

QIAGEN N.V. (QGEN)

\$50.40 (As of 07/30/20)

Price Target (6-12 Months): **\$58.00**

Long Term: 6-12 Months

Zacks Recommendation:

Outperform

(Since: 05/18/20)

Prior Recommendation: Neutral

Short Term: 1-3 Months

Zacks Rank: (1-5)

1-Strong Buy

Zacks Style Scores:

VGM:D

Value: C

Growth: F

Momentum: D

Summary

QIAGEN's, which is on the verge of being acquired by Thermo Fisher, robust top line in the first quarter of 2020 resulted from strong growth across all geographies and operating segments. QIASymphony, QIAcube and QIAstat-Dx saw robust demand. Responding to the pandemic, it scaled up RNA extraction kit and instrument production and launched QIAstat-Dx Respiratory SARS-CoV-2 Panel to speed up virus detection. The deal with Thermo Fisher is expected to aid the combined company to expand portfolio. QIAGEN's first quarter results saw better-than-expected revenues. Over the past six months, QIAGEN has outperformed the industry it belongs to. Yet, dull companion diagnostic co-development projects and QuantIFERON-TB test performances were concerning. A weak solvency position, foreign exchange instability and tough competition are other worries.

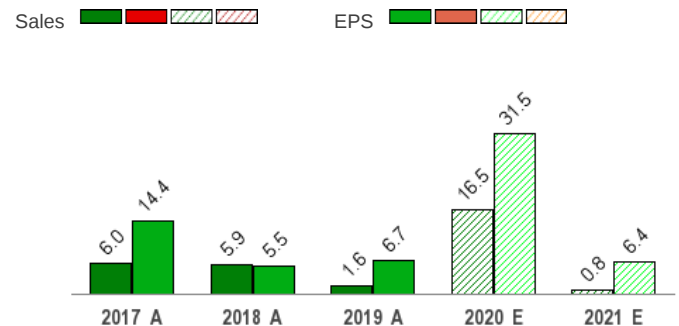
Price, Consensus & Surprise



Data Overview

52 Week High-Low	\$50.97 - \$25.04
20 Day Average Volume (sh)	1,385,383
Market Cap	\$11.5 B
YTD Price Change	49.7%
Beta	0.32
Dividend / Div Yld	\$0.00 / 0.0%
Industry	Medical - Biomedical and Genetics
Zacks Industry Rank	Top 39% (99 out of 253)

Sales and EPS Growth Rates (Y/Y %)



Last EPS Surprise	-2.9%
Last Sales Surprise	NA
EPS F1 Est- 4 week change	20.5%
Expected Report Date	08/04/2020
Earnings ESP	0.0%
P/E TTM	33.5
P/E F1	26.8
PEG F1	2.8
P/S TTM	7.4

Sales Estimates (millions of \$)

	Q1	Q2	Q3	Q4	Annual*
2021	419 E	415 E	399 E	422 E	1,792 E
2020	372 A	443 E	430 E	464 E	1,778 E
2019	349 A	382 A	383 A	413 A	1,526 A

EPS Estimates

	Q1	Q2	Q3	Q4	Annual*
2021	\$0.39 E	\$0.42 E	\$0.41 E	\$0.46 E	\$2.00 E
2020	\$0.34 A	\$0.45 E	\$0.47 E	\$0.55 E	\$1.88 E
2019	\$0.27 A	\$0.33 A	\$0.36 A	\$0.48 A	\$1.43 A

*Quarterly figures may not add up to annual.

The data in the charts and tables, including the Zacks Consensus EPS and Sales estimates, is as of 07/30/2020. The reports text is as of 07/31/2020.

Overview

Based in Venlo, the Netherlands, QIAGEN N.V. is one of the world's leading providers of technologies and products for the separation, purification and handling of nucleic acids DNA/RNA. The company provides innovative technologies and products for pre-analytical sample preparation and molecular diagnostics solutions. It has developed a comprehensive portfolio of over 500 proprietary, consumable products, and automated solutions for sample collection.

Qiagen has subsidiaries in the United States, Germany, U.K., Switzerland, France, Japan, China, Australia, Canada, Norway, and several other countries with good sales potential.

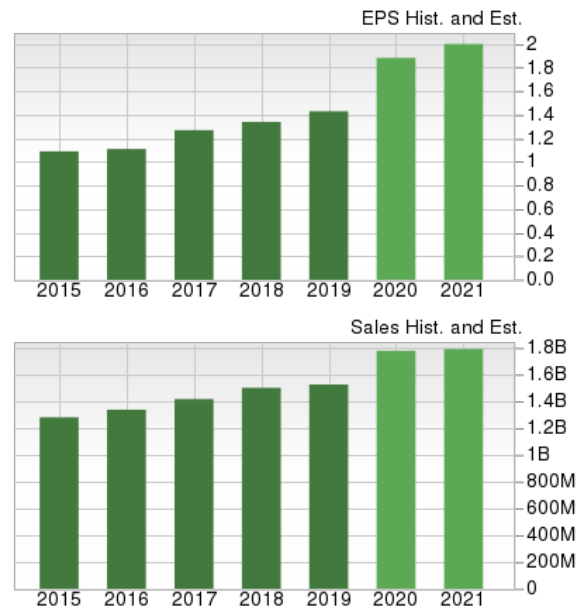
Segment Details

Consumables: These are typically sample preparation or test kits that contain all the necessary reagents and buffers, and a manual including protocols and relevant background information. Each kit is sufficient to support a number of applications, varying from one to over 1,000 tests.

Automated Instruments: These automate the use of Sample & Assay Technologies into efficient solutions for a broad range of laboratory needs. Products in this segment include QIA Symphony, Rotor-Gene Q, PyroMark, QIAcube, QIAxcel and ESE-Quant Tube Scanners.

Customer Classes:

QIAGEN focuses on 4 principal segments or customer classes for sample and assay technologies: Molecular Diagnostics (Healthcare providers supporting varied aspects of patient care), Applied Testing (Government or industry customers), Pharma (Government or industry customers) and Academia (Researchers exploring the secrets of life). In fiscal 2019, Molecular Diagnostics (48% sales in fiscal 2019), registered revenue growth of 1%, Applied Testing (32% sales) registered 2% growth, Pharma (20% sales) registered growth of 4%, Academia (23% sales) registered growth of 6% from fiscal 2018.



Reasons To Buy:

▲ **Share Price Performance:** Over the past six months, QIAGEN has outperformed the industry it belongs to. The stock has climbed 49.7% compared with the industry's 11.9% growth. QIAGEN exited the first quarter of 2020 with better-than-expected revenues. It registered revenue growth across all geographies and operating segments in the first quarter. Instrument sales recorded robust demand for the QIAAsymphony, QIAcube Connect and QIAstat-Dx. Expansion in operating margin is encouraging as well.

QIAGEN's efforts to combat the coronavirus pandemic are noteworthy. It has ramped up production capacity for solutions currently being used for testing purposes. It has also extended its support to public health authorities and customers to assess their flexibility, timing and needs for specific regional situations in the outbreak. It has scaled up production of RNA extraction kits and instruments as well as launched the QIAstat-Dx Respiratory SARS-CoV-2 Panel to accelerate the detection of the virus.

Further, the impending acquisition of QIAGEN by Thermo Fisher buoyed optimism among investors as it will enable the combined company to fast-track the development of higher-specificity, faster and more comprehensive tests.

▲ **Sell-off Deal Seems Strategic:** During the first quarter of 2020, QIAGEN's management approved Thermo Fisher's proposal to acquire QIAGEN. Per QIAGEN, this acquisition holds potential for better synergy and integration for both the companies. The consolidated company, post the successful completion of the acquisition, is expected to accelerate the expansion of its solutions suite to serve customers worldwide.

Post integration, QIAGEN's robust molecular diagnostics presence with focus on infectious disease testing will complement Thermo Fisher's existing specialty diagnostics capabilities, including allergy, autoimmunity, transplant diagnostics and clinical oncology testing. The consolidated business is anticipated to provide advanced higher-specificity and more comprehensive tests in a faster way at reduced cost.

Further, QIAGEN's assay and bioinformatics technologies will complement the genetic analysis and biosciences capabilities of the former. This expanded line will significantly boost Thermo Fisher's research capabilities in life science.

Overall, the companies expect this deal to be immediately accretive to the company's adjusted earnings per share after closure. Total integration synergy is projected at \$200 million (\$150 million of cost synergies and \$50 million of adjusted operating income benefit from revenue synergies) by the third year post the deal's closure, consisting of \$150 million of cost synergies and \$50 million of adjusted operating income benefit from revenue synergies.

▲ **Huge Potential in Molecular Diagnostics:** Despite a decline in QuantiFERON latent tuberculosis test sales during the first quarter of 2020, the company registered a 7% CER sales gain. It also witnessed strong sales growth of the QIAAsymphony automation system, the QIAcube Connect sample processing instrument and the QIAstat-Dx syndromic testing instrument.

Despite a decline in QuantiFERON latent tuberculosis test sales during the first quarter of 2020, the company witnessed strong sales growth of QIAAsymphony and QIAstat-Dx.

Within this segment, the gastrointestinal panel, which has already been commercially rolled out in Europe, was submitted to the FDA in December 2019 and is anticipated to hit the U.S. markets in the first half of 2020. Currently, QIAGEN is in a position to deliver about 12 million QuantiFERON-TB tests annually. The company believes that, there is still significant market conversion opportunity among the 70 million latent TB tests done annually which can be converted to modern blood-based testing from the tuberculin skin test. Further, the QuantiFERON-TB Gold Plus (QFT-Plus) has been adopted by Nigeria to prevent the spread of tuberculosis.

QuantiFERON Access is expected to be launched near the end of 2020 as a CE-IVD solution, thus contributing to the company's QuantiFERON-TB's momentum.

Among other highlights, the company is optimistic about its key strategic collaborations with Hamilton Robotics and Tecan for the pre-analytical handling of blood tubes. The company continued gaining traction from its collaboration with DiaSorin for the readout of test results on their LIAISON platform. Building on this collaboration, the company attained FDA approval in November 2019 for the automated workflow of the QuantiFERON-TB Gold Plus test on the DiaSorin LIAISON system in the United States. The launch of DiaSorin automation solution in the United States took place in September 2019.

▲ **International Focus to Drive Growth:** QIAGEN currently markets products in more than 100 countries. In the quarter under review, sales from the Americas were up 2% on a reported basis (up 3% at CER). Revenues from Europe-Middle East-Africa rose 17% reportedly (up 22% at CER). Further, revenues from Asia-Pacific/Japan rose 1% year over year on a reported basis (up 3% at CER).

▲ **Progress With Test Menu Expansion:** QIAGEN is progressing well with its testing menu expansion strategy. The company is currently establishing its European footprint for the QIAstat-Dx system, which is gaining recognition as the next-generation solution (NGS) for providing accurate insights into complex disease syndromes, such as respiratory and gastrointestinal conditions.

Of late, QIAGEN has been on a launching spree. It launched the theascreen BRAF V600E RGQ PCR Kit (theascreen BRAF V600E Kit) in April following the FDA's nod as a companion diagnostic to the BRAF inhibitor, BRAFTOVI (encorafenib). Notably, the FDA has approved the use of BRAFTOVI in combination with cetuximab to treat adult patients with metastatic colorectal cancer (CRC) with a BRAF V600E mutation, as detected by an FDA-approved test, after prior therapy.

QIAGEN launched theascreen PIK3CA RGQ PCR kit in Europe following the receipt of CE mark. The kit will serve as an aid to identify breast cancer patients with a PIK3CA mutation. The theascreen PIK3CA test was approved by the FDA last year and was launched as a companion diagnostic test for Piqray (alpelisib) in the United States.

The NeuMoDx 96, following its commercial launch, is progressing well. The company currently has 10 CE-IVD assays on NeuMoDx in

QIAGEN's business is expected to get a boost from its growing molecular diagnostic market, international expansion, expanded test menu and growth driving strategic collaborations.

Europe. The company also continues to witness encouraging placements of Sonora NeuMoDx system in Europe. QIAGEN now has 10 assays on this fully-integrated PCR system.

- ▲ **Strategic Collaborations to Drive Growth:** QIAGEN's long-term business strategy involves entering into strategic alliances as well as marketing and distribution arrangements with academic, corporate and other partners relating to the development, commercialization, marketing and distribution of certain of their existing and potential products. We are currently upbeat about QIAGEN's 15-year of strategic partnership with Illumina in NGS clinical decision-making. This partnership should enable the company to broaden the use of NGS in clinical laboratories. Further, QIAGEN's alliances with NeoGenomics in the field of cancer genetic testing services and with DiaSorin in automated TB testing are significant.

In January, QIAGEN entered a collaboration with Amgen to develop tissue-based companion diagnostics for Amgen's investigational cancer treatment AMG 510. This will help identify patients with cancer that have the KRAS G12C mutation.

- ▲ **Solid NGS Platform Projection:** QIAGEN has highlighted certain strategies to boost top-line contributions from the NGS portfolio to \$180 million in 2019 from more than \$140 million in 2018. Notably, the platform has been witnessing double-digit revenue growth over the past few quarters. Management aims to expand the NGS platform by rapidly scaling-up the new Enterprise Genomics Services. It also working on the launch of a range of proprietary Digital NGS technology-based new gene panels within the GeneReader system.

QIAGEN's QIAseq multimodal panels to strengthen its universal NGS solution portfolio is also progressing well. This is currently the only solution that can be utilized in the extraction and sequencing of DNA variance and RNA fusions as well as in the assessment of gene expression in a single workflow from a single sample.

- ▲ **Demand for Testing Rises Amid Pandemic:** The coronavirus pandemic has been wreaking havoc on the economy as a whole by slashing down the share prices. However, QIAGEN seems to be an exception to the havoc. The company's first quarter 2020 results reflected high demand for products used in COVID-19 testing, which has more than offset the weaker trends in other areas of the business. The company registered strong sales growth trends in consumables and related revenues (up 6% at CER) on robust demand for COVID-19 solutions.

During the first quarter, QIAGEN developed and launched the latest QIAstat-Dx Respiratory SARS-CoV-2 Panel, which is a syndromic testing solution designed to differentiate coronavirus from 21 other respiratory pathogens. This testing solution runs on the company's QIAstat-Dx Analyzer, which is currently installed in various hospitals, clinics and laboratories across geographies. The expanded test has already received CE-IVD registration in Europe, BARDA funding from the U.S. government and FDA EUA in the United States.

During the first quarter, QIAGEN's sites in the United States and Europe significantly scaled up production capacity of reagents, which are purchased by other diagnostic companies for use in their own COVID-19 testing solutions.

Toward the end of April, QIAGEN reached a production capacity of viral RNA extraction reagents to support more than 7 million real-time PCR tests for coronavirus detection. This is a pronounced scaling up of production capacities from the 2019 level of 400,000 patient tests per month before the pandemic.

Risks

- **Reliance on Commercial Relationships:** QIAGEN's personalized Healthcare business comprises formation of projects with pharmaceutical and biotechnology companies to co-develop companion diagnostics paired with drugs that those companies either market currently or are developing for future use. The future level of sales for companion diagnostics depends to a high degree on the commercial success of the related medicines for which the tests have been designed to be used for determining their use in patients. In addition, risks remain that the company may be unable to maintain these relationships and its collaborative partners may pursue or develop competing products or technologies, either on their own or in collaboration with others.
- **Competitive Headwinds:** Considering QIAGEN's huge gamut of services, the company is also susceptible to competitive headwinds. The company is facing increasing competition from firms that provide competitive pre-analytical solutions and other products used by QIAGEN's customers. The markets for some of the company's products are very competitive and price sensitive. Other product suppliers may have significant advantages in terms of financial, operational, sales and marketing resources as well as experience in research and development. Moreover, according to the company, customers in the market for pre-analytical sample technologies as well as for assay technologies display significant loyalty to their initial supplier of a particular product. As a result, it may be difficult to convert customers who have purchased products from competitors.
- **Foreign Exchange Uncertainties:** Recording more than 50% of its revenues from the international market, QIAGEN is highly exposed to the risk of foreign currency movement. The situation may worsen with the strengthening of the domestic currency against high-focus nations. Any unanticipated currency headwinds in high-focus markets may drag the top and the bottom line further in the future.
- **Weak Solvency With High Leverage:** QIAGEN exited the first quarter of 2020 with cash and cash equivalents, and short-term investments of \$903 million compared with \$867 million at the end of the fourth quarter of 2019. Meanwhile, total debt rose to \$1.712 billion for the period from \$1.706 billion in the preceding quarter. This figure is much higher than the quarter-end cash and cash equivalent, and short-term investments level, indicating weak solvency.

However, if we go by the company's debt payable in the near term, it stands at \$325 million, much lower than the current cash holding. This implies that the company has sufficient cash for debt repayment despite the pandemic.

Debt comparison with the industry is, however, favorable as the industry's total debt of \$2.50 billion, stands much higher to the company's debt level.

The quarter's total debt-to-capital ratio of 0.41 indicates a moderately leveraged balance sheet. Moreover, it represents a sequential increase from 0.40. However, this compares favorably with the industry, which stands at a higher level of 0.51.

Meanwhile, the times interest earned for the company stands at a pretty discouraging level of 0.2%. This, compares unfavorably with the times interest earned for the industry, which stands at a higher level (6.7%).

Last Earnings Report

QIAGEN Q1 Earnings Lag Estimates, Operating Margin Up

QIAGEN's first-quarter 2020 adjusted earnings per share were 34 cents, up 25.9% year over year (up 25.9% at constant exchange rate or CER as well). However, the figure lagged the Zacks Consensus Estimate by a penny.

The adjustment excludes the impact of certain non-recurring items like Business integration, acquisition and restructuring related expenses and amortization expenses, among others.

Reported earnings per share for the quarter was 17 cents per share, up 30.8% year over year.

Quarter Ending **03/2020**

Report Date	May 06, 2020
Sales Surprise	NA
EPS Surprise	-2.86%
Quarterly EPS	0.34
Annual EPS (TTM)	1.51

Revenues in Detail

Net sales at actual rates in the first quarter rose 6.7% on a year-over-year basis to \$372.1 million (up 9% at CER). Also, the top line beat the Zacks Consensus Estimate by 14.5%.

Robust sales were recorded on significant demand for solutions used in the COVID-19 pandemic. However, there were weaker customer demand trends in other areas of the portfolio.

Geographical Revenue Update

In the quarter under review, sales from the Americas (47% of revenues) totaled \$174 million, up 2% on a reported basis (up 3% at CER).

Revenues from Europe-Middle East-Africa (34% of revenues) rose 17% reportedly (up 22% at CER) to \$128 million.

Further, revenues from Asia-Pacific/Japan (19% of revenues) rose 1% year over year on a reported basis (up 3% at CER) to \$69 million.

Segmental Details

As of the first quarter of 2020, QIAGEN has two major customer classes which are Molecular Diagnostics (that includes human healthcare including Precision Medicine and companion diagnostics) and Life Sciences (that includes Pharma and Academia/Applied Testing).

Molecular Diagnostics (representing 47% of net sales) revenues were up 4% on a reported basis (up 7% at CER) to \$176 million.

Life Sciences (53% of total revenues) reported revenues of \$196 million, up 9% on a reported basis (up 10% at CER).

Sales derived from Applied Testing/Academia rose 13% on a reported basis (up 14% at CER) to \$123 million. Pharma sales climbed 3% on a reported basis (up 4% at CER) in the first quarter to \$73 million.

Operational Update

Adjusted gross profit in the quarter under review rose 6.7% to \$258.7 million. Despite that, gross margin remained marginally unchanged at 69.51% on a 6.7% rise in adjusted cost of revenues (adjusting for acquisition-related intangible amortization) to \$113.4 million.

Adjusted operating income (excluding items like acquisition-related intangible amortization, restructuring and integration, asset impairment) rose 29.7% year over year to \$99.9 million in the first quarter. Adjusted operating margin expanded 476 bps to 26.8%.

Financial Update

QIAGEN exited the first quarter of 2020 with cash and cash equivalents of \$656.8 million, up from \$623.6 million at the end of 2019.

At the end of the first quarter of 2020, net cash flow from operating activities was \$15.9 million compared with \$44.7 million a year ago. Moreover, the company reported free cash outflow of \$4.1 million at the end of the first quarter against free cash inflow of \$21.3 million a year ago.

Guidance

QIAGEN currently anticipates net sales growth of at least 12% year over year at CER and adjusted earnings per share of at least 40 cents at CER for the second quarter of 2020.

In the second quarter of 2020, the company expects to witness sales growth primarily on the ongoing significant demand for various products and solutions used in coronavirus pandemic testing. This is likely to more than offset lower sales in other areas of the portfolio affected by widespread quarantine and lockdown actions worldwide. QIAGEN also anticipates an adverse currency impact of about 2- 3% on net sales growth at actual rates and an adverse impact of up to about a penny on adjusted earnings per share.

QIAGEN is, however, currently not in a position to quantify the actual impact of the coronavirus pandemic, even though it expects the growth momentum of the first half of 2020 to continue through the year. Accordingly, it has suspended the full-year financial guidance for now.

Recent News

QIAGEN Launches Solutions Related to Precision Medicine: May 28, 2020

QIAGEN announced the launch of latest solutions enabling faster and improved analysis of genomic variations in cancer, thus accelerating multiple applications of Precision Medicine.

QIAGEN Publishes Sell-Off Related Statement: May 18, 2020

QIAGEN announced the publication of its Reasoned Position Statement in response to the Offer Document published by Thermo Fisher Scientific Inc.

Valuation

QIAGEN shares are up 49.6% in the year-to-date period and up 34.1% in the trailing 12-month periods. Stocks in the Zacks sub-industry are up 6.4% while the Zacks Medical sector rose 0.7% in the year-to-date period. Over the past year, the Zacks sub-industry is up 19.6% and sector is up 7.6%.

The S&P 500 index is up 0.1% in the year-to-date period and increased 8.4% in the past year.

The stock is currently trading at 25.9X Forward 12-months earnings, which compares to 55.9X for the Zacks sub-industry, 21.7X for the Zacks sector and 22.4X for the S&P 500 index.

Over the past five years, the stock has traded as high as 30.4X and as low as 16.6X, with a 5-year median 23.5X. Our Outperform recommendation indicates that the stock will perform above the market. Our \$58 price target reflects 29.7X forward 12-months earnings.

The table below shows summary valuation data for QGEN

Valuation Multiples - QGEN					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	25.91	55.90	21.67	22.44
	5-Year High	30.42	65.99	23.17	22.44
	5-Year Low	16.57	21.12	15.89	15.25
	5-Year Median	23.51	37.60	18.98	17.52
P/S F12M	Current	6.58	2.59	2.83	3.54
	5-Year High	6.58	3.23	3.74	3.54
	5-Year Low	3.44	1.93	2.22	2.53
	5-Year Median	4.85	2.73	2.90	3.02
P/B TTM	Current	4.62	2.96	4.39	4.40
	5-Year High	4.62	6.24	5.07	4.56
	5-Year Low	1.79	2.06	2.94	2.83
	5-Year Median	2.95	3.88	4.30	3.71

As of 07/29/2020

Industry Analysis Zacks Industry Rank: Top 39% (99 out of 253)



Top Peers

Company (Ticker)	Rec	Rank
BioMarin Pharmaceutical Inc. (BMRN)	Outperform	1
Horizon Therapeutics Public Limited Company (HZNP)	Outperform	3
Alkermes plc (ALKS)	Neutral	3
SWEDISH ORP BIO (BIOVF)	Neutral	3
Exelixis, Inc. (EXEL)	Neutral	3
Incyte Corporation (INCY)	Neutral	3
Roche Holding AG (RHHBY)	Neutral	2
SINO PHARMACEUT (SBMFF)	Neutral	3

Industry Comparison Industry: Medical - Biomedical And Genetics				Industry Peers		
	QGEN	X Industry	S&P 500	BMRN	HZNP	INCY
Zacks Recommendation (Long Term)	Outperform	-	-	Outperform	Outperform	Neutral
Zacks Rank (Short Term)	1	-	-	1	3	3
VGM Score	D	-	-	D	D	F
Market Cap	11.52 B	245.18 M	22.69 B	21.80 B	11.52 B	21.31 B
# of Analysts	2	3	14	7	5	1
Dividend Yield	0.00%	0.00%	1.8%	0.00%	0.00%	0.00%
Value Score	C	-	-	F	C	D
Cash/Price	0.08	0.22	0.07	0.04	0.07	0.06
EV/EBITDA	44.69	-3.66	13.11	670.59	37.11	36.90
PEG Ratio	2.80	1.75	3.05	NA	1.75	NA
Price/Book (P/B)	4.62	4.08	3.15	6.73	5.25	11.00
Price/Cash Flow (P/CF)	19.04	17.40	12.28	189.16	17.40	39.18
P/E (F1)	26.81	26.76	22.27	77.02	31.92	NA
Price/Sales (P/S)	7.43	16.04	2.46	12.07	8.38	9.56
Earnings Yield	3.72%	-13.46%	4.25%	1.30%	3.13%	-0.51%
Debt/Equity	0.56	0.02	0.75	0.15	0.62	0.02
Cash Flow (\$/share)	2.66	-1.07	6.94	0.64	3.47	2.50
Growth Score	F	-	-	D	F	F
Hist. EPS Growth (3-5 yrs)	8.12%	17.80%	10.85%	NA	8.06%	52.48%
Proj. EPS Growth (F1/F0)	31.75%	12.52%	-7.70%	68.28%	-2.49%	-117.55%
Curr. Cash Flow Growth	9.25%	15.05%	5.31%	200.25%	10.70%	132.41%
Hist. Cash Flow Growth (3-5 yrs)	5.76%	7.73%	8.55%	27.84%	39.60%	140.30%
Current Ratio	1.58	5.70	1.31	2.58	2.39	3.41
Debt/Capital	35.76%	4.23%	44.23%	13.06%	38.30%	1.62%
Net Margin	-2.01%	-203.29%	10.45%	6.31%	43.06%	-16.87%
Return on Equity	13.80%	-61.83%	14.99%	3.62%	22.52%	-12.81%
Sales/Assets	0.30	0.19	0.53	0.39	0.34	0.72
Proj. Sales Growth (F1/F0)	10.93%	4.26%	-1.97%	11.67%	20.58%	13.82%
Momentum Score	D	-	-	D	B	A
Daily Price Chg	2.06%	-0.94%	1.52%	-1.87%	1.87%	-2.55%
1 Week Price Chg	1.10%	-3.37%	0.37%	-4.10%	1.02%	-4.50%
4 Week Price Chg	18.43%	-2.95%	5.44%	-4.22%	9.34%	-4.49%
12 Week Price Chg	20.69%	9.58%	15.38%	26.87%	41.76%	2.04%
52 Week Price Chg	34.09%	5.43%	-1.61%	51.95%	142.63%	15.45%
20 Day Average Volume	1,385,383	318,096	1,846,377	1,006,332	1,879,831	1,169,276
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	1.65%	0.12%	0.00%
(F1) EPS Est 4 week change	20.46%	0.00%	0.27%	1.65%	6.96%	8.53%
(F1) EPS Est 12 week change	52.00%	1.40%	-0.85%	-9.94%	-4.60%	-158.85%
(Q1) EPS Est Mthly Chg	33.33%	0.00%	0.13%	0.00%	16.23%	3.79%

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	C
Growth Score	F
Momentum Score	D
VGM Score	D

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.

Disclosures

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