

## Spire Inc. (SR)

**\$83.45** (Stock Price as of 12/24/2025)

Price Target (6-12 Months): **\$86.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

**Neutral**

(Since: 02/08/23)

Prior Recommendation: Underperform

Short Term: 1-3 Months

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

**3-Hold**

Zacks Style Scores:

VGM: C

Value: B

Growth: F

Momentum: C

## Summary

Spire's fourth-quarter fiscal 2025 loss came in wider than expectations. It invests systematically to enhance the reliability of operations and efficiently serve customers. The acquisition of pipelines and other infrastructure assets expands its operations. Spire is inclined toward utilizing technologies for advancing operations to improve its services and reduce costs. Our model projects total operating expenses to decrease year over year during fiscal 2026-2028. Shares of the company have outperformed the industry in the past year. Yet, Spire's dependence on its subsidiaries to meet financial needs acts as a headwind. Adherence to stringent environmental laws and additional expenses to protect and repair pipelines after extreme climatic conditions can escalate operating expenses and hurt margins.

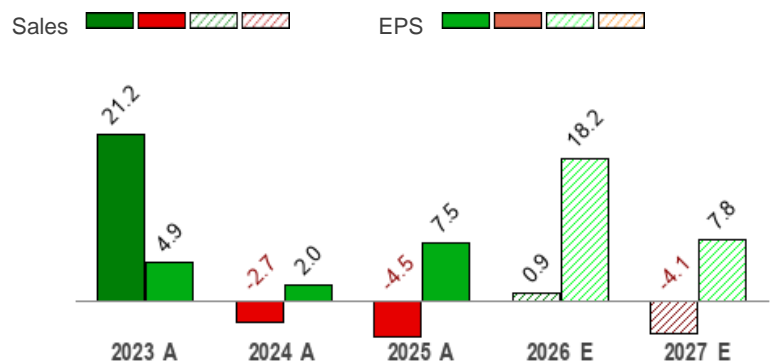
## Price, Consensus & Surprise<sup>(1)</sup>



## Data Overview

52 Week High-Low	\$91.11 - \$65.15
20 Day Average Volume (sh)	419,190
Market Cap	\$4.9 B
YTD Price Change	22.7%
Beta	0.66
Dividend / Div Yld	\$3.30 / 4.0%
Industry	<a href="#">Utility - Gas Distribution</a>
Zacks Industry Rank	Bottom 29% (172 out of 243)

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



Last EPS Surprise	-2.2%
Last Sales Surprise	8.5%
EPS F1 Est- 4 week change	-0.2%
Expected Report Date	02/04/2026
Earnings ESP	-0.3%

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

	Q1	Q2	Q3	Q4	Annual*
2027	707 E	1,011 E	370 E	306 E	2,395 E
2026	716 E	1,054 E	409 E	318 E	2,498 E
2025	669 A	1,051 A	422 A	334 A	2,476 A

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

	Q1	Q2	Q3	Q4	Annual*
2027	1.72 E	3.66 E	0.30 E	-0.02 E	5.66 E
2026	1.52 E	3.69 E	0.20 E	-0.17 E	5.25 E
2025	1.34 A	3.60 A	0.01 A	-0.47 A	4.44 A

\*Quarterly figures may not add up to annual.

P/E TTM	18.6
P/E F1	15.9
PEG F1	1.2
P/S TTM	2.0

(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 12/10/2025.

## Overview

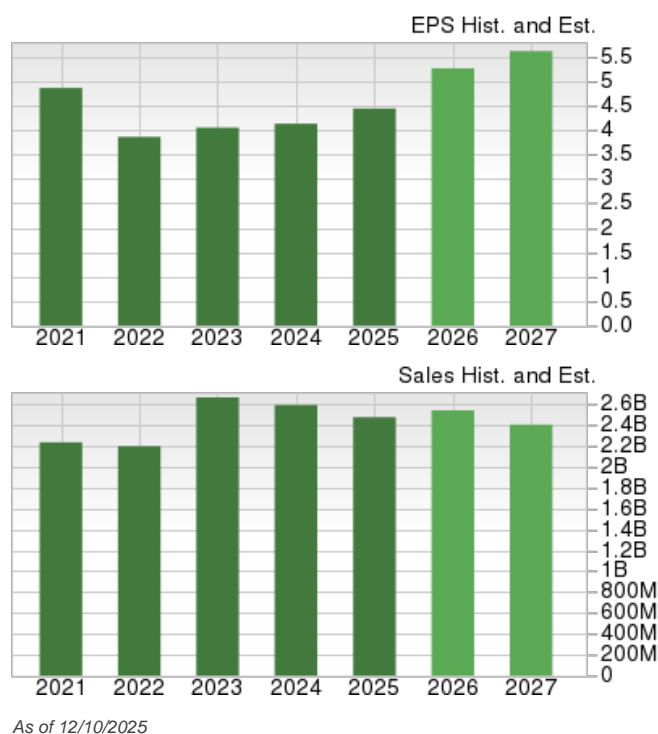
Spire Inc. is a natural gas company efficiently serving more than 1.7 million customers in the United States. It was founded in 2000 and is headquartered in St. Louis, MO. The company continues to expand business organically via making systematic investments to expand infrastructure and advance through innovation. More than 90% of its profits come from regulated operations, which provide a clear idea about future earnings. The company operates more than 60,000 miles of pipelines. Its natural gas-related businesses include Spire Marketing, Spire STL Pipeline and Spire Storage. The company operates via segments, namely Gas Utility, Gas Marketing and Midstream.

**Gas Utility:** This segment is the combination of all the regulated activities of its utilities and is a major contributor to the company's earnings. At the end of fiscal 2025, it reported operating revenues of \$2.21 billion.

**Gas Marketing:** This includes the results of Spire Marketing, a non-regulated subsidiary that markets natural gas and related activities. It also includes the utilization of natural gas storage contracts for providing natural gas sales. This segment registered operating revenues of \$157.2 million in fiscal 2025.

**Midstream:** Operating revenues totaled \$155.5 million for this segment in the same time frame.

**Other:** This includes unallocated corporate items and operations of Spire STL Pipeline LLC and Spire Storage West LLC. Spire STL Pipeline is a wholly owned subsidiary of Spire. It owns and operates a 65-mile pipeline connecting the Rockies Express Pipeline in Scott County to delivery points in St. Louis County, which include Spire Missouri's storage facility. The pipeline was constructed during fiscal 2019 while it was placed in service in November 2019. Spire Storage is engaged in the storage of natural gas in the western region of the United States and consists of two storage fields. This segment reported operating revenues of \$20.6 million in fiscal 2025. Eliminations reduced sales by \$64.5 million in the same time frame.



## Reasons To Buy:

- ▲ Spire is benefiting from its consistent investments in upgradation and maintenance of its existing infrastructure, as well as expanding its operations. The company is also registering growth in its natural gas customer base, which is further driving revenues. Spire is gaining from its strategic acquisitions that help expand its regulated utility footprint. This strategy enables the company to expand its geographic reach and increase the number of customers it serves, while also enhancing its existing infrastructure.

In January 2024, Spire completed the acquisition of MoGas and Omega pipeline systems, which added nearly 263 miles of interstate natural gas pipelines to its network. This acquisition helps Spire serve its growing customer base in St. Louis, MO. In July 2025, Spire entered into an agreement with Piedmont Natural Gas, a wholly owned subsidiary of Duke Energy, to acquire its Tennessee local distribution company business. This acquisition, valued at \$2.48 billion, includes nearly 3,800 miles of distribution and transmission pipelines in Tennessee and expands Spire's footprint to include the Nashville metro area, one of the fastest-growing regions in the United States. The deal will add more than 200,000 customers to Spire's existing customer base. The purchase will be accretive to adjusted earnings per share and supportive of long-term growth of 5-7%. The deal is expected to be closed in the first quarter of calendar 2026.

Systematic capital investments to strengthen infrastructure, dividend hikes and the expanding natural gas customer base are going to drive its performance.

- ▲ Spire invested \$922 million in fiscal 2025 and plans to spend about \$809 million in fiscal 2026 in the different regions it operates. The fiscal 2026 capital expenditure plan includes \$535 million for Missouri, \$170 million for Alabama, Gulf and Mississippi, \$90 million for Tennessee and \$14 million for Midstream. SR expects to invest roughly \$4.8 billion during 2026-2030. It anticipates its 10-year capital investment to be \$11.2 billion, with 70% devoted to strengthening system safety and reliability, and about 19% allocated to supporting customer expansion. This planned investment is likely to fuel steady long-term adjusted earnings per share growth of 5-7%. Shares of Spire have risen 19.6% in the past year compared with the industry's 8.6% growth.
- ▲ Spire has been consistently paying out dividends since 1946. The company raised its annual dividend for fiscal 2026, marking the 23rd consecutive year of increasing dividends. Its new annualized dividend increased 5.1% to \$3.30 per share for fiscal 2026. Spire targets dividend payout ratio of 55-65%. The company's current dividend yield of 3.82% is better than the industry's average of 1.45%.
- ▲ Spire's long-term debt (less current portion) as of Sept. 30, 2025, totaled \$3.37 billion compared with \$3.70 billion as of Sept. 30, 2024. At the end of the fiscal fourth quarter of 2025, Spire had a times interest earned (TIE) ratio of 2.6. A TIE ratio greater than one is indicative of the company's ability to meet interest obligations without any difficulty. The drop in interest rates is projected to reduce SR's financing expenses, helping strengthen its profit margins. Our model projects total operating expenses to decrease 6%, 7.2% and 1.7% in fiscal 2026, 2027 and 2028, respectively, year over year.

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## Reasons To Sell:

- ▼ Spire is a holding company with no significant assets, which makes it dependent on its operating units to meet its financial obligations. Also, its ability to pay out dividends depends on its subsidiaries' capacity to generate sufficient net income and cash flows to disburse dividends and repay loans.
- ▼ To fulfill the annual and seasonal natural gas demands of the consumers, the company needs to ensure adequate supply, and interstate pipeline and storage capacity. The financial performance of the company may suffer if there was a significant disruption in the transmission and storage capacity of interstate natural gas pipelines during times of high demand.

Natural gas supply to Spire Marketing's customers is dependent on the performance of its suppliers as well as the capacity of pipeline and storage operators to meet delivery commitments. Midstream is also dependent upon third-party pipelines and other facilities to provide delivery options to and from its facilities. Any interruption in the performance of the suppliers may negatively impact the company's financial performance.

- ▼ The company's operations are subject to various environmental laws and regulations. Complying with the same increases the operating costs and failure to do so might result in losing the required permits and licenses or cause fines, penalties or business interruptions. These costs can materially impact the business.

Extreme climatic conditions and severe weather events can disrupt the normal operation of Spire and lead to increased expenses for repairing damaged facilities. At times, the insurance coverage will not be able to meet the increased expenses and that can have a material adverse effect on the company's financial condition and results of operations.

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Dependence on its units to meet all financial needs might negatively impact its operations. Adherence to stringent environmental laws might increase expenses and lower profitability.

## Last Earnings Report

### Spire's Q4 Loss Wider Than Estimates, Revenues Increase Y/Y

Spire Inc. reported a fourth-quarter fiscal 2025 loss of 47 cents per share, wider than the Zacks Consensus Estimate of a loss of 46 cents. The company reported a loss of 54 cents in the year-ago quarter.

SR reported fiscal 2025 adjusted earnings of \$4.44 per share compared with \$4.13 in fiscal 2024, reflecting a year-over-year increase of 7.5%.

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

Earnings Reporting Date	Nov 14, 2025
Sales Surprise	8.49%
EPS Surprise	-2.17%
Quarterly EPS	-0.47
Annual EPS (TTM)	4.48

### SR's Revenues

Total revenues for the reported quarter were \$334.1 million, which surpassed the Zacks Consensus Estimate of \$308 million by 8.5%. The top line also rose 13.7% from \$293.8 million in the year-ago quarter.

SR reported total revenues of \$2.48 billion in fiscal 2025 compared with \$2.59 billion in fiscal 2024, highlighting a year-over-year decrease of 4.5%.

### Highlights of SR's Earnings Release

Operating expenses totaled \$334.6 million, up 22.1% from \$274 million recorded in the prior-year period.

Operating loss totaled \$0.5 million against the operating income of \$19.8 million in the prior-year quarter.

Net interest expenses increased 18.8% year over year to \$58.8 million.

### SR's Segmental Performance

**Gas Utility:** The segment reported a loss on an adjusted earnings basis of \$31.6 million compared with a loss of \$32 million in the year-ago period. This improvement reflected higher Spire Missouri ISRS revenues.

**Gas Marketing:** The segment's adjusted earnings were \$3.6 million against the loss of \$0.3 million in the year-ago quarter. This increase was due to the business being well-positioned to create value.

**Midstream:** Adjusted earnings from this segment totaled \$12.3 million, down 8.2% from the year-ago quarter's reported number. This decrease was due to lower pipeline earnings, reflecting higher operation and maintenance expenses.

**Other:** This segment reported an adjusted loss of \$8.4 million compared with a loss of \$8.7 million in the prior-year quarter.

### SR's Financial Highlights

Cash and cash equivalents as of Sept. 30, 2025 were \$5.7 million compared with \$4.5 million as of Sept. 30, 2024.

Long-term debt (less current portion) as of Sept. 30, 2025 totaled \$3.37 billion compared with \$3.70 billion as of Sept. 30, 2024.

Net cash provided by operating activities in fiscal 2025 was \$578 million compared with \$912.4 million in the year-ago period.

### SR's Guidance

Spire expects its fiscal 2026 adjusted earnings to be in the range of \$5.25-\$5.45 per share. The Zacks Consensus Estimate is pegged at \$5.09, which is lower than the company's guided range.

Spire expects its fiscal 2027 adjusted earnings to be in the range of \$5.65-\$5.85 per share.

SR raised its 10-year capital investment to \$11.2 billion through fiscal 2035. This planned investment is likely to drive long-term adjusted earnings per share growth of 5-7%.

## Valuation

Spire shares are up 12.2% in the past six months period, and up 19.6% over the trailing 12-month period. Stocks in the Zacks sub-industry was up 12.4% and the Zacks Utility sector was up 7.4% in the past six months period. Over the past year, the Zacks sub-industry are up 8.6% and the sector is up 14%.

The S&P 500 index is up 16.3% in the past six-months period, and up 14.6% in the past year.

The stock is currently trading at 15.56X forward 12-months earnings, which compares with 15.64X for the Zacks sub-industry, 15.44X for the Zacks sector and 23.46X for the S&P 500 index.

Over the past five years, the stock has traded as high as 19.04X and as low as 12.63X, with a 5-year median of 15.43X.

Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$86 price target reflects 16.29X forward 12-months earnings.

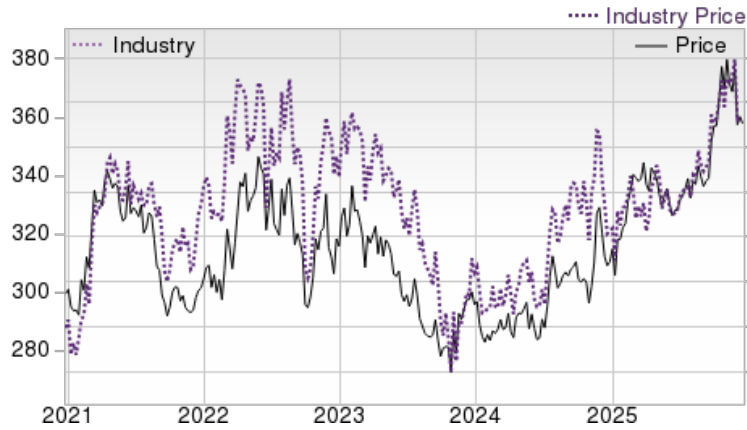
The table below shows summary valuation data for SR.

Valuation Multiples - SR					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	15.56	15.64	15.44	23.46
	5-Year High	19.04	22.17	17.86	23.78
	5-Year Low	12.63	13.81	13.13	15.73
	5-Year Median	15.43	16.23	15.85	21.21
P/S F12M	Current	1.94	2.72	2.98	5.3
	5-Year High	2.16	2.89	3.24	5.5
	5-Year Low	1.08	1.49	2.28	3.83
	5-Year Median	1.66	2.19	2.72	5.05
P/B TTM	Current	1.54	1.37	3.07	8.51
	5-Year High	1.7	1.78	3.28	9.16
	5-Year Low	1.07	1.11	2.38	6.6
	5-Year Median	1.37	1.42	2.87	8.05

As of 12/09/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Bottom 23% (186 out of 243)



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

Company (Ticker)	Rec	Rank
Atmos Energy Corpora...(ATO)	Neutral	3
Chesapeake Utilities...(CPK)	Neutral	4
MDU Resources Group...(MDU)	Neutral	3
National Fuel Gas Co...(NFG)	Neutral	3
NewJersey Resources ...(NJR)	Neutral	3
Northwest Natural Ga...(NWN)	Neutral	4
ONE Gas, Inc. (OGS)	Neutral	3
Sempra Energy (SRE)	Neutral	3

## Industry Comparison<sup>(1)</sup> Industry: Utility - Gas Distribution

	SR	X Industry	S&P 500	ATO	NJR	OGS
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	2	-	-	2	3	3
VGM Score	D	-	-	F	D	C
Market Cap	4.92 B	4.92 B	39.09 B	27.17 B	4.65 B	4.66 B
# of Analysts	5	2	22	6	3	5
Dividend Yield	3.97%	2.89%	1.4%	2.38%	4.11%	3.45%
Value Score	B	-	-	D	B	B
Cash/Price	0.00	0.02	0.04	0.01	0.00	0.00
EV/EBITDA	10.22	11.61	14.63	15.17	10.62	9.95
PEG Ratio	1.23	2.65	2.22	2.63	NA	2.67
Price/Book (P/B)	1.56	1.54	3.33	1.99	1.94	1.47
Price/Cash Flow (P/CF)	8.56	8.63	15.32	14.05	8.95	8.48
P/E (F1)	15.85	17.78	19.84	20.96	14.68	17.78
Price/Sales (P/S)	1.99	1.98	3.13	5.78	2.28	1.97
Earnings Yield	6.32%	5.38%	5.03%	4.77%	6.82%	5.62%
Debt/Equity	1.07	0.80	0.56	0.66	1.36	0.74
Cash Flow (\$/share)	9.72	6.10	8.98	11.95	5.16	9.17
Growth Score	F	-	-	F	D	F
Hist. EPS Growth (3-5 yrs)	-1.64%	2.99%	8.16%	8.99%	9.93%	2.07%
Proj. EPS Growth (F1/F0)	18.24%	4.09%	8.50%	7.51%	-3.67%	11.76%
Curr. Cash Flow Growth	9.11%	-2.83%	6.86%	12.47%	13.34%	1.66%
Hist. Cash Flow Growth (3-5 yrs)	7.21%	6.18%	7.48%	13.43%	11.29%	7.19%
Current Ratio	0.32	0.75	1.18	0.77	0.73	0.47
Debt/Capital	49.85%	44.56%	38.01%	39.83%	57.61%	42.53%
Net Margin	10.96%	10.86%	12.78%	25.49%	16.48%	10.76%
Return on Equity	8.78%	8.73%	17.00%	9.07%	13.73%	8.06%
Sales/Assets	0.22	0.25	0.53	0.17	0.28	0.28
Proj. Sales Growth (F1/F0)	0.90%	3.73%	5.83%	NA	12.20%	15.80%
Momentum Score	D	-	-	F	C	A
Daily Price Chg	0.51%	0.41%	0.46%	0.39%	-0.52%	0.15%
1 Week Price Chg	-0.90%	-0.90%	1.61%	-0.99%	1.09%	0.78%
4 Week Price Chg	-4.48%	-3.55%	2.13%	-3.09%	-3.55%	-6.33%
12 Week Price Chg	2.05%	1.39%	3.31%	-1.62%	-4.09%	-3.98%
52 Week Price Chg	23.96%	18.22%	14.40%	19.94%	-1.39%	11.06%
20 Day Average Volume	419,190	420,531	2,805,434	1,006,326	621,733	477,263
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	-0.22%	0.00%	0.00%	-0.04%	0.00%	0.41%
(F1) EPS Est 12 week change	4.43%	0.33%	0.67%	2.69%	1.34%	0.65%
(Q1) EPS Est Mthly Chg	0.16%	0.00%	0.00%	0.00%	0.00%	2.22%



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

### Spire Inc. (\$R)

In \$MM, except per share data

	2023A	2024A	2025A				2026E				2027E	2028E		
	FY	FY	1QA	2QA	3QA	4QA	FY	1QE	2QE	3QE	4QE	FY	FY	FY
FY Ends September 30th	Sep-23	Sep-24	31-Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	Sep-25	31-Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	Sep-26	Sep-27	Sep-28
Income Statement														
Operating Revenue	\$2,666.3	\$2,593.0	\$669.1	\$1,051.3	\$421.9	\$334.1	\$2,476.4	\$715.9	\$1,054.3	\$409.4	\$318.3	\$2,498.0	\$2,394.6	\$2,408.5
YoY % Chng	21.3%	(2.7%)	(11.6%)	(6.8%)	1.9%	13.7%	(4.5%)	7.0%	0.3%	(3.0%)	(4.7%)	0.9%	(4.1%)	0.6%
Natural Gas Cost	\$1,260.8	\$1,103.3	\$270.0	\$454.9	\$103.2	\$77.4	\$905.5	\$277.2	\$399.7	\$100.5	\$58.4	\$835.8	\$781.9	\$742.8
YoY % Chng	36.5%	(12.5%)	(26.4%)	(15.9%)	(26.8%)	41.8%	(17.9%)	2.7%	(12.1%)	(2.6%)	(24.6%)	(7.7%)	(6.4%)	(5.0%)
Gross Profit, Adjusted	\$1,273.7	\$1,361.5	\$372.3	\$541.2	\$299.1	\$242.6	\$1,455.2	\$406.3	\$605.5	\$290.4	\$245.7	\$1,547.9	\$1,503.9	\$1,556.5
YoY % Chng	9.3%	6.9%	3.8%	2.6%	19.3%	8.1%	6.9%	9.1%	11.9%	(2.9%)	1.3%	6.4%	(2.8%)	3.5%
Gross Profit, GAAP	\$1,405.5	\$1,489.7	\$399.1	\$596.4	\$318.7	\$256.7	\$1,570.9	\$438.7	\$654.6	\$308.9	\$259.9	\$1,662.2	\$1,612.7	\$1,665.7
YoY % Chng	10.3%	6.0%	2.4%	1.5%	16.7%	7.3%	5.5%	9.9%	9.8%	(3.1%)	1.3%	5.8%	(3.0%)	3.3%
Gross Receipts Tax Expense	\$131.8	\$128.2	\$26.8	\$55.2	\$19.6	\$14.1	\$115.7	\$32.4	\$49.2	\$18.5	\$14.3	\$114.3	\$108.8	\$109.2
YoY % Chng	20.0%	(2.7%)	(13.8%)	(8.0%)	(12.5%)	(4.1%)	(9.8%)	21.0%	(11.0%)	(5.7%)	1.2%	(1.2%)	(4.9%)	0.4%
Operation and Maintenance	\$517.6	\$507.4	\$129.3	\$139.4	\$130.6	\$142.8	\$542.1	\$135.1	\$139.5	\$124.9	\$117.4	\$516.8	\$460.8	\$463.4
YoY % Chng	15.1%	(2.0%)	(1.1%)	1.2%	3.1%	27.3%	6.8%	4.5%	0.0%	(4.3%)	(17.8%)	(4.7%)	(10.9%)	0.6%
Depreciation & Amortization	\$254.8	\$278.4	\$72.3	\$73.7	\$75.7	\$76.5	\$298.2	\$73.5	\$78.1	\$73.1	\$69.7	\$294.4	\$289.9	\$295.5
YoY % Chng	7.4%	9.3%	7.9%	7.0%	6.0%	7.6%	7.1%	1.6%	6.0%	(3.5%)	(8.8%)	(1.3%)	(1.5%)	1.9%
Taxes, Other than Income Taxes	\$214.5	\$215.6	\$48.7	\$76.9	\$43.2	\$37.9	\$206.7	\$49.2	\$75.4	\$41.9	\$22.7	\$189.2	\$172.2	\$173.8
YoY % Chng	19.5%	0.5%	(7.6%)	(6.7%)	(2.7%)	5.0%	(4.1%)	1.0%	(1.9%)	(3.0%)	(40.2%)	(8.5%)	(9.0%)	1.0%
Total Operating Expenses	\$2,247.7	\$2,104.7	\$520.3	\$744.9	\$352.7	\$334.6	\$1,952.5	\$535.0	\$692.7	\$340.4	\$268.2	\$1,836.3	\$1,704.8	\$1,675.5
YoY % Chng	25.5%	(6.4%)	(15.7%)	(10.2%)	(8.0%)	22.1%	(7.2%)	2.8%	(7.0%)	(3.5%)	(19.9%)	(6.0%)	(7.2%)	(1.7%)
EBITDA	\$696.8	\$789.1	\$221.7	\$383.1	\$149.5	\$79.4	\$833.7	\$256.7	\$440.4	\$143.3	\$119.2	\$959.7	\$983.4	\$1,030.3
YoY % Chng	9.4%	13.2%	(0.9%)	2.2%	43.1%	(7.8%)	5.7%	15.8%	15.0%	(4.1%)	50.1%	15.1%	2.5%	4.8%
Operating Income	\$418.6	\$488.3	\$148.8	\$306.4	\$69.2	\$(0.5)	\$523.9	\$181.0	\$361.6	\$69.0	\$50.2	\$661.7	\$689.8	\$733.0
YoY % Chng	2.5%	16.7%	6.9%	2.6%	125.4%	(102.5%)	7.3%	21.6%	18.0%	(0.3%)	10,131.2%	26.3%	4.2%	6.3%
Interest Expense, Net	\$185.7	\$201.1	\$48.0	\$47.4	\$49.9	\$58.8	\$204.1	\$51.5	\$49.9	\$48.2	\$58.5	\$208.1	\$197.5	\$200.8
YoY % Chng	55.0%	8.3%	(5.1%)	(9.2%)	2.3%	18.8%	1.5%	7.3%	5.2%	(0.5%)	(0.5%)	2.0%	(0.5%)	1.7%
Other (Expense) Income, Net	\$23.4	\$22.4	\$0.6	\$3.0	\$4.6	\$3.4	\$11.6	\$2.2	\$0.7	\$1.3	\$(0.7)	\$3.5	\$3.6	\$1.8
YoY % Chng	369.0%	(4.3%)	(96.6%)	(58.9%)	91.7%	170.8%	(48.2%)	270.4%	(76.2%)	(72.3%)	(120.0%)	(69.6%)	3.4%	(49.4%)
Pre-Tax Income	\$256.3	\$309.6	\$101.4	\$262.0	\$23.9	\$(55.9)	\$331.4	\$131.7	\$312.4	\$22.0	\$(9.0)	\$457.1	\$496.0	\$534.1
YoY % Chng	(8.4%)	20.8%	(4.4%)	3.3%	252.2%	(62.0%)	7.0%	29.9%	19.2%	(7.9%)	83.8%	37.9%	8.5%	7.7%
Income Tax	\$38.8	\$58.7	\$20.1	\$52.7	\$3.0	\$(16.1)	\$59.7	\$37.9	\$90.0	\$6.3	\$(2.6)	\$131.7	\$142.8	\$153.8
YoY % Chng	(34.1%)	51.3%	(4.3%)	6.7%	196.8%	(87.2%)	1.7%	88.7%	70.8%	111.4%	83.8%	120.5%	8.5%	7.7%
Tax Rate	15.1%	19.0%	19.8%	20.1%	12.6%	28.8%	18.0%	28.8%	28.8%	28.8%	28.8%	28.8%	28.8%	28.8%
Net Income, Adjusted	\$228.1	\$247.4	\$81.1	\$214.4	\$4.1	\$(24.1)	\$275.5	\$93.8	\$222.4	\$15.7	\$(6.4)	\$325.5	\$353.1	\$380.3
YoY % Chng	5.5%	8.5%	(1.9%)	9.1%	195.3%	12.7%	11.4%	15.6%	3.8%	282.4%	73.3%	18.1%	8.5%	7.7%
Net Income, GAAP	\$217.5	\$250.9	\$81.3	\$209.3	\$20.9	\$(39.8)	\$271.7	\$93.8	\$222.4	\$15.7	\$(6.4)	\$325.5	\$353.1	\$380.3
YoY % Chng	(1.5%)	15.4%	(4.5%)	2.4%	265.9%	(53.7%)	8.3%	15.3%	6.3%	(25.0%)	83.8%	19.8%	8.5%	7.7%
Preferred Dividends	\$14.8	\$14.8	\$3.7	\$3.7	\$3.7	\$3.7	\$14.8	\$3.7	\$3.7	\$3.7	\$3.7	\$14.8	\$14.8	\$14.8
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%
Income Allocated to Participating Securities	\$0.3	\$0.3	\$0.1	\$0.3	\$0.0	\$(0.1)	\$0.3	\$(0.1)	\$(0.1)	\$(0.1)	\$(0.1)	\$(0.4)	\$(0.4)	\$(0.4)
YoY % Chng	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	(200.0%)	(133.3%)	0.0%	0.0%	(233.3%)	0.0%	0.0%
Net (Loss) Income Available to Common Shareholders	\$202.4	\$235.8	\$77.5	\$205.3	\$17.2	\$(43.4)	\$256.6	\$90.2	\$218.8	\$12.1	\$(10.0)	\$311.1	\$338.7	\$365.9
YoY % Chng	(1.6%)	16.5%	(4.7%)	2.5%	205.5%	(46.6%)	8.8%	16.3%	6.6%	(28.8%)	76.9%	21.2%	8.9%	8.0%
Basic Shares Outstanding	52.5	56.1	57.7	58.3	58.9	59.0	58.5	59.2	59.3	59.5	59.6	59.4	60.0	60.6
YoY % Chng	1.0%	6.9%	7.9%	4.5%	2.1%	2.3%	4.3%	2.5%	1.7%	0.9%	1.0%	1.5%	1.0%	1.0%
Diluted Shares Outstanding	52.6	56.3	57.9	58.5	59.1	59.0	58.7	59.2	59.3	59.5	59.6	59.4	60.0	60.6
YoY % Chng	1.0%	7.0%	8.0%	4.7%	2.4%	2.3%	4.3%	2.2%	1.4%	0.6%	1.0%	1.1%	1.0%	1.0%
Basic EPS	\$3.86	\$4.20	\$1.34	\$3.52	\$0.29	\$(0.74)	\$4.39	\$1.52	\$3.69	\$0.20	\$(0.17)	\$5.25	\$5.66	\$6.05
YoY % Chng	(2.5%)	8.8%	(11.8%)	(1.9%)	203.6%	(45.1%)	4.5%	13.8%	4.8%	(29.9%)	77.2%	19.6%	7.8%	6.9%
Diluted EPS, Adjusted	\$4.05	\$4.13	\$1.34	\$3.60	\$0.01	\$(0.47)	\$4.44	\$1.52	\$3.69	\$0.20	\$(0.17)	\$5.25	\$5.66	\$6.05
YoY % Chng	4.9%	2.0%	(8.8%)	4.3%	107.1%	13.0%	7.5%	13.8%	2.5%	1,931.8%	64.2%	18.2%	7.8%	6.9%
Diluted EPS, GAAP	\$3.85	\$4.19	\$1.34	\$3.51	\$0.29	\$(0.74)	\$4.37	\$1.52	\$3.69	\$0.20	\$(0.17)	\$5.25	\$5.66	\$6.05
YoY % Chng	(2.5%)	8.8%	(11.8%)	(2.0%)	203.6%	(45.1%)	4.3%	13.8%	5.1%	(29.9%)	77.2%	20.1%	7.8%	6.9%
Dividend Per Share	\$2.88	\$3.02	\$0.79	\$0.79	\$0.79	\$0.79	\$3.14	\$0.79	\$0.83	\$0.83	\$0.83	\$3.26	\$3.30	\$3.30
YoY % Chng	5.1%	4.9%	4.0%	4.0%	4.0%	4.0%	4.0%	0.0%	5.1%	5.1%	5.1%	3.8%	1.2%	0.0%



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## 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.

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### Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	<b>B</b>
Growth Score	<b>F</b>
Momentum Score	<b>D</b>
VGM Score	<b>D</b>

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

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