

Stanley Black & Decker (SWK)

\$74.65 (Stock Price as of 12/23/2025)

Price Target (6-12 Months): **\$77.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 06/30/25)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: C

Value: C

Growth: C

Momentum: C

Summary

Stanley Black is benefiting from the global cost-reduction program, which is expected to aid the bottom line and drive margins. It expects to generate run-rate savings of \$2 billion from this program in 2025. Stanley Black's commitment to rewarding shareholders through dividend payments adds to its appeal. In July 2025, the company hiked its dividend by a penny to 83 cents per share. Its business transformation strategy includes disposing of businesses to unlock shareholders' value. However, persistent weakness in the Tools & Outdoor unit, arising from lower demand in outdoor and DIY markets, has been weighing on its operations. Increasing general and administrative expenses may hurt the bottom line. Given Stanley Black's international presence, the unfavorable impact of foreign currency translation may affect its performance.

Data Overview

52 Week High-Low	\$91.06 - \$53.91
20 Day Average Volume (sh)	1,622,382
Market Cap	\$11.6 B
YTD Price Change	-7.0%
Beta	1.20
Dividend / Div Yld	\$3.32 / 4.4%
Industry	Manufacturing - Tools & Related Products
Zacks Industry Rank	Top 7% (17 out of 243)

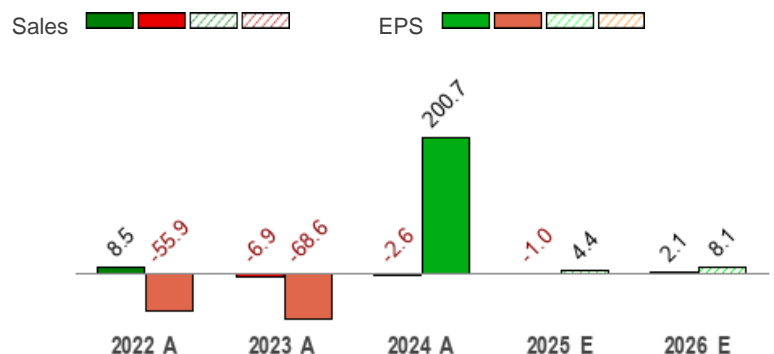
Last EPS Surprise	20.2%
Last Sales Surprise	-0.4%
EPS F1 Est- 4 week change	0.1%
Expected Report Date	02/04/2026
Earnings ESP	1.8%

P/E TTM	15.7
P/E F1	16.4
PEG F1	2.6
P/S TTM	0.8

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	3,827 E	4,050 E	3,820 E	3,823 E	15,519 E
2025	3,745 A	3,945 A	3,756 A	3,761 E	15,207 E
2024	3,870 A	4,024 A	3,751 A	3,721 A	15,366 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	0.66 E	0.95 E	1.54 E	1.77 E	4.92 E
2025	0.75 A	1.08 A	1.43 A	1.29 E	4.55 E
2024	0.56 A	1.09 A	1.22 A	1.49 A	4.36 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/23/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/04/2025.

Overview

Headquartered in New Britain, CT, Stanley Black & Decker, Inc. manufactures and provides tools (power and hand tools) and related accessories, engineered fastening systems, and several other items and services.

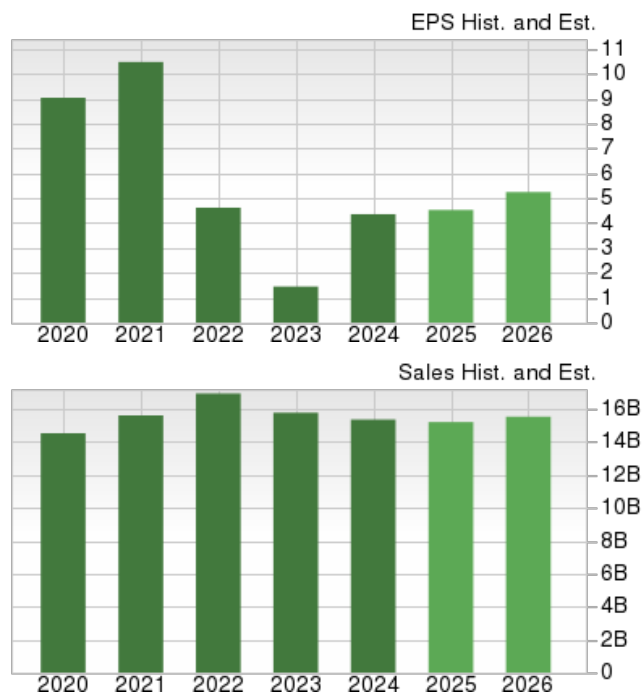
On a geographical basis, the company has operations in the United States (61.9% of 2024 net revenues), Canada (4.8%), other Americas (5.7%), Europe (19.6%) and Asia (8%). Exiting 2024, the company had an employee base of 48,500 people.

Stanley Black reports its operations under two business segments, Engineered Fastening (previously known as Industrial) and Tools & Outdoor (previously known as Tools & storage).

Engineered Fastening (13.4% of 2024 sales): The segment, which includes the Engineered Fastening and Infrastructure businesses, manufactures and markets engineered fastening products, as well as hydraulic tools, accessories and attachments. The segment also engages in renting and selling coating, custom pipe handling and joint welding equipment. The products are sold to customers across manufacturing, electronics, automotive, construction, and aerospace industries, and distributed primarily through third-party distributors as well as the company's direct sales force.

Tools & Outdoor (86.6%): The segment manufactures and markets products like professional-grade corded and cordless electric power tools and equipment, including drills primarily under the brand DEWALT.

These products are sold to professionals and consumers and are distributed through retailers (including home centers, mass merchants, hardware stores and retail lumber yards).



As of 12/04/2025



As of 12/23/2025

Reasons To Buy:

▲ Stanley Black's multi-year global **cost-reduction program** comprises a series of initiatives to resize the organization, reduce inventory and optimize the supply chain to improve its profitability and reposition it to pursue sustainable long-term growth. Since its inception in mid-2022, this program has generated roughly \$1.9 billion in pre-tax run-rate savings and reduced inventory by more than \$2 billion. In the third quarter of 2025, Stanley Black achieved about \$120 million in pre-tax run-rate cost savings. The program is expected to continue taking out costs over the next few quarters. The company expects to generate pre-tax run-rate cost savings of \$2 billion by the end of 2025, with an adjusted gross margin of more than 35% in the long term. Of the \$2 billion savings, \$1.5 billion is expected to be achieved from the company's four core supply-chain transformation initiatives of operations excellence, material productivity, footprint actions and complexity reduction.

A cost-reduction program and the divestment of non-core operations are aiding Stanley Black's performance. Its commitment to rewarding its shareholders is encouraging.

▲ Stanley Black has been strengthening its business through **acquisitions**. The company acquired two major providers of outdoor power equipment (in December 2021) for \$1.9 billion in aggregate. The acquisitions made by the company included an 80% stake in MTD Holdings and Excel Industries. The buyouts enhanced the company's cordless electric outdoor power equipment offerings. With the growing popularity of home and outdoor products as well as electrification, Stanley Black's acquisitions of MTD Holdings and Excel Industries strengthened its prospects in the outdoor products market, which is worth about \$25 billion.

▲ Stanley Black has been **divesting non-core operations**. In April 2024, the company divested its STANLEY Infrastructure (Infrastructure) business to Epiroc AB for a cash consideration of \$760 million. The divestment will help Stanley Black to focus on the company's core businesses help reduce its debt and support its capital-allocation priorities. In August 2022, the company completed the divestiture of STANLEY oil & gas division to Pipeline Technique Limited. In July 2022, the company sold its Security Business to Securitas AB for \$3.2 billion in cash, which was used to reduce its debt. In the same month, it divested its Automatic Doors business to Allegion for \$900 million in cash. The divestitures reinforce Stanley Black's strategic focus on its core businesses.

▲ Stanley Black is committed to rewarding its shareholders through **dividend payments and share buybacks**. In the first nine months of 2025, the company paid \$374.3 million in dividends, up 1.9% year over year. It also bought back shares worth \$14.7 million in the period. Also, in July 2025, the company hiked its dividend by a penny to 83 cents per share (annually: \$3.32 per share). In 2024, it paid out cash dividends of \$491.2 million, up 1.8% year over year. In the same year, the company bought back shares worth \$17.7 million.

Reasons To Sell:

- ▼ **Softness across both segments** remains a concern. The Tools & Outdoor segment is witnessing weakness owing to soft demand for outdoor products and tariff-related shipment disruptions. Also, persistent softness in the DIY market and tepid demand for hand tools remain concerning. In the first nine months of 2025, the segment's revenues declined 1% year over year to approximately \$10 billion. However, strength in the DEWALT business is expected to provide some relief.

Despite signs of improvement, softness in the automotive end market, owing to headwinds in the global automotive OEM light vehicle production, is affecting the Engineered Fastening segment. Also, weakness in the general industrial market and the divestiture of the infrastructure business have been impacting the segment's sales. Revenues from the Engineered Fastening segment in the first nine months of 2025 declined 8% year over year to \$383.8 million. Nevertheless, persistent strength across aerospace market has been acting as a tailwind.

- ▼ Stanley Black is dealing with **escalating expenses** as management has stepped up investments in innovation and growth initiatives. In the first nine months of 2025, its SG&A expenses increased 1.8% year over year to \$2.51 billion. The metric, as a percentage of net sales, was high at 22%. Also, the company's cost of sales, as a percentage of net sales, was high at 70.6%. We don't see the SG&A hit to profitability mitigating recently and a few basis points (as a percentage of total revenues) increase is modeled in 2025.
- ▼ Stanley Black's **long-term debt** in the last five years (2020-2024) witnessed a CAGR of 5.7%. At the end of third-quarter 2025, the company's long-term debt remained high at \$4.7 billion. Its current maturities of long-term debt totaled \$554.8 million. High debt levels can increase financial obligations and prove detrimental to profitability in the quarters ahead. Also, considering its high debt level, its cash and cash equivalents of \$268.3 million do not look impressive. This implies that the company does not have sufficient cash to meet its current debt obligations. However, in the short term, Stanley Black plans to use any extra money beyond paying the quarterly dividend to reduce debt and invest in growth. In 2025, the company aims to reduce total debt at or below 2.5 times its net-debt-to-adjusted-EBITDA ratio through strong free cash flow and strategic portfolio pruning.
- ▼ The company's international presence exposes it to the risk of **adverse currency fluctuations**. This is because a strengthening U.S. dollar may require it to either raise prices or see its profit margins shrink in locations outside the United States. Adverse foreign currency translation lowered the company's sales by 1%, year over year, in the first half of 2025.

Weakness across both the segments, rising expenses, a high debt level and forex woes are weighing on Stanley Black's operations.

Last Earnings Report

Stanley Black's Q3 Earnings Beat Estimates, Revenues Miss

Stanley Black reported third-quarter 2025 adjusted earnings of \$1.43 per share, which beat the Zacks Consensus Estimate of \$1.19. The bottom line increased 17.2% year over year.

Stanley Black's net sales of \$3.76 billion missed the consensus estimate of \$3.77 billion. The top line was in line with the year-ago quarter.

Stanley Black's Segmental Discussion

Effective from the first quarter of 2025, Stanley Black has renamed the Industrial segment as the Engineered Fastening segment. It had no impact on the company's consolidated financial statements or segment results.

Revenues from the company's primary segment, Tools & Outdoor, totaled \$3.26 billion, which were in line with the year-ago quarter. Our estimate was \$3.31 billion.

Revenues from the Engineered Fastening segment grossed \$501 million, up 3% year over year. Our estimate was \$451.2 million.

Margin Profile

Stanley Black's cost of sales was down 2% year over year to \$2.58 billion. The gross profit increased 5.2% year over year to \$1.18 billion. The gross margin increased 150 basis points (bps) year over year to 31.4%.

Selling, general and administrative expenses decreased 0.8% year over year to \$791 million. Adjusted EBITDA was \$461.0 million, indicating a year-over-year increase of 13.4%. The margin increased 150 bps to 12.3%.

Balance Sheet and Cash Flow

While exiting the third quarter, Stanley Black had cash and cash equivalents of \$268.3 million compared with \$290.5 million at the end of fourth-quarter 2024. The long-term debt balance was \$4.70 billion, lower than \$5.6 billion reported at the end of fourth-quarter 2024.

In the first nine months of 2025, net cash generated by operating activities was \$15.5 million compared with \$427.8 million generated in the year-ago period. Capital and software expenditures totaled \$210.5 million, down from \$239.4 million reported in the year-ago period. Free cash flow (before dividends) was a negative \$195.0 million compared with \$188.4 million a year ago.

In the first nine months, it paid out dividends worth \$374.3 million to its shareholders, up 1.9% from the year-ago period.

2025 Guidance

Stanley Black expects total revenues to be in the range of (1%)-flat on a year-over-year basis. The company anticipates earnings to be \$2.55-\$2.70 per share compared with \$3.45 (+/- \$0.10) expected earlier. Adjusted earnings are projected to be approximately \$4.55 per share. The company targets to generate annual free cash flow (non-GAAP) of approximately \$600 million.

FY Quarter Ending **12/31/2024**

Earnings Reporting Date	Nov 04, 2025
Sales Surprise	-0.35%
EPS Surprise	20.17%
Quarterly EPS	1.43
Annual EPS (TTM)	4.75

Recent News

Dividend —Oct 30, 2025

Stanley Black's board of directors approved a quarterly cash dividend of 83 cents per share, payable to shareholders on Dec. 16, 2025, of record as of Dec. 1.

Valuation

Stanley Black's shares are down 9.6% and 14.6% in the year-to-date period and over the trailing 12-month period respectively. Stocks in the Zacks sub-industry and the Zacks Industrial Products sector are up 4.3% and up 6.8% in the year-to-date period respectively. Over the past year, the Zacks sub-industry is down 4.7%, while the sector is down 2.7%.

The S&P 500 index is up 19% and up 15.6% in the year-to-date period and over the past year respectively.

The stock is currently trading at 13.96X forward 12-month price-to-earnings, which compares to 18.04X for the Zacks sub-industry, 20.65X 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 78.44X and as low as 9.64X, with a 5-year median of 17.17X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$77 price target reflects 14.66X forward 12-month earnings.

The table below shows summary valuation data for SWK

Valuation Multiples - SWK					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	13.96	18.04	20.65	23.53
	5-Year High	78.44	22.13	23.07	23.82
	5-Year Low	9.64	11.65	13.38	15.73
	5-Year Median	17.17	18.29	18.24	21.19
P/Sales F12M	Current	0.72	1.18	4.18	5.33
	5-Year High	2.12	1.65	4.21	5.5
	5-Year Low	0.56	0.87	2.32	3.83
	5-Year Median	0.87	1.19	3.16	5.04

As of 12/03/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 7% (17 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Kennametal Inc. (KMT)	Outperform	1
Sandvik AB (SDVKY)	Outperform	1
Donaldson Company, I... (DCI)	Neutral	2
Emerson Electric Co. (EMR)	Neutral	3
Lincoln Electric Hol... (LECO)	Neutral	3
The Middleby Corpora... (MIDD)	Neutral	2
Roper Technologies, ... (ROP)	Neutral	4
Techtronic Industrie... (TTNDY)	Neutral	3

Industry Comparison⁽¹⁾ Industry: Manufacturing - Tools & Related Products

	SWK	X Industry	S&P 500	LECO	SDVKY	TTNDY
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Outperform	Neutral
Zacks Rank (Short Term)	3	-	-	3	1	3
VGM Score	C	-	-	C	C	A
Market Cap	11.56 B	8.80 B	39.21 B	13.50 B	40.59 B	21.65 B
# of Analysts	5	2	22	6	2	2
Dividend Yield	4.45%	1.22%	1.4%	1.22%	1.10%	2.62%
Value Score	C	-	-	D	D	B
Cash/Price	0.02	0.05	0.04	0.02	0.01	NA
EV/EBITDA	12.03	12.03	14.66	19.80	17.12	NA
PEG Ratio	2.63	2.12	2.22	1.68	1.56	1.53
Price/Book (P/B)	1.29	2.05	3.38	9.55	4.25	3.25
Price/Cash Flow (P/CF)	9.21	11.40	15.30	22.35	18.71	11.40
P/E (F1)	16.41	21.34	19.87	25.18	24.70	17.92
Price/Sales (P/S)	0.76	1.35	3.10	3.23	3.42	NA
Earnings Yield	6.07%	4.69%	5.02%	3.97%	4.05%	5.58%
Debt/Equity	0.52	0.42	0.56	0.81	0.40	NA
Cash Flow (\$/share)	8.10	3.06	8.99	10.98	1.73	5.19
Growth Score	C	-	-	A	D	A
Hist. EPS Growth (3-5 yrs)	-26.64%	0.55%	8.16%	17.25%	0.55%	NA
Proj. EPS Growth (F1/F0)	4.36%	8.37%	8.50%	4.95%	15.93%	8.20%
Curr. Cash Flow Growth	48.04%	-1.65%	6.86%	-2.38%	-1.65%	18.10%
Hist. Cash Flow Growth (3-5 yrs)	-7.31%	6.20%	7.48%	10.50%	-3.12%	15.12%
Current Ratio	1.11	2.37	1.18	1.71	1.78	NA
Debt/Capital	34.38%	29.42%	38.01%	44.85%	28.82%	NA
Net Margin	2.89%	5.60%	12.78%	12.56%	12.24%	NA
Return on Equity	8.10%	14.26%	17.00%	40.33%	16.30%	NA
Sales/Assets	0.68	0.76	0.53	1.14	0.68	NA
Proj. Sales Growth (F1/F0)	-1.00%	3.72%	5.82%	5.70%	11.60%	6.30%
Momentum Score	C	-	-	D	A	B
Daily Price Chg	-0.78%	0.00%	0.64%	0.38%	0.31%	0.80%
1 Week Price Chg	-3.87%	-1.46%	0.91%	-0.12%	1.15%	-1.15%
4 Week Price Chg	5.54%	3.01%	2.59%	3.22%	7.97%	2.98%
12 Week Price Chg	0.43%	0.22%	3.26%	4.05%	15.41%	-7.35%
52 Week Price Chg	-7.98%	-0.79%	15.14%	29.15%	78.59%	-10.65%
20 Day Average Volume	1,622,382	68,606	2,833,599	285,947	68,606	70,544
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	7.38%	0.00%
(F1) EPS Est 4 week change	0.11%	0.06%	0.00%	0.00%	3.56%	1.54%
(F1) EPS Est 12 week change	-1.57%	1.29%	0.66%	0.97%	2.75%	1.54%
(Q1) EPS Est Mthly Chg	-2.91%	0.00%	0.00%	0.00%	4.41%	NA

Analyst Earnings Model⁽²⁾

Stanley Black & Decker, Inc. (SWK)

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	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement														
Total Revenue	\$16,947.4	\$15,781.1	\$15,365.7	\$3,744.6	\$3,945.2	\$3,756.0	\$3,761.2	\$15,207.0	\$3,826.9	\$4,050.1	\$3,819.9	\$3,822.5	\$15,519.4	\$15,826.8
Pricing	7.0%	1.0%	(0.2%)	(2.0%)	1.0%	5.0%	2.8%	1.7%	3.5%	3.4%	3.7%	3.5%	3.5%	3.1%
Volume	(10.0%)	(7.0%)	0.5%	1.0%	(4.0%)	(6.0%)	(2.3%)	(2.8%)	(2.2%)	(2.1%)	(2.5%)	(2.2%)	(2.3%)	(1.5%)
Organic Growth	(3.0%)	(6.0%)	0.0%	1.0%	(3.0%)	(1.0%)	0.5%	(0.7%)	1.3%	1.4%	1.2%	1.3%	1.3%	1.5%
Acquisitions/(Divestitures)	17.0%	(1.0%)	(2.0%)	(2.0%)	0.0%	0.0%	0.0%	(0.5%)	0.0%	0.1%	0.4%	0.3%	0.2%	0.3%
Foreign Exchange Growth	(3.0%)	0.0%	(1.0%)	(2.0%)	1.0%	1.0%	0.2%	0.0%	0.3%	0.6%	(0.4%)	(0.5%)	0.0%	(0.4%)
Cost of Sales, Non-GAAP	\$12,535.9	\$11,681.6	\$10,762.5	\$2,607.1	\$2,858.7	\$2,568.9	\$2,494.7	\$10,529.4	\$2,644.8	\$2,775.1	\$2,552.2	\$2,491.0	\$10,463.2	\$10,384.0
Cost of Sales, GAAP	\$12,663.3	\$11,848.5	\$10,851.3	\$2,623.8	\$2,878.7	\$2,576.9	\$2,527.1	\$10,606.5	\$2,653.9	\$2,785.1	\$2,576.8	\$2,508.1	\$10,523.8	\$10,427.3
Gross Profit, Non-GAAP	\$4,411.5	\$4,099.5	\$4,603.2	\$1,137.5	\$1,086.5	\$1,187.1	\$1,266.5	\$4,677.6	\$1,182.1	\$1,275.0	\$1,267.6	\$1,331.5	\$5,056.2	\$5,442.8
Gross Profit, GAAP	\$4,284.1	\$3,932.6	\$4,514.4	\$1,120.8	\$1,066.5	\$1,179.1	\$1,234.2	\$4,600.6	\$1,173.0	\$1,265.0	\$1,243.1	\$1,314.5	\$4,995.6	\$5,399.5
Selling, General and Administrative, Non-GAAP	\$3,189.7	\$3,191.3	\$3,251.4	\$845.0	\$820.5	\$786.9	\$822.7	\$3,275.1	\$876.8	\$900.9	\$766.9	\$780.2	\$3,324.8	\$3,484.9
Selling, General and Administrative, GAAP	\$3,370.0	\$3,290.7	\$3,332.7	\$867.0	\$873.1	\$791.0	\$831.1	\$3,362.2	\$883.1	\$908.7	\$773.8	\$787.3	\$3,352.9	\$3,514.0
Adjusted EBITDA	\$1,528.5	\$1,138.1	\$1,556.6	\$361.8	\$318.2	\$461.0	\$498.5	\$1,639.5	\$341.1	\$422.9	\$541.4	\$594.5	\$1,899.9	\$2,077.2
EBITDA	\$893.9	\$621.9	\$1,150.1	\$333.2	\$237.0	\$244.9	\$437.8	\$1,252.9	\$301.6	\$381.1	\$486.9	\$547.7	\$1,717.3	\$1,909.4
Depreciation & Amortization	\$572.2	\$625.1	\$589.5	\$128.4	\$130.1	\$130.2	\$126.3	\$515.0	\$111.4	\$126.9	\$115.5	\$117.7	\$471.5	\$427.4
Operating Income, Non-GAAP	\$1,221.8	\$908.2	\$1,351.8	\$292.5	\$266.0	\$400.2	\$443.8	\$1,402.5	\$305.3	\$374.1	\$500.7	\$551.3	\$1,731.4	\$1,957.9
Operating Income, GAAP	\$914.1	\$641.9	\$1,181.7	\$253.8	\$193.4	\$388.1	\$403.1	\$1,238.4	\$289.9	\$356.3	\$469.3	\$527.2	\$1,642.6	\$1,885.5
Other, Net, Non-GAAP	\$257.9	\$345.2	\$468.4	\$56.2	\$76.1	\$67.9	\$70.0	\$270.2	\$74.1	\$76.7	\$73.3	\$73.0	\$297.1	\$302.1
Other, Net, GAAP	\$274.8	\$320.1	\$448.8	\$47.5	\$67.7	\$72.2	\$66.5	\$253.9	\$70.6	\$73.2	\$69.8	\$69.5	\$283.1	\$288.1
Interest Expense	\$338.5	\$559.4	\$498.6	\$126.4	\$129.1	\$129.1	\$113.0	\$497.6	\$123.3	\$126.1	\$121.0	\$120.0	\$490.3	\$498.5
Interest Income	\$54.7	\$186.9	\$179.1	\$49.2	\$48.9	\$50.0	\$29.5	\$177.6	\$40.5	\$43.0	\$40.5	\$40.6	\$164.5	\$180.4
Interest (Income)/ Expenses, Net	\$283.8	\$372.5	\$319.5	\$77.2	\$80.2	\$79.1	\$83.5	\$320.0	\$82.8	\$83.1	\$80.5	\$79.5	\$325.8	\$318.0
Loss (Gain) on Sales of Businesses	\$8.4	\$10.8	\$0.0	\$0.3	\$0.0	\$0.0	\$0.0	\$0.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Restructuring Charges (Credit)	\$140.8	\$39.4	\$99.9	\$1.2	\$18.8	\$32.1	\$25.0	\$77.1	\$29.1	\$28.9	\$28.1	\$27.7	\$113.8	\$115.4
Asset Impairment Charge	\$168.4	\$274.8	\$72.4	\$0.0	\$0.0	\$169.1	\$0.0	\$169.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Pre-Tax Income, Non-GAAP	\$680.1	\$190.5	\$707.1	\$159.1	\$109.7	\$253.2	\$290.3	\$812.3	\$148.4	\$214.4	\$346.9	\$398.9	\$1,108.5	\$1,337.8
Pre-Tax Income, GAAP	\$37.9	(\$375.7)	\$241.1	\$127.6	\$26.7	\$35.6	\$228.1	\$418.0	\$107.4	\$171.1	\$290.9	\$350.5	\$920.0	\$1,164.0
Income Tax, Non-GAAP	(\$48.4)	(\$28.2)	\$47.4	\$44.7	(\$53.4)	\$35.5	\$94.7	\$121.5	\$48.4	\$69.9	\$113.2	\$130.1	\$361.6	\$436.4
Income Tax, GAAP	(\$132.4)	(\$94.0)	(\$45.2)	\$37.2	(\$75.2)	(\$15.8)	\$69.8	\$16.0	\$32.9	\$52.4	\$89.1	\$107.3	\$281.7	\$356.4
Tax Rate, Non-GAAP	(7.1%)	(14.8%)	6.7%	28.1%	(48.7%)	14.0%	32.6%	15.0%	32.6%	32.6%	32.6%	32.6%	32.6%	32.6%
Tax Rate, GAAP	(349.3%)	25.0%	(18.7%)	29.2%	(281.6%)	(44.4%)	30.6%	3.8%	30.6%	30.6%	30.6%	30.6%	30.6%	30.6%
Non-Controlling Interests	\$0.2	\$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
Share of Net Earnings of Equity Method Investment, Non-GAAP	\$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
Share of Net Earnings of Equity Method Investment, GAAP	\$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
Preferred Stock Dividends and Beneficial Conversion Feature	\$5.8	\$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
Contract Adjustment Payments Accretion	\$1.2	\$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
Net Earnings from Continuing Operations Attributable to Common Shareowners, Non-GAAP	\$723.7	\$218.7	\$659.7	\$114.4	\$163.1	\$217.7	\$195.6	\$690.8	\$100.0	\$144.4	\$233.8	\$268.8	\$746.9	\$901.4
Net Earnings from Continuing Operations Attributable to Common Shareowners, GAAP	\$165.5	(\$281.7)	\$286.3	\$90.4	\$101.9	\$51.4	\$158.2	\$401.9	\$74.5	\$118.7	\$201.8	\$243.2	\$638.3	\$807.6
Net Income from Discontinuing Operations	\$892.4	(\$28.8)	\$8.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Earnings Attributable to Common Shareowners, GAAP	\$1,057.9	(\$310.5)	\$294.3	\$90.4	\$101.9	\$51.4	\$158.2	\$401.9	\$74.5	\$118.7	\$201.8	\$243.2	\$638.3	\$807.6
Diluted Shares Outstanding	156.6	149.8	151.3	151.7	151.7	152.0	152.0	151.8	152.0	152.0	152.0	152.0	152.0	152.0
Diluted EPS from Continuing Operations, Non-GAAP	\$4.62	\$1.45	\$4.36	\$0.75	\$1.08	\$1.43	\$1.29	\$4.55	\$0.66	\$0.95	\$1.54	\$1.77	\$4.92	\$5.93
Diluted EPS from Continuing Operations, GAAP	\$1.06	(\$1.88)	\$1.89	\$0.60	\$0.67	\$0.34	\$1.04	\$2.65	\$0.49	\$0.78	\$1.33	\$1.60	\$4.20	\$5.31
Diluted EPS, GAAP	\$6.76	(\$2.07)	\$1.95	\$0.60	\$0.67	\$0.34	\$1.04	\$2.65	\$0.49	\$0.78	\$1.33	\$1.60	\$4.20	\$5.31
Dividend per Share	\$3.18	\$3.22	\$3.26	\$0.82	\$0.82	\$0.83	\$0.83	\$3.30	\$0.83	\$0.83	\$0.83	\$0.83	\$3.32	\$3.32

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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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	C
Growth Score	C
Momentum Score	C
VGM Score	C

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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