

## Science Applications (SAIC)

**\$85.69** (Stock Price as of 11/26/2025)

Price Target (6-12 Months): **\$96.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

**Neutral**

(Since: 03/04/25)

Prior Recommendation: Outperform

Short Term: 1-3 Months

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

**4-Sell**

Zacks Style Scores:

VGM: A

Value: A

Growth: B

Momentum: A

## Summary

Science Applications is benefiting from the higher demand for its technology solutions driven by the ongoing digital transformation wave across the defense, space, intelligence and civilian markets. The strong performance of its contract portfolio is also a tailwind. The acquisition of Koverse has further expanded its AI and machine learning (ML)-enabled software portfolio. Its cost-efficiency initiatives are likely to drive margins. However, rising component costs, along with increasing labor and logistics expenses, are anticipated to hurt its near-term performance. Acquisition-related dis-synergies are an overhang on the top line. Competition from General Dynamics Mission Systems and CACI International is a persistent concern. Our estimates suggest that its fiscal 2026 revenues will decline in the low-single-digit percentage range.

## Data Overview

|                            |                                         |
|----------------------------|-----------------------------------------|
| 52 Week High-Low           | \$132.90 - \$84.16                      |
| 20 Day Average Volume (sh) | 469,658                                 |
| Market Cap                 | \$3.9 B                                 |
| YTD Price Change           | -23.4%                                  |
| Beta                       | 0.43                                    |
| Dividend / Div Yld         | \$1.48 / 1.7%                           |
| Industry                   | <a href="#">Computers - IT Services</a> |
| Zacks Industry Rank        | Top 40% (96 out of 243)                 |

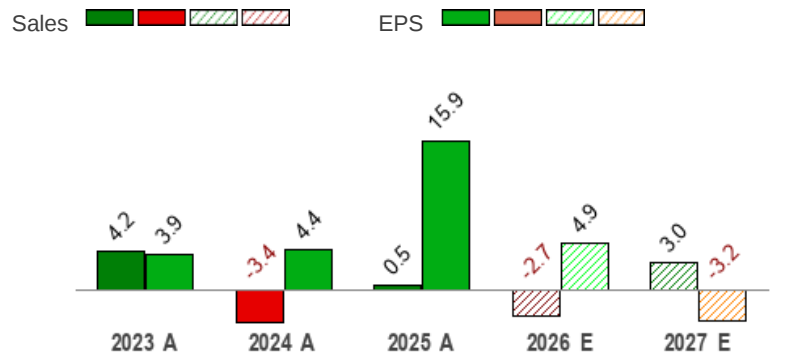
|                           |            |
|---------------------------|------------|
| Last EPS Surprise         | 61.3%      |
| Last Sales Surprise       | -4.8%      |
| EPS F1 Est- 4 week change | 0.0%       |
| Expected Report Date      | 12/04/2025 |
| Earnings ESP              | 0.0%       |

|         |      |
|---------|------|
| P/E TTM | 8.0  |
| P/E F1  | 8.9  |
| PEG F1  | 11.8 |
| P/S TTM | 0.5  |

## 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 | 1,884 E | 1,832 E | 1,926 E | 1,859 E | 7,501 E |
| 2026 | 1,877 A | 1,769 A | 1,868 E | 1,765 E | 7,279 E |
| 2025 | 1,847 A | 1,818 A | 1,976 A | 1,838 A | 7,479 A |

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

|      | Q1     | Q2     | Q3     | Q4     | Annual* |
|------|--------|--------|--------|--------|---------|
| 2027 | 2.14 E | 2.32 E | 2.42 E | 2.39 E | 9.27 E  |
| 2026 | 1.92 A | 3.63 A | 2.09 E | 1.94 E | 9.58 E  |
| 2025 | 1.92 A | 2.05 A | 2.61 A | 2.57 A | 9.13 A  |

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 11/26/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 10/31/2025.

## Overview

Science Applications International Corporation (SAIC) is one of the leading information technology ("IT") and professional services provider, primarily to the U.S. government. Founded in 1969, the company's headquarter is located at Reston, VA.

Science Applications offers transaction, technical, engineering and enterprise IT services primarily to the U.S. government. Its offerings include technology and equipment platform integration; engineering; logistics; operation and program support services; maintenance of ground and maritime systems; and training and simulation. Apart from this, Science Applications provides end-to-end services like design, development, integration, deployment, management and operations, sustainment, and security of its customers' IT infrastructure.

The company's customers lists primarily includes different government agencies, including the U.S. military, comprising Army, Air Force, Navy, Marines, and Coast Guard; the U.S. Defense Logistics Agency; the National Aeronautics and Space Administration; the U.S. Department of State; and the U.S. Department of Homeland Security. The company serves its customers with more than 15,000 employees.

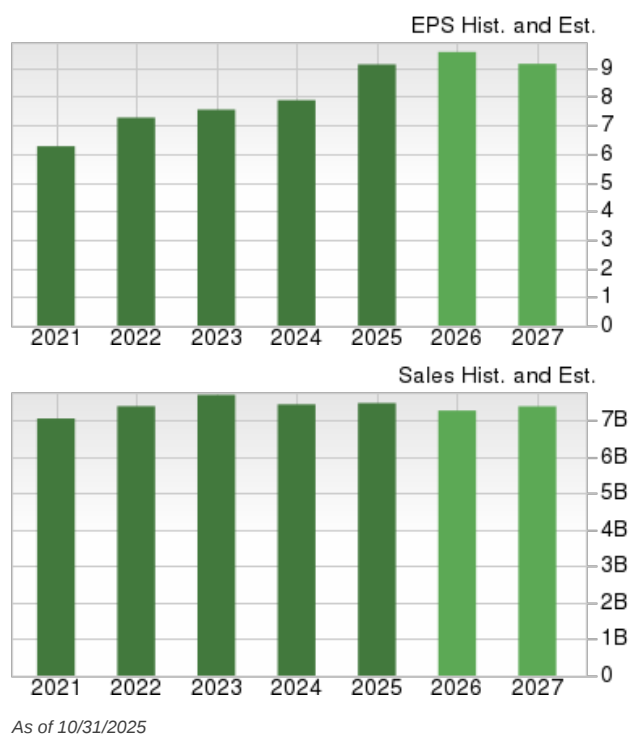
The company generated \$7.48 billion of revenues in fiscal 2025. The company segregates its contracts in three different types:

**Cost-reimbursement contracts:** Under this type of contract, the company gets reimbursement for its direct and indirect allocable costs associated with the contract plus a fee (contract profit).

**Time-and-materials (T&M) contracts:** These contracts are based on fixed hourly rates for particular categories of direct labor, plus reimbursement for any other direct costs.

**Firm-fixed price (FFP) contracts:** These contracts provide for a predetermined price for specific solutions.

Its competitors include companies such as General Dynamics, Northrop Grumman, Raytheon Company, Booz Allen Hamilton, CACI International, Leidos Holdings, ManTech International, Serco Group, Perspecta, Accenture, IBM and Agility Logistics.



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## Reasons To Buy:

- ▲ Science Applications remains focused on the federal government marketplace and capturing more market share. The company intends to drive operational excellence by intensively focusing on its organic and inorganic growth strategy, and strengthening existing customer relationships while building newer ones. Higher spending as proposed in the latest federal government budget is anticipated to accelerate the pace of contract awards which in turn will be beneficial for Science Applications' top-line growth.
- ▲ A leader in IT outsourcing for the U.S. government agencies, Science Applications has exposure to the rapidly growing DoD and Department of Homeland Security budgets. Its system-integration skills and intelligence expertise consume a significant portion of the funds earmarked for the Department of Homeland Security while creating systems that foster the sharing of critical information among all intelligence agencies. We believe the company is comfortably positioned, given its favored relationship with the DoD. Moreover, cyber-attacks are creating increased awareness, leading to more demand for cyber solutions.
- ▲ Having the government as a big client lends stability to the business and moderates fluctuations in revenues. Although the government generally has a lengthy approval process, the project earns money for a number of years after it is approved. Moreover, government contracts improve the visibility of future revenue streams. The company has been doing very well with a record level of awards, which reflects its disciplined business development actions, consistent operational excellence and high customer satisfaction. The company continues to execute its strategy of winning high-value contracts, delivering excellence to customers and deploying capital for growth. Its robust business model is expected to help it grow further.
- ▲ Science Applications has been aggressive in the acquisition front to boost its competitive position. The acquisition of SilverEdge Government Solutions in October 2025 will expand SAIC's cybersecurity, artificial intelligence (AI), and software capabilities for national security clients. Its other notable acquisitions include Koverse, Halfaker and Associates, Unisys and Engility in January 2019. These acquisitions have boosted the company's top-line, profitability and cash flows over the past several years, consequently enhancing long-term shareholder-value creation.
- ▲ Science Applications' strong operating cash flow has helped it return cash through regular quarterly dividend payments and share repurchases. Share repurchases is a good way of returning cash to investors while boosting the company's bottom-line. Moreover, consistent returns to shareholders reflect balance sheet strength and the company's cash flow generating ability. In fiscal 2025, Science Applications generated operating and transaction-adjusted free cash flows of \$494 million and \$507 million, respectively. During fiscal 2025, the company paid a total cash dividend of \$75 million and repurchased \$527 million worth of its common stock. Since the inception of the share repurchase program in 2013, it has repurchased more than \$2 billion worth of stocks. During the first quarter of fiscal 2026, Science Applications repurchased shares worth \$125 million and paid \$19 million in dividends.

Higher spending as proposed in the latest federal government budget is anticipated to accelerate the pace of contract awards which in turn will be beneficial for Science Applications' top-line growth.

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## Reasons To Sell:

- ▼ Though supply-chain environment has improved, rising component costs, along with increasing labor and logistics expenses are likely to hurt Science Applications' profitability in the near-term. Moreover, recession concerns amid the ongoing macroeconomic headwinds and geopolitical tensions might lead to softened spendings by government agencies, which could negatively impact the company's top-line performance in the near-term. Our estimates suggest that its fiscal 2026 revenues will grow in the low-single-digit percentage range.
- ▼ Though Science Applications has been steadily winning contracts from the federal government, but these low-margin deals have been affecting the company's profitability, which remains a major concern.
- ▼ Unfavorable contract mix is also hurting the company's profitability. The company continues to witness increase in cost reimbursement type contracts compared with fixed price contract, which is expected to be a drag on margins.
- ▼ Science Applications has a highly leveraged balance sheet. The company's long-term debt has increased significantly in the last 10 years to \$1.91 billion at the end of fiscal 2025 from \$486 million at the end of fiscal 2015. As a result, its annualized interest expenses have increased more than fivefold during the same time frame. Additionally, as of Aug. 1, 2025, Science Applications' long-term debt (net of the current portion) was \$1.84 billion.
- ▼ Revenue concentration is a major risk for Science Applications. In fiscal 2025, 98% of revenues came from sales to the U.S. federal government either as a prime contractor or subcontractor. Due to this massive dependency, changes in the government's IT spending budget is a huge deciding factor for the company's top-line growth. Moreover, these contracts are subject to extensive legal and regulatory hurdles, which are stringent, and subject to change from time to time. The government also investigates operations periodically to ensure that the terms and conditions have been properly adhered to. Deviations from the terms laid out by the government might result in huge penalties or termination.
- ▼ Science Applications competes primarily in the government IT services arena, which, like other government sectors, consists of many competitors of various sizes. Its main competitors include ManTech International Corporation, CACI, Accenture, IBM, all of which are established players in the industry, with their respective strengths. Consequently, the company has to continuously invest in value drivers which act as a hedge against competition. These increase its operating costs and reduce its profitability.

Revenue concentration and increasing competition remain key concerns for SAIC.

## Last Earnings Report

### SAIC Q2 Earnings Beat Estimates, Revenue Deline Y/Y

Science Applications International delivered its second-quarter fiscal 2026 results, wherein the company reported non-GAAP earnings of \$3.63 per share, surpassing the Zacks Consensus Estimate of \$2.25 by 61.3%. Furthermore, the bottom line increased 77% from the year-ago quarter earnings of \$2.05 per share.

Science Applications' fiscal second-quarter revenues declined 3% year over year to \$1.77 billion and came lower than the Zacks Consensus Estimate of \$1.86 billion. The decrease in the top line was mainly due to delays in new business awards and slower on-contract growth.

### SAIC's Q2 in Detail

Segment-wise, revenues from Defence and Intelligence, which accounted for 77.7% of revenues, amounted to \$1.37 billion and decreased 2.9% year over year. Civilian revenues, which constitute 22.2% of revenues, totaled \$395 million and declined 2% year over year.

Net bookings were approximately \$2.6 billion in the second quarter, which reflected a book-to-bill ratio of 1.5. The company's trailing 12-month book-to-bill ratio was 1 at the end of the fiscal second quarter. SAIC's estimated backlog at the end of the quarter was approximately \$23.2 billion. Of the total backlog amount, approximately \$3.6 billion was funded.

Selling, general and administrative (SG&A) expenses decreased 2.6% to \$75 million. SG&A expenses, as a percentage of revenues, remained flat on a year-over-year basis at 4.2%.

Non-GAAP operating income increased year over year to \$182 million from the year-ago quarter's operating income of \$169 million. The non-GAAP operating margin expanded 100 basis points (bps) year over year to 10.3%.

Adjusted EBITDA grew 9% to \$185 million. Adjusted EBITDA margin for the quarter was 10.5% compared with 9.4% for the prior-year quarter. Margin performance benefited from strong program execution and a favorable legal settlement.

### Balance Sheet & Cash Flow Details of SAIC

Science Applications ended the fiscal second quarter with cash and cash equivalents of \$48 million, slightly up from the previous quarter's \$47 million.

As of Aug. 1, 2025, Science Applications' long-term debt (net of the current portion) was \$1.84 billion compared with \$1.907 billion as of May 2, 2025.

The company generated operating and free cash flows of \$122 million and \$150 million, respectively, in the fiscal second quarter. In the first half of fiscal 2026, it generated operating and free cash flows of \$222 million and \$106 million, respectively.

During the fiscal second quarter, Science Applications repurchased shares worth \$110 million and paid \$17 million in dividends. In the first half of fiscal 2026, it bought back shares worth \$252 million and paid \$36 million in dividends.

### SAIC Lowers Guidance for Fiscal 2026

Following a dismal top-line performance in the second quarter, Science Applications lowered its revenue and adjusted EBITDA guidance for the full fiscal 2026. During the earnings call, CEO Toni Townes-Whitley cited three reasons for the guidance cut: slower conversion of on-contract growth opportunities into revenues, delays in new business awards and an increase in the impact of program disruptions.

Science Applications now expects fiscal 2026 revenues between \$7.25 billion and \$7.325 billion, down from the previous guidance range of \$7.60-\$7.75 billion. Guidance for adjusted EBITDA has been lowered to \$680-\$690 million from \$715-\$735 million. Adjusted EBITDA margin expectations have been reduced to the range of 9.3-9.5% from 9.4-9.6%.

However, Science Applications raised earnings guidance for fiscal 2026, citing benefits from tax settlement in the second quarter and a lower tax rate assumption for the remainder of the fiscal year. The company now forecasts adjusted EPS in the band of \$9.40-\$9.60, up from the earlier range of \$9.10-\$9.30. Science Applications also raised its free cash flow guidance range. It now estimates free cash flow for the fiscal year 2026 to exceed \$550 million compared with the earlier range of \$510-\$530 million.

### FY Quarter Ending 1/31/2025

| Earnings Reporting Date | Sep 04, 2025 |
|-------------------------|--------------|
| Sales Surprise          | -4.81%       |
| EPS Surprise            | 61.33%       |
| Quarterly EPS           | 3.63         |
| Annual EPS (TTM)        | 10.73        |

## Recent News

On Oct. 23, SAIC appointed James Reagan as Interim CEO, succeeding Toni Townes-Whitley.

On Oct. 6, Science Applications International Corp. announced a definitive agreement to acquire SilverEdge Government Solutions from Godspeed Capital for \$205 million in cash, strengthening its national security and mission support capabilities.

On Sept. 22, Science Applications International Corp. priced a \$500 million offering of 5.875% senior notes due 2033, with the offering expected to close on Sept. 25, 2025, subject to customary conditions.

On Sept. 22, Science Applications International Corp. announced plans to offer \$500 million in senior notes due 2033, subject to market and other conditions.

On Aug. 29, Science Applications International Corp. announced that its board of directors declared a cash dividend of 37 cents per share, payable on Oct. 24, 2025, to shareholders of record as of Oct. 10, 2025.

On July 31, Science Applications International Corp. announced that it was awarded a \$202 million contract to provide training solutions, including modernized virtual and synthetic environments, for the U.S. Navy's Fleet Deployment Training Program to enhance global readiness.

On July 30, SAIC announced a multi-year strategic alliance with Google Public Sector to deliver "AI at the Edge" solutions using Google Distributed Cloud, combining SAIC's integration expertise with Google Cloud's AI, machine learning, and cloud-native technologies.

On July 29, SAIC partnered with Xerox to launch eligibilityNOW, an AI-powered claims management solution aimed at improving speed and accuracy in processing government benefits claims and reducing eligibility backlogs.

On July 24, SAIC announced that it has appointed David Urban to its Board of Directors, effective September 15, 2025.

On July 7, SAIC announced that it has collaborated with ServiceNow to launch a new Government Risk Reduction Effort (RRE) designed for mission-critical operations with real-time intelligence, predictive issue detection, automated workflows and no-outage environments.

## Valuation

Shares of SAIC have plunged 18.1% year to date and 36.7% in the past year. Stocks in the Zacks sub-industry lost 14.3%, while Computer & Technology sector stocks gained 30.8% year to date. In the past year, the Zacks sub-industry declined 11.1% while the sector climbed 37.7%.

The S&P 500 Index has gained 18.5% year to date and 22.7% over the past year.

The stock is currently trading at 9.89x forward 12-month earnings, compared with 25.75x for the Zacks sub-industry, 30.75x for the Zacks sector, and 24.03x for the S&P 500 Index.

Over the past five years, the stock has traded as high as 17.94x and as low as 9.80x, with a five-year median of 13.42x. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$96 price target reflects 10.38 forward 12-month earnings.

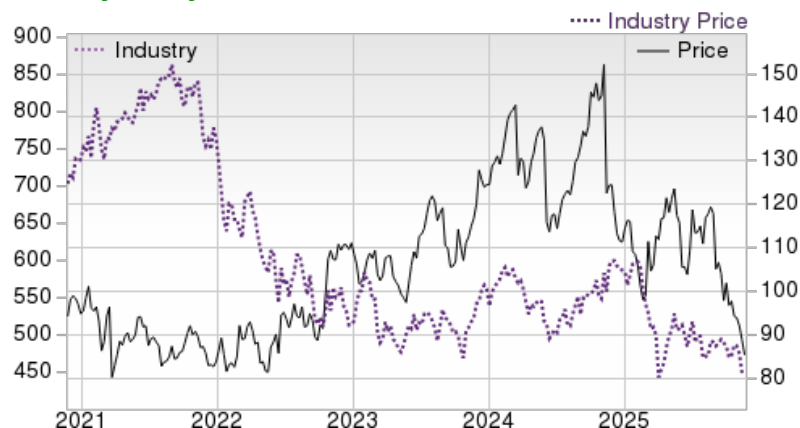
The table below shows the summary valuation data for SAIC:

| Valuation Multiples - SAIC |               |       |              |        |         |
|----------------------------|---------------|-------|--------------|--------|---------|
|                            |               | Stock | Sub-Industry | Sector | S&P 500 |
| P/E F12M                   | Current       | 9.89  | 25.75        | 30.75  | 24.03   |
|                            | 5-Year High   | 17.94 | 40.16        | 30.75  | 24.03   |
|                            | 5-Year Low    | 9.80  | 24.87        | 18.70  | 15.72   |
|                            | 5-Year Median | 13.42 | 30.00        | 26.45  | 21.17   |
| P/S F12M                   | Current       | 0.57  | 16.90        | 7.30   | 5.51    |
|                            | 5-Year High   | 1.01  | 23.34        | 7.40   | 5.52    |
|                            | 5-Year Low    | 0.57  | 13.26        | 4.25   | 3.84    |
|                            | 5-Year Median | 0.73  | 18.47        | 6.29   | 5.02    |
| EV/Sales TTM               | Current       | 0.81  | 17.93        | 8.73   | 5.91    |
|                            | 5-Year High   | 1.28  | 27.24        | 8.73   | 5.91    |
|                            | 5-Year Low    | 0.80  | 14.29        | 4.13   | 3.75    |
|                            | 5-Year Median | 1.02  | 19.29        | 6.88   | 5.07    |

As of 10/30/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Top 40% (96 out of 243)



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

| Company (Ticker)              | Rec        | Rank |
|-------------------------------|------------|------|
| Vertiv Holdings Co. (VRT)     | Outperform | 1    |
| ASGN Incorporated (ASGN)      | Neutral    | 3    |
| CoStar Group, Inc. (CSGP)     | Neutral    | 4    |
| CyberArk Software Lt...(CYBR) | Neutral    | 2    |
| Amdocs Limited (DOX)          | Neutral    | 4    |
| EPAM Systems, Inc. (EPAM)     | Neutral    | 2    |
| ServiceNow, Inc. (NOW)        | Neutral    | 3    |
| Roper Technologies, ...(ROP)  | Neutral    | 3    |

## Industry Comparison<sup>(1)</sup> Industry: Computers - It Services

|                                  | SAIC    | X Industry | S&P 500   | NOW       | ROP       | VRT        |
|----------------------------------|---------|------------|-----------|-----------|-----------|------------|
| Zacks Recommendation (Long Term) | Neutral | -          | -         | Neutral   | Neutral   | Outperform |
| Zacks Rank (Short Term)          | 4       | -          | -         | 3         | 3         | 1          |
| VGM Score                        | A       | -          | -         | C         | D         | D          |
| Market Cap                       | 3.94 B  | 1.95 B     | 37.87 B   | 171.66 B  | 48.05 B   | 64.83 B    |
| # of Analysts                    | 6       | 4          | 22        | 16        | 9         | 7          |
| Dividend Yield                   | 1.73%   | 0.00%      | 1.49%     | 0.00%     | 0.74%     | 0.15%      |
| Value Score                      | A       | -          | -         | F         | D         | F          |
| Cash/Price                       | 0.01    | 0.10       | 0.04      | 0.03      | 0.01      | 0.03       |
| EV/EBITDA                        | 8.27    | 9.80       | 14.46     | 58.82     | 18.66     | 54.83      |
| PEG Ratio                        | 11.77   | 1.92       | 2.20      | 1.95      | 2.24      | 1.38       |
| Price/Book (P/B)                 | 2.60    | 2.78       | 3.32      | 15.19     | 2.40      | 18.48      |
| Price/Cash Flow (P/CF)           | 6.97    | 17.09      | 14.79     | 64.91     | 17.09     | 46.57      |
| P/E (F1)                         | 8.94    | 16.41      | 20.09     | 47.76     | 22.40     | 41.22      |
| Price/Sales (P/S)                | 0.53    | 2.03       | 3.03      | 13.55     | 6.22      | 6.69       |
| Earnings Yield                   | 11.16%  | 5.19%      | 4.96%     | 2.09%     | 4.46%     | 2.42%      |
| Debt/Equity                      | 1.22    | 0.05       | 0.57      | 0.13      | 0.46      | 0.83       |
| Cash Flow (\$/share)             | 12.30   | 0.90       | 8.99      | 12.72     | 26.12     | 3.64       |
| Growth Score                     | B       | -          | -         | B         | C         | B          |
| Hist. EPS Growth (3-5 yrs)       | 7.93%   | 7.24%      | 8.17%     | 63.50%    | 8.17%     | 47.51%     |
| Proj. EPS Growth (F1/F0)         | 4.93%   | 10.94%     | 8.30%     | 24.14%    | 8.85%     | 44.21%     |
| Curr. Cash Flow Growth           | 6.37%   | 1.88%      | 7.10%     | 60.49%    | 9.40%     | 43.89%     |
| Hist. Cash Flow Growth (3-5 yrs) | 4.95%   | 8.59%      | 7.32%     | 35.37%    | 9.39%     | 42.59%     |
| Current Ratio                    | 0.83    | 1.62       | 1.18      | 1.06      | 0.58      | 1.83       |
| Debt/Capital                     | 54.87%  | 12.89%     | 38.16%    | 11.66%    | 31.41%    | 45.23%     |
| Net Margin                       | 5.35%   | 4.05%      | 12.77%    | 13.66%    | 20.34%    | 10.67%     |
| Return on Equity                 | 33.36%  | 8.55%      | 17.03%    | 18.74%    | 10.92%    | 50.82%     |
| Sales/Assets                     | 1.43    | 0.93       | 0.53      | 0.59      | 0.24      | 0.97       |
| Proj. Sales Growth (F1/F0)       | -2.70%  | 5.34%      | 5.59%     | 20.50%    | 12.50%    | 27.50%     |
| Momentum Score                   | A       | -          | -         | A         | F         | F          |
| Daily Price Chg                  | 0.69%   | 0.81%      | 0.91%     | 1.16%     | 1.54%     | 0.39%      |
| 1 Week Price Chg                 | -3.89%  | -2.57%     | 2.24%     | -4.35%    | -1.28%    | -6.52%     |
| 4 Week Price Chg                 | -7.22%  | -9.47%     | -1.81%    | -12.01%   | -2.14%    | -11.02%    |
| 12 Week Price Chg                | -27.56% | -6.57%     | 5.46%     | -9.45%    | -13.99%   | 36.74%     |
| 52 Week Price Chg                | -30.92% | -20.17%    | 12.36%    | -22.87%   | -20.55%   | 28.72%     |
| 20 Day Average Volume            | 469,658 | 935,979    | 3,102,844 | 1,734,496 | 1,040,130 | 7,572,588  |
| (F1) EPS Est 1 week change       | 0.00%   | 0.00%      | 0.00%     | 0.00%     | 0.00%     | 0.00%      |
| (F1) EPS Est 4 week change       | 0.00%   | 0.00%      | 0.26%     | 4.76%     | -0.01%    | 0.00%      |
| (F1) EPS Est 12 week change      | 4.44%   | 2.28%      | 0.60%     | 4.76%     | -1.75%    | 7.62%      |
| (Q1) EPS Est Mthly Chg           | 0.00%   | -1.13%     | -0.11%    | -3.85%    | -0.05%    | 0.00%      |

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

Science Applications International Corporation (SAIC)  
In \$MM, except per share data

|                                                              | 2023A            | 2024A            | 2025A            | 1QA              | 2QA              | 2026 E           | 4QE              | FY               | 1QE              | 2QE              | 2027E            | 4QE              | FY               | 2028E            |
|--------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| FY Ends January 31st                                         | FY Feb-23        | FY Feb-24        | FY Jan-25        | 2-May-25         | 1-Aug-25         | 31-Oct-25        | 30-Jan-26        | Jan-26           | 1-May-26         | 31-Jul-26        | 30-Oct-26        | 29-Jan-27        | Jan-27           | Jan-28           |
| <b>Income Statement</b>                                      |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>Total Revenue</b>                                         | <b>\$7,704.0</b> | <b>\$7,444.0</b> | <b>\$7,479.0</b> | <b>\$1,877.0</b> | <b>\$1,769.0</b> | <b>\$1,868.0</b> | <b>\$1,765.2</b> | <b>\$7,279.1</b> | <b>\$1,883.8</b> | <b>\$1,831.9</b> | <b>\$1,926.3</b> | <b>\$1,859.3</b> | <b>\$7,501.3</b> | <b>\$7,672.2</b> |
| YoY % Chng                                                   | 4.2%             | (3.4%)           | 0.5%             | 1.6%             | (2.7%)           | (5.5%)           | (4.0%)           | (2.7%)           | 0.4%             | 3.6%             | 3.1%             | 5.3%             | 3.1%             | 2.5%             |
| <b>Cost of Revenue</b>                                       | <b>\$6,816.0</b> | <b>\$6,572.0</b> | <b>\$6,587.0</b> | <b>\$1,668.0</b> | <b>\$1,554.0</b> | <b>\$1,642.4</b> | <b>\$1,539.3</b> | <b>\$6,403.7</b> | <b>\$1,657.0</b> | <b>\$1,605.3</b> | <b>\$1,689.0</b> | <b>\$1,623.5</b> | <b>\$6,574.8</b> | <b>\$6,674.6</b> |
| YoY % Chng                                                   | 4.3%             | (3.6%)           | 0.2%             | 2.1%             | (3.4%)           | (5.6%)           | (4.2%)           | (2.8%)           | (0.7%)           | 3.3%             | 2.8%             | 5.5%             | 2.7%             | 1.5%             |
| <b>Gross Profit</b>                                          | <b>\$888.0</b>   | <b>\$872.0</b>   | <b>\$892.0</b>   | <b>\$209.0</b>   | <b>\$215.0</b>   | <b>\$225.6</b>   | <b>\$225.9</b>   | <b>\$875.5</b>   | <b>\$226.8</b>   | <b>\$226.5</b>   | <b>\$237.3</b>   | <b>\$235.8</b>   | <b>\$926.5</b>   | <b>\$997.6</b>   |
| YoY % Chng                                                   | 3.4%             | (1.8%)           | 2.3%             | (1.9%)           | 2.4%             | (4.8%)           | (2.6%)           | (1.9%)           | 8.5%             | 5.4%             | 5.2%             | 4.4%             | 5.8%             | 7.7%             |
| <b>Selling, General and Administrative Expenses</b>          | <b>\$374.0</b>   | <b>\$373.0</b>   | <b>\$339.0</b>   | <b>\$89.0</b>    | <b>\$75.0</b>    | <b>\$83.6</b>    | <b>\$85.5</b>    | <b>\$333.0</b>   | <b>\$85.6</b>    | <b>\$82.3</b>    | <b>\$84.0</b>    | <b>\$84.8</b>    | <b>\$336.7</b>   | <b>\$336.4</b>   |
| YoY % Chng                                                   | 8.7%             | (0.3%)           | (9.1%)           | 4.7%             | (2.6%)           | 0.7%             | (9.1%)           | (1.8%)           | (3.8%)           | 9.8%             | 0.5%             | (0.8%)           | 1.1%             | (0.1%)           |
| <b>Acquisition and Integration Costs</b>                     | <b>\$13.0</b>    | <b>\$1.0</b>     | <b>\$(2.0)</b>   | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     |
| YoY % Chng                                                   | (76.8%)          | (92.3%)          | (300.0%)         |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>(Gain) Loss on Divestitures, Net of Transaction Costs</b> | <b>\$0.0</b>     | <b>\$(240.0)</b> | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     |
| YoY % Chng                                                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>Other Operating (Income) Expense</b>                      | <b>\$0.0</b>     | <b>\$(2.0)</b>   | <b>\$(10.0)</b>  | <b>\$(1.0)</b>   | <b>\$1.0</b>     | <b>\$1.0</b>     | <b>\$1.0</b>     | <b>\$2.0</b>     | <b>\$1.0</b>     | <b>\$1.0</b>     | <b>\$1.0</b>     | <b>\$1.0</b>     | <b>\$4.0</b>     | <b>\$4.0</b>     |
| YoY % Chng                                                   |                  |                  | (400.0%)         | 66.7%            | 200.0%           | 116.7%           | 120.0%           | 120.0%           | 200.0%           | 0.0%             | 0.0%             | 0.0%             | 100.0%           | 0.0%             |
| <b>Total Operating Expense</b>                               | <b>\$387.0</b>   | <b>\$132.0</b>   | <b>\$327.0</b>   | <b>\$88.0</b>    | <b>\$76.0</b>    | <b>\$84.6</b>    | <b>\$86.5</b>    | <b>\$335.0</b>   | <b>\$86.6</b>    | <b>\$83.3</b>    | <b>\$85.0</b>    | <b>\$85.8</b>    | <b>\$340.7</b>   | <b>\$340.4</b>   |
| YoY % Chng                                                   | (2.5%)           | (65.9%)          | 147.7%           | 10.0%            | 0.0%             | 9.8%             | (8.0%)           | 2.5%             | (1.6%)           | 9.7%             | 0.5%             | (0.8%)           | 1.7%             | (0.1%)           |
| <b>Adjusted EBITDA</b>                                       | <b>\$680.0</b>   | <b>\$668.0</b>   | <b>\$710.0</b>   | <b>\$157.0</b>   | <b>\$185.0</b>   | <b>\$167.9</b>   | <b>\$165.4</b>   | <b>\$675.3</b>   | <b>\$173.4</b>   | <b>\$174.8</b>   | <b>\$181.2</b>   | <b>\$180.0</b>   | <b>\$709.5</b>   | <b>\$778.0</b>   |
| YoY % Chng                                                   | (0.9%)           | (1.8%)           | 6.3%             | (5.4%)           | 8.8%             | (14.8%)          | (2.5%)           | (4.9%)           | 10.4%            | (3.5%)           | 7.9%             | 8.8%             | 5.1%             | 9.7%             |
| <b>Amortization of Intangible Assets</b>                     | <b>\$125.0</b>   | <b>\$115.0</b>   | <b>\$115.0</b>   | <b>\$29.0</b>    | <b>\$29.0</b>    | <b>\$29.9</b>    | <b>\$23.8</b>    | <b>\$109.7</b>   | <b>\$19.0</b>    | <b>\$24.6</b>    | <b>\$22.7</b>    | <b>\$22.5</b>    | <b>\$88.8</b>    | <b>\$86.5</b>    |
| YoY % Chng                                                   | (2.3%)           | (8.0%)           | 0.0%             | 0.0%             | 0.0%             | (3.8%)           | (14.9%)          | (4.6%)           | (34.6%)          | (15.2%)          | (18.6%)          | (5.6%)           | (19.1%)          | (2.5%)           |
| <b>EBITDA, GAAP</b>                                          | <b>\$658.0</b>   | <b>\$891.0</b>   | <b>\$708.0</b>   | <b>\$156.0</b>   | <b>\$177.0</b>   | <b>\$166.9</b>   | <b>\$164.4</b>   | <b>\$664.3</b>   | <b>\$172.4</b>   | <b>\$173.8</b>   | <b>\$180.2</b>   | <b>\$179.0</b>   | <b>\$705.5</b>   | <b>\$774.0</b>   |
| YoY % Chng                                                   | 4.4%             | 35.4%            | (20.5%)          | (6.6%)           | 4.7%             | (15.3%)          | (6.0%)           | (6.2%)           | 10.5%            | (1.8%)           | 8.0%             | 8.9%             | 6.2%             | 9.7%             |
| <b>Depreciation and Amortization</b>                         | <b>\$157.0</b>   | <b>\$142.0</b>   | <b>\$140.0</b>   | <b>\$36.0</b>    | <b>\$35.0</b>    | <b>\$37.5</b>    | <b>\$38.2</b>    | <b>\$146.7</b>   | <b>\$39.9</b>    | <b>\$38.5</b>    | <b>\$38.6</b>    | <b>\$39.1</b>    | <b>\$156.3</b>   | <b>\$155.6</b>   |
| YoY % Chng                                                   | (4.8%)           | (9.6%)           | (1.4%)           | 2.9%             | 2.9%             | 7.1%             | 6.2%             | 4.8%             | 10.8%            | 10.8%            | 2.9%             | 2.2%             | 6.5%             | (0.4%)           |
| <b>Stock-Based Compensation Expense</b>                      | <b>\$48.0</b>    | <b>\$68.0</b>    | <b>\$53.0</b>    | <b>\$15.0</b>    | <b>\$10.0</b>    | <b>\$13.3</b>    | <b>\$12.8</b>    | <b>\$51.0</b>    | <b>\$13.2</b>    | <b>\$13.5</b>    | <b>\$13.5</b>    | <b>\$13.0</b>    | <b>\$52.0</b>    | <b>\$53.3</b>    |
| YoY % Chng                                                   | 4.3%             | 41.7%            | (22.1%)          | 15.4%            | (16.7%)          | 2.0%             | (15.0%)          | (3.8%)           | (12.2%)          | 23.5%            | 1.9%             | 1.9%             | 2.0%             | 2.4%             |
| <b>Operating Income, Non-GAAP</b>                            | <b>\$526.0</b>   | <b>\$659.0</b>   | <b>\$705.0</b>   | <b>\$158.0</b>   | <b>\$182.0</b>   | <b>\$169.9</b>   | <b>\$164.2</b>   | <b>\$674.2</b>   | <b>\$160.2</b>   | <b>\$168.8</b>   | <b>\$176.1</b>   | <b>\$173.5</b>   | <b>\$678.5</b>   | <b>\$747.8</b>   |
| YoY % Chng                                                   | 1.3%             | 25.3%            | 7.0%             | (4.2%)           | 7.7%             | (12.9%)          | (6.7%)           | (4.4%)           | 1.4%             | (7.3%)           | 3.6%             | 5.6%             | 0.6%             | 10.2%            |
| <b>Operating Income, GAAP</b>                                | <b>\$501.0</b>   | <b>\$741.0</b>   | <b>\$563.0</b>   | <b>\$121.0</b>   | <b>\$139.0</b>   | <b>\$141.0</b>   | <b>\$139.4</b>   | <b>\$540.4</b>   | <b>\$140.2</b>   | <b>\$143.2</b>   | <b>\$152.4</b>   | <b>\$150.0</b>   | <b>\$585.8</b>   | <b>\$657.2</b>   |
| YoY % Chng                                                   | 8.4%             | 47.9%            | (24.0%)          | (7.6%)           | 3.7%             | (11.9%)          | 1.0%             | (4.0%)           | 15.9%            | 3.0%             | 8.0%             | 7.6%             | 8.4%             | 12.2%            |
| <b>Interest Expense, Net</b>                                 | <b>\$118.0</b>   | <b>\$120.0</b>   | <b>\$126.0</b>   | <b>\$30.0</b>    | <b>\$31.0</b>    | <b>\$36.2</b>    | <b>\$37.4</b>    | <b>\$134.5</b>   | <b>\$34.3</b>    | <b>\$34.9</b>    | <b>\$35.5</b>    | <b>\$35.7</b>    | <b>\$140.5</b>   | <b>\$140.9</b>   |
| YoY % Chng                                                   | 12.4%            | 1.7%             | 5.0%             | (11.8%)          | 0.0%             | 13.1%            | 28.8%            | 6.8%             | 14.3%            | 12.7%            | (1.8%)           | (4.3%)           | 4.4%             | 0.3%             |
| <b>Other (Income) Expense, Net</b>                           | <b>\$8.0</b>     | <b>\$1.0</b>     | <b>\$9.0</b>     | <b>\$5.0</b>     | <b>\$0.0</b>     | <b>\$11.6</b>    | <b>\$13.2</b>    | <b>\$29.8</b>    | <b>\$7.7</b>     | <b>\$8.1</b>     | <b>\$10.7</b>    | <b>\$10.0</b>    | <b>\$36.5</b>    | <b>\$38.9</b>    |
| YoY % Chng                                                   | 900.0%           | (87.5%)          | 800.0%           | 150.0%           | 478.2%           | 560.7%           | 230.9%           | 53.9%            | (7.5%)           | (24.1%)          | (7.5%)           | (24.1%)          | 22.7%            | 6.5%             |
| <b>Pre-Tax Income, Non-GAAP</b>                              | <b>\$525.0</b>   | <b>\$613.0</b>   | <b>\$546.0</b>   | <b>\$116.0</b>   | <b>\$145.0</b>   | <b>\$122.2</b>   | <b>\$113.7</b>   | <b>\$496.8</b>   | <b>\$118.2</b>   | <b>\$125.7</b>   | <b>\$129.8</b>   | <b>\$127.7</b>   | <b>\$501.5</b>   | <b>\$567.9</b>   |
| YoY % Chng                                                   | (3.3%)           | (2.3%)           | 6.4%             | (5.7%)           | 11.5%            | (21.2%)          | (17.6%)          | (9.0%)           | 1.9%             | (13.3%)          | 6.3%             | 12.4%            | 0.9%             | 13.3%            |
| <b>Pre-Tax Income, GAAP</b>                                  | <b>\$375.0</b>   | <b>\$620.0</b>   | <b>\$428.0</b>   | <b>\$86.0</b>    | <b>\$108.0</b>   | <b>\$93.3</b>    | <b>\$88.8</b>    | <b>\$376.1</b>   | <b>\$98.2</b>    | <b>\$100.1</b>   | <b>\$106.1</b>   | <b>\$104.2</b>   | <b>\$408.7</b>   | <b>\$477.4</b>   |
| YoY % Chng                                                   | 4.7%             | 65.3%            | (31.0%)          | (9.5%)           | 8.0%             | (26.0%)          | (17.0%)          | (12.1%)          | 14.2%            | (7.3%)           | 13.8%            | 17.3%            | 8.7%             | 16.8%            |
| <b>Income Tax, Non-GAAP</b>                                  | <b>\$101.0</b>   | <b>\$90.0</b>    | <b>\$85.0</b>    | <b>\$24.0</b>    | <b>\$(25.0)</b>  | <b>\$24.0</b>    | <b>\$24.0</b>    | <b>\$47.0</b>    | <b>\$20.0</b>    | <b>\$20.0</b>    | <b>\$20.0</b>    | <b>\$20.0</b>    | <b>\$80.0</b>    | <b>\$92.0</b>    |
| YoY % Chng                                                   | (15.9%)          | (10.9%)          | (5.6%)           | 4.3%             | (200.0%)         | (4.0%)           | 100.0%           | (44.7%)          | (16.7%)          | 180.0%           | (16.7%)          | (16.7%)          | 70.2%            | 15.0%            |
| <b>Income Tax, GAAP</b>                                      | <b>\$72.0</b>    | <b>\$143.0</b>   | <b>\$66.0</b>    | <b>\$18.0</b>    | <b>\$(19.0)</b>  | <b>\$(16.4)</b>  | <b>\$(15.6)</b>  | <b>\$(33.0)</b>  | <b>\$(17.3)</b>  | <b>\$(17.6)</b>  | <b>\$(18.7)</b>  | <b>\$(18.3)</b>  | <b>\$(71.9)</b>  | <b>\$(84.0)</b>  |
| YoY % Chng                                                   | (8.9%)           | 98.6%            | (53.8%)          | 0.0%             | (200.0%)         | (182.0%)         | (273.7%)         | (150.1%)         | (196.0%)         | 7.3%             | (13.8%)          | (17.3%)          | (117.6%)         | (16.8%)          |
| <b>Tax Rate, Non-GAAP</b>                                    | 19.3%            | 17.5%            | 15.6%            | 20.6%            | (17.2%)          | (16.2%)          | (15.2%)          | 9.5%             | (15.2%)          | (15.2%)          | (15.2%)          | (15.2%)          | 16.0%            | 16.2%            |
| <b>Tax Rate, GAAP</b>                                        | 19.3%            | 23.1%            | 15.5%            | 20.9%            | (17.6%)          | (17.6%)          | (17.6%)          | (8.8%)           | (17.6%)          | (17.6%)          | (17.6%)          | (17.6%)          | (17.6%)          | (17.6%)          |
| <b>Net Income Before Non-Controlling Interest, Non-GAAP</b>  | <b>\$424.0</b>   | <b>\$423.0</b>   | <b>\$461.0</b>   | <b>\$92.0</b>    | <b>\$170.0</b>   | <b>\$98.2</b>    | <b>\$89.7</b>    | <b>\$449.8</b>   | <b>\$98.2</b>    | <b>\$105.7</b>   | <b>\$109.8</b>   | <b>\$107.7</b>   | <b>\$421.5</b>   | <b>\$475.9</b>   |
| YoY % Chng                                                   | 0.2%             | (0.2%)           | 9.0%             | (8.0%)           | 61.9%            | (24.5%)          | (28.8%)          | (2.4%)           | 6.7%             | (37.8%)          | 11.9%            | 20.1%            | (6.3%)           | 12.9%            |
| <b>Net Income Before Non-Controlling Interest, GAAP</b>      | <b>\$303.0</b>   | <b>\$477.0</b>   | <b>\$362.0</b>   | <b>\$68.0</b>    | <b>\$127.0</b>   | <b>\$109.7</b>   | <b>\$104.5</b>   | <b>\$409.1</b>   | <b>\$115.5</b>   | <b>\$117.8</b>   | <b>\$124.8</b>   | <b>\$122.6</b>   | <b>\$480.6</b>   | <b>\$561.4</b>   |
| YoY % Chng                                                   | 8.6%             | 57.4%            | (24.1%)          | (11.7%)          | 56.8%            | 3.5%             | 6.6%             | 13.0%            | 69.8%            | (7.3%)           | 13.8%            | 17.3%            | 17.5%            | 16.8%            |
| <b>Non-Controlling Interest</b>                              | <b>\$3.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     | <b>\$0.0</b>     |
| YoY % Chng                                                   | 50.0%            |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>Net Income, Non-GAAP</b>                                  | <b>\$421.0</b>   | <b>\$423.0</b>   | <b>\$461.0</b>   | <b>\$92.0</b>    | <b>\$170.0</b>   | <b>\$98.2</b>    | <b>\$89.7</b>    | <b>\$449.8</b>   | <b>\$98.2</b>    | <b>\$105.7</b>   | <b>\$109.8</b>   | <b>\$107.7</b>   | <b>\$421.5</b>   | <b>\$475.9</b>   |
| YoY % Chng                                                   | 0.0%             | 0.5%             | 9.0%             | (8.0%)           | 61.9%            | (24.5%)          | (28.8%)          | (2.4%)           | 6.7%             | (37.8%)          | 11.9%            | 20.1%            | (6.3%)           | 12.9%            |
| <b>Net Income, GAAP</b>                                      | <b>\$300.0</b>   | <b>\$477.0</b>   | <b>\$362.0</b>   | <b>\$68.0</b>    | <b>\$127.0</b>   | <b>\$109.7</b>   | <b>\$104.5</b>   | <b>\$409.1</b>   | <b>\$115.5</b>   | <b>\$117.8</b>   | <b>\$124.8</b>   | <b>\$122.6</b>   | <b>\$480.6</b>   | <b>\$561.4</b>   |
| YoY % Chng                                                   | 8.3%             | 59.0%            | (24.1%)          | (11.7%)          | 56.8%            | 3.5%             | 6.6%             | 13.0%            | 69.8%            | (7.3%)           | 13.8%            | 17.3%            | 17.5%            | 16.8%            |
| <b>Diluted Shares Outstanding</b>                            | <b>55.8</b>      | <b>53.7</b>      | <b>50.5</b>      | <b>47.8</b>      | <b>46.8</b>      | <b>47.0</b>      | <b>46.3</b>      | <b>47.0</b>      | <b>46.0</b>      | <b>45.6</b>      | <b>45.3</b>      | <b>45.0</b>      | <b>45.5</b>      | <b>43.9</b>      |
| YoY % Chng                                                   | (4.0%)           | (3.8%)           | (6.0%)           | (8.3%)           | (3.8%)           | (5.6%)           | (3.8%)           | (7.0%)           | (3.8%)           | (2.5%)           | (3.6%)           | (2.9%)           | (3.2%)           | (3.6%)           |
| <b>Diluted EPS, Non-GAAP</b>                                 | <b>\$7.55</b>    | <b>\$7.88</b>    | <b>\$9.13</b>    | <b>\$1.92</b>    | <b>\$3.63</b>    | <b>\$2.09</b>    | <b>\$1.94</b>    | <b>\$9.58</b>    | <b>\$2.14</b>    | <b>\$2.32</b>    | <b>\$2.42</b>    | <b>\$2.39</b>    | <b>\$9.27</b>    | <b>\$10.86</b>   |
| YoY % Chng                                                   | 3.9%             | 4.4%             | 15.9%            | 0.0%             | 77.1%            | (20.0%)          | (24.6%)          | 4.9%             | 11.2%            | (36.2%)          | 16.0%            | 23.6%            | 17.1%            | 17.1%            |
| <b>Diluted EPS, GAAP</b>                                     | <b>\$5.38</b>    | <b>\$8.88</b>    | <b>\$7.17</b>    | <b>\$1.42</b>    | <b>\$2.71</b>    | <b>\$2.33</b>    | <b>\$2.26</b>    | <b>\$8.72</b>    | <b>\$2.51</b>    | <b>\$2.58</b>    | <b>\$2.75</b>    | <b>\$2.72</b>    | <b>\$10.57</b>   | <b>\$12.81</b>   |
| YoY % Chng                                                   | 12.8%            | 65.1%            | (24.1%)          | (4.1%)           | 71.5%            | 9.5%             | 12.8%            | 21.6%            | 76.9%            | (4.8%)           | 18.0%            | 20.8%            | 21.2%            | 21.2%            |
| <b>Dividend per Share</b>                                    | <b>\$1.48</b>    | <b>\$1.48</b>    | <b>\$1.48</b>    | <b>\$0.37</b>    | <b>\$0.37</b>    | <b>\$0.37</b>    | <b>\$0.37</b>    | <b>\$1.48</b>    | <b>\$0.37</b>    | <b>\$0.37</b>    | <b>\$0.37</b>    | <b>\$0.37</b>    | <b>\$1.48</b>    | <b>\$1.48</b>    |
| YoY % Chng                                                   | 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%             |

## 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    | A |
| Growth Score   | B |
| Momentum Score | A |
| VGM Score      | A |

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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