

## Procter & Gamble Co. (PG)

**\$142.84** (Stock Price as of 12/12/2025)

Price Target (6-12 Months): **\$155.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

**Neutral**

(Since: 03/19/20)

Prior Recommendation: Outperform

Short Term: 1-3 Months

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

**3-Hold**

Zacks Style Scores:

VGM: D

Value: D

Growth: B

Momentum: D

### Summary

Procter & Gamble's shares outperformed the industry in the past six months. Its strong portfolio, innovations, and productivity efforts reinforce its ability to deliver sustainable growth. Earnings and sales beat the Zacks Consensus Estimate and increased year over year in Q1 fiscal 2026. PG expects 1–5% all-in sales growth and flat to up 4% organic sales gains in fiscal 2026, supported by cost savings. We expect organic sales to rise 2% in fiscal 2026. Robust cash flow funds dividends and share buybacks, with \$15 billion planned shareholder returns in fiscal 2026. PG's consistent execution positions it well to balance growth, resilience, and shareholder value creation. However, elevated commodity costs, tariff pressures, higher interest expenses, and macroeconomic woes continue to weigh on margins and earnings visibility.

### Data Overview

52 Week High-Low	\$179.99 - \$138.14
20 Day Average Volume (sh)	10,346,406
Market Cap	\$333.8 B
YTD Price Change	-14.8%
Beta	0.39
Dividend / Div Yld	\$4.23 / 3.0%
Industry	<a href="#">Consumer Products - Staples</a>
Zacks Industry Rank	Bottom 24% (182 out of 243)

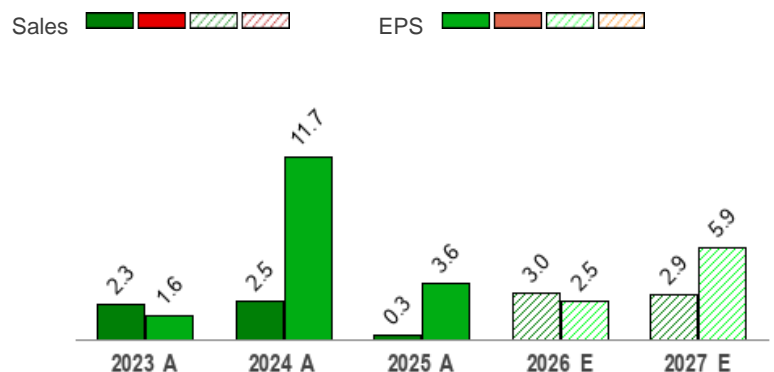
Last EPS Surprise	4.7%
Last Sales Surprise	1.1%
EPS F1 Est- 4 week change	-0.1%
Expected Report Date	01/28/2026
Earnings ESP	-1.7%

P/E TTM	20.7
P/E F1	20.4
PEG F1	4.9
P/S TTM	3.9

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



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



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

	Q1	Q2	Q3	Q4	Annual*
2027	22,997 E	22,923 E	21,175 E	22,266 E	89,362 E
2026	22,386 A	22,329 E	20,528 E	21,586 E	86,828 E
2025	21,737 A	21,882 A	19,776 A	20,889 A	84,284 A

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

	Q1	Q2	Q3	Q4	Annual*
2027	2.07 E	2.00 E	1.69 E	1.65 E	7.41 E
2026	1.99 A	1.88 E	1.59 E	1.55 E	7.00 E
2025	1.93 A	1.88 A	1.54 A	1.48 A	6.83 A

\*Quarterly figures may not add up to annual.

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

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/03/2025.

## Overview

Headquartered in Cincinnati, OH, The Procter & Gamble Company, also referred to as Procter & Gamble or P&G, is a branded consumer products company which markets its products in more than 180 countries primarily through mass merchandisers, grocery stores, membership club stores, drug stores, department stores, distributors, baby stores, specialty beauty stores, e-commerce, high-frequency stores, pharmacies, electronics stores and professional channels. It has operations in approximately 70 countries. The company has five major reportable segments:

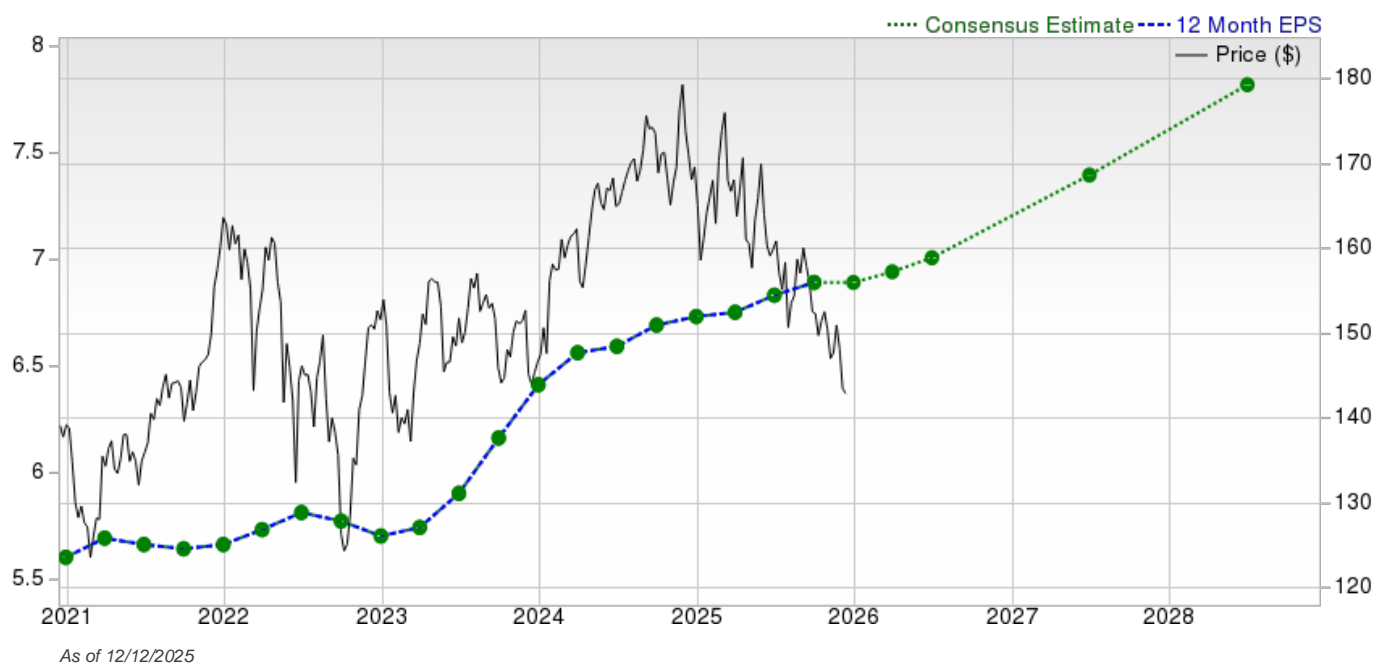
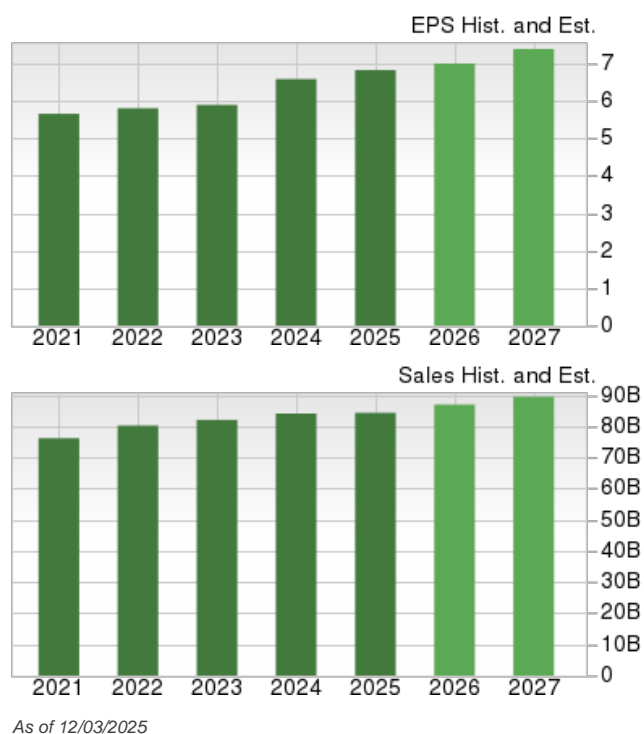
**Beauty (17.8% of fiscal 2025 revenues):** The segment includes hair care products (conditioner, shampoo, styling aids treatments) antiperspirants and deodorants as well as products for personal cleansing and skin care. Billion Dollar Brands include Head & Shoulders, Olay, Pantene, Old Spice, Safeguard, and SK-II. In Oct 2016, P&G completed its last major step in portfolio transformation with the Beauty Brands divestiture to Coty Inc.

**Grooming (7.9%):** The segment includes Shave Care products like female and male blades & razors and pre- and post-shave products as well as appliances. Billion Dollar Brands under this segment include Fusion, Gillette, Prestobarba and Mach3.

**Health Care (14.2%):** The segment includes gastrointestinal, rapid diagnostics, respiratory, vitamins/minerals/supplements and other personal health care product categories along with toothbrush, toothpaste and other oral care, product categories. Billion Dollar Brands include Crest, Oral-B and Vicks.

**Fabric and Home Care (35.1%):** The segment includes air care, dish care, fabric enhancers, laundry additives and detergents, P&G Professional and surface care product categories. Billion Dollar Brands under this segment are Ariel, Dawn, Downy, Febreze, Gain and Tide. P&G completed sale of its Duracell (Batteries) business to Berkshire Hathaway in exchange for Berkshire's equity stake in P&G in Feb 2016.

**Baby, Feminine and Family Care (24.1%):** The segment includes baby wipes, diapers and pants, paper towels, tissues, toilet paper, adult incontinence and feminine care products. Billion Dollar Brands include Always, Bounty, Charmin and Pampers.



## Reasons To Buy:

▲ **Strategies & Brand Strength Aid Organic Sales:** Procter & Gamble continues to leverage its strong portfolio of daily-use products, where performance directly drives consumer brand choice, to deliver steady organic growth. The company's integrated strategy, built on innovation, market expansion, and productivity, has enabled it to adapt to shifting consumer dynamics and maintain competitiveness. In first-quarter fiscal 2026, organic sales (excluding the impacts of acquisitions, divestitures and foreign exchange) rose 2% year over year, supported by higher pricing and mix, while organic volume had a neutral impact. The company's net sales growth for the fiscal first quarter was led by a year-over-year increase of 1% each in the Baby, Feminine & Family Care and Fabric & Home Care, 5% in Grooming, 2% in Health Care and 6% in Beauty segments. Organic sales rose 6% for the Beauty, 3% for Grooming and 1% for Health Care segments. Meanwhile, organic sales were flat for the Baby, Feminine & Family Care and Fabric & Home Care segments.

Procter & Gamble drives operating margin gains with \$1.5B cost-saving goal, supply chain modernization, and disciplined productivity fueling growth and reinvestment.

PG's results highlight the strength of its portfolio, which spans household and personal care categories, and demonstrates its resilience in a competitive consumer environment. The broad-based growth across categories and geographies reinforces the relevance of PG's products in daily consumer routines worldwide. This robust sales trajectory builds on several quarters of consistent growth and positions the company well for fiscal 2026. Although PG's shares have lost 4.4% in the past six months, they have fared the industry's 9.6% decline.

▲ **Road Ahead Seems Encouraging:** For fiscal 2026, Procter & Gamble anticipates delivering another strong year of organic sales growth, core EPS growth and sturdy adjusted free cash flow productivity. The company expects year-over-year all-in sales growth of 1-5% for fiscal 2026, while organic sales are expected to be flat to up 4%. Its all-in sales are expected to include a 1% benefit from currency rates, as well as from acquisitions and divestitures.

PG envisions net EPS growth of 3-9% in fiscal 2026 compared with the fiscal 2025 GAAP EPS of \$6.51. The company expects core EPS of \$6.83-\$7.09, suggesting flat to 4% year-over-year growth from the fiscal 2025 core EPS of \$6.83. The core EPS, at a mid-point of \$6.96, implies 2% year-over-year growth. Our model anticipates pricing gains of 1.1% and an organic volume rise of 0.2% for fiscal 2026. We expect organic sales to rise 2% for the current fiscal year, with core EPS anticipated to increase 2.5% to \$7 in fiscal 2026.

▲ **Cost Savings and Productivity Program:** Procter & Gamble remains sharply focused on productivity and cost-saving measures to drive margin expansion while supporting growth. These programs are core to PG's long-term strategy, enabling reinvestment in innovation and advertising while safeguarding strong bottom-line performance. The disciplined execution of productivity programs reflects PG's operational excellence and commitment to continuous improvement, especially in areas such as digital transformation and automation. The company targets up to \$1.5 billion in gross savings in cost of goods sold before tax over the next few years, driven by global platform programs such as "Supply Chain 3.0." This strategy emphasizes supply chain modernization, retailer collaboration, and digital tools to optimize routing, sourcing, and fill rates. PG is also streamlining overhead and improving marketing effectiveness, reinforcing disciplined execution.

Procter & Gamble benefited from notable margin expansion in first-quarter fiscal 2026, driven by disciplined productivity programs and cost-saving initiatives. During the fiscal first quarter, core operating margin was flat year over year, while on a currency-neutral basis, the operating margin increased 40 basis points (bps), mainly aided by the positive currency effect. The operating margin included gross productivity savings of 230 bps. We expect core operating income to grow 2.4% year-over-year for fiscal 2026.

▲ **Innovation and Brand Investment Driving Growth:** Procter & Gamble's commitment to innovation and brand investment is a key growth driver, with consistent spending on advertising and product development. The company has launched several upgraded product offerings across personal health, fabric care, and grooming categories, which differentiated PG's brands from competitors. These launches not only met evolving consumer preferences for performance and sustainability but also commanded premium pricing. Management reiterated that reinvesting productivity savings into innovation and marketing is central to their "irresistible superiority" strategy, ensuring products perform better, are packaged attractively, and deliver a superior consumer experience. By maintaining strong marketing support, PG continues to build emotional connections with consumers, protecting its brands from discounting pressures. Management cited that it has a robust bundle of innovations across the U.S. Baby Care business this fall. This consists of improvements on Pampers Easy Ups, Swaddlers, Cruisers and the first phase of restage to the company's mid-tier Pampers Baby Dryline.

▲ **Strong Cash Flow and Shareholder Returns:** Procter & Gamble generated robust cash flow in first-quarter fiscal 2026, enabling substantial shareholder returns while funding business reinvestments. In the first-quarter fiscal 2026, the company generated an operating cash flow of \$5.4 billion. The adjusted free cash flow was \$4.9 billion for the three months ended Sept. 30, 2025, with an adjusted free cash flow productivity of 102% underlining the efficiency of PG's operations and disciplined capital management. The company estimates adjusted free cash flow productivity to be 85-90% for fiscal 2026. The strong balance sheet and cash generation capacity provide flexibility to navigate volatile markets and invest in long-term opportunities, while supporting significant shareholder returns through dividends and share repurchases. Procter & Gamble returned \$3.8 billion of value to its shareholders in the fiscal first quarter, including \$2.55 billion in dividend payouts and \$1.25 billion in share buybacks. The company intends to pay dividends worth \$10 billion in fiscal 2026, with share repurchases of \$5 billion. It has a dividend payout ratio of 61.6%, an annualized dividend yield of 2.9% and a free cash flow yield of 3.9%. PG's strong cash flow performance ensures that it can simultaneously drive innovation, maintain brand leadership, and deliver attractive, consistent returns to shareholders.

## Reasons To Sell:

▼ **Stock Appears Overvalued:** Considering price-to-earnings (P/E) ratio, Procter & Gamble looks overvalued compared with the industry. The stock has a trailing 12-month P/E multiple of 20.75X, higher than the industry's P/E of 18.12X. The company's P/E ratio is below the median level of 22.86X and the high level of 25.11X scaled in the past year. Given the factors, we believe that the stock is quite stretched from the P/E aspect.

▼ **Elevated Commodity Costs Weigh on Gross Margin:** The company continues to face significant headwinds from elevated commodity costs, which pressured gross margins in first-quarter fiscal 2026, and are expected to remain a challenge in fiscal 2026. While the company has made strong progress on productivity and cost-saving initiatives, inflation in raw materials, packaging, freight, and labor has offset part of these gains. In fourth-quarter fiscal 2025, core gross margin declined 50 basis points (bps) year over year, while the reported gross margin fell 70 bps. The currency-neutral core gross margin contracted 30 bps. Gains from gross productivity savings of 140 bps, pricing benefits of 50 bps and 20 bps from rounding and other items were more than offset by 100 bps of adverse product mix, 70 bps of product reinvestments and a 70-bps increase in costs from tariffs and commodities. We expect core cost of products sold to increase 3.5% year over year in fiscal 2026.

The company expects increases in commodities to erode margins if price increases are not sustainable in the market, particularly as consumers remain price-conscious. Management predicts a commodity cost headwind of \$100 million after tax for fiscal 2026. This continued drag highlights the importance of balancing pricing actions with innovation to protect consumer loyalty while navigating a high-cost environment.

▼ **Tariff Impacts Pose a Major Earnings Headwind:** Tariffs represent one of the most pressing challenges for Procter & Gamble. Management expects higher costs from tariffs of \$400-million, after-tax for fiscal 2026. For fiscal 2026, management anticipates an after-tax headwind of about \$250 million, primarily due to modestly higher net interest expenses and an increased core effective tax rate compared to the previous year. In total, these factors are projected to represent a net headwind of roughly 19 cents per share for fiscal 2026.

In fiscal 2025, tariffs had already shaved 3 cents off quarterly EPS, and the burden will intensify as new trade measures take effect. PG is pursuing mitigation through sourcing flexibility, productivity, and selective pricing. However, management cautioned that tariff relief may be offset by pricing rollbacks if duties are reduced. As a result, tariffs remain a structural uncertainty, clouding earnings visibility and weighing heavily on PG's EPS growth guidance for fiscal 2026.

▼ **Macroeconomic and Other Headwinds:** Procter & Gamble has been facing significant challenges related to tough macroeconomic conditions and geopolitical tensions across various regions. Reduced consumer spending and slowed retail activities have been impacting several markets. The global environment has been volatile and challenging, relating to commodity prices, foreign currency, input costs, supply-chain disruptions, store closures, tariffs consumers, competitors, retailers, and geopolitical dynamics.

▼ **Competitive Pressure:** Procter & Gamble faces intense competition from other well-established players in the consumer products industry, such as Colgate-Palmolive, Clorox, and Church & Dwight on the basis of pricing, promotional activities and new product introductions. The failure to offer exclusive high-quality products at competitive prices may hamper the company's market share.

Procter & Gamble faces mounting risks from tariffs, supply chain disruptions, and global instability, adding uncertainty to its fiscal 2026 outlook despite portfolio resilience.

## Last Earnings Report

### Procter & Gamble Q1 Earnings & Sales Beat on Solid Pricing & Mix

Procter & Gamble reported solid first-quarter fiscal 2026 results, with sales and earnings per share (EPS) surpassing the Zacks Consensus Estimate and improving year over year. Results benefited from growth across all segments, led by improved pricing and a favorable mix.

Procter & Gamble's core EPS of \$1.99 per share increased 3% from the year-ago quarter and beat the Zacks Consensus Estimate of \$1.90. Currency-neutral core EPS also rose 3% year over year.

The company has reported net sales of \$22.4 billion, up 3% year over year. Sales also surpassed the Zacks Consensus Estimate of \$22.2 billion. On an organic basis (excluding the impacts of acquisitions, divestitures and foreign exchange), sales rose 2% year over year, driven by an increase of 1% each from pricing and favorable mix, while organic volume had a neutral impact in the reported quarter.

The company's net sales growth for the fiscal first quarter was led by a year-over-year increase of 1% each in the Baby, Feminine & Family Care and Fabric & Home Care, 5% in Grooming, 2% in Health Care and 6% in Beauty segments. Organic sales rose 6% for the Beauty, 3% for Grooming and 1% for Health Care segments. Meanwhile, organic sales were flat for the Baby, Feminine & Family Care and Fabric & Home Care segments.

### Procter & Gamble's Q1 Margins

The core gross margin declined 50 basis points (bps) year over year to 51.5%, while the reported gross margin fell 70 bps. Currency rates aided the gross margin by 0.2%. The currency-neutral core gross margin contracted 30 bps to 51.7%. Gains from gross productivity savings of 140 bps, pricing benefits of 50 bps and 20 bps from rounding and other items were more than offset by 100 bps of adverse product mix, 70 bps of product reinvestments and a 70-bps increase in costs from tariffs and commodities.

Core selling, general and administrative expenses (SG&A), as a percentage of sales, declined 40 bps from the year-ago quarter to 24.9%. The currency-neutral core SG&A rate contracted 70 bps to 24.6%. This decline was backed by 90 bps of productivity savings, 40 bps of net sales growth leverage and 10 bps of rounding and other items. These were partly offset by 70 bps of reinvestment costs.

The core operating margin was flat with the prior year at 26.7%. On a currency-neutral basis, the operating margin increased year over year by 40 bps to 27.1%, mainly aided by the positive currency effect. The operating margin included gross productivity savings of 230 bps.

We expected the core gross profit margin to decline 50 bps year over year in the fiscal first quarter to 51.5%. The core SG&A expense rate was anticipated to increase 20 bps, whereas our core operating margin projection suggested a decline of 80 bps to 25.9%.

### Peek Into PG's Financials

Procter & Gamble ended first-quarter fiscal 2026 with cash and cash equivalents of \$11.2 billion, long-term debt of \$24.3 billion, and total shareholders' equity of \$53.6 billion.

In the first-quarter fiscal 2026, the company generated an operating cash flow of \$5.4 billion. The adjusted free cash flow was \$4.9 billion for the three months ended Sept. 30, 2025, with an adjusted free cash flow productivity of 102%.

Procter & Gamble returned \$3.8 billion of value to its shareholders in the fiscal first quarter, including \$2.55 billion in dividend payouts and \$1.25 billion in share buybacks.

### PG's Fiscal 2026 Guidance

For fiscal 2026, Procter & Gamble anticipates delivering another strong year of organic sales growth, core EPS growth and sturdy adjusted free cash flow productivity. Hence, the company reiterated its guidance for fiscal 2026.

The company expects year-over-year all-in sales growth of 1-5% for fiscal 2026, while organic sales are expected to be flat to up 4%. Its all-in sales are expected to include a 1% benefit from currency rates, as well as from acquisitions and divestitures.

PG envisions net EPS growth of 3-9% in fiscal 2026 compared with the fiscal 2025 GAAP EPS of \$6.51. The company expects core EPS of \$6.83-\$7.09, suggesting flat to 4% year-over-year growth from the fiscal 2025 core EPS of \$6.83. The core EPS, at a mid-point of \$6.96, implies 2% year-over-year growth. PG estimates fiscal 2026 core effective tax rate of 20-21%.

The company predicts a commodity cost headwind of \$100 million after tax for fiscal 2026. It also expects higher costs from tariffs of \$400-million, after-tax. It anticipates an after-tax headwind of about \$250 million, primarily due to modestly higher net interest expenses and an increased core effective tax rate compared to the previous year. However, this is expected to be partially offset by a favorable foreign exchange tailwind of \$300 million after tax. In total, these factors are projected to represent a net headwind of roughly 19 cents per share for fiscal 2026.

### FY Quarter Ending 6/30/2025

Earnings Reporting Date	Oct 24, 2025
Sales Surprise	1.05%
EPS Surprise	4.74%
Quarterly EPS	1.99
Annual EPS (TTM)	6.89



## Recent News

### Procter & Gamble Declares Dividend – Oct 14, 2025

Procter & Gamble has approved a dividend of \$1.0568 per share on the common shares. The dividend is payable on or after Nov 17, 2025, to shareholders with record as on Oct 24.

## Valuation

Procter & Gamble shares are down 12.1% in the six month period and nearly 11% over the trailing 12-month period. Stocks in the Zacks sub-industry and Zacks Consumer Staples sector are down 12.4% and 6.1%, respectively in the six month period. Over the past year, the Zacks sub-industry and the sector are down 15.9% and 4%, respectively.

The S&P 500 index is up 17.1% in the year-to-date period and 14.7% in the past year.

The stock is currently trading at 20.31X forward 12-month earnings, which compares to 18.42X for the Zacks sub-industry, 16.47X for the Zacks sector and 23.41X for the S&P 500 index.

Over the past five years, the stock has traded as high as 26.67X and as low as 20.31X, with a 5-year median of 23.48X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$155 price target reflects 21.53X forward 12-month earnings.

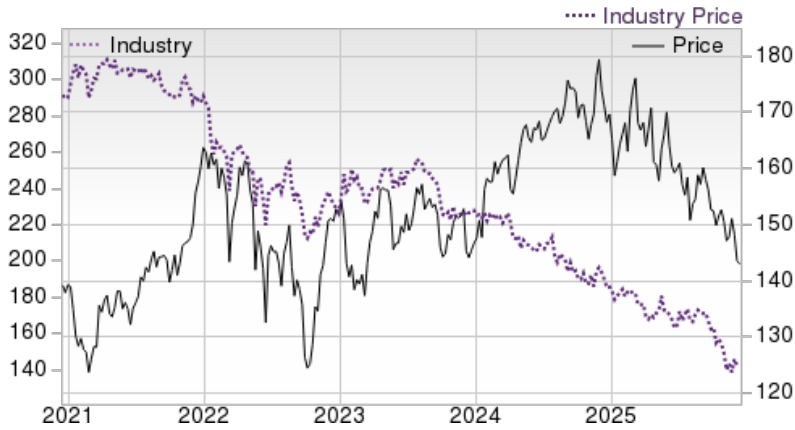
The table below shows summary valuation data for PG

Valuation Multiples - PG					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	20.31	18.42	16.47	23.41
	5-Year High	26.67	23.4	20.29	23.82
	5-Year Low	20.31	18.4	16.15	15.73
	5-Year Median	23.48	21.27	18.08	21.19
P/S TTM	Current	3.87	2.12	7.85	5.29
	5-Year High	4.91	2.96	10.8	5.5
	5-Year Low	3.59	2.12	6.51	3.83
	5-Year Median	4.31	2.52	8.69	5.04
EV/EBITDA TTM	Current	15.66	12.81	34.39	18.54
	5-Year High	20.82	15.81	44.89	22.4
	5-Year Low	15.1	12.2	33.2	13.87
	5-Year Median	17.84	13.93	39.74	17.96

As of 12/02/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Bottom 24% (182 out of 243)



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

Company (Ticker)	Rec	Rank
Church & Dwight Co.,... (CHD)	Neutral	3
Colgate-Palmolive Co... (CL)	Neutral	3
The Clorox Company (CLX)	Neutral	3
Coty (COTY)	Neutral	3
Henkel AG & Co. (HENKY)	Neutral	4
Nu Skin Enterprises,... (NUS)	Neutral	3
Reckitt Benckiser Gr... (RBGLY)	Neutral	4
Unilever PLC (UL)	Neutral	3

## Industry Comparison<sup>(1)</sup> Industry: Consumer Products - Staples

	PG	X Industry	S&P 500	CL	HENKY	UL
<b>Zacks Recommendation (Long Term)</b>	Neutral	-	-	Neutral	Neutral	Neutral
<b>Zacks Rank (Short Term)</b>	3	-	-	3	4	3
<b>VGM Score</b>	D	-	-	C	B	A
Market Cap	333.78 B	2.03 B	39.38 B	63.15 B	33.71 B	141.64 B
# of Analysts	10	4	22	8	1	5
Dividend Yield	2.96%	0.00%	1.41%	2.66%	2.03%	3.61%
<b>Value Score</b>	D	-	-	D	B	C
Cash/Price	0.03	0.05	0.04	0.02	NA	0.04
EV/EBITDA	14.54	7.96	14.60	14.25	NA	NA
PEG Ratio	4.97	3.27	2.23	5.58	NA	3.78
Price/Book (P/B)	6.32	2.95	3.35	51.01	1.37	6.26
Price/Cash Flow (P/CF)	17.07	13.27	15.20	17.94	9.72	14.31
P/E (F1)	20.66	20.39	19.78	21.40	12.26	17.11
Price/Sales (P/S)	3.93	0.94	3.06	3.14	NA	NA
Earnings Yield	4.91%	4.39%	4.99%	4.67%	8.16%	5.85%
Debt/Equity	0.46	0.32	0.57	5.90	NA	NA
Cash Flow (\$/share)	8.37	1.12	8.99	4.37	1.98	4.54
<b>Growth Score</b>	B	-	-	B	B	A
Hist. EPS Growth (3-5 yrs)	5.16%	1.13%	8.16%	4.06%	NA	NA
Proj. EPS Growth (F1/F0)	2.49%	7.78%	8.57%	1.67%	9.03%	4.97%
Curr. Cash Flow Growth	2.32%	-4.91%	6.75%	9.79%	12.12%	13.09%
Hist. Cash Flow Growth (3-5 yrs)	3.58%	4.70%	7.43%	3.81%	-0.95%	0.58%
Current Ratio	0.71	1.19	1.19	0.93	NA	0.76
Debt/Capital	31.23%	30.64%	38.01%	85.51%	NA	NA
Net Margin	19.74%	0.83%	12.78%	14.47%	NA	NA
Return on Equity	32.63%	6.95%	17.00%	333.39%	NA	NA
Sales/Assets	0.68	1.12	0.53	1.19	NA	NA
Proj. Sales Growth (F1/F0)	3.00%	0.00%	5.77%	0.90%	2.20%	2.90%
<b>Momentum Score</b>	D	-	-	D	A	B
Daily Price Chg	1.48%	0.00%	-1.07%	1.41%	0.23%	0.19%
1 Week Price Chg	-0.43%	0.00%	-0.63%	0.35%	2.82%	-2.95%
4 Week Price Chg	-3.27%	0.00%	1.39%	0.37%	0.60%	-2.56%
12 Week Price Chg	-8.46%	-8.21%	2.45%	-3.49%	1.26%	-5.68%
52 Week Price Chg	-16.50%	-15.59%	12.83%	-16.16%	-2.73%	-1.94%
20 Day Average Volume	10,346,406	292,035	2,728,366	5,842,350	93,174	2,890,908
(F1) EPS Est 1 week change	-0.08%	0.00%	0.00%	0.00%	0.00%	0.04%
(F1) EPS Est 4 week change	-0.11%	0.00%	0.00%	-0.15%	0.64%	-0.08%
(F1) EPS Est 12 week change	0.25%	0.06%	0.69%	-0.49%	-0.32%	-2.65%
(Q1) EPS Est Mthly Chg	-0.07%	0.00%	0.00%	-0.27%	NA	NA

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

**The Procter & Gamble Company (PG)**

In SMM, 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 June 30th	Jun-23	Jun-24	Jun-25	30-Sep-25	31-Dec-25	31-Mar-26	30-Jun-26	Jun-26	30-Sep-26	31-Dec-26	31-Mar-27	30-Jun-27	Jun-27	Jun-28
Income Statement														
Net Sales	\$82,006.0	\$84,039.0	\$84,284.0	\$22,386.0	\$22,329.4	\$20,527.6	\$21,585.5	\$86,828.4	\$22,997.3	\$22,923.0	\$21,175.3	\$22,266.0	\$89,361.6	\$92,009.1
Volume	(3.0%)	0.0%	0.0%	0.0%	(0.8%)	0.7%	0.8%	0.2%	0.2%	0.7%	0.9%	0.9%	0.7%	1.0%
Organic Volume Growth	(3.0%)	0.0%	1.0%	0.0%	(0.8%)	0.7%	0.8%	0.2%	0.2%	0.7%	0.9%	0.9%	0.7%	1.0%
Pricing	9.0%	4.0%	1.0%	1.0%	12%	1.4%	1.1%	1.1%	1.0%	1.3%	1.3%	1.3%	1.3%	1.3%
Mix	1.0%	0.0%	0.0%	1.0%	0.6%	0.6%	0.4%	0.7%	0.4%	0.4%	0.8%	0.7%	0.6%	0.5%
Organic Sales Growth	7.0%	4.0%	2.0%	2.0%	1.0%	2.7%	2.2%	2.0%	1.6%	2.5%	3.0%	3.0%	2.5%	2.8%
Acquisition & Divestiture	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FX	(5.0%)	(2.0%)	(1.0%)	1.0%	1.1%	1.1%	1.1%	1.1%	1.1%	0.2%	0.2%	0.2%	0.4%	0.2%
Reported Sales Growth	2.0%	2.0%	0.0%	3.0%	2.0%	3.8%	3.3%	3.0%	2.7%	2.7%	3.1%	3.1%	2.9%	3.0%
Cost of Products Sold, Core	\$42,760.0	\$40,778.0	\$41,184.0	\$10,848.0	\$10,750.3	\$10,083.4	\$10,930.4	\$42,612.1	\$11,206.3	\$11,029.7	\$10,390.8	\$11,246.8	\$43,873.6	\$44,883.3
Cost of Products Sold, GAAP	\$42,760.0	\$40,848.0	\$41,164.0	\$10,887.0	\$10,756.6	\$10,090.0	\$10,954.1	\$42,687.7	\$11,215.8	\$11,033.0	\$10,394.2	\$11,259.0	\$43,902.0	\$44,884.1
Gross Profit, Core	\$39,246.0	\$43,261.0	\$43,099.0	\$11,537.0	\$11,579.1	\$10,444.2	\$10,655.1	\$44,215.4	\$11,791.1	\$11,893.3	\$10,784.6	\$11,019.1	\$45,488.0	\$47,125.8
Gross Profit, GAAP	\$39,246.0	\$43,191.0	\$43,120.0	\$11,499.0	\$11,572.8	\$10,437.5	\$10,631.4	\$44,140.7	\$11,781.5	\$11,890.0	\$10,781.1	\$11,007.0	\$45,459.6	\$47,125.0
Selling, General & Administrative Expense, Core	\$21,112.0	\$23,273.0	\$22,643.0	\$5,566.0	\$5,907.6	\$5,710.5	\$6,092.4	\$23,276.5	\$5,678.8	\$5,969.6	\$5,843.8	\$6,225.4	\$23,717.6	\$24,299.1
Selling, General & Administrative Expense, GAAP	\$21,112.0	\$23,305.0	\$22,689.0	\$5,643.0	\$5,911.3	\$5,709.0	\$6,106.6	\$23,369.9	\$5,730.8	\$5,971.5	\$5,843.0	\$6,232.6	\$23,777.9	\$24,378.8
EBITDA	\$20,848.0	\$21,440.0	\$23,298.0	\$6,617.0	\$6,397.1	\$5,448.5	\$5,298.4	\$23,761.0	\$6,826.7	\$6,665.9	\$5,678.9	\$5,558.6	\$24,730.1	\$25,900.1
Depreciation & Amortization	\$2,714.0	\$2,896.0	\$2,847.0	\$761.0	\$735.7	\$720.0	\$773.6	\$2,990.2	\$776.0	\$747.4	\$740.8	\$784.3	\$3,048.5	\$3,153.9
Operating Income, Core	\$18,134.0	\$19,988.0	\$20,456.0	\$5,972.0	\$5,671.5	\$4,733.7	\$4,562.7	\$20,939.9	\$6,112.3	\$5,923.6	\$4,940.8	\$4,793.7	\$21,770.4	\$22,826.7
Operating Income, GAAP	\$18,134.0	\$18,545.0	\$20,451.0	\$5,856.0	\$5,661.5	\$4,728.5	\$4,524.8	\$20,770.8	\$6,050.7	\$5,918.5	\$4,938.1	\$4,774.3	\$21,681.7	\$22,746.2
Interest Expense	\$756.0	\$925.0	\$907.0	\$197.0	\$228.3	\$206.0	\$200.8	\$832.1	\$202.1	\$219.8	\$199.7	\$206.6	\$828.2	\$858.5
Interest Income	\$307.0	\$473.0	\$469.0	\$108.0	\$105.3	\$103.3	\$94.7	\$411.3	\$109.0	\$108.2	\$104.2	\$97.8	\$419.1	\$442.8
Other Non-Operating Income / (Expense), Net	\$668.0	\$668.0	\$154.0	\$268.0	\$234.1	\$237.1	\$286.7	\$1,025.9	\$294.9	\$275.9	\$273.6	\$295.3	\$1,139.7	\$1,181.0
Pre-Tax Income, Core	\$18,353.0	\$20,202.0	\$20,172.0	\$6,151.0	\$5,782.7	\$4,868.0	\$4,743.3	\$21,544.9	\$6,314.0	\$6,087.9	\$5,118.9	\$4,980.2	\$22,501.0	\$23,592.0
Pre-Tax Income, GAAP	\$18,353.0	\$18,761.0	\$20,167.0	\$6,034.0	\$5,772.6	\$4,862.9	\$4,705.4	\$21,374.9	\$6,252.4	\$6,082.7	\$5,116.3	\$4,960.9	\$22,412.3	\$23,511.5
Income Tax, Core	\$3,615.0	\$4,077.0	\$4,094.0	\$1,276.0	\$1,199.6	\$1,009.9	\$984.0	\$4,469.4	\$1,309.8	\$1,262.9	\$1,061.9	\$1,033.1	\$4,667.7	\$4,894.1
Income Tax, GAAP	\$3,615.0	\$3,787.0	\$4,102.0	\$1,253.0	\$1,200.7	\$1,011.5	\$978.7	\$4,443.9	\$1,300.5	\$1,265.2	\$1,064.2	\$1,031.9	\$4,661.8	\$4,890.4
Tax Rate, Core	19.7%	20.2%	20.3%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%
Tax Rate, GAAP	19.7%	20.2%	20.3%	20.8%	20.8%	20.8%	20.8%	20.8%	20.8%	20.8%	20.8%	20.8%	20.8%	20.8%
Net Income Before Non-Controlling Interest, Core	\$14,738.0	\$16,125.0	\$16,077.0	\$4,875.0	\$4,583.1	\$3,858.2	\$3,759.3	\$17,075.5	\$5,004.2	\$4,825.0	\$4,057.0	\$3,947.1	\$17,833.3	\$18,697.9
Net Income Before Non-Controlling Interest, GAAP	\$14,738.0	\$14,974.0	\$16,065.0	\$4,781.0	\$4,571.9	\$3,851.4	\$3,726.7	\$16,931.0	\$4,951.9	\$4,817.5	\$4,052.1	\$3,929.0	\$17,750.5	\$18,621.1
Non-Controlling Interest	\$85.0	\$95.0	\$91.0	\$31.0	\$31.3	\$27.1	\$14.2	\$103.5	\$34.3	\$32.5	\$30.1	\$16.6	\$113.4	\$122.9
Net Income Attributable to PG, Core	\$14,653.0	\$16,281.0	\$16,775.0	\$4,850.0	\$4,551.8	\$3,831.1	\$3,745.1	\$16,978.0	\$4,969.9	\$4,792.5	\$4,026.9	\$3,930.5	\$17,719.8	\$18,575.0
Net Income Attributable to PG, GAAP	\$14,653.0	\$14,879.0	\$15,974.0	\$4,750.0	\$4,540.6	\$3,824.3	\$3,712.5	\$16,827.5	\$4,917.7	\$4,785.0	\$4,022.0	\$3,912.4	\$17,637.1	\$18,498.2
Diluted Shares Outstanding	2,483.9	2,471.9	2,454.4	2,436.8	2,426.8	2,416.5	2,411.5	2,422.9	2,402.5	2,393.5	2,385.5	2,377.5	2,389.8	2,355.8
Diluted EPS, Core	\$5.90	\$6.59	\$6.83	\$1.99	\$1.88	\$1.59	\$1.55	\$7.00	\$2.07	\$2.00	\$1.69	\$1.65	\$7.41	\$7.88
Diluted EPS, GAAP	\$5.90	\$6.02	\$6.51	\$1.95	\$1.87	\$1.58	\$1.54	\$6.94	\$2.05	\$2.00	\$1.69	\$1.65	\$7.38	\$7.85
Dividend Per Share	\$3.68	\$3.83	\$4.08	\$1.06	\$1.06	\$1.06	\$1.11	\$4.28	\$1.11	\$1.11	\$1.11	\$1.17	\$4.49	\$4.75



## 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.

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### 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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Value Score	D
Growth Score	B
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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