

Zebra Technologies (ZBRA)

\$251.65 (Stock Price as of 12/19/2025)

Price Target (6-12 Months): **\$220.00**

Long Term: 6-12 Months

Zacks Recommendation: Underperform

(Since: 11/11/25)

Prior Recommendation: Neutral

Short Term: 1-3 Months

Zacks Rank: (1-5)

5-Strong Sell

Zacks Style Scores:

VGM: C

Value: F

Growth: B

Momentum: B

Summary

Zebra Technologies has been dealing with the adverse impacts of the high cost of sales. In the first nine months of 2025, the company's cost of sales increased 7.7% year over year due to high tariff-related costs. In the second quarter of 2024, it issued \$500 million in senior notes carrying a 6.5% fixed interest rate. High debt levels, if not controlled, may raise Zebra Technologies' financial obligations and hurt profitability. Given its substantial international exposure, foreign currency headwinds might affect its top line. Due to these headwinds, the company's shares have lost significantly in the year-to-date period. However, higher sales of mobile computing and data capture solutions are supporting the Enterprise Visibility & Mobility unit. Higher sales of RFID products are boosting the Asset Intelligence & Tracking unit.

Data Overview

52 Week High-Low	\$427.76 - \$205.73
20 Day Average Volume (sh)	545,063
Market Cap	\$12.7 B
YTD Price Change	-34.8%
Beta	1.67
Dividend / Div Yld	\$0.00 / 0.0%
Industry	Manufacturing - Thermal Products
Zacks Industry Rank	Bottom 1% (241 out of 243)

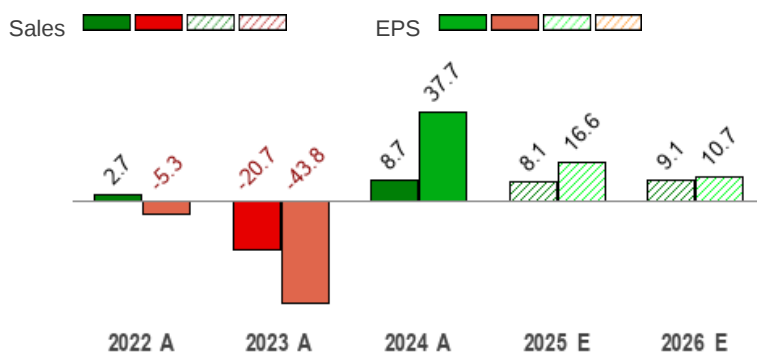
Last EPS Surprise	3.5%
Last Sales Surprise	0.7%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/12/2026
Earnings ESP	0.0%

P/E TTM	16.2
P/E F1	15.9
PEG F1	1.2
P/S TTM	2.4

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽¹⁾



Sales Estimates (millions of \$)⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1,431 E	1,437 E	1,489 E	1,530 E	5,872 E
2025	1,308 A	1,293 A	1,320 A	1,463 E	5,384 E
2024	1,175 A	1,217 A	1,255 A	1,334 A	4,981 A

EPS Estimates⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	4.24 E	4.13 E	4.51 E	4.64 E	17.53 E
2025	4.02 A	3.61 A	3.88 A	4.34 E	15.84 E
2024	2.84 A	3.18 A	3.49 A	4.00 A	13.52 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 12/19/2025.

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

Overview

Headquartered in Lincolnshire, IL, Zebra Technologies Corporation is the leading provider of enterprise asset intelligence solutions in the automatic identification and data capture solutions industry throughout the world. The company has a diversified portfolio of product and solutions that includes cloud-based subscriptions and a full range of services like maintenance, repair, technical support, as well as managed and professional services. The products and solutions, which are sold across 180 countries, are designed to help its customers achieve enhanced operational efficiency, increased asset utilization, optimized workflows and improved regulatory compliance. As of 2024-end, it had around 9,900 employees globally.

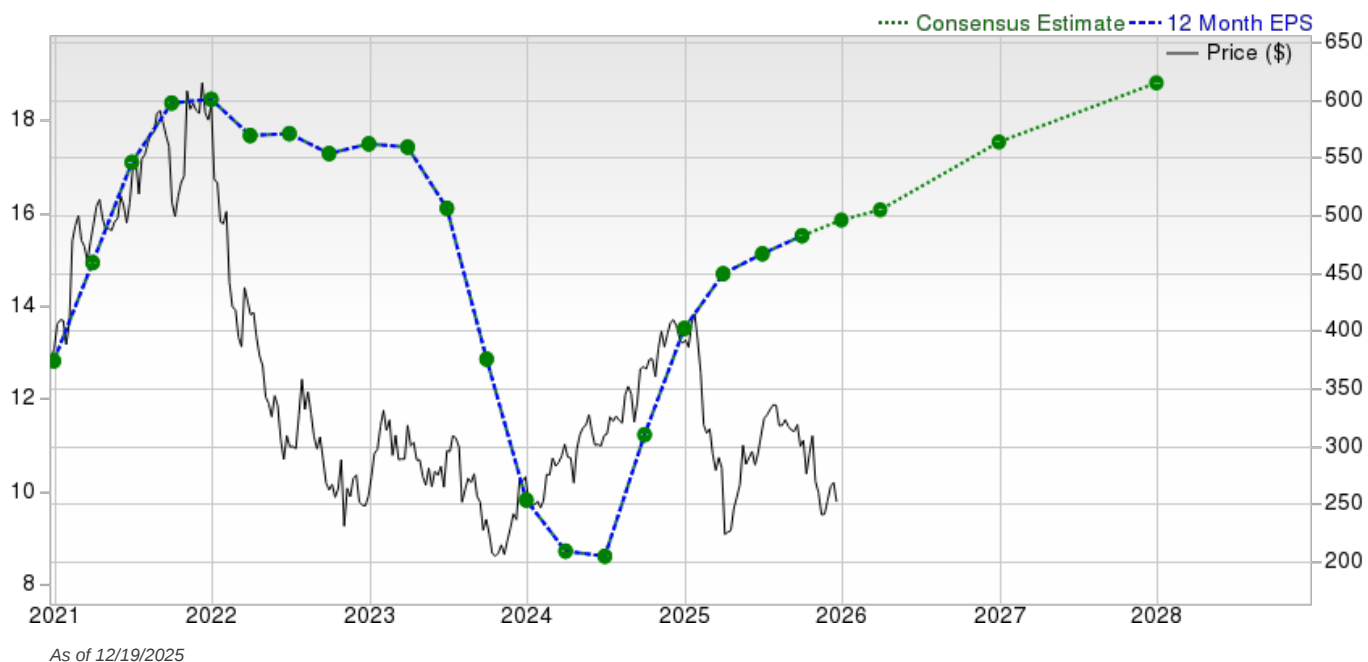
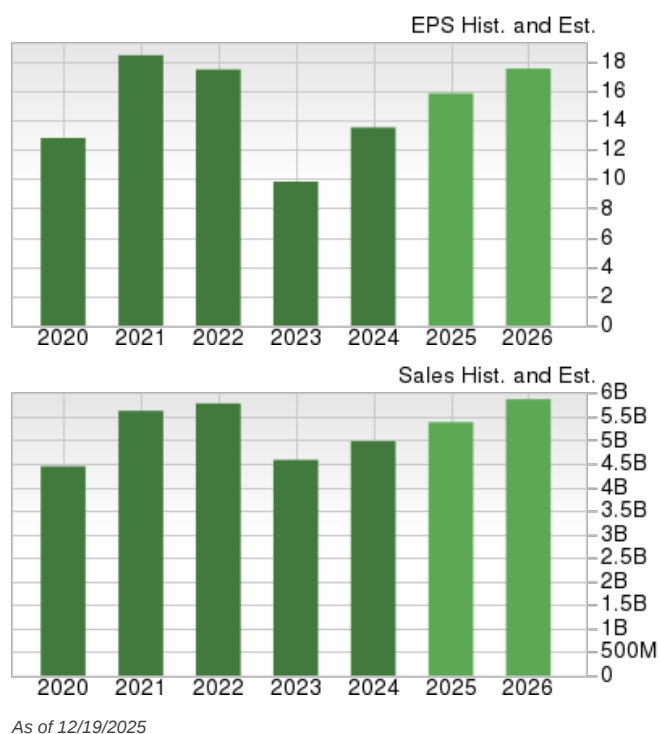
Key end markets served by the company include manufacturing, retail and e-commerce, transportation and logistics, public sector, healthcare, and other industries throughout the world. Products are sold directly through sales representatives and an extensive network of channel partners.

Zebra Technologies reports operations under two segments — Asset Intelligence & Tracking (“AIT”) and Enterprise Visibility & Mobility (“EVM”). The segments are briefly discussed below:

AIT (33.1% of total revenues in 2024): This segment specializes in barcode printing and asset tracking technologies. Its key product lines comprise barcode and card printers, services, supplies, and location solutions. These products are sold primarily in North America, Europe, Middle East and Africa (“EMEA”), Latin America and the Asia-Pacific.

EVM (66.9%): This segment specializes in designing and manufacturing rugged and enterprise-grade mobile computing products and accessories. Its mobile computing products mostly include the Android operating system and support local-area and wide-area voice and data communications. Its key product lines also comprise data capture technologies, voice and video collaboration tools, RFID (radio frequency identification) as well as software-based workflow optimization solutions. These products are sold primarily in North America, EMEA, Latin America and the Asia-Pacific.

It's worth noting that in the first quarter of 2021, the company shifted its retail solutions offering from the Asset Intelligence & Tracking segment into the Enterprise Visibility & Mobility segment.



Reasons To Sell:

- ▼ Zebra Technologies is dealing with **escalating costs and expenses**. During the first nine months of 2025, the company witnessed a 7.7% year-over-year increase in the cost of sales due to high tariff costs. The metric, as a percentage of total revenues, was high at 63.4%. Total operating expenses increased 6.9% year over year due to higher share-based compensation expenses. Escalating costs and expenses, if uncontrolled, may negatively impact profitability in the quarters ahead. Also, Zebra Technologies is facing pressure from U.S. import tariffs, which hurt its profitability in the third quarter and reduced gross margin by 80 basis points. For 2025, the company expects tariff-related impacts to reduce gross profit by approximately \$24 million.
- ▼ Zebra Technologies' **long-term debt** in the last five years (2020-2024) witnessed a CAGR of 18.9%. At the end of the third quarter, the company's long-term debt totaled \$2.11 billion compared with \$2.09 billion at 2024-end. Considering Zebra Technologies' high debt level, its cash and cash equivalents of \$1.05 billion do not look impressive. Also, interest expenses in the first nine months of the year were \$71 million, stable year over year. In the second quarter of 2024, the company completed the offering of \$500 million senior notes due June 1, 2032, in a private placement. The senior notes have a fixed interest rate of 6.5%, payable semi-annually. Although the current notes offering will help pay down a share of its term loan, we believe it will also add to Zebra Technologies' existing debt balance. An unwarranted rise in debt levels can inflate its financial obligations and hurt profitability.
- ▼ Zebra Technologies operates across diverse regions (North America, EMEA, the Asia-Pacific and Latin America), exposing it to certain political, environmental and geopolitical issues. The ongoing conflicts between Russia & Ukraine and Israel & Iran, and changes in China-Taiwan and U.S.-China relations, might harm its business and operational results in the long run. Moreover, the company has considerable exposure to overseas markets. This brings social and environmental risks as well as forex woes. A stronger U.S. dollar might weigh on the company's overseas business performance. In the first nine months of 2025, **foreign-currency translation** had a negative impact of 0.3% on total revenues.
- ▼ Any **dip in consumer confidence** — a key determinant of the economy's health — may seriously affect spending. The company's customers, particularly from the housing and restaurant industries, remain sensitive to macroeconomic factors, including inflation, interest rate hikes, credit availability and more, which may negatively impact their sentiment. This may adversely affect its growth and profitability.

Zebra Technologies grapples with headwinds related to the increasing cost of sales, high debt level and forex woes.

Risks⁽²⁾ (to the Underperform recommendation)

- Zebra Technologies is witnessing growth across the **Enterprise Visibility & Mobility segment**. Higher sales of mobile computing and data capture solutions are driving the segment's revenues, which increased 5.6% year over year in the first nine months of 2025. Stable sales of services and software, driven by retail software wins, are also aiding the segment. Solid demand for printing solutions and RFID products is boosting the **Asset Intelligence & Tracking segment's** performance. In the first nine months of 2025, the Asset Intelligence & Tracking segment's sales increased 11.3% on a year-over-year basis. Also, Zebra Technologies has been advancing digital capabilities, optimizing the supply chain, expanding its data analytics capability and focusing on marketing activities to better engage with customers. Driven by these initiatives and solid demand for its products, the company expects fourth-quarter 2025 net sales to increase in the band of 8-11% from the prior year. Management expects its 2025 revenues to grow about 8% from the year-ago level.
 - Over time, Zebra Technologies has steadily strengthened its business through **acquisitions**. In the first nine months of the year, acquisitions contributed 0.2% to the total revenues. In October 2025, Zebra Technologies completed the acquisition of Elo Touch Solutions, Inc. (Elo). The inclusion of Elo's expertise in consumer-facing workflow, augmented by its suite of kiosks, edge computing, payment and touchscreen solutions, will expand its addressable market by about \$8 billion. The transaction will expand Zebra Technologies' reach across retail, healthcare, industrial and hospitality markets. In March 2025, Zebra Technologies acquired Photoneo, a market leader in the 3D machine vision solutions industry. The buyout enables the company to combine Photoneo's 3D machine vision solutions with its advanced sensors, vendor-agnostic software and AI-based image processing capabilities. This acquisition enhances Zebra Technologies' portfolio of 3D machine vision solutions and addresses several challenges in high-value applications. The company's acquisition of Matrox Imaging (June 2022) enabled it to combine its fixed industrial scanning and machine vision portfolio with the latter's expertise in the imaging market.
 - Zebra Technologies has continued **rewarding its shareholders**. The company repurchased shares worth \$284 million and \$16 million in the first nine months of 2025 and 2024, respectively. In May 2022, its board of directors authorized a share repurchase program for up to \$1 billion. At the end of the third quarter of 2025, the company had \$562 million remaining under this program. Also, Zebra Technologies' free cash flow amounted to \$504 million in the first nine months of 2025. This should support the company's shareholder-friendly policies. Shareholder-friendly initiatives generally support prices in times of economic weakness or uncertain demand. In 2025, the company expects to generate more than \$800 million in free cash flow.
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Last Earnings Report

Zebra Technologies Q3 Earnings & Revenues Top Estimates, 25' View Up

Zebra Technologies reported third-quarter 2025 adjusted earnings of \$3.88 per share, which surpassed the Zacks Consensus Estimate of \$3.75. The bottom line increased 11.2% from \$3.49 per share reported in the year-ago quarter.

Total revenues of \$1.32 billion surpassed the consensus estimate of \$1.31 billion. The top line increased 5.2% year over year, driven by strength in the Enterprise Visibility & Mobility and Asset Intelligence & Tracking units. Consolidated organic net sales increased 4.8% year over year. Both acquisitions and foreign-currency translation had a positive impact of 0.2% on total revenues.

Segmental Performance

Revenues from the Asset Intelligence & Tracking segment rose 11% year over year to \$455 million. The Zacks Consensus Estimate for segmental revenues was pegged at \$426 million. Organic net sales increased 10.6%. Foreign-currency translation had a positive impact of 0.4% on total revenues.

The Enterprise Visibility & Mobility segment's revenues totaled \$865 million, up 2.4% year over year. The consensus estimate for segmental revenues was pegged at \$887 million. Organic net sales increased 2%. Acquisitions contributed 0.3% to revenues while foreign-currency translation had a positive impact of 0.1% on total revenues.

Margin Profile

In the third quarter, Zebra Technologies' cost of sales totaled \$686 million, up 6.9% year over year. Total operating expenses increased 6.9% year over year to \$451 million.

The company reported a net income of \$101 million compared with \$137 million in the year-ago period.

Zebra Technologies' Balance Sheet and Cash Flow

Zebra Technologies had cash and cash equivalents of \$1,053 million at the end of the third quarter compared with \$901 million at the end of December 2024. Long-term debt totaled \$2.11 billion compared with \$2.09 billion at the end of December 2024.

In the first nine months of 2025, Zebra Technologies generated net cash of \$560 million in operating activities compared with \$707 million in the year-ago period. The company incurred a capital expenditure of \$56 million in the same time frame. Free cash flow amounted to \$504 million compared with \$666 million in the year-ago period.

Guidance

For the fourth quarter of 2025, Zebra Technologies expects net sales to increase in the band of 8-11% year over year.

Adjusted EBITDA margin is anticipated to be approximately 22% in the fourth quarter. Adjusted earnings per share are expected to be in the band of \$4.20-\$4.40.

For 2025, Zebra Technologies has increased its financial outlook. The company now expects adjusted earnings to be \$15.80 per share compared with \$15.25-\$15.75 anticipated earlier. Adjusted EBITDA margin is anticipated to be approximately 21.5% in the year. It currently expects net sales to increase 8% year over year, higher than 5-7% projected earlier. It expects free cash flow to be at least \$800 million and capital expenditure of \$70-\$80 million.

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

Earnings Reporting Date	Oct 28, 2025
Sales Surprise	0.71%
EPS Surprise	3.47%
Quarterly EPS	3.88
Annual EPS (TTM)	15.51

Recent News

Acquisition of Elo — Oct. 1, 2025

Zebra Technologies completed the acquisition of Elo Touch Solutions, Inc. (Elo). The inclusion of Elo's expertise in consumer-facing workflow, augmented by its suite of kiosks, edge computing, payment and touchscreen solutions, will expand its addressable market by about \$8 billion. The transaction will expand Zebra Technologies' reach across retail, healthcare, industrial and hospitality markets .

Introduction of EM45 Android-Based Enterprise Mobile Computer — June 17, 2025

Zebra Technologies introduced EM45 Enterprise Mobile, an Android-based handheld mobile computer. The new solution is part of the broader EM45 series, which also features the EM45 RFID model.

Acquisition of Photoneo — March 3, 2025

Zebra Technologies closed the acquisition of Photoneo, a market leader in the 3D machine vision solutions industry. With the buyout, the company will be able to combine its advanced sensors, vendor-agnostic software and AI-based image processing capabilities with Photoneo's 3D machine vision solutions.

Valuation

Zebra Technologies' shares are down 32.7% and 36% in the year-to-date period and over the trailing 12-month period, respectively. Stocks in the Zacks sub-industry are down 34.4% while the Zacks Industrial Products sector is up 5.3% in the year-to-date period. Over the past year, the Zacks sub-industry and the sector are down 37.5% and down 4.1% respectively.

The S&P 500 index is up 18.6% and 15.1% in the year-to-date period and over the past year respectively.

The stock is currently trading at 14.97X forward 12-month price-to-earnings, which compares to 17.68X for the Zacks sub-industry, 20.38X for the Zacks sector and 23.45X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 37.48X and as low as 12.73X, with a 5-year median of 23.98X. Our Underperform recommendation indicates that the stock will perform worse than the market. Our \$220 price target reflects 12.72X forward 12-month earnings.

The table below shows summary valuation data for ZBRA

Valuation Multiples - ZBRA					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	14.97	17.68	20.38	23.45
	5-Year High	37.48	34.46	23.07	23.82
	5-Year Low	12.73	14.16	13.38	15.73
	5-Year Median	23.98	24.19	18.24	21.19
P/Sales F12M	Current	2.25	2.2	4.12	5.31
	5-Year High	5.62	5.59	4.21	5.5
	5-Year Low	1.99	2.2	2.32	3.83
	5-Year Median	3.08	3.11	3.16	5.04

As of 12/03/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 1% (241 out of 243)



Top Peers ⁽¹⁾

Company (Ticker)	Rec	Rank
Gencor Industries In...(GENC)	Outperform	
Allegion PLC (ALLE)	Neutral	3
Emerson Electric Co. (EMR)	Neutral	3
Flowserve Corporatio...(FLS)	Neutral	3
Parker-Hannifin Corp...(PH)	Neutral	2
Pentair plc (PNR)	Neutral	3
RBC Bearings Incorpo...(RBC)	Neutral	3
Griffon Corporation (GFF)	Underperform	5

Industry Comparison ⁽¹⁾ Industry: Manufacturing - Thermal Products				Industry Peers		
	ZBRA	X Industry	S&P 500	GFF	PNR	RBC
Zacks Recommendation (Long Term)	Underperform	-	-	Underperform	Neutral	Neutral
Zacks Rank (Short Term)	5	-	-	5	3	3
VGM Score	C	-	-	C	B	D
Market Cap	12.75 B	1.65 B	38.78 B	3.55 B	17.00 B	14.26 B
# of Analysts	4	4	22	3	8	6
Dividend Yield	0.00%	0.00%	1.39%	1.15%	0.96%	0.00%
Value Score	F	-	-	C	C	F
Cash/Price	0.08	0.08	0.04	0.03	0.01	0.01
EV/EBITDA	15.25	8.74	14.61	9.08	20.01	30.84
PEG Ratio	1.17	NA	2.19	1.12	2.00	2.91
Price/Book (P/B)	3.40	1.92	3.32	48.29	4.49	4.47
Price/Cash Flow (P/CF)	16.49	10.35	15.20	6.22	20.42	34.04
P/E (F1)	15.89	15.88	19.70	12.96	21.17	38.31
Price/Sales (P/S)	2.43	2.03	3.10	1.41	4.12	8.27
Earnings Yield	6.29%	6.29%	5.07%	7.72%	4.73%	2.61%
Debt/Equity	0.56	0.28	0.56	18.99	0.42	0.34
Cash Flow (\$/share)	15.26	1.23	8.99	12.34	5.09	13.25
Growth Score	B	-	-	C	B	D
Hist. EPS Growth (3-5 yrs)	-8.84%	14.67%	8.16%	31.19%	10.89%	26.92%
Proj. EPS Growth (F1/F0)	17.16%	8.57%	8.50%	4.78%	13.39%	17.58%
Curr. Cash Flow Growth	24.41%	4.99%	6.86%	79.97%	13.44%	8.32%
Hist. Cash Flow Growth (3-5 yrs)	-1.31%	-0.77%	7.43%	34.85%	11.57%	21.32%
Current Ratio	1.61	1.61	1.19	2.66	1.46	3.18
Debt/Capital	35.99%	18.00%	38.01%	95.00%	29.47%	25.12%
Net Margin	9.74%	11.66%	12.78%	2.03%	15.84%	15.03%
Return on Equity	18.08%	12.83%	17.00%	181.66%	21.83%	10.47%
Sales/Assets	0.66	0.59	0.53	1.14	0.62	0.36
Proj. Sales Growth (F1/F0)	8.10%	0.00%	5.81%	0.50%	1.90%	13.60%
Momentum Score	B	-	-	F	C	B
Daily Price Chg	-0.42%	-0.42%	0.88%	-0.89%	0.45%	0.29%
1 Week Price Chg	-6.24%	-2.45%	0.10%	-0.42%	-2.02%	-1.98%
4 Week Price Chg	4.44%	0.00%	3.51%	6.35%	-0.88%	5.84%
12 Week Price Chg	-16.05%	-12.82%	2.87%	1.48%	-5.37%	17.21%
52 Week Price Chg	-35.97%	-29.26%	15.24%	5.33%	1.88%	47.27%
20 Day Average Volume	545,063	26,233	3,013,825	328,218	1,224,994	187,835
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.00%	0.00%	0.00%	-2.26%	0.00%	0.00%
(F1) EPS Est 12 week change	-1.76%	-1.76%	0.69%	-7.24%	1.33%	1.68%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	-3.14%	-0.11%	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	F
Growth Score	B
Momentum Score	B
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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