

## Starbucks Corporation (SBUX)

**\$84.57** (Stock Price as of 12/24/2025)

Price Target (6-12 Months): **\$94.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

**Neutral**

(Since: 10/01/25)

Prior Recommendation: Underperform

Short Term: 1-3 Months

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

**3-Hold**

Zacks Style Scores:

VGM: D

Value: C

Growth: D

Momentum: F

### Summary

Starbucks' prospects are benefiting from positive comparable sales, strong international performance and continued expansion of company-operated stores. Growth was further supported by higher transactions in key markets and sustained momentum in delivery and at-home coffee channels. Going forward, Starbucks emphasizes operational efficiency, coffeehouse portfolio optimization and menu innovation to strengthen its competitive edge. However, margin pressure from elevated labor investments and macro uncertainty remains a concern. The company's bottom line declined 35% year over year in the fourth quarter of 2025. Earnings estimates for 2026 have declined in the past 30 days, reflecting analysts' concerns about the stock's growth potential. Shares of Starbucks have underperformed the industry in the past six months.

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



### Data Overview

52 Week High-Low	\$117.46 - \$75.50
20 Day Average Volume (sh)	8,926,733
Market Cap	\$96.2 B
YTD Price Change	-7.3%
Beta	0.98
Dividend / Div Yld	\$2.48 / 2.9%
Industry	<a href="#">Retail - Restaurants</a>
Zacks Industry Rank	Bottom 20% (194 out of 243)

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



Last EPS Surprise	-5.5%
Last Sales Surprise	2.6%
EPS F1 Est- 4 week change	-3.0%
Expected Report Date	01/27/2026
Earnings ESP	-2.0%

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

	Q1	Q2	Q3	Q4	Annual*
2027	10,266 E	9,546 E	10,380 E	10,782 E	40,973 E
2026	9,667 E	9,028 E	9,728 E	9,930 E	38,353 E
2025	9,398 A	8,762 A	9,456 A	9,569 A	37,184 A

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

	Q1	Q2	Q3	Q4	Annual*
2027	0.69 E	0.56 E	0.74 E	0.99 E	2.98 E
2026	0.63 E	0.43 E	0.65 E	0.64 E	2.35 E
2025	0.69 A	0.41 A	0.50 A	0.52 A	2.13 A

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/24/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/19/2025.

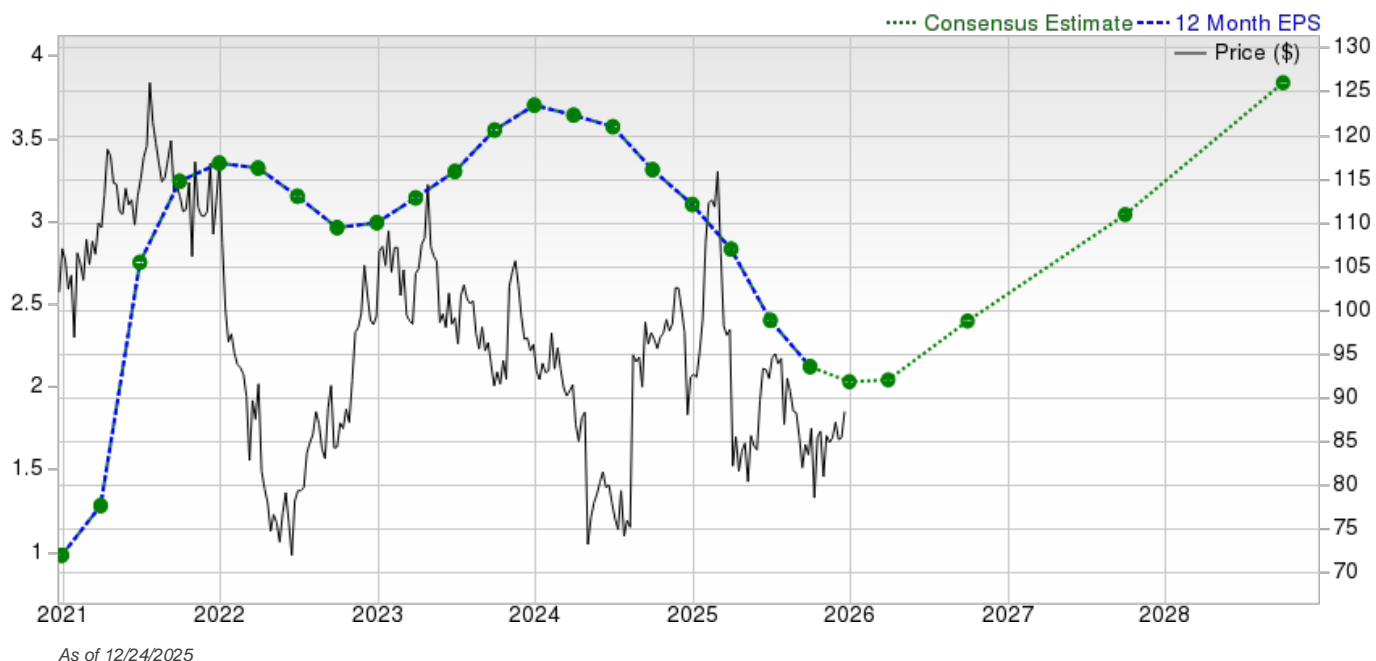
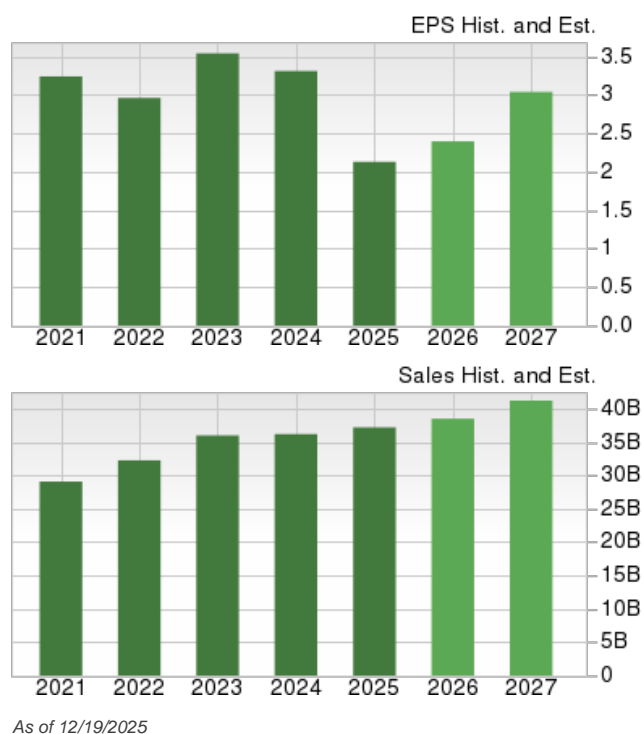
## Overview

Founded in 1985 and based in Seattle, WA, Starbucks Corporation is the leading roaster and retailer of specialty coffee globally, with a presence in 88 markets worldwide. In addition to fresh, rich-brewed coffees, Starbucks' offerings include many complimentary food items and a selection of premium teas and other beverages, sold mainly through the company's retail stores. The company's popular brands include Starbucks coffee, Teavana tea, Seattle's Best Coffee, La Boulange bakery products and Evolution Fresh juices.

Apart from its retail stores, the company generates revenues through licensed stores, consumer packaged goods and foodservice operations. The company receives royalties and license fees from the U.S. and international licensed stores. Under its consumer-packaged goods ("CPG") operations, Starbucks sells packaged coffee and tea products as well as a variety of ready-to-drink beverages and single-serve coffee and tea products to grocery, warehouse clubs and specialty retail stores. Notably, the Global Coffee Alliance with Nestle is a milestone for the company. This alliance boosted Starbucks' global reach in the consumer-packaged goods and food service categories to nearly 190 countries globally. On Jan. 13, 2023, it sold the assets (mainly intellectual properties) of Seattle's Best Coffee brand to Nestle for \$110.0 million.

During the fourth quarter of fiscal 2021, it initiated certain changes related to its operating segment structure. The company renamed the Americas segment to North America operating segment, featuring company-operated and licensed stores in the United States and Canada. Starbucks realigned the licensed Latin America and Caribbean markets from the earlier Americas segment to the International segment. The company's latest reportable operating segments comprise North America (75% of total revenues in fiscal 2024); International (20%); and Channel Development (CD — 5%).

The CD segment is not a geographic region but an entirely different channel (it is a combination of the CPG and foodservice businesses). It includes roasted whole bean and ground coffees, premium Tazo teas, a variety of ready-to-drink beverages (like Frappuccino and Starbucks Refreshers) and Starbucks and Tazo-branded K-Cup packs sold through channels such as grocery, specialty retailers, and foodservice.



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## Reasons To Buy:

▲ **Strong Brand Position:** Starbucks is one of the most recognized coffee brands globally, commanding a leading position across espresso, specialty roast and ground coffee, and the premium single-serve market. The company seeks to expand market share by strategically opening stores in new and existing markets, remodeling locations, leveraging technology, controlling costs, and driving aggressive product innovation and brand building. Announced in September 2024, the Back to Starbucks turnaround strategy aims to enhance operational excellence, optimize costs, improve service and strengthen brand equity, including reintroducing the brand, delivering a superior customer experience during morning and peak occasions, reestablishing the coffeehouse as a community hub and making Starbucks the unrivaled best job in retail, recognizing that success begins and ends with its green apron partners.

Focus on the Back to Starbucks strategy, product innovation and other strategic investments bodes well for the company.

In the fiscal fourth quarter of 2025, Starbucks continued to advance initiatives under its Back to Starbucks plan. The company completed the rollout of Green Apron Service across all U.S. company-operated stores, which led to stronger customer experience scores and record-low hourly partner turnover. Starbucks also completed nearly 70 coffeehouse uplifts across New York and Southern California as part of its store renovation program designed to bring warmth, texture and seating back to its cafés. The company plans to complete more than 1,000 uplifts by the end of fiscal 2026, reinforcing its brand presence and strengthening connection with customers.

▲ **Emphasis on China:** Starbucks' China strategy centers on enhancing business capabilities through strategic partnerships in technology, real estate and supply chain, alongside innovative store designs, upgraded product offerings and operational efficiencies. The company focuses on offering coffee tailored to local tastes and strengthening engagement via social media and influencer partnerships, investing in technology to expand omnichannel capabilities and improve efficiency, and prioritizing store openings in smaller markets to capture better economics.

In the fiscal fourth quarter of 2025, Starbucks' China business delivered a 2% increase in comparable store sales, driven by a 9% rise in comparable transactions. This marked the second consecutive quarter of positive comparable sales in the market, supported by successful tea latte innovation and a rapidly expanding delivery channel. Starbucks' China portfolio surpassed 8,000 stores, reflecting strong growth momentum and continued expansion opportunities. The company reported healthy unit economics and reaffirmed confidence in China's long-term growth potential. Starbucks is also evaluating strategic partnership options, with strong interest from multiple high-quality parties and intends to retain a meaningful stake in the business as it works to unlock further growth in the region.

▲ **Focus on Innovation:** Starbucks is strengthening its product portfolio with innovations across beverages, refreshments, health and wellness, tea, and core food offerings, focusing on fast-growing categories such as Cold Brew, Draft Nitro and plant-based milk alternatives. In fiscal 2026, the company plans to launch an upgraded bake case featuring artisanal bakery products and elevated service wares that align with its coffeehouse experience. Building on the success of its protein-based beverages, Starbucks will further expand the matcha menu with more customizable options designed to meet evolving customer preferences. The company is also working on menu innovation that strengthens both morning and afternoon demand, supported by improvements in supply chain and inventory availability to ensure consistent product quality and execution across stores. These initiatives reflect Starbucks' focus on delivering differentiated and premium experiences to drive sustained growth.

▲ **Robust Digitalization:** Starbucks continues to strengthen its digital and technology capabilities to enhance customer experience and operational efficiency. In the fourth quarter of fiscal 2025, the company reported 34.2 million 90-day active Rewards members in the United States, up 1% year over year, supported by higher reengagement and improved customer retention. The company advanced its Smart Queue sequencing algorithm, enabling more than 80% of U.S. company-operated stores to achieve café service times averaging four minutes or less, even with higher transaction volumes. Drive-thru and Mobile Order & Pay also maintained strong on-time performance and accuracy, reflecting the benefits of ongoing digital investments and operational upgrades.

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## Reasons To Sell:

- ▼ **Ongoing Traffic Weakness in the U.S. Market:** Despite sequential improvement, Starbucks continued to face soft traffic trends in the United States during the fourth quarter of fiscal 2025. U.S. company-operated transaction comps declined 1% year over year, reflecting sluggish customer traffic. The company acknowledged that rebuilding its transaction base remains a key challenge and noted that recoveries are not expected to be linear. Elevated competition, changing consumer spending patterns and a still-pressured macro environment could limit near-term transaction growth.
- ▼ **Margin Decline:** In the fourth quarter of fiscal 2025, Starbucks' non-GAAP operating margin contracted 500 basis points year over year to 9.4%. The decline was mainly due to higher coffee prices, tariffs and increased labor costs related to the "Back to Starbucks" initiative. The company also faced margin pressure from store closures and restructuring efforts aimed at simplifying its support organization. Going forward, the company remains cautious of continued complex macroeconomic challenges across multiple markets.
- ▼ **Tricky Retail and Consumer Spending Environment in the United States:** Starbucks depends on the consumer discretionary spending environment as a retail restaurant. Consumers' propensity to spend largely depends on the overall macroeconomic scenario. Although higher disposable income and increased wages are favoring the industry right now, it can change with the slightest disruption in the economy. The company, therefore, is highly vulnerable to the inconsistent nature of consumer discretionary spending. If it does not make pragmatic use of advanced technologies to innovate across value chains, it has a high chance of fading out like many other restaurant retailers.

Increased operational expenses and declining comps continue to impact the company negatively.

## Last Earnings Report

### Starbucks Q4 Earnings Miss Estimates, Revenues Increase Y/Y

Starbucks reported mixed fourth-quarter fiscal 2025 results, with earnings missing the Zacks Consensus Estimate and net revenues beating the same. The top line increased year over year, but the bottom line declined from the prior-year quarter's figure.

In the fiscal fourth quarter, the company reported progress of its "Back to Starbucks" turnaround strategy, citing a return to global comparable sales growth and improving momentum. Looking ahead, Starbucks remains focused on driving revenue growth, exercising cost discipline and achieving sustainable profitability over the long term.

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

Earnings Reporting Date	Oct 29, 2025
Sales Surprise	2.61%
EPS Surprise	-5.45%
Quarterly EPS	0.52
Annual EPS (TTM)	2.12

### Discussion on Q4 Earnings, Revenues & Comps of Starbucks

In the fiscal fourth quarter, the company reported earnings per share (EPS) of 52 cents, missing the Zacks Consensus Estimate of 55 cents by 23.1%. The bottom line also decreased 35% from 80 cents reported in the prior-year quarter.

Net revenues of \$9.57 billion beat the consensus mark of \$9.33 billion by 2.6%. The reported value was up 5.5% from the \$9.1 billion reported in the prior-year quarter.

Global comparable store sales increased 1% year over year. The upside was backed by a 1% increase in comparable transactions.

Starbucks reported 107 net store closures in the fiscal fourth quarter, bringing the total count to 40,990 stores.

### Starbucks' Overall Margin Contracts in Q4

The company's non-GAAP operating margin contracted 500 basis points (bps) to 9.4% from the prior-year quarter. The decline was primarily due to restructuring costs tied to store closures and the streamlining of its support organization. The margin pressure also caused by inflationary factors, increased labor investments under the "Back to Starbucks" initiative and overall operating deleverage.

### Starbucks' Segmental Details

Starbucks has three reportable operating segments: North America, International and Channel Development.

**North America:** The segmental net revenues were \$6.9 billion, up 3% year over year. The segment's comparable store sales were at breakeven in contrast to a 6% fall reported in the prior-year quarter. Average transactions declined 1%, whereas the change in tickets rose 1% year over year.

Operating margin contracted 1420 bps to 4.5% from 18.7% in the prior-year quarter.

**International:** This segment's net revenues of \$2.07 billion increased 9% year over year. Comparable store sales increased 3% year over year in contrast to a 9% fall reported in the prior-year quarter. Average transactions increased 6%, whereas the change in tickets fell 3% year over year.

Operating margin contracted 410 bps year over year to 10.8%. The downside was attributed to heightened promotional activity and store closures.

In the fiscal fourth quarter, comps in China were up 2% against a 14% decline reported in the prior-year quarter. Transactions rose 9%, whereas the change in tickets fell 7% year over year.

**Channel Development:** Net revenues in the segment increased 17% year over year to \$542.6 million. The upside was driven by an increase in contributions to the Global Coffee Alliance.

The segment's operating margin contracted 800 bps year over year to 48.9%. A decline in North American Coffee Partnership joint venture income and a mix shift caused the downside.

### Starbucks' FY25 Highlights

Net sales in fiscal 2025 came in at \$37.2 billion compared with \$36.2 billion in fiscal 2024.

The non-GAAP operating margin in fiscal 2025 was 9.9% compared with 15% reported in the prior year.

Non-GAAP EPS in fiscal 2025 came in at \$2.13 compared with \$3.31 in the previous year.

### Starbucks' Financial Details

The company ended the fiscal fourth quarter with cash and cash equivalents of \$3.21 billion compared with \$3.29 billion at the fiscal 2024-end. As of Sept. 28, 2025, long-term debt totaled \$14.6 billion compared with \$14.3 billion as of Sept. 29, 2024. The current portion of long-term debt as of the quarter's end was \$1.49 billion compared with \$1.25 billion as of fiscal 2024-end.

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Meanwhile, management declared a quarterly cash dividend of 62 cents per share. The dividend is payable on Nov. 28, 2025, to its shareholders of record as of Nov. 14.

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## Valuation

Starbucks' shares are down 3.9% in the past six months, but up 1.7% in the trailing 12-month period. Stocks in the Zacks sub-industry are down 2.6%, but the sector is up 6.8%, in the past six months. Over the past year, the Zacks sub-industry is down 4.6% but the sector is up 4.9%.

The S&P 500 index is up 16% in the past six months and 15.9% in the past year.

The stock is currently trading at 35.25X forward 12-month earnings, which compares to 24.6X for the Zacks sub-industry, 24.66X for the Zacks sector and 20.49X for the S&P 500 index.

Over the past five years, the stock has traded as high as 39.73X and as low as 17.15X, with a 5-year median of 27.78X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$94 price target reflects 37.06X forward 12-month earnings.

The table below shows summary valuation data for SBUX.

Valuation Multiples - SBUX					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	35.25	24.6	24.6	20.49
	5-Year High	39.73	30.95	34.42	22.96
	5-Year Low	17.15	22.08	21.48	15.49
	5-Year Median	27.78	25.19	24.78	20.28
P/S F12M	Current	2.6	3.38	1.63	4.56
	5-Year High	4.82	5.15	2.05	5.03
	5-Year Low	2.07	3.12	1.2	3.42
	5-Year Median	2.88	3.88	1.54	4.53
EV/EBITDA TTM	Current	21.69	18.18	13.23	18.39
	5-Year High	43.27	32.21	26.92	22.41
	5-Year Low	12.77	15.53	11.23	13.88
	5-Year Median	18.41	18.49	14.43	17.97

As of 12/18/2025

Source: Zacks Investment Research



## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Bottom 20% (194 out of 243)



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

Company (Ticker)	Rec	Rank
Bloomin' Brands, Inc. (BLMN)	Neutral	3
Compass Group PLC (CMPGY)	Neutral	4
Darden Restaurants, ... (DRI)	Neutral	3
McDonald's Corporati... (MCD)	Neutral	3
Restaurant Brands In... (QSR)	Neutral	3
Yum! Brands, Inc. (YUM)	Neutral	3
Yum China (YUMC)	Neutral	3
Chipotle Mexican Gri... (CMG)	Underperform	4

## Industry Comparison<sup>(1)</sup> Industry: Retail - Restaurants

	SBUX	X Industry	S&P 500	CMPGY	DRI	MCD
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	4	3	3
VGM Score	D	-	-	A	C	D
Market Cap	96.16 B	671.70 M	39.21 B	54.35 B	22.09 B	223.14 B
# of Analysts	11	4	22	2	11	12
Dividend Yield	2.93%	0.00%	1.39%	1.29%	3.16%	2.37%
Value Score	C	-	-	B	B	C
Cash/Price	0.03	0.10	0.04	0.01	0.01	0.01
EV/EBITDA	22.25	10.00	14.70	NA	12.78	18.66
PEG Ratio	1.97	2.34	2.22	1.90	1.82	3.49
Price/Book (P/B)	NA	2.55	3.33	7.00	10.62	NA
Price/Cash Flow (P/CF)	22.90	9.93	15.40	17.17	13.50	21.27
P/E (F1)	35.99	19.98	19.84	21.78	17.96	25.93
Price/Sales (P/S)	2.59	0.68	3.13	NA	1.76	8.50
Earnings Yield	2.78%	3.95%	5.03%	4.59%	5.57%	3.86%
Debt/Equity	-1.80	0.22	0.56	0.72	1.03	-18.25
Cash Flow (\$/share)	3.69	1.78	8.98	1.87	14.07	14.73
Growth Score	D	-	-	A	C	C
Hist. EPS Growth (3-5 yrs)	8.92%	9.08%	8.16%	NA	26.01%	12.69%
Proj. EPS Growth (F1/F0)	10.33%	5.94%	8.50%	11.36%	10.68%	3.07%
Curr. Cash Flow Growth	-21.58%	10.34%	6.86%	3.17%	7.44%	-1.53%
Hist. Cash Flow Growth (3-5 yrs)	7.82%	8.18%	7.48%	18.15%	17.19%	6.76%
Current Ratio	0.72	0.73	1.18	0.73	0.39	1.00
Debt/Capital	NA%	34.96%	38.01%	41.96%	50.70%	NA
Net Margin	4.99%	2.45%	12.78%	NA	8.92%	32.04%
Return on Equity	-31.32%	6.19%	17.00%	NA	52.44%	-280.89%
Sales/Assets	1.15	0.93	0.53	NA	0.99	0.45
Proj. Sales Growth (F1/F0)	3.10%	1.90%	5.83%	9.90%	9.00%	2.90%
Momentum Score	F	-	-	D	F	D
Daily Price Chg	0.85%	0.51%	0.32%	-0.74%	1.56%	0.80%
1 Week Price Chg	3.49%	0.00%	1.61%	3.09%	4.16%	-0.28%
4 Week Price Chg	-2.46%	-1.84%	2.13%	2.23%	5.51%	0.30%
12 Week Price Chg	0.20%	-4.92%	3.31%	-6.29%	-1.29%	4.26%
52 Week Price Chg	-5.94%	-6.70%	14.40%	-4.70%	1.75%	6.58%
20 Day Average Volume	9,133,725	599,746	2,745,060	1,602,690	1,733,127	3,468,729
(F1) EPS Est 1 week change	-1.07%	0.00%	0.00%	0.00%	-0.19%	0.00%
(F1) EPS Est 4 week change	-3.01%	0.00%	0.00%	-1.34%	-0.36%	-0.18%
(F1) EPS Est 12 week change	-12.66%	-1.87%	0.66%	-1.12%	-0.25%	-2.20%
(Q1) EPS Est Mthly Chg	-3.43%	0.00%	0.00%	NA	-0.96%	0.00%



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

### Starbucks Corporation (SBUX)

in \$MM, except per share data

	2022A	2023A	2024A	2025A					2026E					2027E	2028E
	FY	FY	FY	1QA	2QA	3QA	4QA	FY	1QE	2QE	3QE	4QE	FY	FY	FY
FY Ends September 30th	Oct-22	Oct-23	Sep-24	29-Dec-24	30-Mar-25	29-Jun-25	28-Sep-25	Sep-25	27-Dec-25	28-Mar-26	27-Jun-26	26-Sep-26	Sep-26	Sep-27	Sep-28
<b>Income Statement</b>															
<b>Total Revenue</b>	\$32,250.3	\$35,975.6	\$36,176.2	\$9,397.8	\$8,761.6	\$9,456.0	\$9,569.0	\$37,184.4	\$9,666.6	\$9,028.0	\$9,727.7	\$9,930.2	\$38,352.5	\$40,973.1	\$44,350.3
YoY % Chng	11.0%	11.6%	0.6%	(0.3%)	2.3%	3.8%	5.5%	2.8%	2.9%	3.0%	2.9%	3.8%	3.1%	6.8%	8.2%
<b>Cost of Goods Sold &amp; Occupancy</b>	\$10,317.4	\$11,409.1	\$11,180.6	\$2,893.7	\$2,737.6	\$2,955.5	\$3,071.4	\$11,658.2	\$3,030.2	\$2,842.6	\$3,068.7	\$3,159.7	\$12,101.3	\$12,726.8	\$13,403.2
YoY % Chng	18.1%	10.6%	(2.0%)	(2.9%)	3.4%	7.8%	9.3%	4.3%	4.7%	3.8%	3.8%	2.9%	3.8%	5.2%	5.3%
<b>Gross Profit</b>	\$21,932.9	\$24,566.5	\$24,995.6	\$6,504.1	\$6,024.0	\$6,500.5	\$6,497.6	\$25,526.2	\$6,636.4	\$6,185.4	\$6,658.9	\$6,770.4	\$26,251.2	\$28,246.3	\$30,947.1
YoY % Chng	7.9%	12.0%	1.7%	0.9%	1.9%	2.0%	3.7%	2.1%	2.0%	2.7%	2.4%	4.2%	2.8%	7.6%	9.6%
<b>Store Operating Expenses</b>	\$13,561.8	\$14,720.3	\$15,286.5	\$4,203.0	\$4,176.0	\$4,344.8	\$4,335.0	\$17,058.9	\$4,485.2	\$4,362.1	\$4,464.2	\$4,615.3	\$17,926.9	\$18,826.5	\$20,069.5
YoY % Chng	13.7%	8.5%	3.8%	9.1%	12.1%	13.5%	11.7%	11.6%	6.7%	4.5%	2.7%	6.5%	5.1%	5.0%	6.6%
<b>Other Operating Expenses</b>	\$461.5	\$539.4	\$665.6	\$152.5	\$138.7	\$151.6	\$141.8	\$584.6	\$171.4	\$145.4	\$157.3	\$160.9	\$634.9	\$670.3	\$724.2
YoY % Chng	28.4%	16.9%	4.9%	1.4%	4.4%	5.4%	2.2%	3.4%	12.4%	4.8%	3.8%	13.5%	8.6%	5.6%	8.1%
<b>Depreciation &amp; Amortization</b>	\$1,447.9	\$1,362.6	\$1,512.6	\$407.6	\$418.9	\$427.6	\$430.8	\$1,684.7	\$438.4	\$441.0	\$448.6	\$440.3	\$1,788.3	\$1,883.5	\$1,975.1
YoY % Chng	0.4%	(5.9%)	11.0%	11.6%	12.6%	12.4%	9.1%	11.4%	7.6%	5.3%	4.9%	2.2%	5.0%	6.5%	4.9%
<b>General &amp; Administrative</b>	\$2,032.0	\$2,441.3	\$2,523.3	\$665.8	\$632.3	\$677.2	\$642.0	\$2,617.2	\$574.5	\$583.0	\$600.0	\$597.7	\$2,355.2	\$2,358.7	\$2,384.4
YoY % Chng	5.1%	20.1%	3.4%	2.7%	(3.4%)	17.6%	(0.4%)	3.7%	(13.7%)	(7.8%)	(11.4%)	(6.9%)	(10.0%)	0.1%	1.1%
<b>Restructuring and Impairments</b>	\$46.0	\$21.8	\$0.0	\$0.0	\$116.2	\$20.8	\$755.0	\$892.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
YoY % Chng	(73.0%)	(52.6%)													
<b>Total Operating Expense</b>	\$17,549.2	\$19,085.4	\$19,888.0	\$5,428.9	\$5,482.1	\$5,622.0	\$6,304.6	\$22,837.4	\$5,669.5	\$5,531.5	\$5,670.0	\$5,814.2	\$22,685.3	\$23,739.1	\$25,153.2
YoY % Chng	10.8%	8.8%	4.2%	8.2%	12.3%	14.1%	24.6%	14.8%	4.4%	0.9%	0.9%	(7.8%)	(0.7%)	4.6%	6.0%
<b>Income from Equity Investees</b>	\$234.1	\$298.4	\$301.2	\$48.5	\$59.1	\$57.1	\$85.2	\$247.8	\$64.4	\$64.0	\$69.8	\$74.0	\$272.1	\$294.7	\$319.9
YoY % Chng	(39.2%)	27.5%	0.9%	(16.8%)	(13.1%)	(22.7%)	(17.6%)	(17.7%)	38.4%	8.3%	22.2%	(13.1%)	9.8%	8.3%	8.5%
<b>EBITDA</b>	\$6,065.7	\$7,233.4	\$6,921.4	\$1,529.3	\$1,019.9	\$1,363.2	\$709.0	\$4,621.3	\$1,469.7	\$1,158.9	\$1,507.2	\$1,470.5	\$5,606.3	\$6,685.5	\$8,088.8
YoY % Chng	(3.9%)	19.3%	(4.3%)	(17.4%)	(30.7%)	(28.2%)	(58.3%)	(33.2%)	(3.9%)	13.6%	10.6%	107.4%	21.3%	19.2%	21.0%
<b>Operating Income, Adjusted</b>	\$4,855.0	\$5,801.4	\$5,408.8	\$1,121.7	\$717.2	\$956.4	\$896.2	\$3,691.6	\$1,069.3	\$755.9	\$1,096.6	\$1,068.3	\$3,990.0	\$4,954.0	\$6,265.7
YoY % Chng	(7.0%)	19.5%	(6.8%)	(24.5%)	(34.7%)	(37.0%)	(31.4%)	(31.7%)	(4.7%)	5.4%	14.7%	19.2%	8.1%	24.2%	26.5%
<b>Operating Income, GAAP</b>	\$4,617.8	\$5,870.8	\$5,408.8	\$1,121.7	\$601.0	\$935.6	\$278.2	\$2,936.6	\$1,031.3	\$717.9	\$1,058.6	\$1,030.3	\$3,838.0	\$4,802.0	\$6,113.7
YoY % Chng	(5.2%)	27.1%	(7.9%)	(24.5%)	(45.3%)	(38.3%)	(78.7%)	(45.7%)	(8.1%)	19.4%	13.2%	270.3%	30.7%	25.1%	27.3%
<b>Interest Expense</b>	\$482.9	\$550.1	\$562.0	\$127.2	\$127.3	\$142.3	\$145.8	\$542.6	\$141.0	\$134.1	\$145.2	\$140.6	\$560.9	\$590.0	\$626.1
YoY % Chng	2.8%	13.9%	2.2%	(9.2%)	(9.5%)	0.7%	4.1%	(3.5%)	10.9%	5.3%	2.1%	(3.6%)	3.4%	5.2%	6.1%
<b>Interest and Other (Income), Net</b>	(\$97.0)	(\$81.2)	(\$122.8)	(\$27.8)	(\$28.4)	(\$25.6)	(\$31.5)	(\$113.3)	(\$5.3)	(\$22.1)	(\$21.9)	(\$21.2)	(\$70.5)	(\$83.7)	(\$91.8)
YoY % Chng	(7.7%)	16.3%	(51.2%)	17.8%	16.7%	8.9%	(17.5%)	7.7%	80.9%	22.2%	14.5%	32.7%	37.8%	(18.7%)	(9.7%)
<b>Net Interest Expense &amp; Other (Income)</b>	\$385.9	\$468.9	\$439.2	\$99.4	\$98.9	\$116.7	\$114.3	\$429.3	\$135.7	\$112.0	\$123.4	\$119.4	\$490.4	\$506.3	\$534.3
YoY % Chng	1.7%	21.5%	(6.3%)	(6.5%)	(7.1%)	3.1%	1.0%	(2.3%)	36.5%	13.2%	5.7%	4.4%	14.2%	3.2%	5.5%
<b>Pre-Tax Income</b>	\$4,231.9	\$5,401.9	\$4,969.6	\$1,022.3	\$502.1	\$818.9	\$163.9	\$2,507.3	\$895.6	\$605.9	\$935.3	\$910.9	\$3,347.6	\$4,295.7	\$5,579.4
YoY % Chng	(21.0%)	27.6%	(8.0%)	(25.9%)	(49.4%)	(41.7%)	(86.3%)	(49.5%)	(12.4%)	20.7%	14.2%	455.7%	33.5%	28.3%	29.9%
<b>Income Tax</b>	\$948.5	\$1,277.2	\$1,207.3	\$241.4	\$118.0	\$260.4	\$30.8	\$650.6	\$210.5	\$142.4	\$219.8	\$214.1	\$786.7	\$1,009.5	\$1,311.2
YoY % Chng	(18.0%)	34.7%	(5.5%)	(31.9%)	(46.3%)	(25.3%)	(89.2%)	(46.1%)	(12.8%)	20.7%	(15.6%)	595.0%	20.9%	28.3%	29.9%
<b>Tax Rate</b>	22.4%	23.6%	24.3%	23.6%	23.5%	31.8%	18.8%	25.9%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%
<b>Non-Controlling Interest</b>	(\$1.8)	(\$0.2)	(\$1.4)	(\$0.1)	\$0.1	(\$0.2)	\$0.0	(\$0.3)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Net Income, Adjusted</b>	\$3,429.2	\$4,075.6	\$3,764.5	\$785.5	\$467.4	\$569.9	\$593.3	\$2,427.8	\$714.2	\$492.6	\$744.6	\$725.9	\$2,677.2	\$3,402.5	\$4,384.5
YoY % Chng	(10.6%)	18.9%	(7.6%)	(23.5%)	(39.5%)	(46.0%)	(34.8%)	(35.5%)	(9.1%)	5.4%	30.6%	22.4%	10.3%	27.1%	28.9%
<b>Net Income, GAAP</b>	\$3,281.6	\$4,124.5	\$3,760.9	\$780.8	\$384.2	\$558.3	\$133.1	\$1,856.4	\$685.1	\$463.5	\$715.5	\$696.8	\$2,560.9	\$3,286.2	\$4,268.3
YoY % Chng	(21.9%)	25.7%	(8.8%)	(23.8%)	(50.3%)	(47.1%)	(85.4%)	(50.6%)	(12.3%)	20.6%	28.2%	423.5%	38.0%	28.3%	29.9%
<b>Diluted Shares Outstanding</b>	1,158.5	1,151.3	1,137.3	1,138.4	1,140.0	1,139.8	1,140.9	1,139.8	1,140.9	1,140.9	1,140.9	1,140.9	1,140.9	1,140.9	1,140.9
YoY % Chng	(2.3%)	(0.6%)	(1.2%)	(0.2%)	0.4%	0.4%	0.3%	0.2%	0.2%	0.1%	0.1%	0.0%	0.1%	0.0%	0.0%
<b>EPS, Adjusted</b>	\$2.96	\$3.54	\$3.31	\$0.69	\$0.41	\$0.50	\$0.52	\$2.13	\$0.63	\$0.43	\$0.65	\$0.64	\$2.35	\$2.98	\$3.84
YoY % Chng	(8.5%)	19.6%	(6.5%)	(23.3%)	(39.7%)	(46.2%)	(35.0%)	(35.6%)	(9.3%)	5.3%	30.5%	22.4%	10.2%	27.1%	28.9%
<b>EPS, GAAP</b>	\$2.83	\$3.58	\$3.31	\$0.69	\$0.34	\$0.49	\$0.12	\$1.63	\$0.60	\$0.41	\$0.63	\$0.61	\$2.24	\$2.88	\$3.74
YoY % Chng	(20.1%)	26.5%	(7.5%)	(23.3%)	(50.0%)	(47.3%)	(85.0%)	(50.8%)	(13.0%)	19.5%	28.0%	409.0%	37.7%	28.3%	29.9%

## Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

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## Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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Value Score	C
Growth Score	D
Momentum Score	F
VGM Score	D

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

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