

PPG Industries (PPG)

\$103.70 (Stock Price as of 12/16/2025)

Price Target (6-12 Months): **\$88.00**

Long Term: 6-12 Months

Zacks Recommendation: Underperform

(Since: 11/10/25)

Prior Recommendation: Neutral

Short Term: 1-3 Months

Zacks Rank: (1-5)

4-Sell

Zacks Style Scores:

VGM: B

Value: B

Growth: B

Momentum: B

Summary

Earnings estimates for PPG Industries for the fourth quarter have been stable over the past month. PPG faces challenges such as reduced demand for its products, particularly in the United States and Europe. Weak global industrial production and lower automotive build rates are impacting demand in its Industrial Coatings segment. Automotive production remains subdued in Europe and the United States due to lower demand and is expected to be lower in the fourth quarter. Despite a slight improvement, global industrial production is also likely to remain soft. A slowdown in the architectural coatings Europe, Middle East and Africa (EMEA) business poses another challenge. Weaker demand in the architectural coatings is hurting sales in this segment. The company's high debt level is another concern.

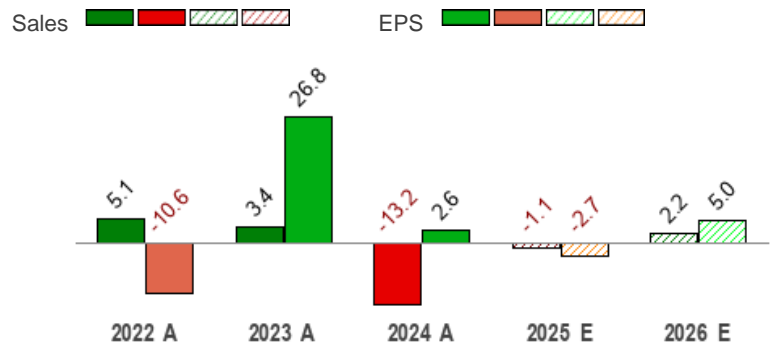
Price, Consensus & Surprise⁽¹⁾



Data Overview

52 Week High-Low	\$124.81 - \$90.24
20 Day Average Volume (sh)	2,024,964
Market Cap	\$23.3 B
YTD Price Change	-13.2%
Beta	1.16
Dividend / Div Yld	\$2.84 / 2.7%
Industry	Chemical - Specialty
Zacks Industry Rank	Bottom 14% (207 out of 243)

Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Last EPS Surprise	1.9%
Last Sales Surprise	1.1%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	01/29/2026
Earnings ESP	0.0%

Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	3,769 E	4,118 E	4,126 E	4,005 E	16,017 E
2025	3,684 A	4,195 A	4,082 A	3,714 E	15,675 E
2024	4,311 A	4,794 A	4,575 A	3,729 A	15,845 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1.77 E	2.26 E	2.09 E	1.93 E	8.04 E
2025	1.72 A	2.22 A	2.13 A	1.59 E	7.66 E
2024	1.86 A	2.50 A	2.13 A	1.61 A	7.87 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 12/16/2025.

Overview

PPG Industries Inc., based in Pennsylvania, is a global supplier of paints, coatings, chemicals, specialty materials, glass, and fiber glass. The company has manufacturing facilities and equity affiliates in about 70 countries.

PPG Industries revised its reporting structure starting fourth-quarter 2024 to reflect the recent divestitures and revised portfolio. It currently has three reportable segments: Global Architectural Coatings, Performance Coatings and Industrial Coatings.

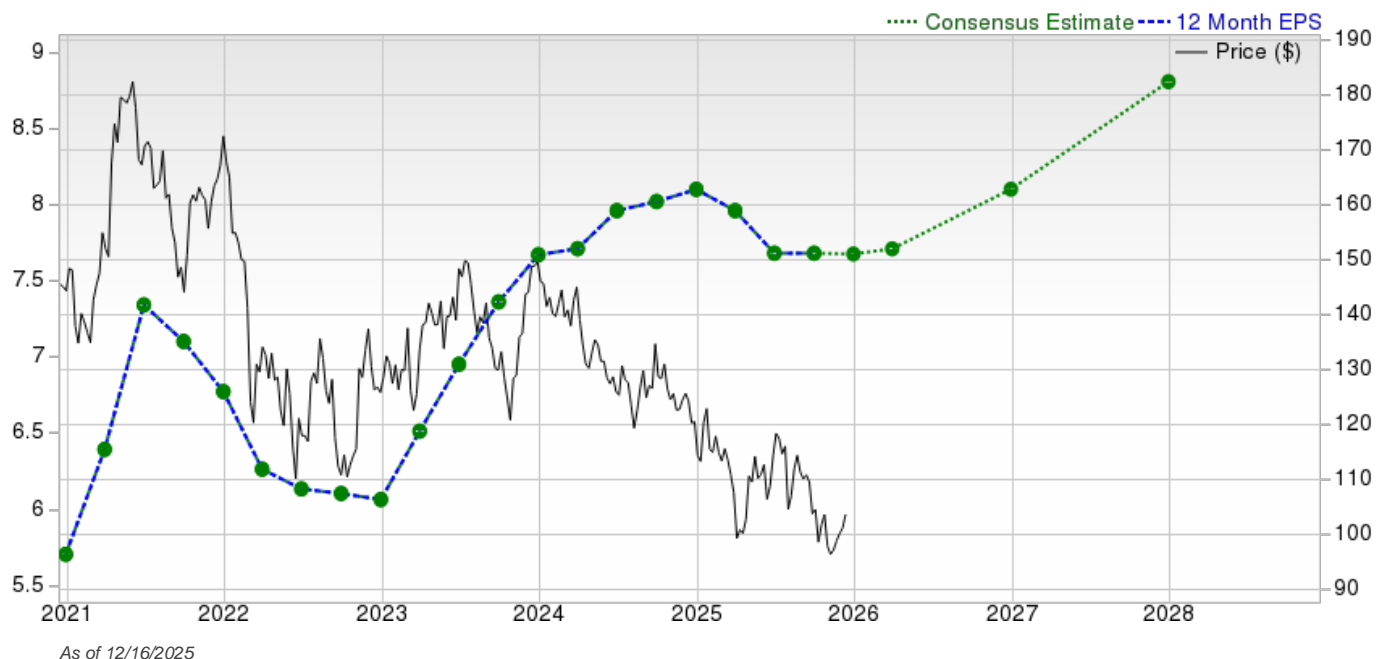
Global Architectural Coatings: The newly created segment, which was earlier reported as part of the Performance Coatings segment, consists of architectural coatings Europe, Middle East and Africa (EMEA) and architectural coatings Latin America and Asia Pacific. The division accounted for roughly 25% of 2024 sales.

Performance Coatings: The division comprises aerospace coatings, automotive refinish coatings, protective and marine coatings and traffic solutions. The segment accounted for roughly 33% of 2024 sales.

Industrial Coatings: The segment consists of the automotive original equipment manufacturer (OEM) coatings, industrial coatings, packaging coatings, and the specialty coatings and materials operating segments. The segment primarily supplies a variety of protective and decorative coatings and finishes along with adhesives, sealants, metal pretreatment products, optical monomers and coatings, precipitated silicas and other specialty materials. The segment accounted for roughly 42% of 2024 sales.

PPG Industries is expanding inorganically through acquisitions. The company, in November 2014, completed its purchase of leading Mexican paint company – Consorcio Comex S.A. de C.V. – for \$2.3 billion. Comex makes architectural and industrial coatings and related products in Mexico.

In January 2018, the company acquired Netherlands-based leading architectural paint and coatings wholesaler, ProCoatings. The buyout strengthens its architectural coatings Americas and Asia Pacific business within the Performance Coatings division. In January 2017, the company acquired certain assets of automotive refinish coatings company — Futian Xinshi — in the Guangdong province, China.



Reasons To Sell:

- ▼ PPG is being challenged by soft global industrial production, which is impacting demand in the Industrial Coatings segment. Lower automotive OEM build rates and softer industrial production in the United States and Europe are hurting sales in the Industrial Coatings unit. The ongoing Russia-Ukraine conflict and weak consumer confidence are negatively impacting demand in Europe. While global automotive OEM production increased in the third quarter, it is expected to decline in the fourth quarter. Automotive industry build rates remain subdued in Europe and the United States due to lower demand and are expected to be lower in the fourth quarter. Despite a slight improvement, global industrial production is expected to remain subdued in the fourth quarter with continued weakness in the United States and Europe. Overall organic growth is expected to be limited by lower automotive OEM build rates and still subdued industrial production. Industrial coatings demand is expected to remain under pressure in the fourth quarter.
- ▼ The newly created Global Architectural Coatings segment is hamstrung by weaker demand, especially in EMEA. Sales from this unit remain affected by lower sales volumes resulting from weaker demand in the architectural coatings EMEA business and business divestiture. The company is seeing weaker sales in Western Europe. Demand is lower as consumer confidence remains subdued in that region. As a result, the Global Architectural Coatings segment is expected to see continued volume pressure in the fourth quarter.
- ▼ The company's high debt level is a concern. At the end of the third quarter of 2025, its long-term debt was roughly \$5.9 billion, flat compared with the prior quarter. A high debt level, partly due to acquisitions, reduces the company's financial flexibility. The company's total debt-to-total capital ratio stood at 47.9 as of Sep 30, 2025, higher than 42.6 for its industry. As such, it has a higher default risk.

Weaker demand in Europe and China and the slowdown in architectural coatings EMEA demand are likely to impact performance. The high debt level is another concern.

Risks⁽²⁾ (to the Underperform recommendation)

- PPG Industries is taking steps to grow its business inorganically. The company completed the buyout of Arsonsisi's powder coatings manufacturing business in 2022, providing it with metallic bonding capabilities in the EMEA region. The acquisitions of Tikkurila, Worwag and Cetelon were completed in second-quarter 2021, expanding PPG's coatings product portfolio and providing a broader portfolio of new technologies and resources. The acquisition of Ennis-Flint in 2020 helped PPG Industries to broaden opportunities in rapidly developing and high-growth mobility technology solutions. In 2020, the company closed the acquisitions of Industria Chimica Reggiana and Alpha Coating Technologies. The buyout of Dexmet Corporation in 2019 also allowed PPG to enhance product offerings as well as expand research and development capabilities. The company also completed the buyouts of Hemmelrath and Whitford Worldwide in 2019, providing it with a broader range of technology and products to grow its business. PPG Industries also purchased Netherlands-based ProCoatings and U.S.-based specialized automotive refinish products manufacturer SEM Products in 2018. The acquisition of AkzoNobel's North American architectural coatings business in 2013 expanded its scale in the North American architectural paint market. These acquisitions are expected to contribute to the top line.
- The company is aggressively implementing a robust cost-cutting and restructuring strategy to optimize its global cost structure. Focused on regions and end-use markets with challenging business conditions, PPG introduced significant measures, including a voluntary separation program in the United States and Canada. The company realized an additional \$20 million in structural cost savings in third-quarter 2025. It expects around \$60 million in restructuring savings (net of stranded costs) for full-year 2025. The company has also announced a comprehensive cost reduction program, which is expected to deliver annualized pre-tax savings of around \$175 million once fully implemented. The program includes the reduction of structural costs, mainly in Europe and in certain other global businesses. It also involves the reduction of corporate costs following the two recently announced agreements to sell PPG's silicas products business and the architectural coatings business in the United States and Canada. These efforts underscore PPG Industries' commitment to enhancing operational efficiency and ensuring sustained financial strength.
- The company is dedicated to enhancing shareholders' returns through strategic cash deployment, maintaining a strong track record of returning cash to shareholders via dividends and share buybacks. In 2024, the company returned \$1.4 billion to shareholders through dividends and share repurchases. It paid dividends worth \$620 million in 2024. Its board authorized the buyback of \$2.5 billion of outstanding common stock and PPG bought back shares worth roughly \$750 million in 2024. The company repurchased shares worth roughly \$540 million in the first half of 2025 and another \$150 million in the third quarter. It has also raised its quarterly dividend by 4% in July 2025. PPG's robust financial performance is reflected in the substantial operating cash flow generation, which reached around \$1.4 billion in 2024. Cash flow from operations during the first nine months of 2025 was around \$1.1 billion.

Last Earnings Report

PPG Industries Beats Earnings and Revenue Estimates in Q3

PPG Industries reported a third-quarter 2025 profit of \$444 million or \$1.96 per share compared with \$444 million or \$1.90 per share a year ago.

In the third quarter, excluding one-time items, adjusted earnings per share were \$2.13, up from \$2.03 in the year-ago quarter, surpassing the Zacks Consensus Estimate of \$2.09.

The company's revenues were around \$4.08 billion in the quarter, up 1.2% year over year. The top line beat the Zacks Consensus Estimate of \$4.04 billion.

Segment Review

In the third quarter, the Global Architectural Coatings segment saw a 1% year-over-year rise in sales to \$1.01 billion. It topped our estimate of \$906.4 million. The upside is driven by higher selling prices and a benefit from foreign currency translation. This was partly offset by the divestiture of the architectural coatings business in Russia and reduced sales volumes.

The Performance Coatings segment saw a 3% year-over-year rise in sales to \$1.41 billion. It missed our estimate of \$1.43 billion. Net sales in the Performance Coatings segment rose primarily due to higher selling prices and favorable foreign currency translation, partly offset by lower sales volumes. Organic sales grew 2% year over year, driven by strength in aerospace coatings, protective and marine coatings and traffic solutions.

For the Industrial Coatings segment, sales remained flat at around \$1.65 billion from the year-ago quarter. It missed our estimate of \$1.66 billion. The segment's net sales were adversely impacted by the divestiture of the silicas products business in late 2024. Higher volumes were offset by lower pricing.

Financials

The company had roughly \$1.83 billion in cash and cash equivalents as of the end of the quarter. Net debt was \$5.4 billion, up \$228 million from the prior-year quarter.

Outlook

PPG expects adjusted earnings per share of \$7.60 to \$7.70 for full-year 2025, highlighting ongoing share gains, benefits from cost and productivity initiatives, and an updated outlook on global economic conditions and foreign exchange rates. The guidance also factors in shifts in regional and business mix, with stronger performance anticipated in aerospace and protective coatings, partially offset by softer demand in refinish and industrial coatings.

FY Quarter Ending 12/31/2024

Earnings Reporting Date	Oct 28, 2025
Sales Surprise	1.14%
EPS Surprise	1.91%
Quarterly EPS	2.13
Annual EPS (TTM)	7.68

Recent News

PPG Invests \$380M for New Aerospace Coatings Manufacturing Plant

PPG Industries, on **May 8, 2025**, confirmed that it will invest \$380 million in the construction of a new aerospace coatings and sealants manufacturing facility in Shelby, NC. It is scheduled to begin in October 2025 and expected to be completed in the first half of 2027.

In the facility, more than 110 people are expected to be employed to meet the growing demands of the aerospace industry by producing the full line of PPG's aerospace coatings and sealants. The additional capacity from this 198,000-square-foot facility, along with nearby transport links, is expected to improve supply-chain management and operational efficiency.

The company has also kept in mind its environmental implications. Hence, the facility will incorporate advanced manufacturing technologies and practices aimed at reducing environmental impact while maintaining the highest standards of quality and safety.

PPG's investment in expanding manufacturing footprint and commitment to providing high-quality products by modernizing and digitizing facilities demonstrate the significant demand growth it is experiencing.

Valuation

PPG Industries' shares are down 12.8% over the trailing 12-month period. Over the past year, the Zacks Chemical - Sepcialty industry and the Zacks Basic Materials sector are down 4.7% and up 27.3%, respectively.

The S&P 500 index is up 16.1% in the past year.

The stock is currently trading at 10.45X trailing 12-month enterprise value-to EBITDA (EV/EBITDA) ratio, which compares to 11.88X for the Zacks sub-industry, 14.75X for the Zacks sector and 18.58X for the S&P 500 index.

Over the past five years, the stock has traded as high as 18.13X and as low as 9.28X, with a 5-year median of 13.07X.

Our Underperform recommendation indicates that the stock will perform below the market. Our \$88 price target reflects 10.86X forward 12-month earnings per share.

The table below shows a summary of valuation data for PPG:

Valuation Multiples - PPG					
		Stock	Sub-Industry	Sector	S&P 500
EV/EBITDA TTM	Current	10.45	11.88	14.75	18.58
	5-Year High	18.13	14.13	14.87	22.41
	5-Year Low	9.28	NA	5.77	13.88
	5-Year Median	13.07	11.75	10.88	17.97
P/E F12M	Current	12.83	20.38	15.64	23.35
	5-Year High	25.74	25.17	16.68	23.78
	5-Year Low	11.22	15.03	8.03	15.73
	5-Year Median	16.64	22.26	12.87	21.22
P/B TTM	Current	2.93	3.41	3.52	8.49
	5-Year High	7.24	4.11	4.25	9.17
	5-Year Low	2.66	2.51	2.18	6.6
	5-Year Median	4.34	3.22	3.03	8.05

As of 12/15/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 14% (207 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Axalta Coating Systems (AXTA)	Neutral	3
Celanese Corporation (CE)	Neutral	3
Ecolab Inc. (ECL)	Neutral	3
Givaudan SA (GVDNY)	Neutral	3
International Flavors & Fragrances (IFF)	Neutral	3
Linde PLC (LIN)	Neutral	3
Orbia Advance Corporation (MXCHY)	Neutral	4
The Sherwin-Williams Company (SHW)	Neutral	3

Industry Comparison⁽¹⁾ Industry: Chemical - Specialty

	PPG	X Industry	S&P 500	AXTA	IFF	SHW
Zacks Recommendation (Long Term)	Underperform	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	4	-	-	3	3	3
VGM Score	B	-	-	B	B	D
Market Cap	23.27 B	2.24 B	39.20 B	6.64 B	16.43 B	81.42 B
# of Analysts	7	2	22	6	6	6
Dividend Yield	2.74%	0.49%	1.4%	0.00%	2.49%	0.96%
Value Score	B	-	-	A	B	C
Cash/Price	0.08	0.07	0.04	0.09	0.04	0.00
EV/EBITDA	10.55	10.93	14.73	9.52	12.86	19.82
PEG Ratio	12.69	2.36	2.24	1.23	2.60	3.87
Price/Book (P/B)	2.93	1.77	3.35	2.85	1.15	18.40
Price/Cash Flow (P/CF)	10.28	12.25	15.24	8.43	7.74	23.12
P/E (F1)	13.57	19.00	19.90	12.44	14.99	28.94
Price/Sales (P/S)	1.48	1.61	3.09	1.28	1.48	3.50
Earnings Yield	7.39%	4.52%	5.01%	8.04%	6.67%	3.46%
Debt/Equity	0.74	0.46	0.57	1.45	0.33	2.11
Cash Flow (\$/share)	10.09	2.35	8.99	3.69	8.30	14.21
Growth Score	B	-	-	C	D	B
Hist. EPS Growth (3-5 yrs)	5.93%	5.11%	8.16%	9.36%	-9.34%	8.65%
Proj. EPS Growth (F1/F0)	-2.67%	9.84%	8.57%	6.38%	-0.70%	0.18%
Curr. Cash Flow Growth	0.17%	6.32%	6.75%	27.15%	6.32%	6.48%
Hist. Cash Flow Growth (3-5 yrs)	3.28%	5.85%	7.43%	0.47%	15.71%	5.95%
Current Ratio	1.47	2.07	1.18	2.20	1.44	0.82
Debt/Capital	42.60%	32.95%	38.01%	59.26%	24.93%	67.80%
Net Margin	6.35%	3.40%	12.78%	8.81%	-3.72%	11.05%
Return on Equity	23.61%	9.83%	17.00%	24.92%	8.03%	66.75%
Sales/Assets	0.74	0.69	0.53	0.68	0.41	0.93
Proj. Sales Growth (F1/F0)	-1.10%	0.00%	5.77%	-2.80%	-5.80%	2.00%
Momentum Score	B	-	-	D	A	F
Daily Price Chg	0.17%	-0.06%	-0.16%	-0.26%	1.44%	-0.07%
1 Week Price Chg	2.48%	1.75%	-0.44%	7.26%	-5.84%	-1.33%
4 Week Price Chg	8.77%	3.43%	2.16%	10.40%	-1.47%	0.50%
12 Week Price Chg	-5.27%	-2.75%	1.83%	3.73%	3.17%	-5.18%
52 Week Price Chg	-15.43%	-10.53%	12.22%	-17.52%	-26.37%	-10.02%
20 Day Average Volume	2,024,964	200,754	2,744,252	5,090,102	2,202,627	1,658,675
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	-0.01%
(F1) EPS Est 4 week change	0.00%	0.00%	0.00%	0.00%	0.59%	-0.01%
(F1) EPS Est 12 week change	-2.71%	-0.46%	0.69%	-0.05%	1.36%	-0.05%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	0.00%	2.18%	-0.07%

Analyst Earnings Model⁽²⁾

PPG Industries, Inc. (PPG)

In \$MM, except per share data

	2022A	2023A	2024A	2025E				2026E				2027E		
	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement														
Net Sales	\$15,614.0	\$16,242.0	\$15,845.0	\$3,684.0	\$4,195.0	\$4,082.0	\$3,713.5	\$15,674.5	\$3,768.8	\$4,117.5	\$4,126.3	\$4,004.9	\$16,017.4	\$16,519.1
Cost of Sales	\$9,971.0	\$9,678.0	\$9,252.0	\$2,142.0	\$2,432.0	\$2,426.0	\$2,263.4	\$9,263.4	\$2,250.9	\$2,368.4	\$2,484.3	\$2,419.0	\$9,522.6	\$9,766.2
Gross Profit	\$5,643.0	\$6,564.0	\$6,593.0	\$1,542.0	\$1,763.0	\$1,656.0	\$1,450.1	\$6,411.1	\$1,517.9	\$1,749.1	\$1,642.0	\$1,585.9	\$6,494.9	\$6,752.9
Selling, General and Administrative	\$3,842.0	\$3,401.0	\$3,391.0	\$838.0	\$872.0	\$824.0	\$789.9	\$3,323.9	\$800.8	\$859.4	\$825.0	\$826.9	\$3,312.1	\$3,398.6
Depreciation	\$388.0	\$360.0	\$360.0	\$89.0	\$102.0	\$106.0	\$90.8	\$387.8	\$93.2	\$102.4	\$94.9	\$89.1	\$379.6	\$385.7
Amortization	\$166.0	\$154.0	\$132.0	\$32.0	\$33.0	\$32.0	\$30.6	\$127.6	\$30.7	\$33.1	\$33.3	\$32.5	\$129.6	\$133.6
Depreciation & Amortization	\$554.0	\$558.0	\$492.0	\$121.0	\$135.0	\$138.0	\$121.4	\$515.4	\$123.9	\$135.4	\$128.2	\$121.7	\$509.2	\$519.3
Research and Development, Net	\$448.0	\$424.0	\$423.0	\$102.0	\$106.0	\$106.0	\$118.2	\$432.2	\$104.4	\$114.0	\$116.8	\$115.7	\$450.8	\$467.5
Adjusted EBITDA		\$2,783.0	\$2,864.0	\$633.0	\$778.0	\$742.0	\$609.7	\$2,762.7	\$656.5	\$812.4	\$745.2	\$692.4	\$2,906.5	\$3,065.7
Operating Income, Adjusted	\$1,927.0	\$2,423.0	\$2,504.0	\$544.0	\$687.0	\$648.0	\$496.3	\$2,375.3	\$540.6	\$685.0	\$625.1	\$578.7	\$2,429.3	\$2,578.3
Operating Income, GAAP	\$799.0	\$1,576.0	\$2,287.0	\$481.0	\$650.0	\$588.0	\$420.6	\$2,139.6	\$488.8	\$640.2	\$572.0	\$521.7	\$2,222.8	\$2,367.5
Interest Expense	\$167.0	\$247.0	\$241.0	\$56.0	\$62.0	\$65.0	\$60.8	\$243.8	\$58.7	\$64.5	\$61.8	\$62.6	\$247.6	\$250.3
Interest Income	\$54.0	\$140.0	\$177.0	\$43.0	\$44.0	\$42.0	\$37.1	\$166.1	\$40.0	\$42.2	\$42.4	\$41.2	\$165.8	\$169.8
Net Interest Expense	\$113.0	\$107.0	\$64.0	\$13.0	\$18.0	\$23.0	\$23.7	\$77.7	\$18.7	\$22.3	\$19.4	\$21.5	\$81.8	\$80.5
Impairment and Other Related Charges, Net	\$245.0	\$160.0	\$146.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Business Restructuring, Net	\$33.0	(\$2.0)	\$233.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Pension Settlement Charge		\$190.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Income, Net	(\$60.0)	\$80.0	(\$8.0)	(\$34.0)	\$34.0	\$9.0	(\$30.7)	(\$21.7)	(\$6.8)	\$0.2	(\$8.1)	(\$12.0)	(\$26.6)	(\$30.8)
Pre-Tax Income, Adjusted	\$1,814.0	\$2,316.0	\$2,440.0	\$531.0	\$669.0	\$625.0	\$472.7	\$2,297.7	\$521.9	\$662.7	\$605.7	\$557.2	\$2,347.5	\$2,497.8
Pre-Tax Income, GAAP	\$1,355.0	\$1,690.0	\$1,852.0	\$502.0	\$598.0	\$556.0	\$427.7	\$2,083.7	\$476.9	\$617.7	\$560.7	\$512.2	\$2,167.5	\$2,317.8
Income Tax, Adjusted	\$400.0	\$513.0	\$559.0	\$130.0	\$157.0	\$138.0	\$113.4	\$538.4	\$125.3	\$159.0	\$145.4	\$133.7	\$563.4	\$599.5
Income Tax, GAAP	\$320.0	\$428.0	\$475.0	\$122.0	\$140.0	\$118.0	\$102.6	\$482.6	\$114.5	\$148.2	\$134.6	\$122.9	\$520.2	\$556.3
Tax Rate, Adjusted	22.0%	22.2%	22.9%	24.5%	23.5%	22.1%	24.0%	23.4%	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%
Tax Rate, GAAP	23.5%	25.3%	25.6%	24.3%	23.4%	22.2%	24.0%	23.2%	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%
Net Income, Continuing Operation	\$1,056.0	\$1,262.0	\$1,377.0	\$380.0	\$458.0	\$438.0	\$325.0	\$1,601.0	\$362.5	\$469.4	\$426.1	\$389.3	\$1,647.3	\$1,761.5
Non-Controlling Interest, Adjustment	\$0.0	\$2.0	\$0.0	\$0.0	\$0.0	\$12.0	\$0.0	\$12.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Non-Controlling Interest	\$28.0	\$39.0	\$33.0	\$5.0	\$8.0	(\$6.0)	\$0.2	\$7.2	\$1.7	\$1.0	(\$0.7)	\$0.6	\$2.5	\$1.7
Discontinued Operation	\$2.0	\$47.0	\$228.0	\$2.0	\$0.0	(\$9.0)	(\$9.0)	(\$16.0)	(\$9.0)	(\$9.0)	(\$9.0)	(\$9.0)	(\$36.0)	(\$36.0)
Net Income, Adjusted	\$1,386.0	\$1,762.0	\$1,848.0	\$396.0	\$504.0	\$481.0	\$359.0	\$1,740.0	\$394.9	\$502.7	\$461.1	\$422.9	\$1,781.6	\$1,896.6
Net Income, GAAP	\$1,026.0	\$1,270.0	\$1,116.0	\$373.0	\$450.0	\$453.0	\$333.8	\$1,609.8	\$369.7	\$477.5	\$435.9	\$397.7	\$1,680.8	\$1,795.8
Basic Shares Outstanding	236.1	236.0	233.8	228.0	226.8	225.7	224.3	226.2	222.9	221.5	220.2	218.8	220.8	215.3
Diluted Shares Outstanding	237.3	237.2	234.9	228.9	227.7	226.5	225.1	227.1	223.7	222.3	221.0	219.6	221.6	216.1
Basic EPS	\$4.34	\$5.38	\$4.77	\$1.63	\$1.98	\$2.01	\$1.49	\$7.11	\$1.66	\$2.16	\$1.98	\$1.82	\$7.61	\$8.34
Diluted EPS, Adjusted	\$5.84	\$7.42	\$7.87	\$1.72	\$2.22	\$2.13	\$1.59	\$7.66	\$1.77	\$2.26	\$2.09	\$1.93	\$8.04	\$8.78
Diluted EPS, GAAP	\$4.32	\$5.35	\$4.75	\$1.63	\$1.98	\$2.00	\$1.48	\$7.09	\$1.65	\$2.15	\$1.97	\$1.81	\$7.58	\$8.31
Dividend Per Share	\$2.42	\$2.54	\$2.66	\$0.68	\$0.68	\$0.71	\$0.71	\$2.78	\$0.71	\$0.71	\$0.74	\$0.74	\$2.90	\$3.02

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	B
Growth Score	B
Momentum Score	B
VGM Score	B

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

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