

TransDigm Group Inc. (TDG)

\$1,268.78 (Stock Price as of 12/16/2025)

Price Target (6-12 Months): **\$1,368.00**

Long Term: 6-12 Months	Zacks Recommendation:	Neutral
	(Since: 12/08/25)	
	Prior Recommendation: Underperform	
Short Term: 1-3 Months	Zacks Rank: (1-5)	3-Hold
	Zacks Style Scores:	VGM: F
	Value: D	Growth: D
		Momentum: F

Summary

TransDigm Group ended the fourth quarter of fiscal 2025 on a solid note, with its earnings and revenues having surpassed its respective Zacks Consensus Estimate. The company, being an equipment supplier of renowned military jet makers, should benefit from solid funding provisions from the U.S. government. Our model expects solid revenue growth for the company in the fiscal 2026-2028 period. However, the shortage of skilled labor continues to affect the commercial aerospace sector, which may hurt TransDigm's operating results. It is also witnessing supply-chain constraints, particularly in electronic components, which may cause delays in the availability of some of its raw materials. Tariff also poses a risk for the company. TransDigm's shares have also underperformed the industry in the past year.

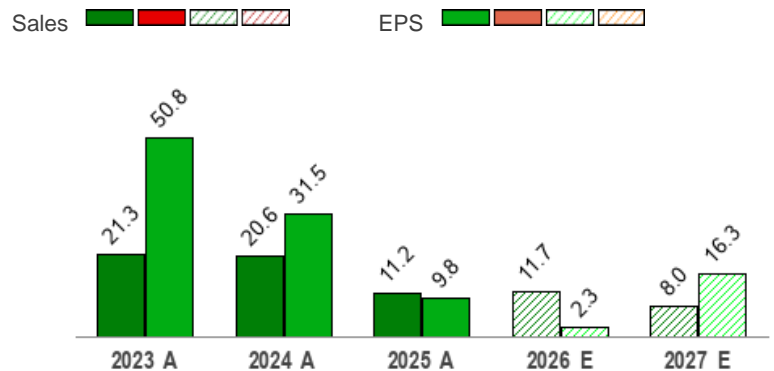
Price, Consensus & Surprise⁽¹⁾



Data Overview

52 Week High-Low	\$1,623.83 - \$1,183.60
20 Day Average Volume (sh)	277,530
Market Cap	\$72.8 B
YTD Price Change	2.0%
Beta	0.94
Dividend / Div Yld	\$0.00 / 0.0%
Industry	Aerospace - Defense Equipment
Zacks Industry Rank	Top 35% (85 out of 243)

Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Last EPS Surprise	5.6%
Last Sales Surprise	1.3%
EPS F1 Est- 4 week change	-0.2%
Expected Report Date	02/03/2026
Earnings ESP	-0.3%

Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	2,434 E	2,596 E	2,706 E	2,913 E	10,648 E
2026	2,231 E	2,399 E	2,514 E	2,715 E	9,860 E
2025	2,006 A	2,150 A	2,237 A	2,437 A	8,831 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	10.10 E	10.61 E	11.42 E	12.27 E	44.40 E
2026	7.96 E	9.26 E	9.94 E	11.03 E	38.18 E
2025	7.83 A	9.11 A	9.60 A	10.82 A	37.33 A

*Quarterly figures may not add up to annual.

P/E TTM	34.6
P/E F1	33.2
PEG F1	3.7
P/S TTM	8.2

(1) The data in the charts and tables, except the estimates, is as of 12/16/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/11/2025.

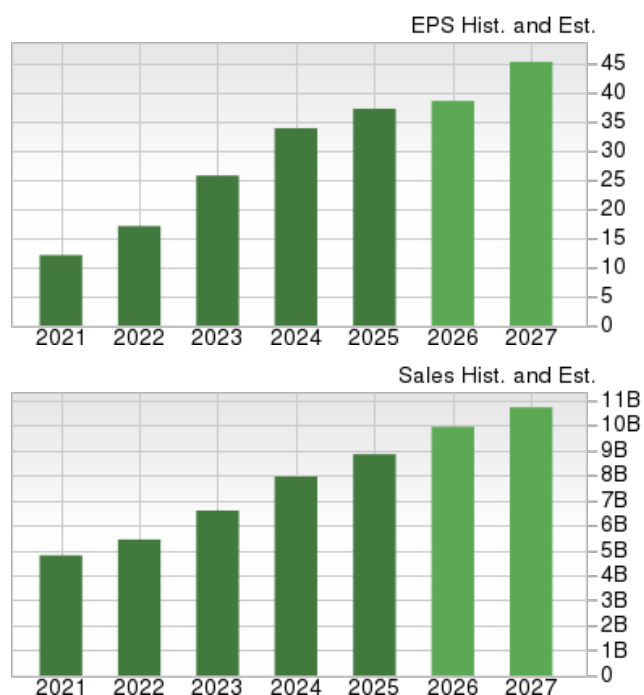
Overview

Incepted in 1993, TransDigm Group is a leading global designer, producer and supplier of highly engineered aerospace components that are used in commercial and military aircraft. The company, through its well-diversified business, offers a broad range of products to its customers. TransDigm currently has three reportable segments:

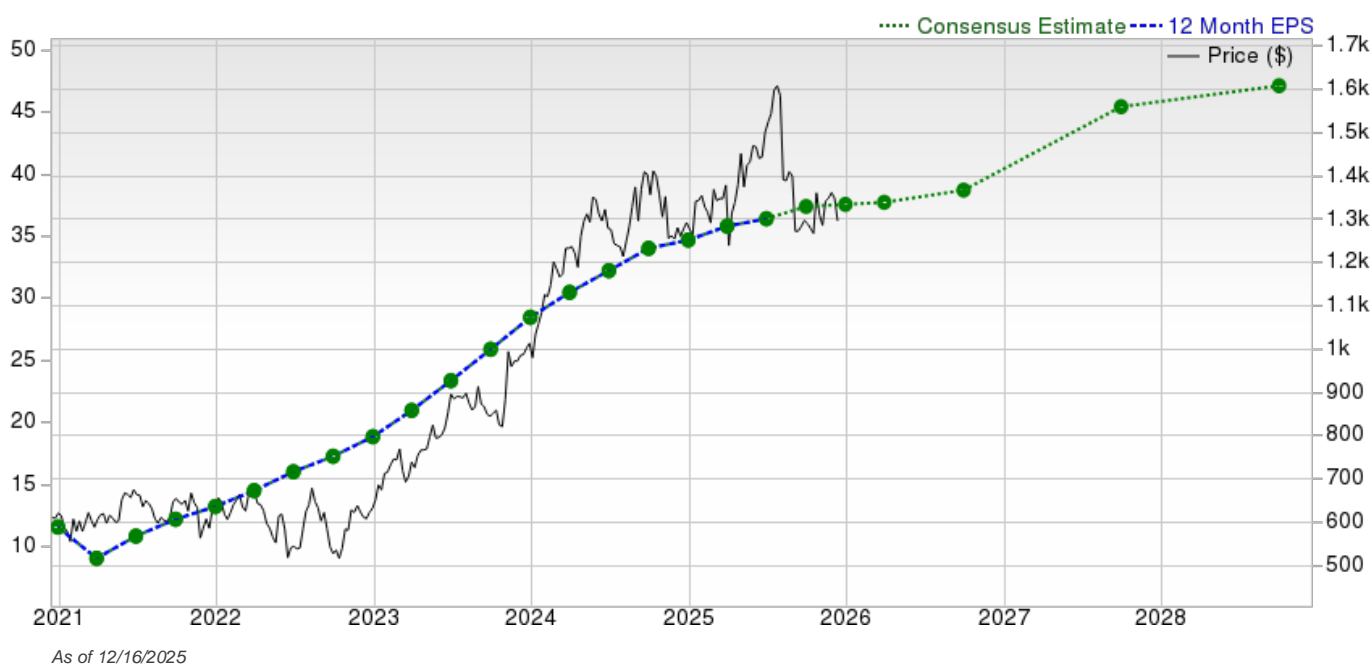
The Power & Control segment develops products like mechanical/electro-mechanical actuators and controls, ignition systems and engine technology, specialized pumps and valves, power conditioning devices, specialized AC/DC electric motors and generators, and lifting devices and cargo loading and handling systems. These are used in controlling power of the aircraft utilizing electronic, fluid, power and mechanical motion control technologies. It contributed 51.6% to the company's total sales in fiscal 2025.

The Airframe segment produces systems and components like engineered latching and locking devices, security components and systems, aircraft audio systems, specialized lavatory components, seat belts and safety restraints, engineered interior surfaces and related components, military personnel parachutes and cargo delivery systems. These are used in non-power airframe applications utilizing airframe and cabin structure technologies. It contributed 46.6% to the company's total sales in fiscal 2025.

The Non-aviation segment's products include seat belts and safety restraints for ground transportation applications, mechanical/electro-mechanical actuators and controls for space applications, and refueling systems for heavy equipment used in mining, construction and other industries. It contributed 1.8% to the company's total sales in fiscal 2025.



As of 12/11/2025



Reasons To Buy:

▲ TransDigm's products hold a significant position in the U.S. defense aerospace market. The company has been enjoying significant growth opportunities in the defense space on account of the current U.S. government's inclination toward strengthening the nation's defense system by providing enhanced funding. Notably, in May 2025, a White House report published that U.S. President Trump had proposed an increase of 13% in the nation's defense spending (to \$1.01 trillion) for fiscal 2026. This enhanced funding provision thus boosts the possibility for renowned military jet builders like Boeing and others to acquire significant defense contracts from the Pentagon, which, in turn, should benefit equipment suppliers like TransDigm. Our model estimates revenues to grow 11.6% in fiscal 2026, 8% in fiscal 2027 and 6.2% in fiscal 2028, for TransDigm.

Recovering air traffic trends should boost TransDigm's footprint in the commercial aerospace market. Expansionary defense budget will aid its defense business.

▲ Thanks to the steadily improving air traffic trend over the past year, the commercial aerospace industry is booming, which, in turn, has been benefiting TransDigm. Evidently, in the fourth quarter of fiscal 2025, TransDigm continued to witness robust commercial air traffic demand, with both domestic and international revenue passenger kilometers (RPKs) reflecting strong growth trends. Consequently, the company's commercial aftermarket sales witnessed an 11% year-over-year improvement in the fiscal fourth quarter. This improvement can be attributed to the strong demand for air travel resulting in higher flight hours and utilization of aircraft as global air traffic continues to surpass pre-pandemic levels.

The International Air Transport Association (IATA) projects the number of air passengers globally to increase 5.2% year-over-year in 2025, as stated in its latest outlook published in December 2025. Such a favorable outlook for air travel should bode well for TransDigm.

▲ TransDigm had a long-term debt of \$29.17 billion as of Sept. 30, 2025. As of the same date, the company's current debt was \$0.85 billion. Its cash and cash equivalents totaled \$2.81 billion as of Sept. 30, 2025. Its cash balance is thus lower than its long-term debt but lies much above its current debt value. Therefore, we may safely conclude that the company holds a strong solvency position, at least in the near term.

Moreover, the stock's current ratio was 3.21 as of Sept. 30, 2025, which, being more than one, indicates that it can pay off its debt obligations in the near term. The ratio also improved from its prior-quarter level of 3.13. Such favorable financial ratios make one further optimistic about the company's financial position.

Reasons To Sell:

- ▼ TransDigm Group is facing challenges in its commercial original equipment business. The challenges are mainly due to the Boeing strike, ongoing production delays at Airbus and lower aircraft build rates. Although demand for new aircraft remains strong, production rates at Boeing and Airbus have not yet recovered to the required levels, which continues to limit sales for TransDigm Group.

Additionally, some customers had built up excess inventory earlier in the year. During the fiscal third quarter, they reduced new orders to use existing stock, leading to another drop in shipments. While the company expects these issues to ease over time, the timing of recovery is uncertain, which poses near-term risks. Additional factors such as the recent import tariff implemented by the U.S. government and potentially weakening economic environment, might further exacerbate this situation and thereby hurt TransDigm's sales from OEM business.

- ▼ Like many other OEM manufacturers, TransDigm has also been witnessing supply-chain constraints, particularly in electronic components and casting. Such supply chain constraints have resulted in delays in the availability of some of its raw materials and thereby increased the company's freight costs, raw material costs and labor costs, in the recent past. Per the International Air Transport Association's (IATA) latest outlook report, published in December 2025, significant supply-chain issues will continue to impact the global aviation industry in 2025 and 2026. Such persisting supply-chain constraints hovering over the aerospace sector's growth viability might have caused TransDigm to underperform its industry over the past year. Shares of the company have surged 5.1% in the past year compared with the industry's 24% growth.
- ▼ Shortage of labor continues to pose a threat to aerospace-defense equipment suppliers like TransDigm. Notably, per the 2025 Workforce Study report released by the Aerospace Industries Association (AIA), in collaboration with McKinsey, the aging talent base, where nearly a quarter of the workforce is more than 55, poses a retirement wave risk and a sudden deficit in critical institutional knowledge for the aerospace-defense industry. High early-career attrition has been exacerbating this issue, as the employees in younger age demographics who comprise the bulk of the manufacturing and engineering workforce are the most likely to leave the aerospace and defense sector for higher-paying jobs with greater workplace flexibility in other industries.

Adverse impacts of supply chain constraints might hurt TransDigm's operating results. Shortage of labor also pose risk for the stock

Last Earnings Report

TransDigm Group Q4 Earnings Surpass Estimates, Sales Increase Y/Y

TransDigm Group Incorporated reported fourth-quarter fiscal 2025 adjusted earnings of \$10.82 per share, which topped the Zacks Consensus Estimate of \$10.25 by 5.6%. The bottom line also improved 10.1% from the prior-year quarter's figure of \$9.83.

The company reported GAAP earnings of \$7.75 per share compared with \$5.80 in the year-ago quarter.

The year-over-year growth in the bottom line can be attributed to the increase in net sales and the application of TDG's value-driven operating strategy and lower non-cash stock and deferred compensation expenses.

For fiscal 2025, the company reported adjusted earnings of \$37.33 per share, which came in higher than the year-ago figure of \$33.99.

TransDigm's Q4 Sales Discussion

Sales amounted to \$2.44 billion, up 11.5% from \$2.19 billion registered in the prior-year period. The reported figure also topped the Zacks Consensus Estimate of \$2.41 billion by 1.3%.

Organic sales, as a percentage of net sales, grew 10.8%.

For fiscal 2025, the company reported net sales of \$8.83 billion, which came in higher than the year-ago figure of \$7.94 billion.

TDG's Operating Results

The gross profit was \$1.47 billion, up 16.9% from the year-ago quarter's level of \$1.26 billion.

TDG's interest expenses increased 22.4% year over year to \$420 million.

Net income rose 30.1% year over year to \$609 million.

TransDigm's Financial Position

Cash and cash equivalents as of Sept. 30, 2025 amounted to \$2.81 billion, down from \$6.26 billion recorded as of Sept. 30, 2024.

Long-term debt as of Sept. 30, 2025 totaled \$29.17 billion, up from \$24.30 billion as of Sept. 30, 2024.

Cash from operating activities amounted to \$2.04 billion compared with \$2.05 billion at the end of the fourth quarter of fiscal 2025.

TDG's 2026 Guidance

TransDigm issued its guidance for fiscal 2026. The company expects sales in the range of \$9.75-\$9.95 billion. The Zacks Consensus Estimate for the same is pegged at \$9.75 billion, which is at the lower end of the company's guided range.

TDG expects fiscal 2026 adjusted earnings in the band of \$36.49-\$38.53 per share. The Zacks Consensus Estimate for fiscal 2026 earnings is pegged at \$40.20, higher than the company's guided range.

FY Quarter Ending 9/30/2025

Earnings Reporting Date	Nov 12, 2025
Sales Surprise	1.30%
EPS Surprise	5.56%
Quarterly EPS	10.82
Annual EPS (TTM)	37.36

Valuation

TransDigm Group's shares are up 2.8% in the year-to-date period and 5.1% over the trailing 12-month period. Stocks in the Zacks sub-industry are up 27.1%, while the Zacks Aerospace sector is up 26.2% in the year-to-date period. Over the past year, the Zacks sub-industry is up 24% while the sector is up 23.7%.

The S&P 500 index is up 18.6% in the year-to-date period and 15.3% in the past year.

The stock is currently trading at 35.02X forward 12-month earnings, which compares with 44.59X for the Zacks sub-industry, 31.66X for the Zacks sector and 23.44X for the S&P 500 index.

Over the past five years, the stock has traded as high as 56.34X and as low as 24.76X, with a median of 36.15X.

Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$1368 price target reflects 36.77X forward 12-month earnings.

The table below shows summary valuation data for TDG.

Valuation Multiples - TDG					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	35.02	44.59	31.66	23.44
	5-Year High	56.34	50.91	34.49	23.78
	5-Year Low	24.76	25.3	18.54	15.73
	5-Year Median	36.15	35.31	24.54	21.21
P/S F12M	Current	7.31	9.87	2.68	5.3
	5-Year High	10.24	10.3	2.79	5.5
	5-Year Low	4.54	3.87	1.25	3.83
	5-Year Median	6.69	6.22	1.68	5.05
EV/SALES TTM	Current	11.3	10.97	3.34	5.74
	5-Year High	13.12	11.63	3.59	5.81
	5-Year Low	8.11	4.7	1.88	3.78
	5-Year Median	10.53	7.42	2.57	5.12

As of 12/10/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 35% (85 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Astronics Corporation... (ATRO)	Outperform	1
AAR Corp. (AIR)	Neutral	3
Curtiss-Wright Corpo... (CW)	Neutral	2
Leonardo DRS, Inc. (DRS)	Neutral	4
Elbit Systems Ltd. (ESLT)	Neutral	2
Moog Inc. (MOG.A)	Neutral	3
Teledyne Technologie... (TDY)	Neutral	3
CAE Inc (CAE)	Underperform	4

Industry Comparison⁽¹⁾ Industry: Aerospace - Defense Equipment

	TDG	X Industry	S&P 500	AIR	ESLT	TDY
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	2	3
VGM Score	F	-	-	D	C	F
Market Cap	72.77 B	7.86 B	39.20 B	3.23 B	22.82 B	24.15 B
# of Analysts	9	3	22	2	3	5
Dividend Yield	0.00%	0.00%	1.4%	0.00%	0.49%	0.00%
Value Score	D	-	-	C	C	C
Cash/Price	0.04	0.03	0.04	0.03	0.03	0.02
EV/EBITDA	21.71	24.04	14.73	24.20	34.26	18.92
PEG Ratio	3.68	2.43	2.24	NA	1.78	2.43
Price/Book (P/B)	NA	4.12	3.35	2.39	5.68	2.29
Price/Cash Flow (P/CF)	29.83	29.33	15.24	15.13	41.45	18.41
P/E (F1)	33.31	35.86	19.90	18.16	41.36	23.90
Price/Sales (P/S)	8.24	3.18	3.09	1.13	2.96	4.02
Earnings Yield	2.99%	2.57%	5.01%	5.50%	2.42%	4.18%
Debt/Equity	-3.01	0.27	0.57	0.82	0.06	0.20
Cash Flow (\$/share)	43.31	1.87	8.99	5.47	12.38	27.93
Growth Score	D	-	-	F	C	D
Hist. EPS Growth (3-5 yrs)	39.38%	18.88%	8.16%	27.44%	5.16%	12.15%
Proj. EPS Growth (F1/F0)	2.28%	20.97%	8.57%	16.62%	41.67%	9.07%
Curr. Cash Flow Growth	12.33%	17.55%	6.75%	23.68%	18.58%	3.33%
Hist. Cash Flow Growth (3-5 yrs)	13.96%	8.00%	7.43%	10.67%	4.83%	20.80%
Current Ratio	3.21	2.86	1.18	2.91	1.32	1.79
Debt/Capital	NA%	22.70%	38.01%	45.00%	5.85%	16.48%
Net Margin	21.69%	6.97%	12.78%	1.01%	5.91%	13.62%
Return on Equity	-31.91%	11.11%	17.00%	12.29%	15.04%	9.95%
Sales/Assets	0.40	0.66	0.53	1.00	0.66	0.40
Proj. Sales Growth (F1/F0)	11.70%	10.09%	5.77%	12.90%	15.90%	7.00%
Momentum Score	F	-	-	D	A	D
Daily Price Chg	-0.20%	-0.47%	-0.16%	-1.16%	-0.38%	-0.76%
1 Week Price Chg	-3.88%	2.44%	-0.44%	1.19%	6.32%	-0.78%
4 Week Price Chg	-3.27%	4.36%	2.16%	4.76%	2.00%	2.95%
12 Week Price Chg	-0.25%	-2.51%	1.83%	7.56%	2.87%	-9.44%
52 Week Price Chg	0.94%	36.15%	12.22%	29.42%	94.79%	8.05%
20 Day Average Volume	277,530	261,495	2,744,252	317,449	94,205	356,414
(F1) EPS Est 1 week change	0.02%	0.00%	0.00%	0.00%	0.89%	0.00%
(F1) EPS Est 4 week change	-0.19%	0.00%	0.00%	0.00%	4.95%	0.00%
(F1) EPS Est 12 week change	-11.46%	0.38%	0.69%	2.90%	2.56%	0.38%
(Q1) EPS Est Mthly Chg	-1.50%	0.00%	0.00%	0.00%	6.84%	0.00%

Analyst Earnings Model⁽²⁾

TransDigm Group Incorporated (TDG)

In \$MM, except per share data

	2019A	2020A	2021A	2022A	2023A	2024A	2025A				2026E				2027E	2028E		
	FY	FY	FY	FY	FY	FY	1QA	2QA	3QA	4QA	FY	1QE	2QE	3QE	4QE	FY	FY	
FY Ends September 30th	Sep-19	Sep-20	Sep-21	Sep-22	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																		
Total Revenue	\$5,223.0	\$5,103.0	\$4,798.0	\$5,429.0	\$6,585.0	\$7,940.0	\$2,006.0	\$2,150.0	\$2,237.0	\$2,437.0	\$8,831.0	\$2,230.7	\$2,399.1	\$2,514.3	\$2,715.4	\$9,859.5	\$10,647.8	\$11,306.2
Cost of Sales	\$2,413.9	\$2,456.0	\$2,285.0	\$2,330.0	\$2,743.0	\$3,268.0	\$771.0	\$876.0	\$905.0	\$967.0	\$3,520.0	\$901.9	\$957.9	\$988.7	\$1,032.9	\$3,881.4	\$3,919.6	\$4,159.2
Gross Profit	\$2,809.3	\$2,647.0	\$2,513.0	\$3,099.0	\$3,842.0	\$4,672.0	\$1,235.0	\$1,274.0	\$1,332.0	\$1,470.0	\$5,311.0	\$1,328.9	\$1,441.2	\$1,525.6	\$1,682.5	\$5,978.2	\$6,728.3	\$7,147.0
Selling and Administrative Expenses	\$747.8	\$727.0	\$685.0	\$748.0	\$780.0	\$980.0	\$211.0	\$236.0	\$242.0	\$256.0	\$945.0	\$316.9	\$314.9	\$305.8	\$327.2	\$1,264.8	\$1,431.3	\$1,508.2
Amortization of Intangible Assets	\$135.0	\$169.0	\$137.0	\$136.0	\$139.0	\$161.0	\$50.0	\$47.0	\$51.0	\$53.0	\$201.0	\$73.2	\$56.5	\$60.3	\$69.3	\$259.4	\$264.0	\$274.3
Depreciation and Amortization	\$225.0	\$283.0	\$253.0	\$253.0	\$268.0	\$312.0	\$90.0	\$89.0	\$91.0	\$97.0	\$367.0	\$90.8	\$92.7	\$95.4	\$103.9	\$382.8	\$410.4	\$435.3
Stock-Based Compensation Expense	\$93.0	\$93.0	\$129.0	\$184.0	\$157.0	\$217.0	\$25.0	\$48.0	\$51.0	\$33.0	\$157.0	\$31.3	\$60.4	\$65.1	\$53.4	\$210.2	\$181.3	\$196.4
EBITDA	\$2,148.3	\$2,052.0	\$2,027.0	\$2,456.0	\$3,148.0	\$3,813.0	\$1,087.0	\$1,089.0	\$1,123.0	\$1,269.0	\$4,568.0	\$1,041.5	\$1,171.6	\$1,264.3	\$1,402.5	\$4,879.9	\$5,492.4	\$5,852.6
Adjusted EBITDA	\$2,418.8	\$2,278.0	\$2,189.0	\$2,646.0	\$3,395.0	\$4,173.0	\$1,061.0	\$1,162.0	\$1,217.0	\$1,320.0	\$4,760.0	\$1,092.5	\$1,222.6	\$1,315.3	\$1,453.5	\$5,083.9	\$5,696.4	\$6,056.6
Operating Income	\$1,926.0	\$1,751.0	\$1,691.0	\$2,215.0	\$2,923.0	\$3,531.0	\$974.0	\$991.0	\$1,039.0	\$1,161.0	\$4,165.0	\$938.8	\$1,069.8	\$1,159.5	\$1,285.9	\$4,454.0	\$5,033.0	\$5,364.6
Interest Expense, Net	\$859.8	\$1,029.0	\$1,059.0	\$1,076.0	\$1,164.0	\$1,286.0	\$378.0	\$378.0	\$397.0	\$420.0	\$1,572.0	\$420.5	\$452.3	\$492.1	\$535.6	\$1,900.5	\$1,997.2	\$2,132.0
Refinancing Costs		\$28.0	\$37.0	\$1.0	\$56.0	\$58.0	\$0.0	\$0.0	\$7.0	\$3.0	\$11.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other (Income)/Expense	\$1.0	(\$46.0)	(\$120.0)	\$11.0	(\$13.0)	(\$28.0)	(\$23.0)	(\$9.0)	\$0.0	(\$14.0)	(\$47.0)	(\$11.9)	(\$9.2)	(\$9.4)	(\$12.7)	(\$43.1)	(\$49.0)	(\$52.8)
Pre-Tax Income	\$1,062.9	\$740.0	\$715.0	\$1,127.0	\$1,716.0	\$2,215.0	\$619.0	\$622.0	\$635.0	\$752.0	\$2,629.0	\$530.2	\$626.6	\$676.8	\$763.1	\$2,596.6	\$3,084.7	\$3,285.3
Income Tax	\$222.0	\$87.0	\$34.0	\$261.0	\$417.0	\$500.0	\$126.0	\$143.0	\$142.0	\$143.0	\$555.0	\$121.9	\$144.1	\$155.7	\$175.5	\$597.2	\$709.5	\$755.6
Tax Rate	20.9%	11.7%	4.7%	23.2%	24.3%	22.6%	20.4%	23.0%	22.4%	19.0%	21.1%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%
Net Income from Continuing Operations	\$840.9	\$653.0	\$681.0	\$866.0	\$1,299.0	\$1,715.0	\$493.0	\$479.0	\$493.0	\$609.0	\$2,074.0	\$408.2	\$482.5	\$521.1	\$587.6	\$1,999.4	\$2,375.2	\$2,529.7
Income from Discontinued Operations	\$51.0	\$47.0	\$0.0	\$1.0	\$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	\$0.0
Non-Controlling Interest	(\$2.0)	(\$1.0)	(\$1.0)	(\$1.0)	(\$1.0)	(\$1.0)	\$0.0	\$0.0	(\$1.0)	\$1.0	\$0.0	\$0.0	\$0.0	(\$1.0)	\$1.0	\$0.0	\$0.0	\$0.0
Net Income Attributable to TD Group	\$890.0	\$699.0	\$680.0	\$866.0	\$1,298.0	\$1,714.0	\$493.0	\$479.0	\$492.0	\$610.0	\$2,074.0	\$408.2	\$482.5	\$520.1	\$588.6	\$1,999.4	\$2,375.2	\$2,529.7
Dividend Paid on Participating Securities	\$111.0	\$185.0	\$73.0	\$86.0	\$38.0	\$233.0	\$49.0	\$0.0	\$0.0	\$159.0	\$208.0	\$59.0	\$0.0	\$0.0	\$0.0	\$59.0	\$59.0	\$59.0
Net Income Applicable to Common Stock	\$778.7	\$514.0	\$607.0	\$780.0	\$1,260.0	\$1,481.0	\$444.0	\$479.0	\$492.0	\$451.0	\$1,866.0	\$349.2	\$482.5	\$520.1	\$588.6	\$1,940.4	\$2,316.2	\$2,470.7
Net Income, Adjusted	\$1,028.1	\$829.0	\$708.0	\$998.0	\$1,477.0	\$1,966.0	\$456.0	\$529.0	\$558.0	\$629.0	\$2,171.0	\$461.7	\$542.7	\$582.4	\$646.1	\$2,232.8	\$2,602.0	\$2,760.0
Diluted Shares Outstanding	56.3	57.3	58.4	58.2	57.2	57.8	58.3	58.1	58.1	58.1	58.2	58.0	58.6	58.6	58.6	58.5	58.6	58.6
Diluted EPS, Continuing Operations	\$12.94	\$8.14	\$10.41	\$13.38	\$22.03	\$25.62	\$7.62	\$8.24	\$8.47	\$7.75	\$32.08	\$6.02	\$8.23	\$8.88	\$10.04	\$33.17	\$39.53	\$42.16
Diluted EPS	\$13.84	\$8.96	\$10.41	\$13.40	\$22.03	\$25.62	\$7.62	\$8.24	\$8.47	\$7.75	\$32.08	\$6.02	\$8.23	\$8.88	\$10.04	\$33.17	\$39.53	\$42.16
Diluted EPS, Adjusted	\$18.27	\$14.47	\$12.13	\$17.14	\$25.84	\$33.99	\$7.83	\$9.11	\$9.60	\$10.82	\$37.33	\$7.96	\$9.26	\$9.94	\$11.03	\$38.18	\$44.40	\$47.10
Dividend						\$110.00	\$0.00	\$0.00	\$0.00	\$90.00	\$90.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Zacks Stock Rating System

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

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

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

Zacks Style Scores

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

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

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

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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