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Zacks Report Date: December 15, 2025

Sprouts Farmers (SFM)

$80.39 (Stock Price as of 12/15/2025)

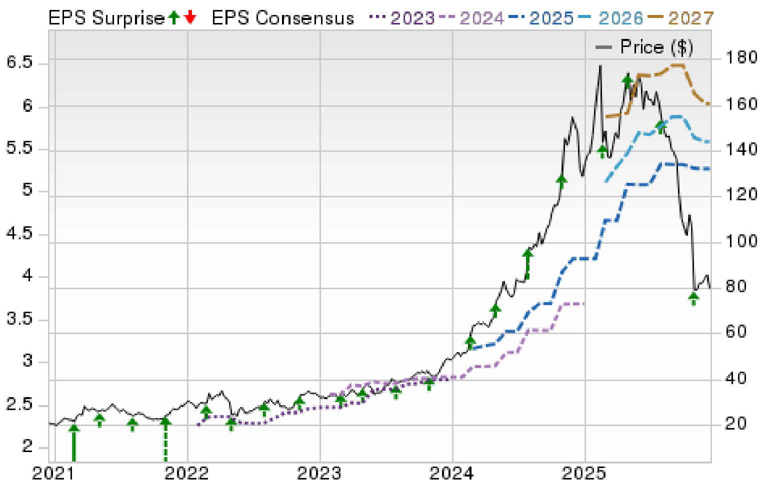
Price Target (6-12 Months): **$72.50**

Long Term: 6-12 Months	**Zacks Recommendation:** (Since: 10/31/25) Prior Recommendation: Neutral	**Underperform**
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**4-Sell**
	Zacks Style Scores:	VGM: A
	Value: A | Growth: A	Momentum: A

Summary

Sprouts Farmers faces mounting headwinds as slowing comparable sales, shrinking basket sizes, and margin normalization signal fading operating momentum. The company continues to contend with tougher year-over-year comparisons and softening consumer trends, particularly across middle-income and younger demographics, showing heightened price sensitivity. Management's cautious tone around the fourth quarter and early 2026 underscores limited visibility. With fixed-cost pressure from an expanding store base and less operating leverage, margin improvement is likely to stall in the near term. We expect EBIT margins to shrink by 70 and 80 basis points in the first and second quarters of 2026, respectively. While strategic investments in distribution and loyalty may yield benefits, near-term growth and earnings trajectory appear constrained.

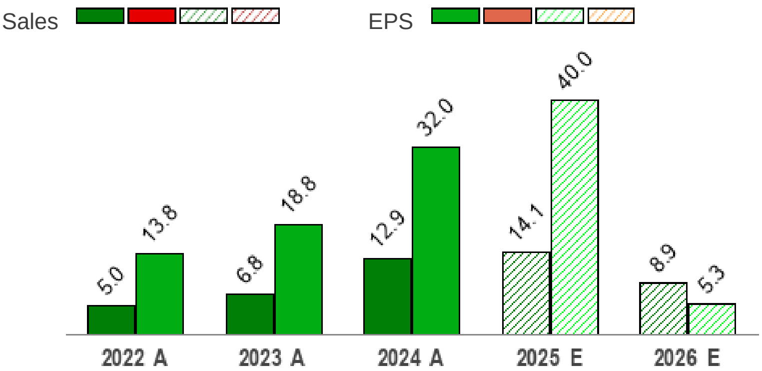
Price, Consensus & Surprise[1]



Data Overview

52 Week High-Low	$182.00 - $75.75
20 Day Average Volume (sh)	1,973,436
Market Cap	$7.7 B
YTD Price Change	-37.4%
Beta	0.70
Dividend / Div Yld	$0.00 / 0.0%
Industry	Food - Natural Foods Products
Zacks Industry Rank	Bottom 5% (230 out of 243)
Last EPS Surprise	4.3%
Last Sales Surprise	-1.3%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/19/2026
Earnings ESP	-1.8%
P/E TTM	15.4
P/E F1	15.3
PEG F1	0.7
P/S TTM	0.9

Sales and EPS Growth Rates (Y/Y %)[2]



Sales Estimates (millions of $)[2]

	Q1	Q2	Q3	Q4	Annual*
2026	2,407 E	2,393 E	2,393 E	2,398 E	9,590 E
2025	2,236 A	2,221 A	2,200 A	2,151 E	8,808 E
2024	1,884 A	1,894 A	1,946 A	1,996 A	7,719 A

EPS Estimates[2]

	Q1	Q2	Q3	Q4	Annual*
2026	1.76 E	1.38 E	1.32 E	1.07 E	5.53 E
2025	1.81 A	1.35 A	1.22 A	0.87 E	5.25 E
2024	1.12 A	0.94 A	0.91 A	0.79 A	3.75 A

*Quarterly figures may not add up to annual.

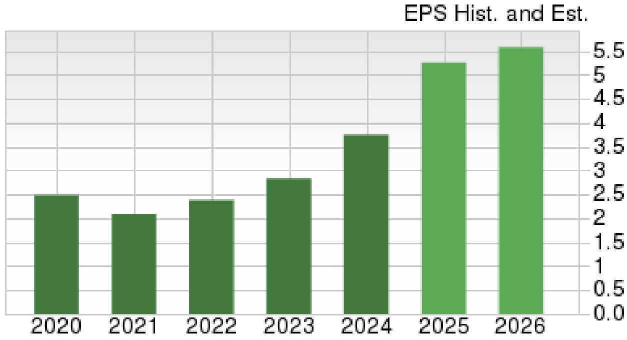
(1) The data in the charts and tables, except the estimates, is as of 12/15/2025.
(2) The report's text, the analyst-provided estimates, and the price target are as of 12/05/2025.

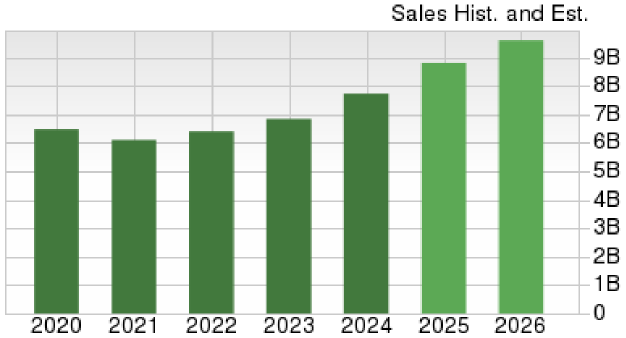
Overview

Sprouts Farmers Market, Inc., which operates in a highly fragmented grocery store industry, has a unique model that features fresh produce, food section, and a vitamin department focused on overall wellness. Moreover, the company has been diversifying its offerings to meet the changing preferences of consumers, who are looking for more health and wellness products. These products are generally plant-based, gluten-free, keto-friendly, and grass-fed. The company has been focusing on natural and organic food, which is one of the fastest-growing segments in the industry.

This Phoenix, AZ-based company is an everyday healthy grocery store. As of September 28, 2025, the company operates about 464 stores in 24 states. The company classifies products into perishable and non-perishable categories. While perishable product categories (57.3% of 2024 sales mix) include produce, meat, seafood, deli, bakery, floral and dairy and dairy alternatives; non-perishable product categories (42.7% of 2024 sales mix) include grocery, vitamins and supplements, bulk items, frozen foods, beer and wine, and natural health and body care.

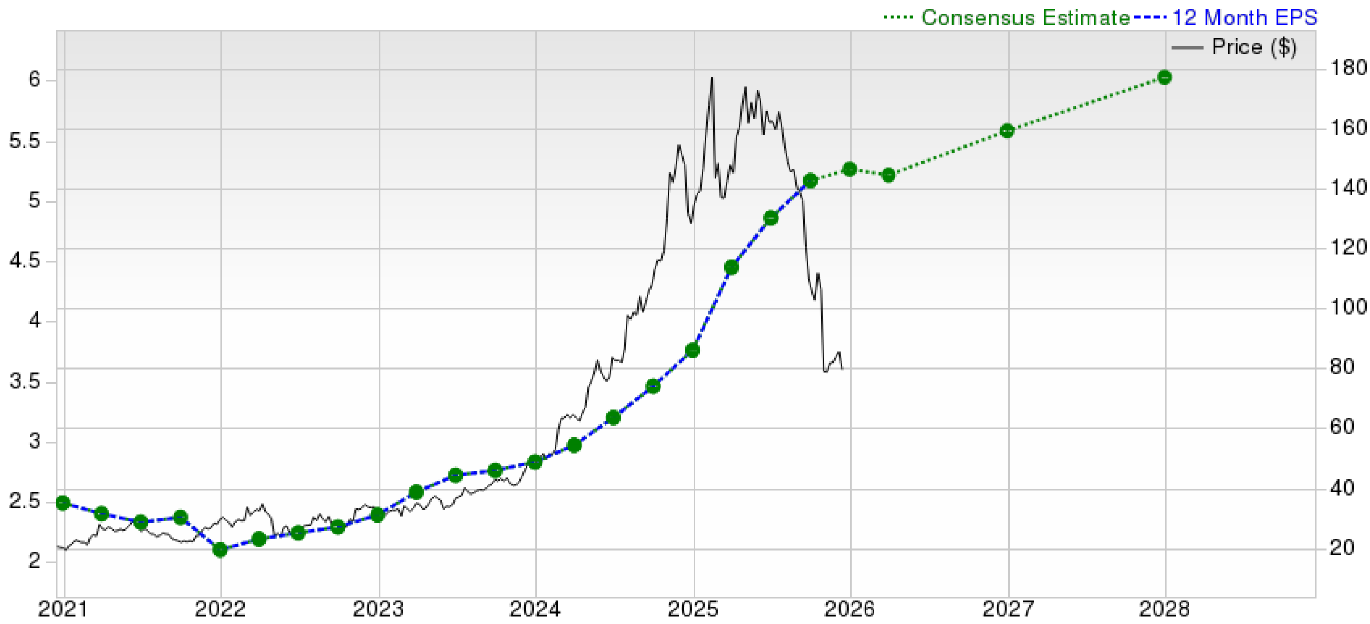
KeHE Distributors is the company's main supplier of dry grocery and frozen food products, and accounts for approximately 50% of total purchases in fiscal 2024. Another 3% of total purchases in fiscal 2024 were made through secondary supplier, United Natural Foods Inc. The primary supplier of meat and seafood accounted for approximately 14% of total purchases.





As of 12/05/2025

The company's stores are generally located in a variety of mid-sized and larger shopping centers, lifestyle centers, and in certain cases, independent single-unit, stand-alone developments.



As of 12/15/2025

Reasons To Sell:

Sprouts Farmers faces slowing comparable sales and shrinking basket sizes as consumer sensitivity rises, signaling softer demand and limited growth visibility into early 2026.

- **Slowing Comparable Sales Growth a Concern:** While Sprouts Farmers delivered decent third-quarter fiscal 2025 results, the only key concern was the moderation in comparable-store sales growth. The metric rose 5.9% in the quarter, coming in below management's expectations. Moreover, the growth rate decelerated from 10.2% and 11.7% increases registered in the second and first quarters, respectively. This moderation was attributed to tough year-over-year comparisons and a softening consumer backdrop. This slowdown carries important implications for the early part of 2026. Sprouts Farmers will lap double-digit comparable-store sales from the prior year through the first half of 2026. The company's fourth-quarter guidance of flat to 2% comparable store sales growth already signals this normalization. While traffic remains positive, baskets have thinned slightly as consumers manage budgets. We foresee comps growth of 1.1% in the final quarter of 2025.

- **Shrinking Basket Sizes Reflect Macro Consumer Strain:** Management called out pockets of softness, particularly in some middle-income and younger trade areas where customers are showing more sensitivity. If the macro environment deteriorates further or inflationary pressures squeeze discretionary spending, these trade areas could underperform for an extended period. A sustained downtick in basket size at the margins (SFM cited pressure on the "end of the basket") would reduce overall AUR and weaken comps. Given that Sprouts Farmers' customer base skews health-oriented but not uniformly affluent, this sensitivity leaves the company exposed to consumer cyclical weakness and suggests earnings volatility. We expect comps growth of just 1% and 1.6% in the first and second quarters of 2026, respectively.

- **Margin Normalization Signals Near-Term Profit Pressure:** Management acknowledged that margin performance will soften in the near term as strong prior-year comparisons and moderating comps weigh on profitability. For the fourth quarter of fiscal 2025, SFM cautioned that both gross margin and SG&A rates are "normalizing," implying a step down from the recent margin expansion achieved earlier in the year. Management pointed out that EBIT margins will be flat year over year, with only a "little bit positive" contribution from gross margin offset by pressure on SG&A. The commentary underscores limited operating leverage heading into year-end, as fixed costs from new store growth meet slowing sales momentum. We expect gross margin expansion to slow down to 20 basis points in the final quarter, following expansion of 60, 90, and 130 basis points in the preceding three quarters. Looking ahead to the first half of 2026, management also acknowledged that the company will be lapping double-digit comps, which could constrain margin growth despite efficiency gains. We expect EBIT margins to shrink by 70 and 80 basis points in the first and second quarters of 2026, respectively.

- **SG&A Deleverage a Headwind:** Sprouts Farmers faces mounting pressure from escalating wages and benefits, incentive compensation for teams, and e-commerce fees, leading to a deleveraging of SG&A expenses. In the third quarter of 2025, SG&A expenses rose 12.6% year over year, reaching $653.3 million. The trend mirrors a pattern of successive increases in SG&A expenses over the preceding three quarters, with growth rates of 16%, 15.5% and 19.7%, respectively. Such a deleverage in expenses, unless offset by commensurate sales growth, could exert downward pressure on profit margins. We expect SG&A expenses to increase by 12.9% in 2025.

- **Natural and Organic Rivals Intensify Pressure:** Sprouts Farmers Market faces mounting competitive pressures that could challenge its growth and profitability. Large-format grocers such as Kroger, Albertsons, and Walmart continue to leverage scale and pricing power, while premium players like Whole Foods, owned by Amazon, intensify competition in the natural and organic space. Regional supermarkets and warehouse clubs, including Costco and Sam's Club, also exert pricing pressure by offering organics and fresh produce at attractive value points. Even dollar stores are expanding their grocery assortments, widening the competitive set. In this crowded environment, Sprouts' ability to differentiate on health-focused assortments and customer experience is tested, while limited scale relative to larger rivals constrains its pricing flexibility and margin resilience.

Risks[2] (to the Underperform recommendation)

- **Pioneering Seamless Customer Experience:** To expand its customer base, Sprouts Farmers has been implementing several initiatives focused on product innovation, customer experience, and targeted marketing with everyday competitive pricing and technology. It is steadily increasing its presence in the natural and organic space, given the strong demand in the segment. The company has been offering hassle-free shopping through the Sprouts.com website and mobile app, as well as developing a supply chain that delivers the freshest produce, while also updating store prototypes. The company is exploring all means to offer ready-to-eat, ready-to-heat, and ready-to-cook items to customers. It continues to innovate within its product range, especially through its private label, Sprouts brand. Overall, these initiatives are expected to drive sales. We anticipate comparable store sales growth of 7.1% for 2025.

- **Private-Label Driving Higher-Margin Mix:** A key driver of Sprouts Farmers' competitive advantage is its differentiated product selection and strong private-label program. Management noted that Sprouts' private-label products now make up more than 25% of total sales, while organic product penetration exceeds one-third of sales. The company plans to launch around 7,000 new products in 2025, enhancing its innovation pipeline and entering new health-focused categories. These initiatives not only address consumer trends toward healthier and sustainable eating but also generate higher profit margins. They enable better price realization and basket economics compared to traditional grocery players. We note that attribute-forward products (organic, plant-based, specialty items) were the fastest-growing segment of the business in the third quarter of 2025.

- **Customer Engagement Across Channels:** Sprouts Farmers is advancing its omnichannel strategy by expanding digital reach and operational efficiency. Partnerships with Uber Eats, DoorDash, and Instacart have accelerated online visibility, driving a 21% year-over-year rise in e-commerce sales in the third quarter, which now make up 15.5% of sales. The nationwide launch of the Sprouts Rewards loyalty program is boosting engagement, with early markets showing higher purchase frequency and spend per customer. Operationally, more than 85% of stores are now within 250 miles of a distribution center, enhancing freshness and logistics efficiency. At the same time, Sprouts' new store format is optimizing selling space while reducing construction costs, supporting faster, more profitable expansion.

- **Supply-Chain Efficiency, Self-Distribution Advantage:** Sprouts Farmers continues to take control of its supply chain. The company is building a self-distribution model, focusing initially on fresh categories such as meat and seafood. These initiatives increase control over product quality and freshness while improving efficiency. This self-distribution model not only boosts margins but also enhances customer experience, a dual benefit that supports both financial performance and brand loyalty. With four distribution centers already operational and the Northern California DC scheduled for completion by the second quarter of 2026, management expects significant improvements in product availability, delivery frequency, and cost efficiency. Early results show better in-stock positions and fresher inventory levels, which directly support sales momentum in high-margin perishable categories.

- **Store Updates:** Sprouts Farmers continues with its store expansion, opening 9 new stores in the third quarter, bringing the total store count to 464. Management raised its fiscal 2025 target to 37 new openings, supported by a healthy pipeline of roughly 140 approved locations. The focus on opening stores in high-demand markets, along with tailored community engagement activities, ensures each new store connects with local consumers. The performance of new store vintages is described as strong both in terms of revenues and profitability. SFM anticipates opening more stores in 2026 than in 2025 and remains confident in achieving the targeted 10%-unit growth by 2027. The company's disciplined real estate strategy offers a clear insight into sustained revenue expansion. We expect SFM to open 40 stores and 50 stores in 2026 and 2027, respectively.

Last Earnings Report

Sprouts Farmers Q3 Earnings Beat, Comparable Store Sales Moderate

FY Quarter Ending	12/31/2024
Earnings Reporting Date	Oct 29, 2025
Sales Surprise	-1.27%
EPS Surprise	4.27%
Quarterly EPS	1.22
Annual EPS (TTM)	5.17

Sprouts Farmers Market, Inc. reported its third-quarter 2025 results, wherein the top line fell short of the Zacks Consensus Estimate, while the bottom line beat the same. Decent comparable sales, positive traffic trends, accelerating unit growth and strong e-commerce performance positively impacted the quarterly performance. However, management acknowledged that the trends in comparable store sales moderated, reflecting challenging year-over-year comparisons and signs of consumer softness.

SFM's Quarterly Performance: Key Metrics and Insights

The well-known grocery retailer reported quarterly earnings of $1.22 per share, surpassing the Zacks Consensus Estimate of $1.17. The bottom line rose from 91 cents in the same period last year.

Net sales of this Phoenix, AZ-based company reached $2,200.4 million, falling short of the Zacks Consensus Estimate of $2,229 million. The figure increased 13% year over year. The growth was driven by sales from new stores and a jump in comparable store sales.

Comparable store sales rose 5.9% during the quarter under review. Moreover, the growth rate has decelerated from 10.2% and 11.7% increases registered in the second and first quarters, respectively. We note that e-commerce sales grew 21% and represented 15.5% of total sales in the quarter.

A Sneak Peek Into SFM's Margins

The gross profit rose 14.9% year over year to $851.1 million in the quarter, while the gross margin expanded 60 basis points to 38.7% from the prior-year quarter. Better inventory management and improved shrink supported margin growth. Sprouts Farmers reported operating income of $157.4 million, up from $122.5 million reported in the year-ago period. The operating margin expanded 90 basis points to 7.2%.

SG&A expenses increased 12.6% year over year to $653.3 million. However, as a percentage of net sales, the metric leveraged 13 basis points to 29.7% owing to lower compensation expenses, partly offset by increased benefit costs and expenses tied to new store openings.

Sprouts Farmers' Store Update

During the quarter, Sprouts Farmers opened nine new stores, taking the total count to 464 stores in 24 states as of Sept. 28, 2025. It plans to open 37 new stores in 2025. Management anticipates opening more stores in 2026 than in 2025 and remains confident in achieving the targeted 10%-unit growth by 2027.
SFM's Financial Health Snapshot

Sprouts Farmers ended the quarter with cash and cash equivalents of $322.4 million, long-term debt and other finance obligations of roughly $53.4 million, and stockholders' equity of $1,434.6 million. During the quarter, the company repurchased 0.4 million shares for a total investment of $50 million under its new $1 billion share repurchase program. SFM has no outstanding borrowings on its $600 million revolving credit facility.

Sprouts Farmers generated cash from operations of $577.5 million and spent $194 million in capital expenditures, net of landlord reimbursement, year to date through Sept. 28, 2025. Management continues to anticipate capital expenditures (net of landlord reimbursements) in the range of $230-$250 million for 2025.

What to Expect From Sprouts Farmers in Fiscal 2025?

For the fourth quarter of 2025, Sprouts Farmers expects flat to 2% growth in comparable store sales. It envisions adjusted earnings in the band of 86-90 cents a share compared with 79 cents reported in the year-ago period.

Sprouts Farmers now anticipates 2025 net sales growth of 14% and comparable store sales growth of 7%. The company had earlier projected net sales growth of 14.5% to 16% and comparable store sales growth of 7.5% to 9%.

Management has guided earnings before interest and taxes between $675 million and $680 million for 2025.

The company now foresees full-year earnings between $5.24 and $5.28 per share, indicating growth from $3.75 reported in 2024. SFM had earlier guided earnings in the band of $5.20-$5.32 per share.

Valuation

Sprouts Farmers' Market's shares are down 49.6% in the past six-month period and 43.6% in the trailing 12-month period. Stocks in the Zacks sub-industry are down 24.8%, and the Zacks Retail Wholesale sector is up 5.1%, in the past six-month period. Over the past year, the sub-industry is down 21.4%, and the sector is up 2.2%.

The S&P 500 index is up 17.1% in the past six-month period and 15.1% in the past year.

The stock is currently trading at 15.33X forward 12-month earnings, which compares to 15.23X for the Zacks sub-industry, 25.03X for the Zacks sector, and 23.53X for the S&P 500 index.

Over the past five years, the stock has traded as high as 41.37X and as low as 10.41X, with a 5-year median of 14.11X. Our Underperform recommendation indicates that the stock will perform worse than the market. Our $72.50 price target reflects 13.03X forward 12-month earnings.

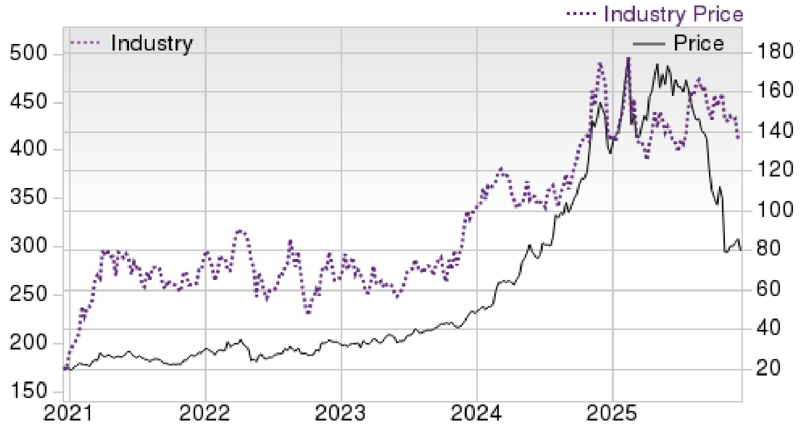
The table below shows summary valuation data for SFM

Valuation Multiples - SFM

		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	15.33	15.23	25.03	23.53
	5-Year High	41.37	23.40	34.33	23.82
	5-Year Low	10.41	10.80	21.48	15.73
	5-Year Median	14.11	15.23	24.79	21.19
P/B TTM	Current	5.79	2.89	4.99	8.53
	5-Year High	13.64	4.61	11.18	9.16
	5-Year Low	2.51	1.78	4.71	6.60
	5-Year Median	3.60	2.65	6.15	8.04
EV/EBITDA TTM	Current	8.33	8.77	13.38	18.66
	5-Year High	22.42	13.00	27.12	22.41
	5-Year Low	3.40	6.64	11.27	13.87
	5-Year Median	6.05	8.71	14.51	17.96

As of 12/04/2025 *Source: Zacks Investment Research*

Industry Analysis(1) Zacks Industry Rank: Bottom 5% (230 out of 243)



Top Peers (1)

Company (Ticker)	Rec	Rank
Costco Wholesale Cor...**(COST)**	Outperform	3
Albertsons Companies...**(ACI)**	Neutral	3
The Hain Celestial G...**(HAIN)**	Neutral	3
The Kroger Co. **(KR)**	Neutral	3
Target Corporation **(TGT)**	Neutral	3
United Natural Foods...**(UNFI)**	Neutral	1
Walmart Inc. **(WMT)**	Neutral	3
Farmer Brothers Comp...**(FARM)**	Underperform	5

Industry Comparison(1) Industry: Food - Natural Foods Products

Industry Peers

	SFM	X Industry	S&P 500	COST	TGT	WMT
Zacks Recommendation (Long Term)	Underperform	-	-	Outperform	Neutral	Neutral
Zacks Rank (Short Term)	4	-	-	3	3	3
VGM Score	A	-	-	A	D	B
Market Cap	7.74 B	741.58 M	39.38 B	392.67 B	43.96 B	930.12 B
# of Analysts	5	2.5	22	13	12	12
Dividend Yield	0.00%	0.00%	1.41%	0.59%	4.70%	0.81%
Value Score	A	-	-	C	A	C
Cash/Price	0.04	0.04	0.04	0.04	0.09	0.01
EV/EBITDA	9.60	10.31	14.60	28.45	6.41	22.85
PEG Ratio	0.71	1.02	2.23	5.99	10.56	5.39
Price/Book (P/B)	5.40	2.75	3.35	12.96	2.84	9.10
Price/Cash Flow (P/CF)	12.15	8.82	15.20	37.63	6.29	28.22
P/E (F1)	15.15	15.10	19.78	44.18	13.31	44.37
Price/Sales (P/S)	0.89	0.44	3.06	1.40	0.42	1.32
Earnings Yield	6.63%	5.92%	4.99%	2.26%	7.51%	2.25%
Debt/Equity	0.04	0.21	0.57	0.19	0.99	0.39
Cash Flow ($/share)	6.55	2.47	8.99	23.51	15.43	4.13
Growth Score	A	-	-	A	F	B
Hist. EPS Growth (3-5 yrs)	17.64%	18.14%	8.16%	13.04%	-8.19%	6.30%
Proj. EPS Growth (F1/F0)	40.00%	9.38%	8.57%	11.28%	-17.72%	4.78%
Curr. Cash Flow Growth	17.30%	16.39%	6.75%	10.86%	1.92%	11.38%
Hist. Cash Flow Growth (3-5 yrs)	13.04%	7.17%	7.43%	13.36%	3.69%	5.75%
Current Ratio	1.05	1.24	1.19	1.04	0.97	0.80
Debt/Capital	3.59%	17.69%	38.01%	15.75%	49.78%	28.46%
Net Margin	5.93%	3.49%	12.78%	2.96%	3.58%	3.26%
Return on Equity	38.03%	15.97%	17.00%	29.35%	22.74%	21.31%
Sales/Assets	2.28	2.05	0.53	3.63	1.82	2.60
Proj. Sales Growth (F1/F0)	14.10%	0.00%	5.77%	7.60%	-1.60%	4.50%
Momentum Score	A	-	-	A	F	B
Daily Price Chg	-0.48%	-1.09%	-1.07%	0.00%	0.12%	1.02%
1 Week Price Chg	-7.01%	0.33%	-0.63%	-1.14%	5.32%	1.38%
4 Week Price Chg	-2.75%	-1.39%	1.39%	-4.17%	8.00%	13.88%
12 Week Price Chg	-33.94%	-16.98%	2.45%	-7.01%	10.17%	14.04%
52 Week Price Chg	-46.18%	-30.22%	12.83%	-10.60%	-27.83%	23.82%
20 Day Average Volume	1,973,436	56,745	2,728,366	2,574,627	7,710,427	21,686,860
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.20%	0.00%	0.00%
(F1) EPS Est 4 week change	0.00%	-0.51%	0.00%	0.26%	-1.06%	0.75%
(F1) EPS Est 12 week change	-0.94%	-3.08%	0.69%	0.89%	-2.58%	0.96%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	-0.24%	-3.49%	0.28%

Analyst Earnings Model[2]

Sprouts Farmers Market, Inc. (SFM)

In $MM, except per share data

	2022A	2023A	2024A	2025E					2026E					2027E
	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Jan-23	Dec-23	Dec-24	30-Mar-25	29-Jun-25	28-Sep-25	28-Dec-25	Dec-25	29-Mar-26	28-Jun-26	27-Sep-26	27-Dec-26	Dec-26	Dec-27
Income Statement														
Total Revenue	**$6,404.2**	**$6,837.4**	**$7,719.3**	**$2,236.4**	**$2,220.6**	**$2,200.4**	**$2,150.8**	**$8,808.3**	**$2,407.2**	**$2,392.8**	**$2,392.7**	**$2,397.6**	**$9,590.2**	**$10,414.5**
YoY % Chng	5.0%	6.8%	12.9%	18.7%	17.3%	13.1%	7.7%	14.1%	7.6%	7.8%	8.7%	11.5%	8.9%	8.6%
Cost of Sales	$4,055.7	$4,315.5	$4,777.8	$1,350.1	$1,358.0	$1,349.4	$1,327.8	$5,385.2	$1,458.0	$1,468.1	$1,467.3	$1,477.7	$5,871.0	$6,375.5
YoY % Chng	4.2%	6.4%	10.7%	16.2%	15.6%	12.0%	7.4%	12.7%	8.0%	8.1%	8.7%	11.3%	9.0%	8.6%
Gross Profit	**$2,348.6**	**$2,521.8**	**$2,941.5**	**$886.4**	**$862.6**	**$851.1**	**$823.0**	**$3,423.0**	**$949.2**	**$924.7**	**$925.4**	**$919.9**	**$3,719.2**	**$4,039.0**
YoY % Chng	6.3%	7.4%	16.6%	22.7%	20.1%	14.9%	8.3%	16.4%	7.1%	7.2%	8.7%	11.8%	8.7%	8.6%
Sales, General and Administrative	$1,855.6	$2,000.4	$2,291.4	$623.2	$645.1	$653.3	$666.4	$2,588.0	$679.2	$705.9	$715.2	$740.4	$2,840.8	$3,102.8
YoY % Chng	6.1%	7.8%	14.5%	15.5%	16.0%	12.6%	8.4%	12.9%	9.0%	9.4%	9.5%	11.1%	9.8%	9.2%
Depreciation & Amortization (Exclusive Of Depreciation Included in Cost Of Sales)	$123.5	$131.9	$132.7	$35.1	$36.6	$38.9	$39.8	$150.4	$40.7	$41.4	$42.3	$43.3	$167.6	$183.1
YoY % Chng	1.0%	6.8%	0.6%	8.9%	16.3%	12.9%	15.0%	13.3%	15.8%	13.0%	8.9%	8.7%	11.5%	9.2%
Store Closure and Other Costs, Net	$11.0	$39.3	$12.9	$1.7	$1.5	$1.5	$2.1	$6.8	$1.8	$1.6	$1.6	$2.3	$7.4	$8.0
YoY % Chng	135.9%	256.3%	(67.2%)	(16.5%)	(52.7%)	(60.8%)	(47.0%)	(47.6%)	7.6%	7.8%	8.7%	11.5%	9.1%	8.5%
Total Operating Expense	**$1,990.2**	**$2,171.6**	**$2,437.0**	**$660.0**	**$683.2**	**$693.7**	**$708.2**	**$2,745.2**	**$721.7**	**$748.9**	**$759.1**	**$786.0**	**$3,015.8**	**$3,293.9**
YoY % Chng	6.1%	9.1%	12.2%	15.0%	15.6%	12.2%	8.4%	12.6%	9.3%	9.6%	9.4%	11.0%	9.9%	9.2%
Depreciation and Amortization Expenses	$127.1	$137.8	$140.2	$36.8	$38.4	$40.7	$41.7	$157.7	$42.6	$43.4	$44.4	$45.3	$175.8	$192.0
YoY % Chng	1.2%	8.5%	1.7%	6.7%	15.7%	12.8%	15.0%	12.5%	15.8%	13.0%	8.9%	8.7%	11.5%	9.2%
Depreciation, Amortization and Accretion, Adjusted for Special Items	$127.1	$131.9	$140.2	$36.8	$38.4	$40.7	$41.7	$157.7	$42.6	$43.4	$44.4	$45.3	$175.8	$192.0
YoY % Chng	1.2%	3.8%	6.2%	6.7%	15.7%	12.8%	15.0%	12.5%	15.8%	13.0%	8.9%	8.7%	11.5%	9.2%
Strategic Initiatives	$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
YoY % Chng														
Adjusted EBITDA	**$485.4**	**$528.2**	**$644.7**	**$263.2**	**$217.8**	**$198.1**	**$156.5**	**$835.6**	**$270.1**	**$219.2**	**$210.7**	**$179.2**	**$879.2**	**$937.2**
YoY % Chng	5.6%	8.8%	22.0%	44.0%	35.7%	24.9%	9.6%	29.6%	2.7%	0.7%	6.3%	14.5%	5.2%	6.6%
Operating Income, Adjusted	**$358.4**	**$396.3**	**$504.5**	**$226.3**	**$179.4**	**$157.4**	**$114.8**	**$677.9**	**$227.5**	**$175.8**	**$166.3**	**$133.8**	**$703.4**	**$745.1**
YoY % Chng	7.3%	10.6%	27.3%	52.7%	40.9%	28.5%	7.8%	34.4%	0.5%	(2.0%)	5.6%	16.6%	3.8%	5.9%
Operating Income, GAAP	**$358.4**	**$350.2**	**$504.5**	**$226.3**	**$179.4**	**$157.4**	**$114.8**	**$677.9**	**$227.5**	**$175.8**	**$166.3**	**$133.8**	**$703.4**	**$745.1**
YoY % Chng	7.3%	(2.3%)	44.0%	52.7%	40.9%	28.5%	7.8%	34.4%	0.5%	(2.0%)	5.6%	16.6%	3.8%	5.9%
Interest (Income) Expense, Net	$9.0	$6.5	($2.2)	($0.9)	($0.4)	($0.7)	($0.7)	($2.7)	($0.7)	($0.7)	($0.7)	($0.7)	($2.8)	($2.8)
YoY % Chng	(22.6%)	(28.3%)	(133.9%)	(213.0%)	(210.1%)	35.0%	62.1%	(24.3%)	25.3%	(60.1%)	0.0%	0.0%	(0.9%)	0.0%
Pre-Tax Income, Adjusted	**$349.3**	**$389.8**	**$506.7**	**$227.3**	**$179.8**	**$158.1**	**$115.5**	**$680.6**	**$228.2**	**$176.5**	**$167.0**	**$134.5**	**$706.2**	**$747.9**
YoY % Chng	8.4%	11.6%	30.0%	54.1%	41.1%	28.0%	6.6%	34.3%	0.4%	(1.8%)	5.6%	16.5%	3.8%	5.9%
Pre-Tax Income, GAAP	**$349.3**	**$343.7**	**$506.7**	**$227.3**	**$179.8**	**$158.1**	**$115.5**	**$680.6**	**$228.2**	**$176.5**	**$167.0**	**$134.5**	**$706.2**	**$747.9**
YoY % Chng	8.4%	(1.6%)	47.4%	54.1%	41.1%	28.0%	6.6%	34.3%	0.4%	(1.8%)	5.6%	16.5%	3.8%	5.9%
Income Tax, Adjusted	$88.1	$96.6	$126.1	$47.2	$46.1	$38.0	$30.6	$161.9	$57.0	$44.1	$41.7	$33.6	$176.5	$187.0
YoY % Chng	12.7%	9.6%	30.5%	41.6%	43.3%	19.0%	6.7%	28.4%	20.8%	(4.3%)	9.9%	9.9%	9.1%	5.9%
Income Tax, GAAP	$88.1	$84.9	$126.1	$47.2	$46.1	$38.0	$30.6	$161.9	$57.0	$44.1	$41.7	$33.6	$176.5	$187.0
YoY % Chng	12.7%	(3.7%)	48.6%	41.6%	43.3%	19.0%	6.7%	28.4%	20.8%	(4.3%)	9.9%	9.9%	9.1%	5.9%
Tax Rate, Adjusted	25.2%	24.8%	24.9%	20.8%	25.6%	24.0%	26.5%	23.8%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Tax Rate, GAAP	25.2%	24.7%	24.9%	20.8%	25.6%	24.0%	26.5%	23.8%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Net Income, Adjusted	**$261.2**	**$293.1**	**$380.6**	**$180.0**	**$133.7**	**$120.1**	**$84.9**	**$518.7**	**$171.1**	**$132.4**	**$125.2**	**$100.9**	**$529.6**	**$560.9**
YoY % Chng	7.0%	12.2%	29.8%	57.8%	40.3%	31.1%	6.6%	36.3%	(4.9%)	(1.0%)	4.3%	18.9%	2.1%	5.9%
Net Income, GAAP	**$261.2**	**$258.9**	**$380.6**	**$180.0**	**$133.7**	**$120.1**	**$84.9**	**$518.7**	**$171.1**	**$132.4**	**$125.2**	**$100.9**	**$529.6**	**$560.9**
YoY % Chng	7.0%	(0.9%)	47.0%	57.8%	40.3%	31.1%	6.6%	36.3%	(4.9%)	(1.0%)	4.3%	18.9%	2.1%	5.9%
Basic Shares Outstanding	108.2	102.5	100.4	98.5	97.9	97.7	97.0	97.8	96.0	95.0	94.0	93.0	94.5	91.7
YoY % Chng	(6.2%)	(5.3%)	(2.1%)	(2.5%)	(2.6%)	(2.5%)	(2.9%)	(2.6%)	(2.6%)	(2.9%)	(3.8%)	(4.1%)	(3.4%)	(2.9%)
Diluted Shares Outstanding	109.1	103.4	101.4	99.7	98.8	98.7	98.0	98.8	97.0	96.0	95.0	94.0	95.5	92.8
YoY % Chng	(6.0%)	(5.3%)	(1.9%)	(2.3%)	(2.4%)	(2.3%)	(3.0%)	(2.5%)	(2.7%)	(2.8%)	(3.7%)	(4.1%)	(3.3%)	(2.9%)
Basic EPS	**$2.41**	**$2.53**	**$3.79**	**$1.83**	**$1.37**	**$1.23**	**$0.88**	**$5.31**	**$1.78**	**$1.39**	**$1.33**	**$1.09**	**$5.59**	**$6.11**
YoY % Chng	13.7%	5.0%	49.8%	61.9%	44.2%	35.2%	10.0%	40.1%	(2.7%)	1.5%	8.1%	23.9%	5.3%	9.3%
Diluted EPS, Adjusted	**$2.39**	**$2.84**	**$3.75**	**$1.81**	**$1.35**	**$1.22**	**$0.87**	**$5.25**	**$1.76**	**$1.38**	**$1.32**	**$1.07**	**$5.53**	**$6.04**
YoY % Chng	13.8%	18.8%	32.0%	61.6%	43.6%	34.1%	10.1%	40.0%	(2.8%)	2.2%	8.2%	23.0%	5.3%	9.2%
Diluted EPS, GAAP	**$2.39**	**$2.50**	**$3.75**	**$1.81**	**$1.35**	**$1.22**	**$0.87**	**$5.25**	**$1.76**	**$1.38**	**$1.32**	**$1.07**	**$5.53**	**$6.04**
YoY % Chng	13.8%	4.6%	50.0%	61.6%	43.6%	34.1%	10.1%	40.0%	(2.8%)	2.2%	8.2%	23.0%	5.3%	9.2%

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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	A
Growth Score	A
Momentum Score	A
VGM Score	A

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