665.18 - \$441.95
20 Day Average Volume (sh)	396,376
Market Cap	\$38.5 B
YTD Price Change	23.7%
Beta	1.16
Dividend / Div Yld	\$3.32 / 0.5%
Industry	Building Products - Concrete and Aggregates
Zacks Industry Rank	Bottom 24% (183 out of 243)

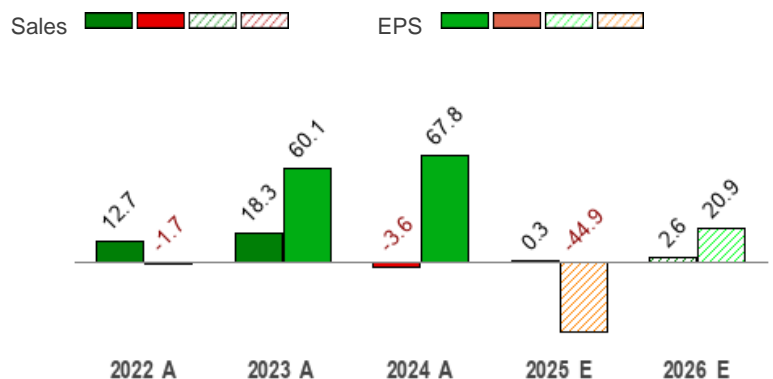
Last EPS Surprise	-10.2%
Last Sales Surprise	-9.9%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/11/2026
Earnings ESP	-5.4%

P/E TTM	35.3
P/E F1	36.0
PEG F1	-2.0
P/S TTM	5.8

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1,418 E	1,693 E	1,986 E	1,627 E	6,724 E
2025	1,353 A	1,811 A	1,846 A	1,545 E	6,555 E
2024	1,251 A	1,764 A	1,889 A	1,632 A	6,536 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	2.54 E	5.99 E	7.21 E	5.85 E	21.59 E
2025	1.90 A	5.43 A	5.97 A	4.55 E	17.85 E
2024	1.93 A	5.26 A	5.91 A	4.79 A	32.41 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/24/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 11/27/2025.

Overview

Based in Raleigh, NC, Martin Marietta Materials, Inc. produces and supplies construction aggregates and other heavy building materials, mainly cement, in the United States. The end uses of the company's aggregates and cement are infrastructure, private residential and private non-residential construction. Railroad, agricultural, utility and environmental industries also use these products. The company supplies aggregates (crushed stone, sand and gravel) through its network of approximately 390 quarries, mines and distribution yards in 28 states, Canada and the Bahamas.

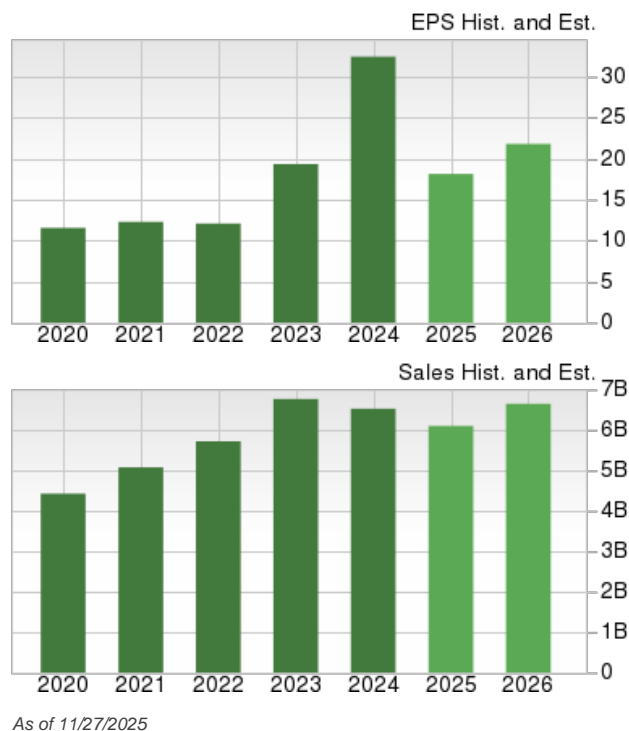
Martin Marietta went public in 1994, and by 1996, all its common stock was publicly traded through a tax-free exchange. Since its IPO, the company has completed more than 100 acquisitions and several strategic divestitures, strengthening its aggregates-led position in the building materials industry.

The company's total revenues include sales of products and services to customers (net of any discounts or allowances) and freight revenues.

Building Materials (accounting for 95.1% of 2024 total revenues): The Building Materials business includes aggregates, Arizona ready-mixed concrete, asphalt, and paving product lines. Within the Building Materials business segment, the company modified the reportable segments to the East Group — previously reported in the Mid-America and Southeast — and West Group, effective July 1, 2020.

Specialties (4.9%): The segment produces magnesia-based chemical products used in industrial, agricultural, and environmental applications, as well as dolomitic lime, sold primarily to customers in the steel industry.

On Aug. 3, 2025, the company entered into a definitive agreement with Quikrete Holdings, Inc. regarding certain asset exchanges. Per the agreement, Martin Marietta will be selling its Midlothian cement plant, related cement terminals and certain Texas ready-mixed concrete assets to QUIKRETE. Based on this asset exchange agreement, its cement and mixed concrete-related operations were considered as discontinued operations as of Sept. 30, 2025.



Reasons To Buy:

▲ **Leading Supplier of Aggregates:** Martin Marietta is a leading supplier of construction aggregates in the United States, used for the construction of highways, infrastructure projects and residential, commercial and industrial building development. The company has a vast network of aggregate quarries and distribution centers throughout the southern U.S., in the Bahamas and Canada, as well as distribution centers along the Gulf of Mexico and Atlantic coasts. Pricing improvements and benefits from growth initiatives, backed by strong underlying demand, will boost sales and profits at the aggregates business in the forthcoming quarters.

An uptick in public construction activity, acquisitions, coupled with the effective implementation of SOAR initiatives, bodes well.

Martin Marietta's aggregates-led business is going strong because of the complementary Specialties business and portfolio optimization efforts undertaken during SOAR 2025. Moreover, a diverse geographic footprint and disciplined execution are adding to the prospects. During the first nine months of 2025, aggregates revenues grew year over year by 11.9% to \$3.78 billion, with 16.6% growth witnessed in the third quarter of 2025. So far in 2025, aggregates shipments to the infrastructure market grew 5% year over year because of hurricane relief efforts in the Southeast and an increase in large projects. Aggregates shipments increased 6% to the nonresidential market during the same time frame, driven by increased data and distribution center and warehouse shipments.

During the first, second and third quarters of 2025, aggregates' gross profit per ton increased year over year by 16% to \$7.60, 10% to \$8.16 and 12% to \$9.17, respectively. The aggregates' gross margin during the first nine months of 2025 was up 100 basis points (bps) year over year to 33%. Looking ahead, Martin Marietta expects aggregate shipments to grow 4% in 2025, with total aggregate pricing per ton rising between 6.8% and 7.8%. For 2026, the company laid out a preliminary view, with aggregates shipments to be up in low single digits year over year and aggregate pricing per ton expected to be up in mid-single digits.

▲ **Solid Public Infrastructure Demand:** Increased funding and investment levels in infrastructure, driven by the Infrastructure Investment and Jobs Act (IIJA) and strong state Department of Transportation (DOT) budgets, support a robust pricing environment for construction materials through 2025 and beyond. The infrastructure market represented 37% of its aggregate shipments so far in 2025. Martin Marietta continues to benefit from steady activity in the infrastructure market, supported by federal and state investments. The company remains optimistic about the long-term trends surrounding the IIJA funding, looking beyond its expiration in late 2026. The current focus of this government initiative is centered on roads, bridges and ports, which offer a compelling pathway to extend infrastructure momentum into the next cycle. Furthermore, with only one-third of the IIJA funds being used as of September 2025, peak spending is expected in 2026.

Apart from the infrastructure market, nonresidential construction is seeing increased demand for data center development and an inflection in warehouse construction. Currently, Martin Marietta has been witnessing substantial data center growth in Texas, fueled by its low-cost energy, grid accessibility and business-friendly tax and regulatory environment, with trends in favor of the company. For 2026, Martin Marietta is optimistic about incremental growth backed by sustained public infrastructure investment, solid heavy nonresidential demand, mainly from accelerating data center development and an eventual recovery in residential construction. With a resilient business model, a strong presence in high-growth markets and disciplined execution of the SOAR plan, the company is well-positioned for earnings growth and delivering value to its shareholders.

▲ **Solid Long-Term Plan:** Martin Marietta has been gaining strength from long-term strategic plans — notably SOAR (Strategic Operating Analysis and Review) 2025 initiatives. Martin Marietta has been focusing on portfolio-enhancing transactions to reduce cyclical downstream exposure, expand its aggregates footprint, and improve the company's ability to generate higher margins in line with its SOAR initiatives. Additionally, the SOAR framework also involves identifying and potentially divesting assets that do not align with strategic objectives.

The recent agreement of Martin Marietta to sell its cement and Texas ready mixed concrete businesses to Quikrete Holdings in exchange for certain aggregate operations producing approximately 20 million tons highlights the portfolio-optimizing efforts executed under the SOAR 2025 strategy. Upon the closure of this strategic transaction, the company will be well-positioned to accelerate into the next phase of growth under the SOAR 2030 initiatives. This strategic five-year plan will highlight a strong financial foundation and enduring commitment to long-term value creation for its shareholders.

Owing to the SOAR initiatives, the company was able to strengthen its presence in economically robust markets with compelling long-term demand drivers, alongside enhancing its product mix, earnings profile and growth trajectory. During the first nine months of 2025, adjusted EBITDA from continuing operations increased year over year by 18.9% to \$1.55 billion, with adjusted EBITDA margin (from continuing operations) growing 300 bps to 34%. Going forward, the company expects to deliver steady growth and generate value consistently from 2026 and beyond. A strong aggregates business, solid balance sheet and disciplined optimization strategy are expected to support this growth trajectory.

▲ **Acquisitions/Divestitures:** The company has been reviewing its overall portfolio for opportunities to maximize value by monetizing or exchanging select assets. In alignment with its SOAR 2025 initiatives, Martin Marietta has been involved in strategic acquisitions and divestitures to enhance its portfolio and productivity. On Aug. 3, 2025, Martin Marietta entered into a definitive agreement with Quikrete Holdings, Inc. for selling its Midlothian cement plant, related cement terminals and certain Texas ready-mixed concrete assets. In exchange, it will receive aggregates operations producing about 20 million tons annually in Virginia, Missouri, Kansas and Vancouver, British Columbia, and cash proceeds. Upon the satisfaction of customary closing conditions, this strategic transaction is expected to close in the fourth quarter of 2025.

Meanwhile, on July 25, 2025, the company acquired Premier Magnesia, LLC under its Specialties segment. Premier Magnesia is the largest producer of natural magnesite and magnesium sulfate, or Epsom salt, in the United States, with facilities in Nevada, North Carolina, Indiana and Pennsylvania. This business inclusion is expected to boost Martin Marietta's product offerings to new and existing customers and

enhance its Specialties business.

Martin Marietta has ample flexibility to continue investing in the business and pursuing accretive acquisition opportunities in the future. Overall, these portfolio optimization moves are aimed at bolstering the strength of the business through economic cycles and enhancing the margin profile. Meanwhile, the proceeds from these divestitures are expected to enhance capital allocation priorities, facilitating higher-return, external and organic growth investments to further enhance shareholder value.

Reasons To Sell:

▼ **Soft Private Construction Market:** Martin Marietta has been facing pressure from a slowdown in private construction activity. The Federal Reserve's "higher for longer" interest rate policy kept borrowing costs elevated, discouraging investment in commercial and residential projects. Higher mortgage rates continued to weigh on housing affordability, limiting the recovery of the single-family housing market, a key demand driver for Martin Marietta's aggregates. The company expects private construction demand to stay weak due to elevated interest rates. Affordability challenges and low consumer confidence remain concerns.

The sluggish private construction sector, weather unpredictability, tariff uncertainties, cost inflation and dependency on federal funding pose potential headwinds.

▼ **Weather Woes & Seasonality:** Weather-related challenges in many markets are affecting Martin Marietta. All of the company's businesses are subject to weather-related risks that can significantly affect production schedules and profitability. Excessive rainfall, flooding, or severe drought can jeopardize shipments, production and profitability in all of the company's markets. The first and fourth quarters are most adversely affected by winter. The company experienced challenging winter weather in the first half of 2025 across important markets in the Southeast, Southwest and Midwest.

▼ **Tariff and Trade Policy Uncertainty:** Uncertainty surrounding tariff policies and international trade regulations is another challenge Martin Marietta faces. The potential for new tariffs on steel, cement, and imported aggregates could create volatility in raw material costs and supply chain dynamics. While higher tariffs on imported cement could benefit Martin Marietta's domestic cement business, they could also increase input costs for its downstream operations, such as ready-mix concrete. Additionally, tariffs on imported aggregates could disrupt the company's supply chain, particularly since Martin Marietta operates an aggregate import facility in Canada that supplies materials to the United States.

Tariffs could also have indirect effects. If rising material costs lead to higher construction expenses, this could dampen demand for new projects, especially in the already fragile private construction sector. Martin Marietta has worked to reduce reliance on international suppliers, but the full impact of potential trade policy changes remains uncertain.

▼ **Cost Inflation and Margin Pressures:** The company uses large amounts of electricity, diesel fuel, natural gas, coal, petroleum coke and other energy resources, subject to potential supply constraints and significant price fluctuation, which could affect operating results and profitability. The availability and pricing of these resources are subject to market forces. Variability in the supply and prices of these resources could affect the company's operating costs and the rising costs could erode profitability.

▼ **Uncertainty in Demand in Public Construction:** Dependency on the timing and amount of federal as well as local funding for infrastructure work for its business is a cause of concern. Martin Marietta's products are used in a variety of public infrastructure projects that are funded and financed by federal, state and local governments. The company sells most of its aggregates and cement products to the construction industry. Any untoward situation influencing the construction and housing sectors will impact the company's financials. The Federal government's actions related to economic stimulus, taxation and borrowing limits can affect consumer confidence and spending levels, which, in turn, can hurt the economy and the housing market.

The 10 largest revenue-generating states (Texas, North Carolina, Colorado, California, Georgia, Minnesota, Arizona, Iowa, Florida and Indiana) accounted for 81% of the Building Materials business' total revenues in 2024. In the future, these states may be affected by economies, which include recessions, economic downturns and inflationary conditions. Demand in the nonresidential and residential construction markets, which made up 58% of aggregate shipments for 2024, is influenced by interest rates.

Last Earnings Report

Martin Marietta's Q3 Earnings & Revenues Miss, Gross Margin Up Y/Y

Martin Marietta reported lower-than-expected results for the third quarter of 2025. The quarterly earnings and revenues missed the Zacks Consensus Estimate, but grew on a year-over-year basis.

The company's quarterly performance was backed by strong infrastructure activity, with nonresidential construction booming because of accelerated data center development, recovering warehouse sector and improving momentum in domestic manufacturing. Robust demand trends across its key end markets were favorable during the quarter.

Although residential demand is weak in the near term, in the long term, the trends are expected to normalize. The prospects are stemming from the optimism around Fed rate cuts and moderating mortgage rates. Moving forward, MLM remains well-positioned with its aggregates-led platform and execution of its SOAR 2025 initiatives.

Inside Q3 Results

Martin Marietta reported earnings per share (EPS) from continuing operations of \$5.97, which missed the Zacks Consensus Estimate of \$6.65 by 10.2%. However, the metric grew 23% from the year-ago quarter's EPS (from continuing operations) of \$4.84.

Revenues of \$1.85 billion also missed the consensus mark of \$2.05 billion by 9.8% but increased 12% from the year-ago figure of \$1.64 billion.

Consolidated gross margin expanded 190 basis points (bps) year over year to 33.1% in the reported quarter. Adjusted EBITDA from continuing operations was \$667 million, up 22% year over year, with adjusted EBITDA margin (from continuing operations) expanding 300 bps to 36%.

Segmental Discussion

Building Materials reported revenues of \$1.72 billion, which grew 10% year over year. The segment's gross margin increased 200 bps year over year to 34% in the quarter. Within the Building Materials umbrella, aggregates' revenues grew 17% to \$1.46 billion from the year-ago quarter. Aggregates shipments moved up 8% year over year to 57.9 million tons, with the average selling price (per ton) growing 8% to \$23.24. Shipment volume increased because of favorable demand recovery across MLM's geographic footprint, backed by normalized weather throughout the Southeast and Texas.

Aggregates' gross profit per ton increased year over year by 12% to \$9.17. Aggregates' gross profit increased 21% to \$531 million, with gross margin expanding 100 bps to 36%.

Revenues from **Other Building Materials** declined 10% year over year to \$351 million. The gross profit of this business section declined 15.6% year over year to \$54 million, with the gross margin contracting 200 bps to 15%. The decline in gross profit was due to reduced asphalt revenues, due to lower shipments and pricing, alongside a decrease in paving revenues.

Specialties reported record third-quarter revenues of \$131 million, up 59.8% from \$82 million a year ago. The gross margin was down by a whopping 900 bps to 26% from 35% a year ago.

Financial Position

As of Sept. 30, 2025, Martin Marietta had cash and cash equivalents of \$57 million compared with \$670 million at 2024-end. It had \$1.1 billion of unused borrowing capacity on its existing credit facilities as of the third quarter. Long-term debt (excluding current maturities) was \$5.29 billion, at par with the end of 2024 value.

Net cash provided by operations was \$1.16 billion as of the first nine months of 2025, up from \$773 million in the year-ago period. During the first nine months of 2025, MLM returned \$597 million to its shareholders through dividend payments and share repurchases. As of Sept. 30, 11 million shares remained under the current repurchase authorization.

Revises 2025 Guidance

The guidance provided during this quarter is for the continuing operations, unlike the prior guidance, which included the discontinued operations.

Upon revision, Martin Marietta now expects total revenues between \$6.075 billion and \$6.25 billion. Adjusted EBITDA is now projected to be between \$2.055 billion and \$2.095 billion. Martin Marietta's net earnings from continuing operations are now anticipated to be between \$985 million and \$1.015 billion. Aggregate shipment is now expected to be up about 4% (from up 1-4%). Total aggregate pricing per ton is still anticipated to rise between 6.8% and 7.8%. Aggregate gross profit is currently expected to be in the range of \$1.705-\$1.735 billion (from \$1.665-\$1.715 billion range).

Other Building Materials' business section gross profit is projected between \$82 million and \$87 million. Specialties' gross profit is now expected to be between \$137 million and \$142 million, up from the previously expected \$130-\$140 million range. Capital expenditures are now anticipated to be in the range of \$810-\$840 million, down from \$820-\$850 million range expected before.

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

Earnings Reporting Date	Nov 04, 2025
Sales Surprise	-9.92%
EPS Surprise	-10.23%
Quarterly EPS	5.97
Annual EPS (TTM)	18.09

Valuation

Martin Marietta's shares are up 13.1% in the past six months and 5.1% in the trailing 12-month period. Stocks in the Zacks sub-industry are up 15.7%, and the Zacks Construction sector is up 10.5% in the past six months. Over the past year, the Zacks sub-industry has been up 5.1%, but the sector is down 10.3%.

The S&P 500 index is up 17.9% in the past six months and 15.9% in the past year.

The stock is currently trading at 28.99X forward 12-month earnings, which compares to 24.04X for the Zacks sub-industry, 19.32X 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 36.84X and as low as 19.02X, with a 5-year median of 25.75X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$670 price target reflects 31.21X forward 12-month earnings.

The table below shows the summary valuation data for MLM.

Valuation Multiples - MLM					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	28.99	24.04	19.32	23.36
	5-Year High	36.84	24.72	19.57	23.81
	5-Year Low	19.02	13.86	8.99	15.73
	5-Year Median	25.75	20.08	15.39	21.21
P/S F12M	Current	5.71	4.58	2.82	5.28
	5-Year High	5.71	4.66	3.15	5.5
	5-Year Low	2.93	2.24	1.57	3.83
	5-Year Median	4.24	3.33	2.29	5.04
EV/EBITDA TTM	Current	19.52	26.39	18.53	18.43
	5-Year High	21.72	67.07	25.1	22.4
	5-Year Low	13.79	N/A	10.51	13.87
	5-Year Median	16.76	22.63	17.31	17.95

As of 11/26/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 39% (95 out of 243)



Top Peers ⁽¹⁾

Company (Ticker)	Rec	Rank
Cementos Pacasmayo S... (CPAC)	Neutral	2
CRH PLC (CRH)	Neutral	3
Cemex S.A.B. de C.V. (CX)	Neutral	3
Heidelberg Materials...(HDLMY)	Neutral	4
James Hardie Industr...(JHX)	Neutral	3
Construction Partner...(ROAD)	Neutral	4
Vulcan Materials Com...(VMC)	Neutral	3
Eagle Materials Inc (EXP)	Underperform	4

Industry Comparison⁽¹⁾

Industry: Building Products - Concrete And Aggregates

	MLM	X Industry	S&P 500	Industry Peers		
				CX	EXP	VMC
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Underperform	Neutral
Zacks Rank (Short Term)	3	-	-	3	5	3
VGM Score	D	-	-	C	B	C
Market Cap	38.52 B	3.62 B	39.09 B	17.22 B	6.85 B	38.69 B
# of Analysts	3	3.5	22	3	2	7
Dividend Yield	0.52%	0.49%	1.4%	0.75%	0.47%	0.67%
Value Score	D	-	-	B	D	D
Cash/Price	0.00	0.06	0.04	0.07	0.01	0.01
EV/EBITDA	13.11	10.22	14.63	7.60	10.22	20.58
PEG Ratio	-1.95	1.83	2.22	1.27	NA	2.39
Price/Book (P/B)	3.96	2.87	3.33	1.24	4.46	4.42
Price/Cash Flow (P/CF)	15.20	10.59	15.32	8.04	11.33	22.47
P/E (F1)	35.79	15.97	19.84	12.08	15.97	34.71
Price/Sales (P/S)	5.80	3.36	3.13	1.09	2.98	4.91
Earnings Yield	2.89%	6.26%	5.03%	8.25%	6.26%	2.88%
Debt/Equity	0.54	0.16	0.56	0.37	0.83	0.50
Cash Flow (\$/share)	42.02	2.06	8.98	1.48	18.86	13.03
Growth Score	C	-	-	D	B	B
Hist. EPS Growth (3-5 yrs)	13.16%	13.34%	8.16%	3.89%	17.15%	13.51%
Proj. EPS Growth (F1/F0)	-44.92%	18.15%	8.50%	60.66%	-4.02%	12.08%
Curr. Cash Flow Growth	49.93%	0.92%	6.86%	56.10%	0.05%	8.82%
Hist. Cash Flow Growth (3-5 yrs)	21.16%	11.94%	7.48%	14.25%	12.45%	11.44%
Current Ratio	2.97	2.58	1.18	0.91	2.72	2.23
Debt/Capital	35.21%	13.63%	38.01%	26.98%	45.27%	33.24%
Net Margin	17.34%	13.27%	12.78%	8.62%	19.41%	14.19%
Return on Equity	11.68%	11.68%	17.00%	6.85%	30.13%	13.47%
Sales/Assets	0.37	0.52	0.53	0.56	0.70	0.47
Proj. Sales Growth (F1/F0)	0.30%	0.00%	5.83%	-0.50%	2.20%	7.40%
Momentum Score	D	-	-	B	A	C
Daily Price Chg	0.99%	0.11%	0.46%	0.85%	-0.34%	0.33%
1 Week Price Chg	0.91%	0.00%	1.61%	1.30%	-4.05%	-1.38%
4 Week Price Chg	3.37%	0.57%	2.13%	14.01%	-2.66%	0.04%
12 Week Price Chg	1.35%	-1.70%	3.31%	32.15%	-8.32%	-4.80%
52 Week Price Chg	19.81%	7.87%	14.40%	109.89%	-14.62%	10.79%
20 Day Average Volume	396,376	27,740	2,805,434	6,233,227	420,187	909,941
(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%	6.88%	0.00%	0.00%
(F1) EPS Est 12 week change	-2.40%	-0.01%	0.67%	31.11%	-7.24%	-0.01%
(Q1) EPS Est Mthly Chg	-1.38%	0.00%	0.00%	NA	0.00%	0.00%

Analyst Earnings Model⁽²⁾

Martin Marietta Materials, Inc. (MLM)

In \$MM, except per share data

	2022A	2023A	2024A	2025E					
	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE
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
Income Statement									
Total Revenues	\$6,160.7	\$6,777.0	\$6,536.0	\$1,353.0	\$1,811.0	\$1,846.0	\$1,545.3	\$6,555.3	\$1,417.6
Total Cost of Revenues	\$4,737.4	\$4,754.0	\$4,658.0	\$1,018.0	\$1,267.0	\$1,235.0	\$1,049.8	\$4,569.8	\$1,063.3
Gross Profit	\$1,423.3	\$2,023.0	\$1,878.0	\$335.0	\$544.0	\$611.0	\$495.5	\$1,985.5	\$354.3
Selling, General and Administrative Expenses	\$396.7	\$443.0	\$447.0	\$130.0	\$109.0	\$110.0	\$110.6	\$459.6	\$116.0
Acquisition, Divestiture and Integration Expenses	\$9.1	\$12.0	\$50.0	\$2.0	\$2.0	\$5.0	(\$3.0)	\$6.0	\$0.0
Other Operating Income, net	(\$189.2)	(\$28.0)	(\$1,326.0)	\$9.0	(\$25.0)	(\$9.0)	\$0.0	(\$25.0)	\$0.0
Total Operating Expenses	\$216.6	\$427.0	(\$829.0)	\$141.0	\$86.0	\$106.0	\$107.6	\$440.6	\$116.0
Adjusted EBITDA	\$1,600.3	\$2,128.0	\$2,066.0	\$351.0	\$630.0	\$667.0	\$554.0	\$2,202.0	\$378.5
Depreciation, Depletion and Amortization	\$506.0	\$513.0	\$573.0	\$154.0	\$167.0	\$159.0	\$153.5	\$633.5	\$167.1
Operating Income, Adjusted	\$1,063.9	\$1,608.0	\$1,486.0	\$194.0	\$458.0	\$517.0	\$387.9	\$1,556.9	\$238.2
Operating Income, GAAP	\$1,206.7	\$1,596.0	\$2,707.0	\$194.0	\$458.0	\$505.0	\$387.9	\$1,544.9	\$238.2
Interest Expense	\$169.0	\$165.0	\$169.0	\$56.0	\$57.0	\$59.0	\$52.3	\$224.3	\$55.5
Other Non-Operating Income (Expense), Net	\$53.4	\$62.0	\$58.0	\$10.0	\$10.0	\$4.0	\$5.2	\$29.2	\$6.5
Pre-Tax Income	\$1,091.1	\$1,493.0	\$2,596.0	\$148.0	\$411.0	\$450.0	\$340.8	\$1,349.8	\$189.2
Income Tax	\$234.8	\$293.0	\$600.0	\$32.0	\$83.0	\$89.0	\$68.2	\$272.2	\$39.7
Tax Rate	21.5%	19.6%	23.1%	21.6%	20.2%	19.8%	20.0%	20.2%	21.0%
Earnings From Continuing Operations	\$754.4	\$1,200.0	\$1,996.0	\$116.0	\$328.0	\$361.0	\$272.6	\$1,077.6	\$149.5
Income From Discontinued Operations	\$10.5	(\$30.0)	\$0.0	\$0.0	\$0.0	\$53.0	\$40.0	\$93.0	\$0.0
Non-Controlling Interests	\$0.0	\$1.0	\$1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Income, Adjusted	\$754.4	\$1,199.5	\$1,099.6	\$115.9	\$328.0	\$360.6	\$272.6	\$1,077.1	\$149.5
Net Income, GAAP	\$866.8	\$1,169.0	\$1,995.0	\$116.0	\$328.0	\$414.0	\$312.6	\$1,170.6	\$149.5
Basic Shares Outstanding	62.3	61.9	61.4	60.9	60.3	60.3	59.8	60.3	58.8
Diluted Shares Outstanding	62.5	62.1	61.6	61.0	60.4	60.4	59.9	60.4	58.9
Basic EPS	\$13.91	\$18.88	\$32.50	\$1.91	\$5.44	\$6.86	\$5.23	\$19.44	\$2.54
Diluted Earnings Per Share, Adjusted	\$12.07	\$19.33	\$17.89	\$1.90	\$5.43	\$5.97	\$4.55	\$17.85	\$2.54
Diluted Earnings Per Share From Continuing Operations	\$12.07	\$19.32	\$32.41	\$1.90	\$5.43	\$5.97	\$4.55	\$17.85	\$2.54
Diluted EPS, GAAP	\$13.87	\$18.82	\$32.41	\$1.90	\$5.43	\$6.85	\$5.22	\$19.40	\$2.54
Dividend per Share	\$2.54	\$2.80	\$3.06	\$0.79	\$0.79	\$0.83	\$0.83	\$3.24	\$0.83

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	C
Momentum Score	D
VGM Score	D

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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