

## PTC Inc. (PTC)

**\$178.17** (Stock Price as of 12/19/2025)

Price Target (6-12 Months): **\$185.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

**Neutral**

(Since: 09/29/25)

Prior Recommendation: Outperform

Short Term: 1-3 Months

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

**3-Hold**

Zacks Style Scores:

VGM: D

Value: D

Growth: C

Momentum: B

## Summary

PTC strengthens its strategic roadmap by divesting Kepware and ThingWorx to sharpen its focus on an AI-driven Intelligent Product Lifecycle spanning CAD, PLM, ALM, SLM and SaaS. Its go-to-market teams are tightly aligned and executing well, with positive field feedback and early operational gains from the transformation already emerging. Management targets 7%-9% ARR growth in fiscal 2026 and \$1 billion in free cash flow, backed by strong deferred ARR and a prospective capital return program to buyback \$150-\$250 million of stock per quarter. At the midpoint, PTC's fiscal 2026 outlook signals ongoing double-digit cash flow growth and solid visibility as multi-year ramp contracts kick in. With major multi-product wins and a verticalized sales force, PTC is poised to grow amid FX woes, rising rates, tax changes and a soft macro backdrop hurting free cash flow.

## Data Overview

52 Week High-Low	<b>\$219.69 - \$133.38</b>
20 Day Average Volume (sh)	<b>945,201</b>
Market Cap	<b>\$21.3 B</b>
YTD Price Change	<b>-3.1%</b>
Beta	<b>1.03</b>
Dividend / Div Yld	<b>\$0.00 / 0.0%</b>
Industry	<a href="#">Computer - Software</a>
Zacks Industry Rank	<b>Top 32% (76 out of 243)</b>

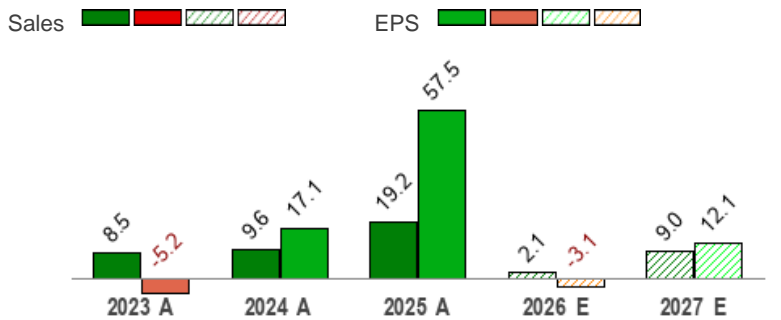
Last EPS Surprise	<b>53.5%</b>
Last Sales Surprise	<b>20.2%</b>
EPS F1 Est- 4 week change	<b>7.6%</b>
Expected Report Date	<b>02/04/2026</b>
Earnings ESP	<b>-6.1%</b>

P/E TTM	<b>22.3</b>
P/E F1	<b>23.0</b>
PEG F1	<b>5.5</b>
P/S TTM	<b>7.8</b>

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



## Sales and EPS Growth Rates (Y/Y %)<sup>(1)</sup>



## Sales Estimates (millions of \$)<sup>(1)</sup>

	Q1	Q2	Q3	Q4	Annual*
2027	698 E	747 E	741 E	848 E	3,037 E
2026	638 E	691 E	687 E	754 E	2,792 E
2025	565 A	636 A	644 A	894 A	2,739 A

## EPS Estimates<sup>(1)</sup>

	Q1	Q2	Q3	Q4	Annual*
2027	1.90 E	2.13 E	2.10 E	2.68 E	8.62 E
2026	1.59 E	1.97 E	1.89 E	2.33 E	7.75 E
2025	1.10 A	1.79 A	1.64 A	3.47 A	8.00 A

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 12/19/2025.

(2) The report's text and the price target are as of 12/16/2025.

## Overview

Boston, MA-based PTC Inc is a software provider offering a range of cutting-edge digital technologies that collectively revolutionize the engineering, production and maintenance of tangible goods. Founded in 1985, the company was formerly known as Parametric Technology Corporation and changed its name to PTC Inc in January 2013.

It offers a comprehensive portfolio of software solutions comprising the PLM and CAD product lines, which contributed 64% and 36% of 2025 revenue, respectively. Its software can be delivered on premises, in the cloud, or in a hybrid model.

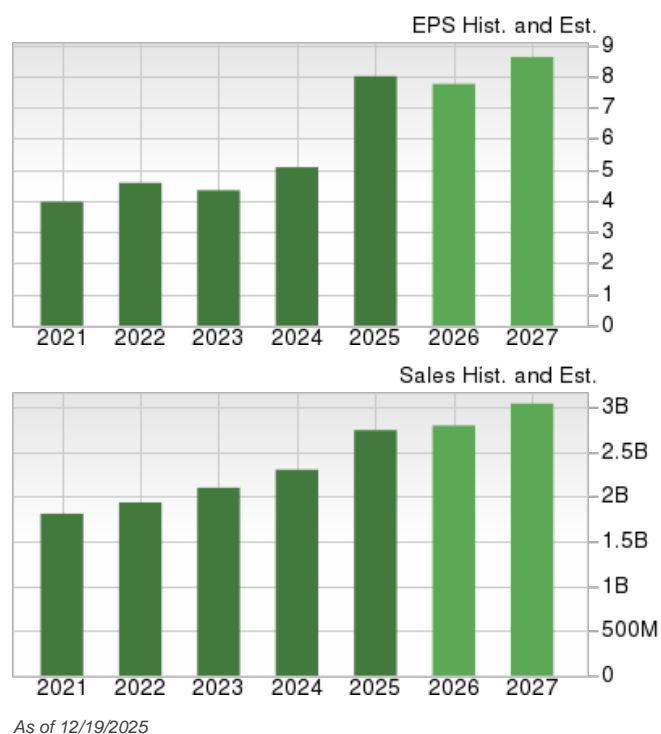
PTC's primary PLM product, Windchill software helps manufacturers improve their process for product development, manufacturing and field service by providing real-time information sharing, dynamic data visualisation, and cross-team collaboration capabilities. The PLM product line also includes ServiceMax, Codebeamer, Servigistics and Arena.

PTC's primary CAD product, Creo 3D CAD technology enables the digital design, testing and modification of product models. The design simulation, additive manufacturing and generative design innovations facilitate cost savings and faster time to market. The CAD product suite also includes Onshape.

Enabling technologies that support these two principal product lines include SaaS versions of Windchill and Creo, as well as the ThingWorx platform designed primarily for Industrial Internet of Things (IIoT); and the Vuforia Studio that supports manufacturing, service, engineering and operations by visualizing digital data in a physical context and creating AR and mixed reality experiences to better understand the project at hand.

PTC reported revenues of \$2.7 billion in fiscal 2025. About 48% came from the Americas, 36% from Europe, and 15% from Asia Pacific. The U.S. was the top market with 47%, followed by Germany with 13.5%.

PTC mainly serves industries like manufacturing, defense, electronics, automotive, and medical technology. It now earns 95% of its 2025 revenue from subscriptions. This model gives more stable income, stronger customer ties, and helps the business grow and scale.



## Reasons To Buy:

- ▲ **The global 3D CAD software market** is set to reach \$20.5 billion by 2034, expanding at a CAGR of 5% between 2026 and 2034, per an IMARC report. Solid demand for precision designing, as well as complex prototyping and digitalization is expected to drive demand for 3D-CAD offerings in the automotive, aerospace, manufacturing, healthcare and defense verticals. PTC, with its compelling product line, is positioned to benefit from these trends.
- ▲ **Increasing spending by enterprises on emerging categories** like IoT and AR/VR presents significant growth prospects for PTC. Per Fortune Business Insights, the global IoT market is anticipated to witness a CAGR of 24.3% between 2025 and 2030. Statista estimates global AR/VR revenues to witness a CAGR of 10.27% over the 2025-2030 timeframe. This presents significant growth opportunity for semiconductor chip makers and electronics sensor developers, which we believe will increasingly dip into the company's expanding product portfolio, leading to order growth and customer additions.
- ▲ PTC is well positioned to gain from its **comprehensive product portfolio**. The company's solutions help industrial enterprises to enhance operational efficiency, accelerate product and service innovation, and boost workforce productivity. Growing clout of the company's major technology platforms, including its 3D modeling (CAD) offering Creo; lifecycle management (PLM) solution Windchill; data orchestration (IIoT) offering ThingWorx; and experience creation (AR) product Vuforia Studio is expected to drive the top-line. For the fiscal fourth quarter, PLM and CAD revenues were \$588 million and \$306 million, rising 44% and 40% year over year, respectively. A strong presence in high-performing segments and an accretive digitalization rate, coupled with its innovative offerings, led to this robust performance. One of the most significant developments in fiscal 2025 was PTC's divestiture of Kepware and ThingWorx. This strategic move is aimed at "sharpening the portfolio" around the company's core strengths - CAD, PLM, ALM and SLM. These four areas form the backbone of PTC's Intelligent Product Lifecycle vision, a strategy aimed at helping companies design, manufacture, operate and service products more intelligently and efficiently. The divestitures are expected to simplify PTC's portfolio, enabling a more cohesive product strategy and stronger focus on innovation within its core competencies. PTC's partnership with NVIDIA shows the potential of combining product data intelligence with advanced innovation.
- ▲ **Generative AI initiatives** are tailwinds for the company's long-term success. Generative design automatically delivers solutions based on user's constraints and requirements, including materials and manufacturing processes. Improve engineering productivity and time-to-market with rapid exploration of innovative CAD models. Both experienced and junior engineers will benefit, as generative design will help challenge assumptions and deliver high-quality, lower-cost, manufacturable solutions. PTC advanced its product portfolio with generative AI capabilities across PLM, Application Lifecycle Management (ALM), Service Lifecycle Management (SLM) and CAD, including Windchill AI, Codebeamer 3.0, ServiceMax AI, and Onshape AI Advisor. It is also on track to roll out new versions of Windchill, Windchill+ and Codebeamer in the near term. Generative AI adoption is expected to grow steadily over the next 12-24 months, with customers increasingly recognizing the importance of product data foundations for AI applications. PTC uses AI by combining different models like computer vision, language processing, and sensor data to make smarter tools for industries. This helps improve things like supply chains, field service, and product design. It also adds AI to AR tools so technicians can fix problems faster and predict failures, leading to better decisions and more value for customers.
- ▲ PTC's **go-to-market realignment** is pivotal to its strategy for fiscal 2026. This initiative aims to strengthen the company's ability to scale and better serve customers. By optimizing its sales and marketing organization, PTC is positioning itself to enhance customer value and capture new opportunities in a competitive market. During the fiscal fourth quarter, PTC was encouraged to see early benefits of its go-to-market transformation begin to materialize operationally. The team is building a more consistent operating rhythm, with healthy pipeline creation, improving win rates and better ramp-up from new reps. Cross-functional collaboration has strengthened, and engagement with senior decision-makers has deepened. While still early, the company is better positioned to support customers and is confident in its direction. Go-to-market teams are well-aligned across industries and regions, continuing to execute strongly on commercial optimization initiatives. Field feedback remains very positive. Its marketing efforts, centered on the Intelligent Product Lifecycle vision, are helping customers clearly understand how PTC's portfolio lets them harness product data to drive AI-powered transformation. PTC also advanced its product data foundation strategy with portfolio gains and wins across CAD, PLM, ALM, SLM and SaaS.
- ▲ **The sales organization pivoted to a vertical approach**, retaining top talent and delivering low customer churn, which should drive future growth. The transformation aims to expand wallet share in verticals, cross-sell products like ALM and SLM, and leverage generative AI capabilities to enhance customer outcomes. A strong generative AI product innovation that PTC is actively demonstrating and refining through customer feedback, combined with the ability to deploy robust PLM or ALM systems across the enterprise, serve as key differentiators for the company. They represent significant value drivers and are expected to fuel ARR growth over the medium and long term.
- ▲ PTC's **strong cash flow metrics** reflect not just top-line growth but also disciplined financial execution. PTC's ability to continue growing its cash flow is tied directly to the success of its recurring revenue model and prudent cost management. PTC also projects approximately \$1 billion in cash flow for fiscal 2026, supported by sustained subscription demand, strong renewal cycles and front-loaded invoicing patterns. With leverage now below 1x, the company has significant financial flexibility to reinvest and return capital to shareholders. The company has a \$2 billion share repurchase authorization in place and plans to execute \$200 million in share buybacks in first-quarter fiscal 2026. Over the course of fiscal 2026, PTC expects to repurchase between \$150 million and \$250 million of common stock per quarter, signaling strong confidence in its long-term growth trajectory. Moreover, its strong ARR is driven by its broad product portfolio and ongoing investment in cloud and SaaS, with high customer retention and new wins highlighting the value of its CAD and PLM solutions. PTC projects 7.5% to 9.5% growth in ARR on a constant currency basis for fiscal 2026 (excluding Kepware and ThingWorx for the full year). Including Kepware and ThingWorx, it expects growth of 7-9% at cc. The high end of the annual ARR outlook assumes steady macro conditions, smooth go-to-market progress and little disruption from the Kepware and ThingWorx divestiture. The low end assumes a weaker macro environment and some unexpected disruption from the divestiture.

Robust adoption driven by high demand for SaaS-based CAD, PLM and IIoT solutions, new business bookings on the back of strategic alliances are key catalysts.



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## Reasons To Sell:

- ▼ PTC faces **stiff competition** in the CAD market from Cadence Design Systems, Autodesk, ANSYS and Synopsys, to mention a few. Considering IIoT vertical, similar solutions from large established companies like Amazon, IBM, Oracle, SAP, Siemens AG, and GE are likely to affect adoption of PTC's ThingWorx IoT platform. New entrants are likely to pressure prices or result in market share loss.
- ▼ **Frequent acquisitions** have escalated integration risks for PTC. We note that the frequent acquisitions have affected the company's balance sheet in the form of a high level of goodwill and acquired intangible assets, accounting for approximately \$4.3 billion or 65% of the total assets as of Sept. 30, 2025. Acquisitions also raise PTC's debt burden, which increases the risk profile of the business. As of Sept. 30, 2025, cash and cash equivalents were \$184 million, while total debt (net of deferred issuance costs) was \$1.2 billion. The total debt to total capital for the company is pegged at 0.24, higher than the industry's ratio of 0.17. A high debt-to-capital ratio increases the risk profile of the company. The company is required to constantly generate an adequate amount of cash flows to service its debt.
- ▼ PTC had generated a significant portion (51.5%) of revenues from the international market in fiscal 2025. **Adverse foreign currency exchange rates** are anticipated to weigh on revenue growth in the near term owing to the strengthening of the U.S. dollar compared with the Euro and other foreign currencies, which is a significant concern. Management noted that forex swings, rising rates, shifting tax rules and a weak macro environment are likely to weigh on its free cash flow performance going ahead.

Stiff competition, adverse foreign currency exchange volatility, and integration risks from buyouts, are likely to weigh on PTC's financial performance.

## Last Earnings Report

### PTC's Q4 Earnings Beat Estimates

PTC reported fourth-quarter fiscal 2025 non-GAAP earnings per share (EPS) of \$3.47, up 126% year over year. The figure beat the Zacks Consensus Estimate by 63%.

Revenues came in at \$894 million, rising 43% year over year (up 39% at constant currency or cc). The top line beat the consensus estimate by 20.2%. Management projected revenues in the \$725-\$785 million band. For fiscal 2025, PTC's revenues jumped 19% year over year to \$2.7 billion. The most notable move was the divestiture agreement of Kepware and ThingWorx, acting as a pivotal step in sharpening PTC's focus around its core pillars — Computer-Aided Design (CAD), Product Lifecycle Management (PLM), Application Lifecycle Management (ALM), and Service Lifecycle Management (SLM).

These four areas form the backbone of PTC's Intelligent Product Lifecycle vision, a strategy aimed at helping companies design, manufacture, operate and service products more intelligently and efficiently. The divestitures are expected to simplify PTC's portfolio, enabling a more cohesive product strategy and stronger focus on innovation within its core competencies.

### Top-Line Details

**Recurring** revenues of \$861 million rose 47.8% year over year.

**Perpetual licenses** decreased 15.9% to \$8.4 million.

### Revenues by License, Support and Services

**License** revenues (54.2% of total revenues) were \$484.1 million, up 102.2% from the year-ago quarter figure.

**Support and cloud services** revenues (43.1%) of \$385.4 million increased 9.2% year over year.

**Professional services** revenues (2.7%) were \$24.4 million, down 28.7% year over year.

### Revenues by Product Group

PLM and CAD businesses continue to witness healthy momentum.

In the fiscal fourth quarter, **PLM** revenues were \$588 million, rising 44% year over year.

**CAD** revenues were \$306 million, up 40% from a year ago.

### ARR Growth Reflects Business Strength

Annualized recurring revenues (ARR) were \$2.5 billion, up 10% year over year. At constant currency, ARR was \$2.4 billion, up 8.5%. The uptick was driven by strong performance across all divisions and regions.

In the fiscal fourth quarter, PLM and CAD ARR were \$1,503 million and \$943 million, rising 8% and 9% year over year, respectively.

### Operating Details

Total operating expenses were \$343.3 million compared with \$319.7 million in the prior-year quarter.

Operating income on a non-GAAP basis was \$526.3 million, up from \$276.6 million in the prior-year quarter.

Operating margin on a non-GAAP basis increased 1,470 basis points year over year to 59%.

### Balance Sheet & Cash Flow

As of Sept. 30, 2025, cash and cash equivalents were \$184 million compared with \$266 million as of Sept. 30, 2024.

Total debt, net of deferred issuance costs, was \$1.2 billion as of Sept. 30, 2025, compared with \$1.7 billion as of Sept. 30, 2024.

Cash provided by operating activities was \$104 million compared with the prior-year quarter figure of \$98 million. The free cash flow was \$100 million compared with \$94 million reported in the year-ago quarter.

The company has a \$2 billion share repurchase authorization in place and plans to execute \$200 million in share buybacks in the first quarter of fiscal 2026. Over the course of fiscal 2026, PTC expects to repurchase between \$150 million and \$250 million of common stock per quarter, signaling strong confidence in its long-term growth trajectory.

### Guidance

At the midpoint, PTC's fiscal 2026 outlook suggests sustained double-digit growth in cash flow and strong visibility, supported by the activation of multi-year ramp-up contracts.

Revenues for fiscal 2026 are projected in the range of \$2.65-\$2.9 billion, indicating a change of (3)-6% year over year. Non-GAAP EPS is

**FY Quarter Ending** **9/30/2025**

Earnings Reporting Date	Nov 05, 2025
Sales Surprise	20.18%
EPS Surprise	53.54%
Quarterly EPS	3.47
Annual EPS (TTM)	8.00

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estimated in the \$6.49-\$8.95 band, suggesting a change of (19)-12%. For fiscal 2025, cash from operations is projected at around \$1.03 billion, indicating a rise of 19% on a year-over-year basis. The free cash flow is forecasted at around \$1 billion band, suggesting a 17% increase.

PTC projects 7.5% to 9.5% growth in ARR on a constant currency basis for fiscal 2026 (excluding Kepware and ThingWorx for the full year).

For the first quarter of fiscal 2026, PTC estimates revenues in the \$600-\$660 million band. Non-GAAP EPS is projected in the range of \$1.26-\$1.82. Cash from operations is expected to be \$270-\$275 million, and free cash flow is forecasted to be \$265-\$270 million. ARR growth is projected at 8.5-9%.

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## Recent News

On Dec. 11, 2025, PTC announced that HOLON, a BENTELER Group subsidiary, is using its Windchill+ PLM SaaS platform to develop and commercialize an autonomous Level-4 electric vehicle that meets automotive industry standards.

On Dec. 9, 2025, PTC launched the Arena PLM and QMS AI Engine, a cutting-edge solution designed to bring AI-powered intelligence directly into core product lifecycle and quality workflows. Built on Amazon Bedrock, this new capability aims to reduce documentation errors, accelerate decision-making and streamline compliance through automated document analysis and change management.

On Nov. 19, 2025, PTC announced an expanded partnership with Garrett Motion, which is adopting Codebeamer+ ALM and Windchill+ PLM to advance its SaaS-driven product development transformation and replace legacy tools.

On Nov. 5, 2025, PTC and TPG, a major global alternative asset manager, announced a final deal in which TPG will purchase PTC's Kepware industrial connectivity unit and its ThingWorx Internet of Things (IoT) businesses.

On Oct. 14, 2025, PTC unveiled new AI capabilities for its cloud-native Onshape CAD and PDM platform. The newly enhanced Onshape AI Advisor is now seamlessly integrated within the design environment, offering real-time, intelligent guidance to users as they create. With this rollout, every Onshape user gains secure, instant access to advanced AI tools designed to accelerate design speed, accuracy and creativity.

On Sep 30, 2025, PTC announced the launch of new AI-driven capabilities within its ServiceMax field service management platform and Servigistics service supply chain optimization solution. The latest enhancements introduce agentic AI advancements that improve multi-agent collaboration to drive better outcomes.

On Sep 16, 2025, PTC augmented its product portfolio with the launch of the Arena AI Assistant—an AI-powered guide embedded directly into its Arena product lifecycle management (PLM) and quality management system (QMS) platforms. Designed to accelerate time to value, the Arena AI Assistant provides real-time, context-aware expertise within a conversational interface. It helps users navigate engineering change orders, corrective and preventive actions (CAPAs), compliance tracking and more.

## Valuation

PTC shares are up 1.5% in the past six months but down 11.1% over the trailing 12-month period. Stocks in the Zacks sub-industry are down 3.2%, while those in the Zacks Computer & Technology sector are up 22.4% in the past six months. Over the past year, the Zacks sub-industry has been up 1.5%, and the sector is up 21.1%.

The S&P 500 Index is up 15.7% in the past six months and 14.7% in the past year.

The stock is currently trading at 7.39X forward 12-month sales compared with 7.45X for the Zacks sub-industry, 6.62X for the Zacks sector and 5.27X for the S&P 500 index.

In the past five years, the stock has traded as high as 9.74X and as low as 5.5X, with a five-year median of 7.7X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$185 price target reflects 7.8X forward 12-month sales.

The table below shows summary valuation data for PTC:

Valuation Multiples - PTC					
		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	7.39	7.45	6.62	5.27
	5-Year High	9.74	9.79	7.39	5.5
	5-Year Low	5.5	5.45	4.24	3.83
	5-Year Median	7.7	8.44	6.29	5.05
P/B TTM	Current	5.47	8.01	10.55	8.49
	5-Year High	11.45	14.26	11.69	9.17
	5-Year Low	4.84	6.9	6.52	6.60
	5-Year Median	6.76	9.80	9.58	8.05
EV/Sales TTM	Current	8.02	9.33	8.05	5.72
	5-Year High	11.56	11.55	8.37	5.81
	5-Year Low	6.63	6.1	4.17	3.77
	5-Year Median	9.12	9.52	6.91	5.12

As of 12/15/2025

Source: Zacks Investment Research



## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Top 32% (76 out of 243)



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

Company (Ticker)	Rec	Rank
Blackbaud, Inc. (BLKB)	Outperform	2
Simulations Plus, Inc. (SLP)	Outperform	1
ACI Worldwide, Inc. (ACIW)	Neutral	2
Adobe Inc. (ADBE)	Neutral	3
BlackBerry Limited (BB)	Neutral	3
Manhattan Associates, Inc. (MANH)	Neutral	3
Pegasystems Inc. (PEGA)	Neutral	3
Trend Micro Inc. (TMICY)	NA	

## Industry Comparison<sup>(1)</sup> Industry: Computer - Software

	PTC	X Industry	S&P 500	ACIW	ADBE	TMICY
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	NA
Zacks Rank (Short Term)	3	-	-	2	3	
VGM Score	D	-	-	D	D	
Market Cap	21.28 B	6.96 B	38.78 B	4.96 B	148.96 B	6.23 B
# of Analysts	8	4	22	1	14	0
Dividend Yield	0.00%	0.00%	1.39%	0.00%	0.00%	2.15%
Value Score	D	-	-	C	C	
Cash/Price	0.01	0.04	0.04	0.04	0.04	0.25
EV/EBITDA	19.68	15.24	14.61	12.52	18.67	8.41
PEG Ratio	5.45	1.95	2.19	NA	1.13	NA
Price/Book (P/B)	5.58	4.29	3.32	3.36	12.82	7.19
Price/Cash Flow (P/CF)	22.64	19.44	15.20	13.60	19.86	15.57
P/E (F1)	22.99	24.01	19.70	16.15	15.18	NA
Price/Sales (P/S)	7.77	5.19	3.10	2.87	6.27	3.41
Earnings Yield	4.35%	3.99%	5.07%	6.19%	6.59%	NA%
Debt/Equity	0.31	0.14	0.56	0.56	0.53	0.00
Cash Flow (\$/share)	7.87	3.54	8.99	3.54	17.92	2.84
Growth Score	C	-	-	C	B	NA
Hist. EPS Growth (3-5 yrs)	15.59%	14.26%	8.16%	15.22%	13.58%	-10.04%
Proj. EPS Growth (F1/F0)	-3.13%	17.35%	8.50%	12.88%	11.94%	NA
Curr. Cash Flow Growth	61.72%	9.82%	6.86%	8.91%	-0.70%	30.07%
Hist. Cash Flow Growth (3-5 yrs)	23.04%	10.80%	7.43%	12.10%	8.76%	-0.10%
Current Ratio	1.43	1.39	1.19	1.58	1.00	1.22
Debt/Capital	23.80%	12.33%	38.01%	35.86%	34.82%	0.00%
Net Margin	27.05%	17.51%	12.78%	15.07%	30.00%	12.78%
Return on Equity	23.02%	19.80%	17.00%	18.97%	61.28%	29.95%
Sales/Assets	0.44	0.50	0.53	0.55	0.82	0.71
Proj. Sales Growth (F1/F0)	1.90%	9.09%	5.81%	9.60%	9.40%	NA
Momentum Score	B	-	-	D	F	
Daily Price Chg	1.29%	0.00%	0.88%	-0.33%	0.01%	-2.00%
1 Week Price Chg	1.23%	0.00%	0.10%	1.28%	-0.16%	3.73%
4 Week Price Chg	3.52%	2.92%	3.51%	3.28%	9.77%	-13.50%
12 Week Price Chg	-12.21%	-6.60%	2.87%	-7.88%	-1.25%	-18.99%
52 Week Price Chg	-5.02%	-9.24%	15.24%	-9.24%	-20.42%	-17.73%
20 Day Average Volume	945,201	381,426	3,013,825	762,373	4,648,249	16,233
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	-0.01%	NA
(F1) EPS Est 4 week change	7.55%	0.00%	0.00%	0.00%	-1.40%	NA
(F1) EPS Est 12 week change	17.18%	3.38%	0.69%	-2.45%	-1.66%	NA
(Q1) EPS Est Mthly Chg	-6.88%	0.00%	0.00%	0.00%	4.27%	NA

## 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>D</b>
Growth Score	<b>C</b>
Momentum Score	<b>B</b>
VGM Score	<b>D</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.

## Disclosures

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