

Target Corporation (TGT)

\$89.80 (Stock Price as of 11/26/2025)

Price Target (6-12 Months): **\$76.00**

Long Term: 6-12 Months

Zacks Recommendation: Underperform

(Since: 11/04/25)

Prior Recommendation: Neutral

Short Term: 1-3 Months

Zacks Rank: (1-5)

4-Sell

Zacks Style Scores:

VGM: C

Value: B

Growth: D

Momentum: C

Summary

Target continues to grapple with weakening consumer demand, traffic softness, and margin compression, signaling persistent operational headwinds in a tough retail landscape. Despite modest digital gains, store-level performance remains muted amid shifting consumer preferences and stiff competition from value-driven peers. The company's profitability outlook is constrained by elevated inventory-related costs, tariff exposure, and ongoing pricing pressures, while operating margins show limited room for recovery. Moreover, rising debt levels and higher interest expenses are tightening financial flexibility just as discretionary spending remains subdued. TGT's cautious fiscal 2025 sales outlook, projecting continued sales declines, highlights the limited near-term visibility. We anticipate comparable sales to decline 2% in fiscal 2025.

Data Overview

52 Week High-Low	\$145.08 - \$83.44
20 Day Average Volume (sh)	7,956,207
Market Cap	\$40.8 B
YTD Price Change	-33.6%
Beta	1.19
Dividend / Div Yld	\$4.56 / 5.1%
Industry	Retail - Discount Stores
Zacks Industry Rank	Top 39% (95 out of 243)

Last EPS Surprise	1.1%
Last Sales Surprise	-0.4%
EPS F1 Est- 4 week change	-1.7%
Expected Report Date	03/03/2026
Earnings ESP	-0.5%

P/E TTM	11.9
P/E F1	12.1
PEG F1	-2.9
P/S TTM	0.4

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	24,368 E	25,755 E	26,017 E	31,403 E	107,543 E
2026	23,846 A	25,211 A	25,270 A	30,681 E	105,131 E
2025	24,531 A	25,452 A	25,668 A	30,915 A	106,566 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	1.55 E	2.32 E	1.87 E	2.39 E	8.13 E
2026	1.30 A	2.05 A	1.78 A	2.28 E	7.41 E
2025	2.03 A	2.57 A	1.85 A	2.41 A	8.86 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 11/26/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 11/17/2025.

Overview

Target Corporation has evolved from just being a pure brick-&-mortar retailer to an omni-channel entity. The company has been making investment in technologies, improving websites and mobile apps and modernizing supply chain to keep pace with the changing retail landscape and better compete with pure e-commerce players. Its acquisition of Shipt to provide same-day delivery of groceries, essentials, home, electronics as well as other products is worth noting.

Founded in 1902, Target provides an array of goods ranging from household essentials and electronics to toys and apparel for men, women and kids. It also houses food and pet supplies, home furnishings and décor, home improvement, automotive products, and seasonal merchandise.

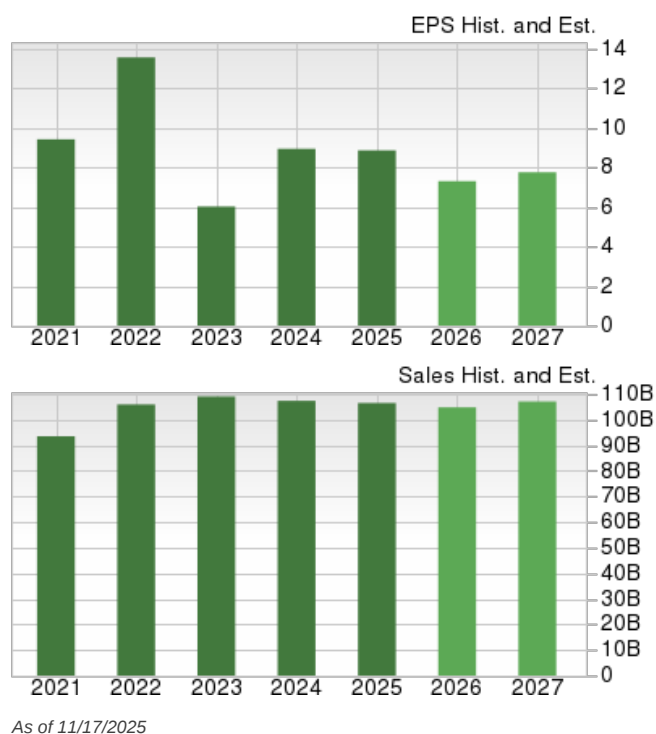
This Minneapolis, MN-based company sells merchandise through periodic exclusive design and creative partnerships, and shop-in-shop experiences, with partners such as Apple, Disney, Levi's and Ulta Beauty, and generate revenue from in-store amenities such as Target Café, Starbucks and Target Optical.

As of Aug. 2, 2025, Target operates nearly 1,982 stores. A greater number of general merchandise stores provides an edited food assortment, including perishables, dry grocery, dairy, and frozen items. The company's stores, which are larger than 170,000 square feet, offer a full line of food items comparable to traditional supermarkets.

Some of the company's Owned Brands includes: A New Day, Cat & Jack, Cloud Island, Made By Design, Opalhouse, Project 62, Ava & Viv, Smith & Hawken, Universal Thread and Wild Fable.

Some of the company's Exclusive Adult Beverage Brands includes: California Roots, Photograph, SunPop, Headliner, Jingle & Mingle, Rosé Bae, Wine Cube and others.

(Note: Zacks identifies fiscal years by the month in which the fiscal year ends, while TGT identifies their fiscal year by the calendar year in which it begins; so comparable figures for any given fiscal year, as published by TGT, will refer to this same fiscal year as being the year before the same year, as identified by Zacks)



Reasons To Sell:

- ▼ **Lower Spending Per Visit:** Target experienced a decline of 1.9% in comparable sales during the second quarter, following a 3.8% drop in the first quarter. This was primarily driven by a 3.2% decrease in comparable store sales, despite a 4.3% growth in comparable digital sales. Traffic declined 1.3%, while the average transaction amount fell 0.6%. This raises questions about whether Target can regain consistent footfall in a highly competitive retail landscape. Target still foresees a low-single-digit decline in sales during fiscal 2025. We expect the number of transactions to decline by 1.2% and the average transaction amount to dip by 0.9% for fiscal 2025. We anticipate fiscal 2025 comparable sales to decline 2%.
- ▼ **Margin Pressure from Tariffs & Inventory Costs:** Gross margin contracted 100 basis points year over year to 29% due to purchase order cancellations, tariffs, and higher markdowns. Operating income fell 19.4% year over year, with operating margin declining to 5.2% compared with 6.4% reported in the year-ago period. As a result, second-quarter EPS of \$2.05 dropped from \$2.57 last year, largely because of tariff costs and inventory adjustments. Although management expects these headwinds to ease, continued volatility in tariffs could keep margins under pressure. We foresee both gross margin and operating margin to shrink 20 and 10 basis points, respectively, for the full year, as TGT navigates a tough retail environment.
- ▼ **Elevated Debt & Interest Expense Add Pressure:** Target's rising debt load is becoming a notable pressure point for investors. As of the second quarter, the company carried \$15.3 billion in long-term debt, an increase from \$13.7 billion a year earlier, reflecting higher leverage on its balance sheet. This uptick has also led to increased financing costs, with net interest expense climbing to \$116 million in the second quarter from \$110 million last year. While these numbers remain manageable relative to Target's overall scale, the trend is concerning at a time when sales and margins are still under strain.
- ▼ **Dip in Consumer Confidence:** Consumer confidence serves as a crucial barometer of the overall economic health, and any significant downturn in this metric can influence consumer spending patterns. For Target, the sensitivity of its customer base to various macroeconomic factors poses a notable concern. Factors such as interest rates, fuel and energy costs, credit availability, unemployment rates, and elevated levels of household debt can collectively erode consumer sentiment. This, in turn, may hurt the company's growth trajectory and profitability.
- ▼ **Competitive Retail Backdrop:** Target faces relentless competition from retail powerhouses like Walmart and Costco. The need to stay afloat in this cutthroat, competitive environment may force Target into aggressive strategies. Pricing wars or significant investments, seen as desperate attempts to outshine rivals, could result in compromising profit margins, an alarming prospect for any investor seeking a stable return. The perpetual battle for consumer attention may push Target into substantial investments, such as extensive marketing campaigns or store enhancements. While aimed at gaining a competitive edge, these initiatives could strain financial resources and impact profitability.

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Risks⁽²⁾ (to the Underperform recommendation)

- **Synergistic Approach:** Target is leveraging its strong brand presence and diverse product portfolio, along with expanding e-commerce capabilities and a growing store footprint, to solidify its market position. By prioritizing innovation and integrating AI technology, the company has established a robust foundation for future growth. Target has outlined a comprehensive strategy aimed at achieving more than \$15 billion in revenue growth by fiscal 2030. This includes expanding its third-party marketplace, Target Plus, with an ambitious goal of reaching \$5 billion in Gross Merchandise Volume within the next five years, driven by strong momentum in home, essentials, beauty, and food categories. Additionally, Target is focused on efficiency improvements such as leveraging sortation centers, enhancing supply chain velocity, and optimizing store operations. These initiatives support management's goal of achieving mid-to-high single-digit annual EPS growth over the next several years.
 - **Digitization a Key Catalyst:** Target has been directing resources toward expanding digital and omni-channel capabilities. The company has been ramping up its digital solutions and strengthening delivery capabilities to make shopping more seamless. Services like doorstep delivery, curbside pickup, or buy online and pick up at the store have been playing a crucial role in serving consumers better. A coordinated operation of stores, fulfillment centers, flow centers, sortation centers, and Shipt has helped Target ramp up same-day services and augment digital growth. Target's partnership with Shopify, a leading global commerce platform, is aiding Target Plus. This collaboration incorporates a selection of popular merchants and their products from Shopify, introducing consumers to new, on-trend products and brands. During the second quarter of fiscal 2025, digital comparable sales grew 4.3%, fueled by more than 25% growth in same-day delivery via Target Circle 360 and continued strength in Drive Up services. Importantly, 97.7% of sales were fulfilled through stores, underscoring Target's model of leveraging stores as omnichannel fulfillment hubs. We expect digital comparable sales to increase 4.7% in fiscal 2025.
 - **Improving Sales Momentum & Shrink Reduction:** Target's second-quarter net sales were \$25.2 billion, down just 0.9% YoY, showing a significant improvement from the 2.8% decline registered in the first quarter. Traffic and sales trends strengthened sequentially, particularly in physical stores, with all six core merchandising categories showing better performance versus the first quarter. This signals that consumer engagement is stabilizing and demand is gradually recovering heading into the critical back-to-school and holiday seasons. Shrink, a persistent challenge in retail, is finally normalizing. Management expects 80 basis points of operating margin benefit in fiscal 2025 from lower shrink, on top of last year's 40 basis points gain. This return to pre-pandemic shrink levels should enhance profitability, particularly as top-line growth trends improve in the second half.
 - **High-Growth Revenue Streams:** Beyond direct digital sales, Target is successfully expanding its profitable digital services, such as Roundel (its retail advertising business) and Target Plus (its third-party digital marketplace). During the second quarter, non-merchandise sales rose 14.2% year over year, with Roundel (ad business), membership, and marketplace all delivering double-digit growth. The company has ambitious goals to grow Target Plus GMV to \$5 billion by 2030, with a particular focus on home and apparel categories. These businesses are margin-accretive and scalable, meaning they can fuel earnings recovery even in a soft retail spending environment.
 - **Multi-Category Merchandise Portfolio:** Consumers are increasingly turning to Target for its diverse range of owned and national brands, competitive pricing, and widespread accessibility. Target's \$31 billion owned brand portfolio provides exclusivity and better margins. In the second quarter, "Fun 101" (revamped Hardlines assortment) posted 5% comp growth, its best since 2021, with trading cards alone up 70% YTD, on track to surpass \$1 billion in sales. New collaborations, like Champion for Target, reinforce TGT's ability to blend value, quality, and style. Target's strong customer engagement and elevated service standards have made it a preferred partner for renowned brands like Starbucks, CVS Health, Levi's, Apple and Disney.
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Last Earnings Report

Target Q2 Earnings Miss Estimates, Comparable Sales Decline Y/Y

Target Corporation reported second-quarter fiscal 2025 results, with revenues and earnings declining from the prior-year period. The top line surpassed the Zacks Consensus Estimate, while the bottom line fell short. Also, the company witnessed a decline in comparable sales.

While results reflected ongoing headwinds in consumer demand and operational pressures, Target delivered sequential improvements, aided by stronger store traffic, disciplined expense management and continued digital momentum.

Digital comparable sales advanced 4.3% year over year, driven by over 25% growth in same-day delivery through Target Circle 360 and sustained momentum in Drive Up services.

Target's Quarterly Performance: Key Metrics & Insights

Target reported adjusted earnings of \$2.05 per share, which missed the Zacks Consensus Estimate of \$2.09 and declined 20.2% from \$2.57 reported in the year-ago period.

The big-box retailer generated total revenues of \$25,211 million, which topped the Zacks Consensus Estimate of \$24,911 million. The metric fell 0.9% on a year-over-year basis. We note that merchandise sales declined 1.2% to \$24,719 million, while non-merchandise sales grew 14.2%, supported by Roundel advertising, membership and marketplace revenues.

Meanwhile, comparable sales decreased 1.9%, following a 3.8% decline in the preceding quarter. The metric reflected a decline of 3.2% in comparable store sales but an increase of 4.3% in comparable digital sales.

Traffic or the number of transactions dipped 1.3%, while the average transaction amount slid 0.6%.

The gross margin contracted 100 basis points to 29%, pressured by higher markdown activity, purchase order cancellation costs and category mix, partially offset by reduced inventory shrink and increased advertising and non-merchandise revenues. The operating margin shrank 120 basis points to 5.2% from 6.4% in the corresponding period last year.

Target's Financial Health Snapshot

Target ended the second quarter with cash and cash equivalents of \$4,341 million, long-term debt and other borrowings of \$15,320 million, and shareholders' investment of \$15,420 million. During the quarter, Target paid out dividends of \$509 million.

The company did not repurchase any shares during the quarter. At the end of the period, Target had about \$8.4 billion remaining under the repurchase program approved in August 2021.

A Sneak Peek Into TGT's FY25 Outlook

Target reaffirmed its fiscal 2025 guidance. It continues to expect a low-single-digit decline in sales. Adjusted earnings are projected in the band of \$7.00-\$9.00 per share, while GAAP earnings per share are anticipated in the range of \$8.00-\$10.00.

FY Quarter Ending **1/31/2025**

Earnings Reporting Date	Nov 19, 2025
Sales Surprise	-0.35%
EPS Surprise	1.14%
Quarterly EPS	1.78
Annual EPS (TTM)	7.54

Valuation

Target's shares are down 33.5% in the year-to-date period and nearly 42.6% over the trailing 12-month period. Stocks in the Zacks sub-industry and the Zacks Retail Wholesale sector are up 4.3% and 5.9%, respectively, in the year-to-date period. Over the past year, the Zacks sub-industry and the sector are up 3.7% and 8.5%, respectively.

The S&P 500 index is up 16.1% in the year-to-date period and 16.2% in the past year.

The stock is currently trading at 11.39X forward 12-month earnings, which compares to 29.88X for the Zacks sub-industry, 24.41X for the Zacks sector and 23.20X for the S&P 500 index.

Over the past five years, the stock has traded as high as 32.60X and as low as 9.53X, with a 5-year median of 15.39X. Our Underperform recommendation indicates that the stock will perform worse than the market. Our \$76 price target reflects 9.68X forward 12-month earnings.

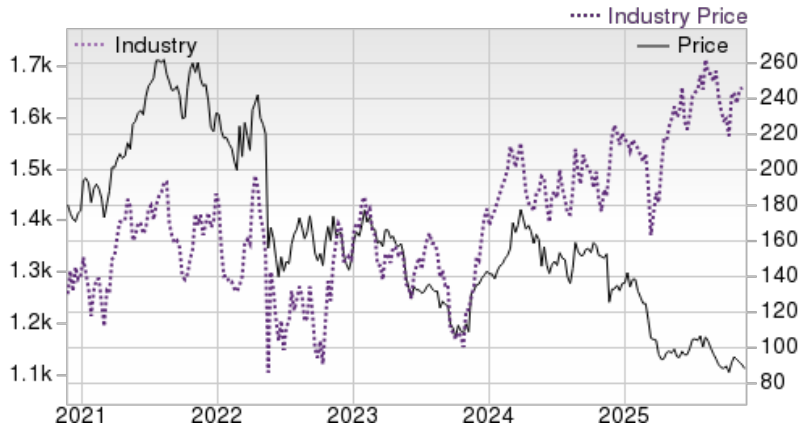
The table below shows summary valuation data for TGT

Valuation Multiples - TGT					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	11.39	29.88	24.41	23.20
	5-Year High	32.60	33.77	34.74	23.81
	5-Year Low	9.53	21.19	21.48	15.73
	5-Year Median	15.39	25.40	24.78	21.20
P/S F12M	Current	0.38	1.67	1.63	5.29
	5-Year High	1.27	1.88	2.05	5.52
	5-Year Low	0.36	1.28	1.20	3.84
	5-Year Median	0.65	1.61	1.54	5.06
EV/EBITDA TTM	Current	6.57	23.82	12.93	18.31
	5-Year High	14.81	31.23	27.12	22.58
	5-Year Low	6.07	15.88	11.26	13.97
	5-Year Median	10.08	23.18	14.57	18.09

As of 11/14/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 39% (95 out of 243)



Top Peers ⁽¹⁾

Company (Ticker)	Rec	Rank
Costco Wholesale Cor...(COST)	Outperform	3
Dollar General Corpo...(DG)	Outperform	3
Burlington Stores, I...(BURL)	Neutral	3
Dollar Tree, Inc. (DLTR)	Neutral	3
Ross Stores, Inc. (ROST)	Neutral	2
The TJX Companies, I...(TJX)	Neutral	3
Big Lots, Inc. (BIGGQ)	NA	
PriceSmart, Inc. (PSMT)	NA	

Industry Comparison⁽¹⁾ Industry: Retail - Discount Stores

	TGT	X Industry	S&P 500	DG	ROST	TJX
Zacks Recommendation (Long Term)	Underperform	-	-	Outperform	Neutral	Neutral
Zacks Rank (Short Term)	4	-	-	3	2	3
VGM Score	C	-	-	A	B	C
Market Cap	40.81 B	23.94 B	37.79 B	23.94 B	57.79 B	170.42 B
# of Analysts	12	8	22	23	8	7
Dividend Yield	5.08%	0.57%	1.47%	2.17%	0.91%	1.11%
Value Score	B	-	-	A	C	D
Cash/Price	0.10	0.05	0.04	0.06	0.07	0.03
EV/EBITDA	6.05	14.05	14.43	10.57	18.12	22.09
PEG Ratio	-2.88	3.43	2.21	2.67	3.97	3.43
Price/Book (P/B)	2.63	8.15	3.33	2.99	10.08	18.21
Price/Cash Flow (P/CF)	5.82	17.49	14.90	10.51	23.10	27.99
P/E (F1)	12.12	27.38	20.17	17.70	27.92	32.80
Price/Sales (P/S)	0.39	1.25	3.03	0.57	2.62	2.89
Earnings Yield	8.13%	3.65%	4.94%	5.65%	3.58%	3.05%
Debt/Equity	0.99	0.44	0.57	0.71	0.18	0.20
Cash Flow (\$/share)	15.43	7.69	8.99	10.35	7.69	5.47
Growth Score	D	-	-	A	B	D
Hist. EPS Growth (3-5 yrs)	-8.19%	10.02%	8.17%	-12.97%	21.21%	33.35%
Proj. EPS Growth (F1/F0)	-16.37%	6.93%	8.30%	3.89%	0.63%	9.62%
Curr. Cash Flow Growth	1.92%	10.62%	7.09%	-9.36%	10.62%	12.20%
Hist. Cash Flow Growth (3-5 yrs)	3.69%	4.58%	7.32%	0.30%	4.83%	7.60%
Current Ratio	0.97	1.15	1.18	1.25	1.58	1.09
Debt/Capital	49.78%	28.46%	38.16%	41.68%	15.07%	16.65%
Net Margin	3.58%	3.26%	12.77%	2.86%	9.47%	8.68%
Return on Equity	22.74%	26.81%	17.03%	17.97%	37.21%	58.30%
Sales/Assets	1.82	1.65	0.53	1.33	1.51	1.79
Proj. Sales Growth (F1/F0)	-1.30%	5.14%	5.59%	4.70%	5.60%	6.30%
Momentum Score	C	-	-	B	A	A
Daily Price Chg	3.72%	1.56%	0.69%	4.28%	0.67%	0.49%
1 Week Price Chg	-2.54%	-2.49%	2.57%	-2.49%	8.36%	3.66%
4 Week Price Chg	-4.59%	2.40%	-1.13%	8.87%	12.22%	8.07%
12 Week Price Chg	-2.76%	-0.84%	5.65%	-0.84%	17.89%	9.79%
52 Week Price Chg	-30.97%	14.72%	13.57%	42.63%	14.72%	21.19%
20 Day Average Volume	7,956,207	2,882,221	3,023,376	2,882,221	2,954,917	6,453,631
(F1) EPS Est 1 week change	-0.79%	0.00%	0.00%	0.00%	4.20%	0.90%
(F1) EPS Est 4 week change	-1.66%	0.13%	0.23%	0.13%	4.29%	0.80%
(F1) EPS Est 12 week change	-2.54%	0.86%	0.60%	0.51%	4.35%	2.24%
(Q1) EPS Est Mthly Chg	-4.19%	1.01%	-0.09%	1.01%	4.05%	1.97%

Analyst Earnings Model⁽²⁾

Target Corporation (TGT)

In \$MM, except per share data

	2023A	2024A	2025A	2026E	2027E	2028E
	FY	FY	FY	3QE	3QE	FY
FY Ends January 31st	Jan-23	Jan-24	Jan-25	30-Apr-25	31-Jul-25	31-Oct-25
	1QA	2QA	3QE	4QE	FY	1QE
	30-Apr-25	31-Jul-25	31-Oct-25	31-Jan-26	Jan-26	30-Apr-26
	2QE	3QE	4QE	FY	1QE	2QE
	30-Apr-26	31-Jul-26	31-Oct-26	31-Jan-27	Jan-27	Jan-28
Income Statement						
Net Sales	\$109,120.0	\$107,412.0	\$106,566.0	\$23,846.0	\$25,211.0	\$25,392.8
YoY % Chng	2.9%	(1.6%)	(0.8%)	(2.8%)	(0.9%)	(1.1%)
Cost of Sales	\$82,306.0	\$77,828.0	\$76,502.0	\$17,128.0	\$17,903.0	\$18,128.5
YoY % Chng	9.8%	(5.4%)	(1.7%)	(2.0%)	0.4%	(1.5%)
Gross Profit	\$26,814.0	\$29,584.0	\$30,064.0	\$6,718.0	\$7,308.0	\$7,264.3
YoY % Chng	(13.6%)	10.3%	1.6%	(4.8%)	(4.2%)	(0.0%)
Selling, General & Administrative Expenses	\$20,581.0	\$21,462.0	\$21,969.0	\$4,591.0	\$5,359.0	\$5,502.0
YoY % Chng	4.2%	4.3%	2.4%	(10.8%)	(0.1%)	0.8%
Depreciation & Amortization (Exclusive Of Depreciation Included in Cost Of Sales)	\$2,385.0	\$2,415.0	\$2,529.0	\$655.0	\$632.0	\$633.0
YoY % Chng	1.7%	1.3%	4.7%	6.0%	1.0%	(0.9%)
EBIT	\$3,896.0	\$5,799.0	\$5,672.0	\$1,498.0	\$1,334.0	\$1,157.0
YoY % Chng	(58.2%)	48.8%	(2.2%)	13.1%	(19.4%)	(3.3%)
EBITDA	\$6,596.0	\$8,600.0	\$8,653.0	\$2,285.0	\$2,104.0	\$1,928.1
YoY % Chng	(44.9%)	30.4%	0.6%	11.8%	(12.3%)	(1.1%)
Depreciation & Amortization	\$2,700.0	\$2,801.0	\$2,981.0	\$787.0	\$770.0	\$771.2
YoY % Chng	2.2%	3.7%	6.4%	9.6%	3.6%	2.3%
Operating Income	\$3,848.0	\$5,707.0	\$5,566.0	\$1,472.0	\$1,317.0	\$1,129.3
YoY % Chng	(57.0%)	48.3%	(2.5%)	13.6%	(19.4%)	(3.3%)
Net Interest Expense	\$478.0	\$502.0	\$411.0	\$116.0	\$116.0	\$103.9
YoY % Chng	13.5%	5.0%	(18.1%)	9.4%	5.5%	(1.1%)
Net Other (Income) Expense	(\$48.0)	(\$92.0)	(\$106.0)	(\$26.0)	(\$17.0)	(\$27.7)
YoY % Chng	87.4%	(91.7%)	(15.2%)	10.3%	15.0%	1.1%
Pre-Tax Income	\$3,418.0	\$5,297.0	\$5,261.0	\$1,382.0	\$1,218.0	\$1,053.1
YoY % Chng	(61.6%)	55.0%	(0.7%)	13.4%	(21.2%)	(3.5%)
Income Tax	\$638.0	\$1,159.0	\$1,170.0	\$346.0	\$283.0	\$242.2
YoY % Chng	(67.5%)	81.7%	0.9%	24.9%	(19.8%)	2.2%
Tax Rate	18.7%	21.9%	22.2%	25.0%	23.2%	23.0%
Net Income, Adjusted	\$2,795.5	\$4,138.0	\$4,091.0	\$595.0	\$935.0	\$810.9
YoY % Chng	(58.2%)	48.0%	(1.1%)	(36.8%)	(21.6%)	(5.0%)
Net Income, GAAP	\$2,780.0	\$4,138.0	\$4,091.0	\$1,036.0	\$935.0	\$810.9
YoY % Chng	(60.0%)	48.8%	(1.1%)	10.0%	(21.6%)	(5.0%)
Diluted Shares Outstanding	464.7	462.8	461.8	456.5	455.6	454.6
YoY % Chng	(5.7%)	(0.4%)	(0.2%)	(1.6%)	(1.7%)	(1.5%)
Diluted EPS, Adjusted	\$6.02	\$8.94	\$8.86	\$1.30	\$2.05	\$1.78
YoY % Chng	(55.6%)	48.5%	(0.9%)	(36.0%)	(20.2%)	(3.8%)
Diluted EPS, GAAP	\$5.98	\$8.94	\$8.86	\$2.27	\$2.05	\$1.78
YoY % Chng	(57.6%)	49.5%	(0.9%)	11.8%	(20.2%)	(3.8%)
Dividend Per Share	\$4.14	\$4.38	\$4.46	\$1.12	\$1.12	\$1.14
YoY % Chng	31.0%	5.8%	1.8%	1.8%	1.8%	1.8%

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	B
Growth Score	D
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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