Zacks Report Date: December 17, 2025

Oracle Corp. (ORCL)

$188.65 (Stock Price as of 12/16/2025)

Price Target (6-12 Months): **$232.00**

Long Term: 6-12 Months	**Zacks Recommendation:** (Since: 11/14/22) Prior Recommendation: Underperform	Neutral
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**3-Hold**
	Zacks Style Scores:	VGM: D
	Value: D | Growth: D | Momentum: A	

Summary

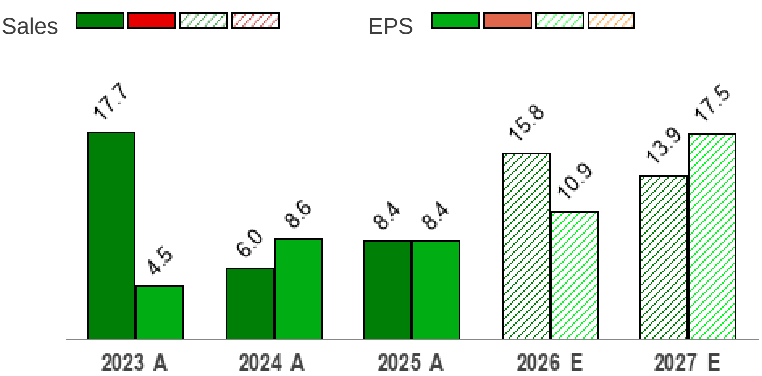
Oracle is benefiting from continued momentum from its Oracle Cloud Infrastructure business, including from winning cloud-computing contracts from AI-focused startups. ORCL's continued investment in cloud infrastructure, comprising NetSuite Enterprise Resource Planning (ERP) and Fusion ERP, positions it well for sustained growth in the dynamic software industry. Its partnership with Amazon for Oracle Database@AWS and general availability of Oracle Database@Google bodes well. Oracle's Gen 2 Cloud is driving artificial intelligence clientele. The company's share buybacks and dividend policy are noteworthy. We expects fiscal 2026 net sales to grow 15.8% from fiscal 2025. However, higher spending on product enhancements, toward the cloud platform amid increasing competition in the cloud domain is likely to limit margin expansion.

Price, Consensus & Surprise(1)

Data Overview

52 Week High-Low	**$345.72 - $118.86**
20 Day Average Volume (sh)	**30,862,278**
Market Cap	**$542.0 B**
YTD Price Change	**13.2%**
Beta	**1.66**
Dividend / Div Yld	**$2.00 / 1.1%**
Industry	**Computer - Software**
Zacks Industry Rank	**Top 36% (87 out of 243)**
Last EPS Surprise	**38.7%**
Last Sales Surprise	**-0.6%**
EPS F1 Est- 4 week change	**6.4%**
Expected Report Date	**03/09/2026**
Earnings ESP	**0.8%**
P/E TTM	**27.3**
P/E F1	**28.2**
PEG F1	**2.0**
P/S TTM	**8.9**

Sales and EPS Growth Rates (Y/Y %)(2)



Sales Estimates (millions of $)(2)

	Q1	Q2	Q3	Q4	Annual*
2027	17,042 E	18,520 E	18,961 E	21,230 E	75,754 E
2026	14,926 A	16,058 A	16,576 E	18,832 E	66,486 E
2025	13,307 A	14,059 A	14,130 A	15,903 A	57,399 A

EPS Estimates(2)

	Q1	Q2	Q3	Q4	Annual*
2027	1.73 E	1.93 E	1.97 E	2.23 E	7.86 E
2026	1.47 A	2.26 A	1.65 E	1.96 E	6.69 E
2025	1.39 A	1.47 A	1.47 A	1.70 A	6.03 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/16/2025.
(2) The report's text, the analyst-provided estimates, and the price target are as of 12/09/2025.

Overview

Oracle Corporation is one of the largest enterprise-grade database, middleware, and application software providers.

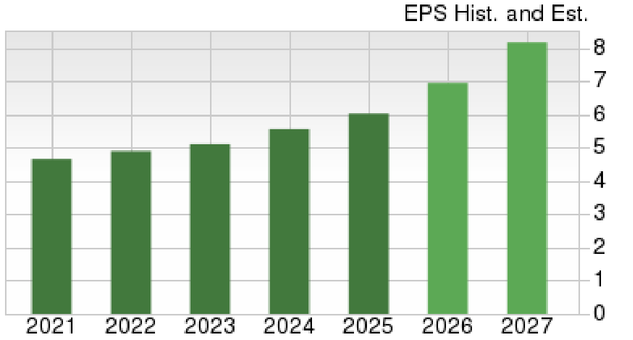
Oracle has expanded its cloud computing operations over the last couple of years. The company offers cloud solutions and services that can be used to build and manage various cloud deployment models.

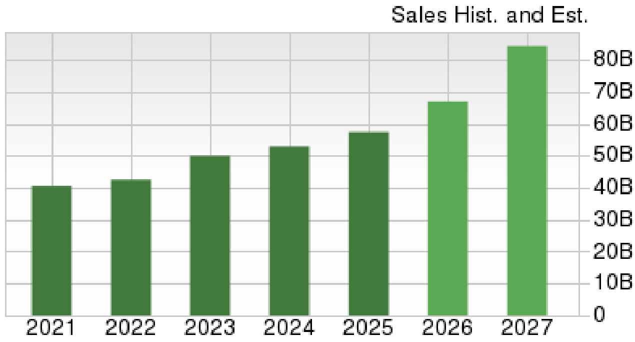
Built upon open industry standards such as SQL, Java and HTML5, Oracle Cloud provides access to application services, platform services and infrastructure services for a subscription. Through its Oracle Enterprise Manager offering, the company manages cloud environments.

Redwood City, CA-based Oracle's software and hardware products and services include Oracle Database, Oracle Fusion Middleware, Java and Oracle Engineered Systems. Oracle Engineered Systems include Exadata Database Machine, Exalogic Elastic Cloud, Exalytics In-Memory Machine, SPARC SuperCluster, Virtual Compute Alliance, Oracle Database Appliance, Oracle Big Data Appliance and ZFS Storage.

With the acquisition of Sun Microsystems in Jan 2010, Oracle began selling hardware products and services, primarily comprising computer server and storage products.

Oracle reported revenues of $57.4 billion in fiscal 2025. The company reports its new software licenses under its new Cloud license and on-premise license segment. Further, the company merged its Cloud SaaS, Cloud PaaS and IaaS along with its software license updates and product support into Cloud services and license support.

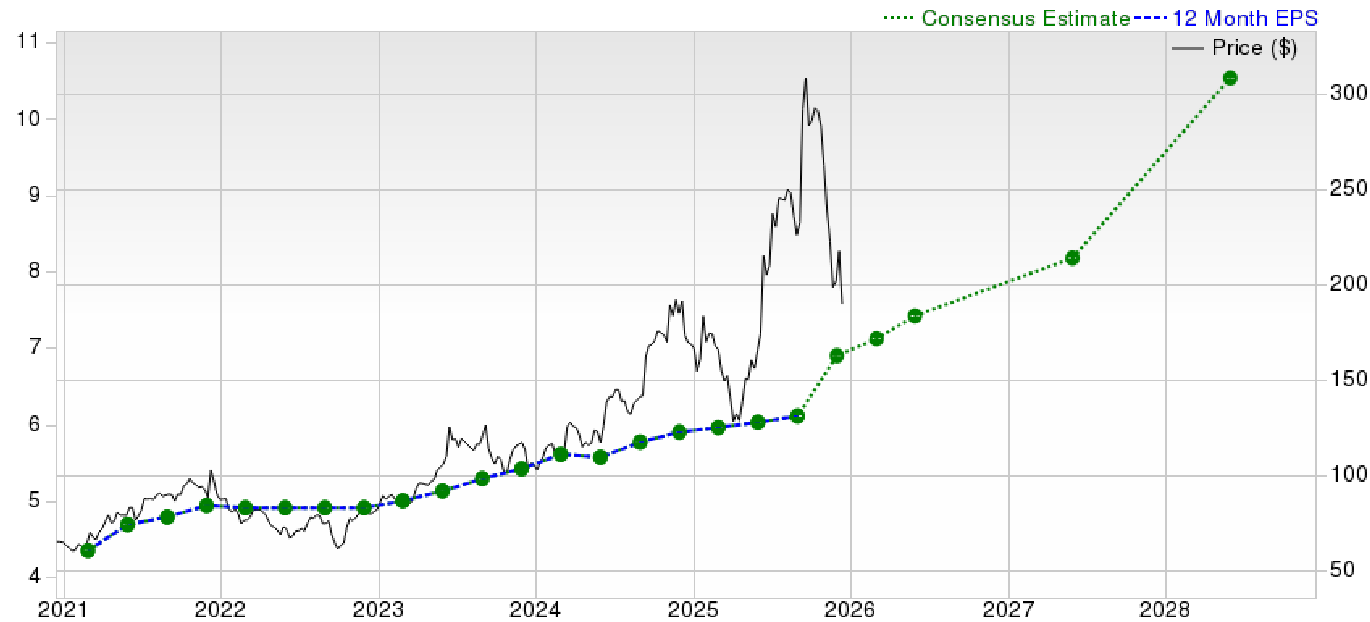




As of 12/09/2025

Total Cloud services and license support revenues came in at $44 billion in fiscal 2025. Total cloud license and on-premise license came in at $5.2 billion in fiscal 2025.

Oracle faces significant competition in most of its operational markets (database, applications, storage, cloud computing) from the likes of Dell, IBM, Hewlett-Packard, Microsoft, SAP, salesforce.com, Workday and Teradata.



As of 12/16/2025

Reasons To Buy:

> Oracle's growing cloud business, AI database edge, strong cash flow and integrated solutions is expected to boost competitive position in the long haul.

- Oracle's cloud infrastructure business demonstrated exceptional growth in fiscal 2025, with Infrastructure-as-a-Service revenue surging 51% to $10.2 billion. Total cloud services reached $24.5 billion, representing 24% growth year-over-year. The company's differentiated cloud architecture, designed specifically for enterprise workloads, continues attracting customers seeking superior performance and capabilities. Management projects even stronger momentum ahead, with cloud infrastructure revenue expected to accelerate to over 70% growth in fiscal 2026. This positions Oracle to capture significant market share in the rapidly expanding cloud infrastructure market, particularly as enterprises migrate mission-critical workloads to the cloud seeking better performance and cost economics.

- Oracle's database business experienced remarkable growth in fiscal 2025, with cloud database services generating $2.6 billion in annualized revenue and consumption growing significantly. The company's Oracle 23 AI database represents a transformative AI data platform, uniquely positioned to make enterprise data immediately available to popular large language models while maintaining complete data privacy. This AI-centric approach addresses the critical enterprise need to leverage artificial intelligence with proprietary data. As businesses increasingly adopt AI technologies, Oracle's database becomes essential infrastructure, creating a powerful growth driver that management describes as foundational to the company's expanding market opportunity and competitive differentiation.

- Oracle delivered strong financial results in fiscal 2025, generating $20.8 billion in operating cash flow, representing 12% growth year-over-year while non-GAAP earnings per share increased 9% to $6.03. The company maintains a healthy balance sheet with $11.2 billion in cash and marketable securities. Cloud services and license support revenue, representing 77% of total revenue, grew 12% to $44 billion, providing stable recurring income streams. This financial strength enables continued investment in growth initiatives while returning value to shareholders through dividends and share repurchases, demonstrating effective capital allocation and operational efficiency.

- Oracle's strategic SaaS applications achieved $9.3 billion in annualized revenue during fiscal 2025, growing 20% year-over-year. The company offers integrated AI agent-based applications spanning ERP, EPM, supply chain, manufacturing, human resources, and customer engagement, plus specialized industry solutions for healthcare, banking, utilities, and retail. This comprehensive suite approach differentiates Oracle from competitors who typically offer point solutions requiring complex integrations. As enterprises seek to modernize their technology infrastructure, Oracle's ability to provide complete, integrated cloud application suites running on a single database platform creates compelling value propositions. This positions Oracle to capture larger wallet share as customers consolidate vendors and embrace comprehensive digital transformation initiatives.

Reasons To Sell:

Stiff cloud competition and operational risks are likely to impact Oracle as it transitions from licensing to cloud.

- Oracle's fiscal 2025 capital expenditure of $21.2 billion resulted in negative free cash flow of $400 million, demonstrating the company's inability to generate positive returns from its massive infrastructure investments. Management's projection of over $25 billion in capital expenditure for fiscal 2026 represents an alarming 18% increase that will further strain cash generation capabilities. This unprecedented spending spree on data center construction and equipment reflects desperation to compete with established cloud leaders rather than organic growth. The company's cash burn trajectory suggests unsustainable financial practices that prioritize market share over profitability and shareholder returns.

- Oracle's cloud infrastructure business faces overwhelming competition from Amazon Web Services, Microsoft Azure, and Google Cloud Platform, which collectively control over 70% of the global cloud market. Despite Oracle's fiscal 2025 infrastructure revenue growth, these established hyperscalers possess significantly larger scale, broader service portfolios, and deeper customer relationships that Oracle cannot realistically overcome. The company's late entry into cloud infrastructure means it must continuously outspend competitors on capital investments while accepting lower margins. Oracle's multi-cloud strategy inadvertently validates competitors' platforms, potentially cannibalizing its own Oracle Cloud Infrastructure adoption and undermining long-term competitive positioning.

- Oracle's multi-cloud approach introduces significant technical complexity and operational risks that could undermine service reliability and customer satisfaction. Managing Oracle database services across Amazon Web Services, Microsoft Azure, and Google Cloud Platform creates multiple points of failure and increases support complexity exponentially. The company's fiscal 2025 expansion to 70 multi-cloud data centers amplifies these integration challenges while dividing management attention across competing platforms. Technical difficulties, security vulnerabilities, or service disruptions in any partner cloud environment could damage Oracle's reputation and customer relationships. This strategy also makes Oracle dependent on competitors' infrastructure decisions and pricing policies, reducing strategic control.

- Oracle's fiscal 2025 results reveal concerning trends in its legacy business segments, with on-premise license revenue growth remaining weak and traditional support revenue facing pressure from cloud migration cycles. The company's heavy dependence on database license support revenue creates vulnerability as customers increasingly adopt cloud-native alternatives or competitors' managed database services. Oracle's application business growth rates lag behind pure-play Software-as-a-Service competitors who offer more modern, cloud-native solutions. The fundamental shift away from on-premise enterprise software threatens Oracle's historically high-margin support revenue streams, forcing the company into lower-margin cloud infrastructure competition where it lacks competitive advantages against established leaders.

Last Earnings Report

Oracle Q1 Earnings Match Estimates, Cloud Growth Fuels Revenue Rise

FY Quarter Ending	5/31/2025
Earnings Reporting Date	**Dec 10, 2025**
Sales Surprise	**-0.55%**
EPS Surprise	**38.65%**
Quarterly EPS	**2.26**
Annual EPS (TTM)	**6.90**

Oracle reported first-quarter fiscal 2026 non-GAAP earnings of $1.47 per share, which met the Zacks Consensus Estimate and increased 6% year over year in USD and 4% in constant currency (cc).

Revenues rose 12% in USD and 11% in cc year over year to $14.9 billion, driven by Oracle becoming the go-to place for AI workloads. The company signed four multi-billion-dollar contracts with three different customers in the first quarter, securing significant cloud infrastructure contracts with leading AI companies, including OpenAI, xAI, Meta, NVIDIA and AMD. The figure lagged the Zacks Consensus Estimate by 0.59%.

Revenues from the Americas increased 15.4% year over year to $9.66 billion, accounting for 64.7% of total revenues. Europe/Middle East/Africa climbed 7.8% year-over-year to $3.48 billion and contributed 23.3% of total revenues. The remaining revenues came from the Asia Pacific region, which increased 4.5% year-over-year to $1.78 billion, representing 11.9% of total revenues.

ORCL's Q1 Top-Line Details

Software support revenues increased 1% year over year to $4.96 billion, driven by Oracle Cloud Infrastructure, strategic cloud applications and cloud database services. Software license revenues decreased 12% year over year to $766 million, reflecting the continued transition from on-premise to cloud-based solutions.

Cloud Infrastructure revenues came in at $3.3 billion, up 55% in USD and 54% in cc.

Cloud application revenue was $3.8 billion and up 11% in USD and 10% in cc, while strategic back-office application revenue was $2.4 billion, up 16% in cc.

Total cloud revenues (SaaS plus IaaS) were up 28% in USD and 27% in cc to $7.2 billion.

Oracle Cloud Infrastructure consumption revenue was up 57% and demand continues to dramatically outstrip supply. Cloud database services, which were up 32%, now have annualized revenues of nearly $2.8 billion. Autonomous Database revenues were up 43% year over year.

Multi-cloud database revenues, where Oracle Cloud Infrastructure regions are embedded in AWS, Azure and Google Cloud Platform, grew an extraordinary 1,529% in the first quarter.

Fusion Cloud ERP revenues came in at $1 billion, up 17% in USD and 16% in cc. NetSuite Cloud ERP revenues of $1 billion increased 16% in USD and 15% in cc.

Total software revenues for the quarter were $5.7 billion, down 1% in USD and 2% in cc. Software license revenues were down 12% in USD to $766 million. Software support revenues remained stable at $4.96 billion, growing 1% in USD.

Hardware revenues were $670 million, up 2% in USD and 1% in cc. Services revenues increased 7% in USD and 5% in cc to $1.35 billion.
Oracle is currently live in multiple cloud regions and continues expanding its global infrastructure footprint. The company has 34 multi-cloud data centers now live inside of Azure, Google Cloud Platform and AWS, and will deliver another 37 data centers for a total of 71.

Operating Details of Oracle

The non-GAAP total operating expenses increased 14% year over year in cc to $8.69 billion.

The non-GAAP operating income was $6.2 billion, up 9% year over year in USD and 7% in cc. Operating income grew 7% to $6.2 billion. The company has been on an accelerated journey to adopt AI internally to run its operations more efficiently, contributing to improved operational performance despite increased investments in cloud infrastructure capacity.

ORCL’s Q1 Balance Sheet & Cash Flow

As of Aug. 31, 2025, Oracle had cash and cash equivalents and marketable securities of $11 billion compared with $11.2 billion as of May 31, 2025.

Operating cash flow was $8.1 billion, up from $7.4 billion in the prior year. Free cash flow was negative $362 million, reflecting $8.5 billion of capital expenditures tied to new data centre build-outs.

Oracle's Remaining Performance Obligations now stand at $455 billion, up by $317 billion sequentially and 359% from last year.

Cloud RPO grew nearly 500% on top of 83% growth last year and now represents a substantial portion of total RPO. Approximately 33% of the total RPO is expected to be recognized as revenues over the next 12 months.

The company repurchased 440,000 shares for $95 million and paid $1.4 billion in dividends during the quarter.

Oracle also announced that its board of directors declared a quarterly cash dividend of 50 cents per share of outstanding common stock. This dividend will be paid to stockholders of record as of the close of business on Oct. 9, 2025, with a payment date of Oct. 23, 2025.

Guidance

For the second quarter of fiscal 2026, Oracle provided specific financial targets assuming current currency exchange rates. Total revenues are expected to grow from 12% to 14% in cc and are expected to grow from 14% to 16% in USD at current exchange rates. Non-GAAP earnings per share are expected to grow between 8% to 10% and be between $1.58 and $1.62 in cc. Non-GAAP earnings per share are expected to grow 10% to 12% and be between $1.61 and $1.65 in USD. The earnings per share guidance assumes a base tax rate of 19%, though management noted that one-time tax events could cause actual rates to vary as they did in the first quarter.

Total cloud revenue is expected to grow from 32% to 36% in cc and is expected to grow from 33% to 37% in USD.

Oracle provided ambitious guidance for fiscal 2026, expressing strong confidence in accelerating growth rates. Oracle expects Cloud Infrastructure to grow 77% to $18 billion in fiscal 2026 and then increase to $32 billion, $73 billion, $114 billion and $144 billion over the subsequent four years. Much of the revenue in this five-year forecast is already booked in the reported RPO.

For fiscal year 2026, Oracle remains confident and committed to full-year total revenue growth of 16% in cc. The company expects RPO to likely grow to exceed $0.5 trillion.

Oracle indicated that capital expenditures will increase substantially to around $35 billion in fiscal 2026, up from the previous guidance. The vast majority of capital expenditure investments are for revenue-generating equipment going into data centers and not for land or buildings. The increased investment is expected to drive further revenue and profit growth acceleration as more capacity comes online to convert the large RPO backlog into accelerating revenue and profit growth.

Recent News

On Nov. 20, Oracle announced that it has been designated as a Qualified Health Information Network (QHIN) as a part of the Trusted Exchange Framework and Common Agreement (TEFCA).

On Nov. 19, Oracle announce that it is opening its second public cloud region in Italy to meet the rapidly growing demand for its AI and cloud services.

On Oct. 28, Oracle announced the Digital Assets Data Nexus, a soon-to-be released platform expected to enable banks and financial institutions to more easily launch and leverage blockchain-based digital assets in financial products.

On Oct. 14, Oracle alaunched the Autonomous AI Lakehouse, combining Oracle Autonomous AI Database with Apache Iceberg for open, interoperable and multicloud data access. Oracle introduced new AI-powered capabilities for Oracle Fusion Data Intelligence, including the Oracle Analytics AI Assistant, to help customers analyze business data through natural-language conversation.

On Oct. 7, Oracle NetSuite announced new AI-powered capabilities for its SuiteCloud Platform at SuiteWorld 2025, expanding tools for customers, partners and developers to integrate AI models, build custom AI agents and create AI-driven workflows.

On Oct. 6, Oracle announced new role-based AI agents within Oracle Fusion Cloud Applications to help marketing, sales and service leaders enhance customer experiences and unlock new revenue opportunities.

On Sept. 16, Oracle released Java 25, a new LTS version offering 18 JDK Enhancement Proposals to enhance performance, security, AI support, and developer productivity, with at least eight years of long-term support planned.

On Sept. 11, 2025, Oracle unveiled new AI-powered features in its Fusion Cloud Applications to help healthcare organizations streamline supply chain operations by enhancing visibility, automating workflows, optimizing inventory, and reducing costs in medical supply management.

On Sept. 10, 2025, Oracle launched the Oracle AI Center of Excellence for Healthcare to help organizations take advantage of rapid advances in AI. Oracle will also bring new AI capabilities to its Patient Portal, making it easier for people to understand their medical records.

Valuation

Oracle shares are up 24.3% in the past six months while up 24.1% over the trailing 12-month period. Stocks in the Zacks sub-industry are up 1.5% and stocks in the Zacks Computer & Technology sector are up 26% in the six-month period. In the past year, stocks in the Zacks sub-industry are up 4.5% and those in the sector are up 27.2%.

The S&P 500 index is up 16.6% in the six-month period and up 16.4% in the past year.

The stock is currently trading at 37.18X forward 12-month earnings compared with 29.27X for the Zacks sub-industry, 29.03X for the Zacks sector and 23.59X for the S&P 500 index.

In the past five years, the stock has traded as high as 59.53X and as low as 14.17X, with a five-year median of 22.39X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our $232 price target reflects 39.04X forward 12-month earnings.

The table below shows summary valuation data for ORCL

Valuation Multiples - ORCL

		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	37.18	29.27	29.03	23.59
	5-Year High	59.53	37.35	29.92	23.78
	5-Year Low	14.17	22.71	18.7	15.73
	5-Year Median	22.39	31.32	26.62	21.21
P/S F12M	Current	8.34	7.62	6.8	5.33
	5-Year High	13.16	9.76	7.4	5.5
	5-Year Low	3.25	5.43	4.24	3.83
	5-Year Median	5.63	8.41	6.29	5.05
EV/Sales TTM	Current	11.86	9.51	8.25	5.77
	5-Year High	17.02	11.52	8.36	5.81
	5-Year Low	5.08	6.08	4.17	3.78
	5-Year Median	7.22	9.48	6.92	5.12

As of 12/08/2025 *Source: Zacks Investment Research*

Industry Analysis[1]

Zacks Industry Rank: Top 36% (87 out of 243)

Top Peers (1)

Company (Ticker)	Rec	Rank
Adobe Inc. **(ADBE)**	Neutral	3
Salesforce Inc. **(CRM)**	Neutral	3
Dassault Systemes SA **(DASTY)**	Neutral	3
Intuit Inc. **(INTU)**	Neutral	3
SAP SE **(SAP)**	Neutral	3
Synopsys, Inc. **(SNPS)**	Neutral	3
SS&C Technologies Ho...**(SSNC)**	Neutral	3
CommVault Systems, I...**(CVLT)**	Underperform	5

Industry Comparison[1]

Industry: Computer - Software | Industry Peers

	ORCL	X Industry	S&P 500	ADBE	CRM	SAP
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	3	3
VGM Score	D	-	-	C	C	D
Market Cap	542.02 B	6.22 B	39.20 B	145.63 B	238.85 B	299.34 B
# of Analysts	14	4	22	14	19	7
Dividend Yield	1.06%	0.00%	1.4%	0.00%	0.65%	0.76%
Value Score	D	-	-	C	D	D
Cash/Price	0.04	0.04	0.04	0.04	0.05	0.04
EV/EBITDA	25.57	15.86	14.73	18.42	18.11	38.65
PEG Ratio	1.99	1.80	2.24	1.11	1.45	3.50
Price/Book (P/B)	17.80	4.55	3.35	12.53	3.98	5.92
Price/Cash Flow (P/CF)	27.65	19.68	15.24	19.60	18.38	42.31
P/E (F1)	28.20	25.46	19.90	14.85	21.84	35.10
Price/Sales (P/S)	8.88	4.94	3.09	6.13	5.92	7.42
Earnings Yield	3.86%	3.92%	5.01%	6.73%	4.58%	2.85%
Debt/Equity	3.28	0.14	0.57	0.53	0.14	0.14
Cash Flow ($/share)	6.69	3.32	8.99	17.92	13.85	5.78
Growth Score	D	-	-	B	B	A
Hist. EPS Growth (3-5 yrs)	4.88%	13.58%	8.16%	13.58%	35.01%	-0.93%
Proj. EPS Growth (F1/F0)	10.95%	16.77%	8.57%	11.89%	14.41%	41.63%
Curr. Cash Flow Growth	-1.88%	9.36%	6.75%	-0.70%	11.82%	-16.07%
Hist. Cash Flow Growth (3-5 yrs)	5.53%	11.45%	7.43%	8.76%	27.86%	0.57%
Current Ratio	0.91	1.38	1.18	1.00	0.98	1.11
Debt/Capital	76.65%	12.22%	38.01%	34.82%	12.33%	12.34%
Net Margin	25.28%	17.10%	12.78%	30.00%	17.91%	19.50%
Return on Equity	70.60%	19.39%	17.00%	61.28%	14.41%	15.69%
Sales/Assets	0.34	0.50	0.53	0.82	0.41	0.51
Proj. Sales Growth (F1/F0)	15.80%	8.84%	5.77%	9.20%	9.40%	16.40%
Momentum Score	A	-	-	C	B	F
Daily Price Chg	-2.66%	-0.66%	-0.16%	-1.48%	-2.92%	-0.14%
1 Week Price Chg	-12.69%	-0.88%	-0.44%	2.94%	0.64%	-0.98%
4 Week Price Chg	-15.89%	0.75%	2.16%	8.02%	7.40%	2.34%
12 Week Price Chg	-43.65%	-7.87%	1.83%	-3.55%	1.96%	-7.87%
52 Week Price Chg	8.00%	-14.98%	12.22%	-23.92%	-28.74%	-3.35%
20 Day Average Volume	30,295,516	384,975	2,744,252	4,407,559	8,968,310	1,424,057
(F1) EPS Est 1 week change	6.35%	0.00%	0.00%	-1.41%	0.00%	-0.06%
(F1) EPS Est 4 week change	6.35%	0.00%	0.00%	-1.38%	4.04%	0.02%
(F1) EPS Est 12 week change	7.77%	3.36%	0.69%	-1.68%	4.06%	-0.28%
(Q1) EPS Est Mthly Chg	1.34%	0.00%	0.00%	4.35%	-4.03%	-1.42%

Analyst Earnings Model[2]

Oracle Corporation (ORCL)

In $MM, except per share data

	2023A	2024A	2025A			2026E					2027E			2028E
	FY	FY	FY	1QA	2QE	3QE	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends May 31st	May-23	May-24	May-25	31-Aug-25	30-Nov-25	28-Feb-26	31-May-26	May-26	31-Aug-26	30-Nov-26	28-Feb-27	31-May-27	May-27	May-28
Income Statement														
Total Revenue, Non-GAAP	**$49,954.0**	**$52,961.0**	**$57,399.0**	**$14,926.0**	**$16,151.2**	**$16,576.1**	**$18,832.4**	**$66,485.6**	**$17,042.1**	**$18,520.0**	**$18,961.3**	**$21,230.3**	**$75,753.7**	**$87,310.8**
YoY % Chng	17.7%	6.0%	8.4%	12.2%	14.9%	17.3%	18.4%	15.8%	14.2%	14.7%	14.4%	12.7%	13.9%	15.3%
Total Revenue, GAAP	**$49,954.0**	**$52,961.0**	**$57,399.0**	**$14,926.0**	**$16,151.2**	**$16,576.1**	**$18,832.4**	**$66,485.6**	**$17,042.1**	**$18,520.0**	**$18,961.3**	**$21,230.3**	**$75,753.7**	**$87,310.8**
YoY % Chng	17.7%	6.0%	8.4%	12.2%	14.9%	17.3%	18.4%	15.8%	14.2%	14.7%	14.4%	12.7%	13.9%	15.3%
Total Cost of Revenue, Non-GAAP	$12,974.0	$14,428.0	$16,087.0	$4,672.0	$4,740.7	$4,942.2	$5,506.6	$19,861.6	$5,100.2	$5,478.9	$5,620.4	$6,283.8	$22,483.3	$25,884.9
YoY % Chng	51.0%	11.2%	11.5%	25.7%	22.6%	24.4%	21.5%	23.5%	9.2%	15.6%	13.7%	14.1%	13.2%	15.1%
Total Cost of Revenue, GAAP	$13,564.0	$15,143.0	$16,927.0	$4,884.0	$4,977.5	$5,181.4	$5,772.3	$20,815.2	$5,344.8	$5,745.3	$5,891.9	$6,587.2	$23,569.2	$27,135.8
YoY % Chng	52.8%	11.6%	11.8%	25.0%	21.8%	23.5%	21.8%	23.0%	9.4%	15.4%	13.7%	14.1%	13.2%	15.1%
Gross Profit, Non-GAAP	**$36,980.0**	**$38,533.0**	**$41,312.0**	**$10,254.0**	**$11,410.5**	**$11,633.8**	**$13,325.8**	**$46,624.1**	**$11,941.9**	**$13,041.1**	**$13,340.9**	**$14,946.6**	**$53,270.4**	**$61,425.8**
YoY % Chng	9.2%	4.2%	7.2%	6.9%	11.9%	14.5%	17.2%	12.9%	16.5%	14.3%	14.7%	12.2%	14.3%	15.3%
Gross Profit, GAAP	**$36,390.0**	**$37,818.0**	**$40,472.0**	**$10,042.0**	**$11,173.7**	**$11,394.7**	**$13,060.1**	**$45,670.5**	**$11,697.3**	**$12,774.6**	**$13,069.4**	**$14,643.2**	**$52,184.5**	**$60,175.0**
YoY % Chng	8.4%	3.9%	7.0%	6.8%	12.0%	14.7%	17.0%	12.8%	16.5%	14.3%	14.7%	12.1%	14.3%	15.3%
Sales & Marketing, Non-GAAP	$8,222.0	$7,607.0	$7,894.0	$1,886.0	$2,251.9	$2,251.1	$2,519.8	$8,908.8	$2,093.6	$2,462.6	$2,490.7	$2,765.1	$9,812.0	$10,921.4
YoY % Chng	8.2%	(7.5%)	3.8%	0.6%	12.9%	17.3%	19.7%	12.9%	11.0%	9.4%	10.6%	9.7%	10.1%	11.3%
Sales & Marketing, GAAP	$8,833.0	$8,274.0	$8,651.0	$2,063.0	$2,458.8	$2,459.2	$2,748.7	$9,729.6	$2,303.9	$2,693.4	$2,725.4	$3,027.0	$10,749.7	$12,001.9
YoY % Chng	9.8%	(6.3%)	4.6%	1.3%	12.3%	16.1%	19.2%	12.5%	11.7%	9.5%	10.8%	10.1%	10.5%	11.6%
Research and Development, Non-GAAP	$6,640.0	$6,690.0	$7,222.0	$1,844.0	$2,085.3	$2,119.0	$2,277.9	$8,326.2	$2,306.8	$2,191.2	$2,287.1	$2,522.4	$9,307.5	$10,387.9
YoY % Chng	18.9%	0.8%	8.0%	6.2%	15.0%	20.8%	18.8%	15.3%	25.1%	5.1%	7.9%	10.7%	11.8%	11.6%
Research and Development, GAAP	$8,623.0	$8,915.0	$9,860.0	$2,491.0	$2,816.1	$2,867.8	$3,112.7	$11,287.7	$3,065.6	$3,021.3	$3,134.9	$3,469.2	$12,691.0	$14,288.2
YoY % Chng	19.4%	3.4%	10.6%	8.0%	14.0%	18.1%	17.3%	14.5%	23.1%	7.3%	9.3%	11.5%	12.4%	12.6%
General and Administrative, Non-GAAP	$1,216.0	$1,181.0	$1,163.0	$288.0	$339.1	$358.4	$384.4	$1,369.9	$367.8	$401.0	$413.7	$453.6	$1,636.1	$1,539.9
YoY % Chng	13.4%	(2.9%)	(1.5%)	5.9%	17.7%	24.0%	22.4%	17.8%	27.7%	18.3%	15.4%	18.0%	19.4%	(5.9%)
General and Administrative, GAAP	$1,579.0	$1,548.0	$1,602.0	$376.0	$442.9	$462.4	$517.3	$1,798.6	$460.0	$508.3	$520.5	$580.4	$2,069.2	$2,043.3
YoY % Chng	19.9%	(2.0%)	3.5%	5.0%	14.4%	18.6%	10.8%	12.3%	22.3%	14.8%	12.6%	12.2%	15.0%	(1.3%)
Amortization of Intangible Assets	$3,582.0	$3,010.0	$2,307.0	$420.0	$465.0	$422.4	$417.2	$1,724.6	$276.8	$245.7	$365.7	$376.6	$1,264.7	$1,488.7
YoY % Chng	211.5%	(16.0%)	(23.4%)	(32.7%)	(21.3%)	(22.9%)	(23.3%)	(25.2%)	(34.1%)	(47.2%)	(13.4%)	(9.7%)	(26.7%)	17.7%
Acquisition Related and Other	$190.0	$314.0	$75.0	$13.0	$21.4	$18.4	$16.7	$69.6	$17.9	$20.2	$19.6	$21.6	$79.3	$91.0
YoY % Chng	(96.0%)	65.3%	(76.1%)	0.0%	(30.8%)	(34.4%)	318.7%	(7.3%)	37.5%	(5.5%)	6.9%	28.9%	14.1%	14.7%
Restructuring	$490.0	$404.0	$299.0	$402.0	$154.8	$173.8	$244.7	$975.3	$255.6	$222.5	$239.3	$279.3	$996.8	$1,132.3
YoY % Chng	156.5%	(17.6%)	(26.0%)	450.7%	84.3%	175.9%	209.7%	226.2%	(36.4%)	43.8%	37.7%	14.2%	2.2%	13.6%
Total Operating Expenses, Non-GAAP	**$29,052.0**	**$29,906.0**	**$32,366.0**	**$8,690.0**	**$9,417.0**	**$9,670.7**	**$10,688.8**	**$38,466.5**	**$9,868.4**	**$10,533.7**	**$10,811.9**	**$12,025.0**	**$43,239.0**	**$48,734.1**
YoY % Chng	27.2%	2.9%	8.2%	14.4%	18.3%	21.9%	20.5%	18.8%	13.6%	11.9%	11.8%	12.5%	12.4%	12.7%
Total Operating Expenses, GAAP	**$36,861.0**	**$37,608.0**	**$39,721.0**	**$10,649.0**	**$11,336.5**	**$11,585.3**	**$12,829.6**	**$46,400.5**	**$11,724.6**	**$12,456.8**	**$12,897.3**	**$14,341.3**	**$51,420.1**	**$58,181.2**
YoY % Chng	17.0%	2.0%	5.6%	14.3%	15.2%	18.6%	18.9%	16.8%	10.1%	9.9%	11.3%	11.8%	10.8%	13.1%
Depreciation	$2,526.0	$3,129.0	$3,867.0	$1,351.0	$1,205.4	$1,278.7	$1,481.8	$5,316.8	$1,367.5	$1,438.5	$1,487.2	$1,672.1	$5,965.3	$6,862.8
YoY % Chng	28.1%	23.9%	23.6%	68.0%	32.7%	27.5%	28.6%	37.5%	1.2%	19.3%	16.3%	12.8%	12.2%	15.0%
Amortization	$3,582.0	$3,010.0	$2,307.0	$420.0	$578.1	$567.4	$623.2	$2,188.7	$559.2	$629.3	$635.8	$708.1	$2,532.4	$2,923.0
YoY % Chng	211.5%	(16.0%)	(23.4%)	(32.7%)	(2.2%)	3.5%	14.6%	(5.1%)	33.1%	8.9%	12.0%	13.6%	15.7%	15.4%
Total Depreciation and Amortization	$6,108.0	$6,139.0	$6,174.0	$1,771.0	$1,783.4	$1,846.1	$2,105.0	$7,505.5	$1,926.7	$2,067.9	$2,123.0	$2,380.2	$8,497.7	$9,785.8
YoY % Chng	95.6%	0.5%	0.6%	24.0%	19.0%	19.0%	24.1%	21.6%	8.8%	15.9%	15.0%	13.1%	13.2%	15.2%
Stock-Based Compensation	$3,547.0	$3,974.0	$4,674.0	$1,124.0	$1,278.3	$1,300.1	$1,462.2	$5,164.6	$1,306.0	$1,434.6	$1,460.8	$1,638.9	$5,840.2	$6,735.2
YoY % Chng	35.7%	12.0%	17.6%	11.6%	9.4%	8.5%	12.6%	10.5%	16.2%	12.2%	12.4%	12.1%	13.1%	15.3%
EBITDA, Non-GAAP	**$27,010.0**	**$29,194.0**	**$31,207.0**	**$8,007.0**	**$8,517.6**	**$8,751.5**	**$10,248.5**	**$35,524.6**	**$9,100.3**	**$10,054.1**	**$10,272.4**	**$11,585.5**	**$41,012.4**	**$48,362.5**
YoY % Chng	18.9%	8.1%	6.9%	12.2%	12.1%	13.0%	17.4%	13.8%	13.7%	18.0%	17.4%	13.0%	15.4%	17.9%
EBITDA, GAAP	**$19,201.0**	**$21,492.0**	**$23,852.0**	**$6,048.0**	**$6,598.1**	**$6,836.9**	**$8,107.7**	**$27,590.7**	**$7,244.1**	**$8,131.0**	**$8,187.0**	**$9,269.2**	**$32,831.3**	**$38,915.4**
YoY % Chng	36.7%	11.9%	11.0%	11.6%	15.4%	15.7%	19.1%	15.7%	19.8%	23.2%	19.7%	14.3%	19.0%	18.5%
Operating Income, Non-GAAP	**$20,902.0**	**$23,055.0**	**$25,033.0**	**$6,236.0**	**$6,734.2**	**$6,905.4**	**$8,143.6**	**$28,019.1**	**$7,173.7**	**$7,986.3**	**$8,149.4**	**$9,205.4**	**$32,514.7**	**$38,576.7**
YoY % Chng	6.7%	10.3%	8.6%	9.3%	10.5%	11.5%	15.8%	11.9%	15.0%	18.6%	18.0%	13.0%	16.0%	18.6%
Operating Income, GAAP	**$13,093.0**	**$15,353.0**	**$17,678.0**	**$4,277.0**	**$4,814.6**	**$4,990.8**	**$6,002.8**	**$20,085.2**	**$5,317.4**	**$6,063.2**	**$6,064.0**	**$6,889.0**	**$24,333.6**	**$29,129.6**
YoY % Chng	19.8%	17.3%	15.1%	7.2%	14.1%	14.5%	17.5%	13.6%	24.3%	25.9%	21.5%	14.8%	21.2%	19.7%
Interest Expense	$3,505.0	$3,514.0	$3,578.0	$923.0	$1,001.6	$1,029.7	$1,165.1	$4,119.4	$1,055.9	$1,148.1	$1,175.3	$1,315.2	$4,694.6	$5,410.7
YoY % Chng	27.2%	0.3%	1.8%	9.6%	15.7%	15.4%	19.1%	15.1%	14.4%	14.6%	14.1%	12.9%	14.0%	15.3%
Non-Operating Expenses/(Income), Net	$462.0	$98.0	($60.0)	($73.0)	($30.0)	($27.9)	($45.6)	($176.5)	($46.3)	($40.2)	($42.6)	($50.7)	($179.8)	($204.1)
YoY % Chng	(11.5%)	(78.8%)	(161.2%)	(265.0%)	16.6%	(255.0%)	(128.1%)	(194.2%)	36.6%	(33.8%)	(52.7%)	(11.1%)	(1.8%)	(13.5%)
Pre-Tax Income, Non-GAAP	**$16,935.0**	**$19,443.0**	**$21,515.0**	**$5,386.0**	**$5,762.6**	**$5,903.6**	**$7,024.1**	**$24,076.2**	**$6,164.0**	**$6,878.4**	**$7,016.7**	**$7,940.8**	**$27,999.9**	**$33,370.1**
YoY % Chng	3.8%	14.8%	10.7%	10.2%	9.4%	11.7%	15.6%	11.9%	14.4%	19.4%	18.9%	13.1%	16.3%	19.2%
Pre-Tax Income, GAAP	**$9,126.0**	**$11,741.0**	**$14,160.0**	**$3,427.0**	**$3,843.0**	**$3,989.0**	**$4,883.3**	**$16,142.3**	**$4,307.8**	**$4,955.3**	**$4,931.3**	**$5,624.5**	**$19,818.8**	**$23,922.9**
YoY % Chng	19.3%	28.7%	20.6%	8.1%	13.4%	15.7%	17.6%	14.0%	25.7%	28.9%	23.6%	15.2%	22.8%	20.7%
Income Tax, Non-GAAP	$2,759.0	$3,733.0	$4,231.0	$1,103.0	$1,094.9	$1,121.7	$1,334.6	$4,654.1	$1,171.2	$1,306.9	$1,333.2	$1,508.8	$5,320.0	$6,340.3
YoY % Chng	3.9%	35.3%	13.3%	19.6%	3.4%	6.4%	11.6%	10.0%	6.2%	19.4%	18.9%	13.1%	14.3%	19.2%
Income Tax, GAAP	$623.0	$1,274.0	$1,717.0	$500.0	$722.5	$749.9	$918.1	$2,890.5	$809.9	$931.6	$927.1	$1,057.4	$3,725.9	$4,497.5
YoY % Chng	(33.2%)	104.5%	34.8%	108.3%	202.3%	46.5%	26.8%	68.3%	62.0%	28.9%	23.6%	15.2%	28.9%	20.7%
Tax Rate, Non-GAAP	16.3%	19.2%	19.7%	20.5%	19.0%	19.0%	19.0%	19.3%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
Tax Rate, GAAP	6.8%	10.9%	12.1%	14.6%	18.8%	18.8%	18.8%	17.9%	18.8%	18.8%	18.8%	18.8%	18.8%	18.8%
Net Income, Non-GAAP	**$14,176.0**	**$15,710.0**	**$17,284.0**	**$4,283.0**	**$4,667.7**	**$4,781.9**	**$5,689.5**	**$19,422.1**	**$4,992.8**	**$5,571.5**	**$5,683.6**	**$6,432.1**	**$22,679.9**	**$27,029.7**
YoY % Chng	3.8%	10.8%	10.0%	8.0%	11.0%	13.0%	16.6%	12.4%	16.6%	19.4%	18.9%	13.1%	16.8%	19.2%
Net Income, GAAP	**$8,503.0**	**$10,467.0**	**$12,443.0**	**$2,927.0**	**$3,120.5**	**$3,239.0**	**$3,965.2**	**$13,251.8**	**$3,497.9**	**$4,023.7**	**$4,004.2**	**$4,567.1**	**$16,092.9**	**$19,425.4**
YoY % Chng	26.6%	23.1%	18.9%	(0.1%)	(1.0%)	10.3%	15.7%	6.5%	19.5%	28.9%	23.6%	15.2%	21.4%	20.7%
Basic Shares Outstanding	2,696.0	2,744.0	2,789.0	2,826.0	2,822.0	2,818.0	2,814.0	2,820.0	2,810.0	2,806.0	2,802.0	2,798.0	2,804.0	2,788.0
YoY % Chng	(0.1%)	1.8%	1.6%	2.4%	1.1%	0.7%	0.3%	1.1%	(0.6%)	(0.6%)	(0.6%)	(0.6%)	(0.6%)	(0.6%)
Diluted Shares Outstanding	2,766.0	2,823.0	2,866.0	2,909.0	2,905.0	2,901.0	2,897.0	2,903.0	2,893.0	2,889.0	2,885.0	2,881.0	2,887.0	2,871.0
YoY % Chng	0.1%	2.1%	1.5%	2.0%	1.3%	0.9%	0.9%	1.3%	(0.6%)	(0.6%)	(0.6%)	(0.6%)	(0.6%)	(0.6%)
Basic EPS	**$3.15**	**$3.82**	**$4.46**	**$1.04**	**$1.11**	**$1.15**	**$1.41**	**$4.70**	**$1.24**	**$1.43**	**$1.43**	**$1.63**	**$5.74**	**$6.97**
YoY % Chng	26.5%	21.3%	16.8%	(1.9%)	(2.1%)	9.5%	15.5%	5.5%	19.7%	29.7%	24.3%	15.8%	22.0%	21.4%
Diluted EPS, Non-GAAP	**$5.12**	**$5.56**	**$6.03**	**$1.47**	**$1.61**	**$1.65**	**$1.96**	**$6.69**	**$1.73**	**$1.93**	**$1.97**	**$2.23**	**$7.86**	**$9.42**
YoY % Chng	4.5%	8.6%	8.5%	5.8%	9.3%	12.1%	15.5%	10.9%	17.4%	20.0%	19.5%	13.7%	17.5%	19.8%
Diluted EPS, GAAP	**$3.07**	**$3.71**	**$4.34**	**$1.01**	**$1.07**	**$1.12**	**$1.37**	**$4.57**	**$1.21**	**$1.39**	**$1.39**	**$1.59**	**$5.58**	**$6.77**
YoY % Chng	27.4%	20.8%	17.0%	(1.9%)	(2.3%)	9.5%	15.0%	5.3%	19.7%	29.7%	24.3%	15.8%	22.0%	21.4%
Dividend Per Share	$1.36	$1.60	$1.70	$0.50	$0.50	$0.50	$0.50	$2.00	$0.50	$0.50	$0.50	$0.50	$2.00	$2.00
YoY % Chng	6.3%	17.6%	6.3%	25.0%	25.0%	25.0%	0.0%	17.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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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.

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Value Score	D
Growth Score	D
Momentum Score	A
VGM Score	D

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