

Thermo Fisher (TMO)

\$419.76 (As of 08/24/20)

Price Target (6-12 Months): **\$483.00**

Long Term: 6-12 Months

Zacks Recommendation: Outperform

(Since: 07/10/20)

Prior Recommendation: Neutral

Short Term: 1-3 Months

Zacks Rank: (1-5)

2-Buy

Zacks Style Scores:

VGM:C

Value: C

Growth: B

Momentum: F

Summary

Thermo Fisher delivered an outstanding quarterly performance in the second quarter of 2020, leveraging on its capacity to extend support amid the pandemic. We are encouraged about the exceptionally strong year-over-year revenue growth at Life Sciences Solutions segment. In terms of end market, pharma and biotech registered growth on robust performance in bioproduction and pharma services businesses. The COVID-19 sales also boosted the company's quarterly results. A strong capital structure looks encouraging. Its second quarter results were better-than-expected. Thermo Fisher has outperformed its industry in the past six months. However, the coronavirus outbreak has massively disrupted the global supply chain. Two of the end markets registered loss in the first quarter, largely due to customer shutdowns in China.

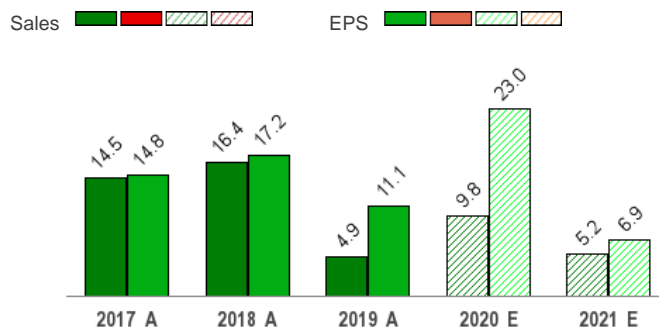
Price, Consensus & Surprise



Data Overview

| | |
|----------------------------|---------------------------------------|
| 52 Week High-Low | \$432.38 - \$250.21 |
| 20 Day Average Volume (sh) | 1,109,594 |
| Market Cap | \$166.1 B |
| YTD Price Change | 29.2% |
| Beta | 1.07 |
| Dividend / Div Yld | \$0.88 / 0.2% |
| Industry | Medical - Instruments |
| Zacks Industry Rank | Bottom 34% (166 out of 252) |

Sales and EPS Growth Rates (Y/Y %)



| | |
|---------------------------|------------|
| Last EPS Surprise | 45.7% |
| Last Sales Surprise | 0.1% |
| EPS F1 Est- 4 week change | 1.6% |
| Expected Report Date | 10/28/2020 |
| Earnings ESP | 0.0% |
| P/E TTM | 31.5 |
| P/E F1 | 27.6 |
| PEG F1 | 2.2 |
| P/S TTM | 6.3 |

Sales Estimates (millions of \$)

| | Q1 | Q2 | Q3 | Q4 | Annual* |
|------|---------|---------|---------|---------|----------|
| 2021 | 6,927 E | 7,357 E | 7,495 E | 8,095 E | 29,503 E |
| 2020 | 6,230 A | 6,917 A | 7,210 E | 7,681 E | 28,038 E |
| 2019 | 6,125 A | 6,316 A | 6,272 A | 6,829 A | 25,542 A |

EPS Estimates

| | Q1 | Q2 | Q3 | Q4 | Annual* |
|------|----------|----------|----------|----------|-----------|
| 2021 | \$3.76 E | \$3.98 E | \$4.00 E | \$4.48 E | \$16.24 E |
| 2020 | \$2.94 A | \$3.89 A | \$3.97 E | \$4.41 E | \$15.19 E |
| 2019 | \$2.81 A | \$3.04 A | \$2.94 A | \$3.55 A | \$12.35 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 08/24/2020. The reports text is as of 08/25/2020.

Overview

Headquartered in Waltham, MA, Thermo Fisher Scientific is a scientific instrument maker and a world leader in serving science. In Nov 2006, Thermo Fisher Scientific, Inc. was formed through the merger of Thermo Electron Corporation with Fisher Scientific International Inc. On Feb 3, 2014, Thermo Fisher acquired Life Technologies Corporation.

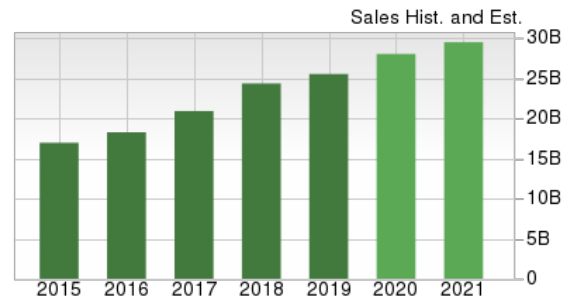
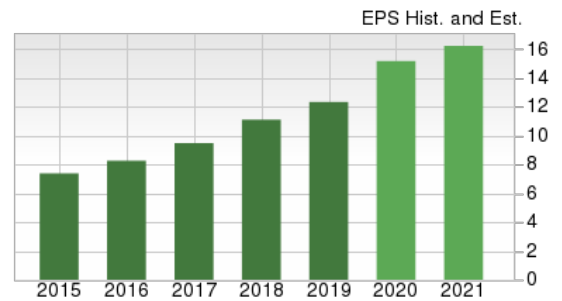
Following the acquisition, the new reporting segments are:

Life Sciences Solutions Segment: This segment (26.1% of total revenues in 2019) was added post the acquisition of Life Technologies. It incorporates majority of the former Life Technologies and Thermo Fisher's Biosciences businesses. In 2018, this business registered growth of 9.4% from 2017.

Analytical Instruments: Formerly known as Analytical Technology, this segment (24.1%) has been renamed in order to reflect the transfer of the bioprocess production business to the newly formed Life Sciences Solutions Segment. In 2018, this business registered growth of 13.4% from 2017.

Specialty Diagnostics (SD): This segment (14.6%), formed after the acquisition of Phadia, serves customers in healthcare and clinical laboratories with a portfolio of diagnostic test kits, reagents and instruments used to increase the speed and accuracy of diagnoses to improve patient care. In 2018, this business registered growth of 6.8% from 2017.

Laboratory Products and Services (LPS): This segment (40%) serves laboratory customers with equipment and consumables that improve productivity and a range of BioPharma outsourcing services. This segment also includes the company's research and safety market customer channels. Post-acquisition, Thermo Fisher's Global Chemicals business has moved to the Laboratory Products and Services Segment. In 2018.



Reasons To Buy:

▲ **Share Price Performance:** Thermo Fisher has outperformed its industry in the past six months. The stock improved 35.8% compared with the industry's 18.2% rise. Thermo Fisher ended the second quarter with better-than-expected numbers. The company delivered an outstanding quarterly performance, leveraging on its capacity to extend support amid the pandemic. In the quarter, it generated \$1.3 billion of COVID-19 related revenues. We are encouraged about the exceptionally strong year-over-year revenue growth at Life Sciences Solutions segment. Also Laboratory Products and Services segment as well as the Specialty Diagnostics segment recorded solid growth.

In terms of end market, pharma and biotech registered growth on robust performance in bioproduction and pharma services businesses. In diagnostics and healthcare, despite significant headwinds due to a decrease in doctor visits and related testing, the company experienced exceptionally high demand for COVID-19 testing and was able to deliver growth of just over 70% in the second quarter.

▲ **Coronavirus-Crisis Handling Initiative Bodes Well:** Thermo Fisher has taken a three-pronged approach or guiding principle to control the impact of the coronavirus-led situation. The first is to ensure the safety of its employees. In this regard, the company has implemented numerous health and safety protocols at its sites following CDC guidance and local regulations and also assembled an outside panel of medical experts to get additional insights. Second, it maintains business continuity for seamless COVID-19 related healthcare support. In this regard, the company established incident response teams to create a process for managing new protocols at all sites. The company noted that because of this, during this period, its supply chains have experienced minimal disruption.

The third principle revolves around the management of the company appropriately. The company is focusing on executing its long-term growth strategy, conquering the short-term challenges and also generating new opportunities. The company is currently carefully managing costs while strategically investing to position the business for long-term share gain and accelerated growth. This includes continuing to invest in key R&D programs, even in parts of the business where demand is temporarily impacted. For example, In June, the company launched two new Orbitrap Exploris instruments to advance biotherapeutic research. According to Thermo Fisher, these developments will position it well to capture the opportunities as soon as customer activity returns to more normal levels.

▲ **COVID-19 Tests to Boost Sales:** As a remarkable breakthrough, in March, Thermo Fisher successfully attained EUA from the FDA for its diagnostic test to be used by the CLIA high-complexity laboratories in the United States. The test has been developed for the detection of nucleic acid, exclusively from SARS-CoV-2. The authorized test utilizes the Applied Biosystems TaqPath Assay technology and has been developed to deliver patient outcomes within four hours of a sample reaching a laboratory. This authorization was amended on Mar 24 to include additional instruments, such as the company's Applied Biosystems 7500 Fast Real-Time PCR System. On Mar 26, the company announced that this test had received the CE mark in the European Union. Accordingly, Thermo Fisher has begun ramping up production to meet growing global demand.

In May, the company received an expanded EUA for its multiplex real-time PCR test intended for the qualitative detection of nucleic acid from SARS CoV 2. It also progressed with highly specialized viral transport media (VTM) for sample collection. At the end of the second quarter, the company noted that, its PCR-based workflow is widely used in 50 countries. The company ended the quarter with enough capacity to produce more than 10 million tests per week.

Apart from PCR tests, the company is currently working on serological test that can tell if a patient has ever been exposed to the virus. It is also developing a respiratory panel to help doctors determine whether a person has COVID-19 or different respiratory disease.

Further, in terms of the development of therapeutics and vaccines, Thermo Fisher is partnering with a number of Pharma and biotech customers who are working on pandemic related projects. Its pharma services network is working to produce existing drugs that are showing some effectiveness in treating COVID-19. At present, the company is working on more than 200 COVID-related projects globally.

▲ **Strength in Two End Markets:** In second-quarter 2020, Thermo Fisher witnessed strength in two out of its four end markets categorized either by customer type or geography. The pharma and biotech space was essentially unaffected by the pandemic in the quarter and the company recorded another quarter of high single-digit growth. The company particularly registered strong performance in bioproduction and pharma services businesses. In diagnostics and healthcare, Thermo Fisher delivered more than 70% growth. This end market benefited from the surging demand for COVID-19 testing.

▲ **Bioproduction Business on the Rise:** Thermo Fisher's Gibco Cell Culture for Bioprocessing, Chromatography and Protein Purification are already in high demand. The company has let made a series of development to augment Bioprocessing growth since then. In 2019, the company launched a scalable bioreactor workflow called Thermo Scientific TruBio Discovery Automation System. This apart, the company has made another major investment within this field with the acquisition of Brammer Bio, a viral vector manufacturing firm, helping pharma and biotech customers provide breakthrough gene and cell therapies to patients with rare diseases. Earlier to that, the purchased Advanced Bioprocessing business from BD which is expected to significantly expand the company's Life Sciences Solutions line of offerings.

In the second quarter, within bioproduction, the company formed an alliance with global biotech company CLS to help meet high demand for biologics. Under a long-term agreement, Thermo Fisher will also take over CSL's state-of-the-art biologics facility in Switzerland.

▲ **Focus on Emerging Markets:** Thermo Fisher boasts strong international operations and has witnessed consistent growth in the Asia-Pacific and emerging markets. The company plans to continue to strengthen its foothold in emerging markets, such as China and India, and to translate this success to other high-priority opportunities in regions such as South Korea, Russia and Brazil.

We are currently looking forward to Thermo Fisher's 5-year plan, introduced in 2016 that outlines investments in innovation, healthcare and environment. According to the company, increasing growth scale in emerging markets is the key competitive advantage resulting in significant client wins. The company is also looking at expanding manufacturing footprint to serve local markets and capitalize on demand for specialty

With several takeovers including Advanced Bioprocessing buyout from BD and Patheon, Thermo Fisher is expanding inorganic growth profile. The company's strong focus on emerging market is also encouraging.

diagnostics.

▲ **Strong Liquidity, Solvency and Capital Structure:** Thermo Fisher is well capitalized having exited the second quarter of 2020 with cash and cash equivalents of \$5.82 billion compared with \$2.98 billion in the year-ago period. The company finished the quarter with approximately \$21.3 billion of total debt as it is gearing up to finance the Qiagen acquisition.

The company's cash flow trends also remain robust. Cumulative operating cash flow from continuing operations through the second quarter was \$2.24 billion and free cash flow was \$1.7 billion (after deducting net capital expenditures of approximately \$500 million). This compares with the year-ago operating cash flow of \$1.94 billion and free cash flow of \$1.1 billion (capital expenditure was \$226 million in the year-ago period).

In terms of capital deployment, the company has been using its free cash to make strategic acquisitions and has been rewarding its shareholders through share repurchases and dividend. Thermo Fisher expressed interest in acquisitions in the field of mass spectrometry, bioproduction, specialty diagnostics, at an attractive valuation. In the second quarter, Thermo Fisher returned approximately \$85 million to shareholders through dividends in the quarter. This reflects the 16% dividend increase that the company announced in February. The company's current payout ratio stands at a very low level of 5.4%, indicating sustainability of its current dividend payment. It also remains lower than each of the trailing four quarters' dividend payout ratio.

Risks

- **Two End Markets Register Loss Amid Pandemic Headwind:** End Markets Register Loss amid Pandemic Headwind: Thermo Fisher noted that, in the second quarter, the COVID-19 headwinds were significant which impacted each of its end markets to varying degrees. Overall, the company saw significantly reduced customer activity due to work disruptions.

Particularly, industrial and applied end market registered a decline of just over 10%, while academic and government reported a decline of approximately 20%. Customers in these two end markets were significantly affected by business disruptions due to the pandemic. Even diagnostics and healthcare saw significant headwinds due to a decrease in doctor visits and related testing.

- **Exposure to Foreign Currency:** Thermo Fisher derives more than 50% of its revenues from the international market, which exposes it to fluctuations in foreign currency. In past several years, the company's earnings were affected significantly on headwind from foreign exchange.
 - **Economic Uncertainty Continues to Hamper Growth:** Thermo Fisher's business depends heavily on general economic conditions. The company makes scientific instruments which are primarily of big ticket sizes and non-life-sustaining in nature. The company has been witnessing headwinds in the government and academic markets. Moreover, many countries in Europe are also going through a tough time that might impact their academic budgets. We remain cautious since growth could further moderate if the economic scenario worsens.
 - **Tough Competitive Pressure:** On account of its diversified portfolio, Thermo Fisher faces different types of competitors including a broad range of manufacturers and third-party distributors. The competitive landscape is quite tough with changing technology and customer demands that require continuing research and development.
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Last Earnings Report

Thermo Fisher Beats on Q2 Earnings on Growth In Life Sciences

Thermo Fisher Scientific's second-quarter 2020 adjusted earnings per share of \$3.89 beat the Zacks Consensus Estimate by 45.7%. The figure improved 27.9% year over year. The adjusted number excludes certain non-recurring expenses including, asset amortization costs and certain restructuring costs.

On a reported basis, earnings per share were \$2.90, up 4.7% year over year.

Revenues in the quarter under review grossed \$6.92 billion, up 9.5% year over year. The top line edged past the Zacks Consensus Estimate by 0.1%.

Quarter in Detail

Organic revenues in the reported quarter grew 11% year over year. However, currency translation adversely impacted total revenues by 1%.

Thermo Fisher operates under four business segments: Life Sciences Solutions, Analytical Instruments, Specialty Diagnostics, and Laboratory Products and Services.

Revenues at the Life Sciences Solutions segment (37.6% of total revenues) improved 52.2% year over year to \$2.60 billion while Analytical Instruments Segment sales (15.2%) declined 20.6% to \$1.05 billion.

Revenues at the Laboratory Products and Services segment (40.3%) rose 5.8% to \$2.79 billion. The Specialty Diagnostics segment (14.3%) recorded 4.8% year-over-year rise in revenues to \$0.99 billion.

Gross margin of 50.6% in the second quarter expanded 394 basis points (bps) year over year on 18.8% rise in gross profits. Adjusted operating margin for the quarter came in at 26.3%, reflecting an expansion of 350 bps.

The company exited the second quarter of 2020 with cash and cash equivalents of \$5.82 billion compared with \$2.98 billion at the end of the first quarter. Year-to-date net cash provided by operating activities was \$2.24 billion compared with \$1.94 billion a year ago.

No Guidance Update

We note that on Apr 6, 2020, Thermo Fisher had withdrawn its 2020 guidance due to the COVID-19 pandemic-led crisis and related customer impact. The company has not mentioned anything about its rest of the year's projection in this earnings release.

Quarter Ending **06/2020**

| | |
|------------------|---------------------|
| Report Date | Jul 22, 2020 |
| Sales Surprise | 0.10% |
| EPS Surprise | 45.69% |
| Quarterly EPS | 3.89 |
| Annual EPS (TTM) | 13.32 |

Recent News

Thermo Fisher Adds New Portfolio to its Business: Aug 19, 2020

Thermo Fisher announced a new portfolio of hematology-oncology assays for the Ion Torrent Genexus System, which has been designed to enable a faster turnaround time for next-generation sequencing (NGS) results.

Thermo Fisher Partners Facilitates Access to Technology via CROs: Aug 18, 2020

Thermo Fisher announced it is facilitating access to cryo-electron microscopy (cryo-EM) by directing pharmaceutical and biotechnology companies to contract research organizations (CROs) worldwide that offer start-up packages for this technology as a service.

Thermo Fisher, Hengrui Therapeutics Sign Companion Diagnostic Agreement: Aug 17, 2020

Thermo Fisher announced signing a companion diagnostic (CDx) agreement with Hengrui Therapeutics, Inc., a U.S. subsidiary of Chinese pharmaceutical company Jiangsu Hengrui Medicine Co., Ltd., to develop a CDx that will leverage the Oncomine Precision Assay, which runs on the new Ion Torrent Genexus System.

Thermo Fisher's QIAGEN Buyout Deal Lapses: Aug 13, 2020

Thermo Fisher \$13-billion colossal plan of acquiring Germany-based molecular diagnostic major QIAGEN N.V. fell through as QIAGEN shareholders overwhelmingly rejected the tender offer.

Thermo Fisher Develops New Serological Assay: Aug 10, 2020

Thermo Fisher announced a new serological assay which is targeted for transplant candidates and recipients that can detect antibodies directed against the SARS-CoV-2 virus.

Thermo Fisher Unveils Latest SEM: Aug 6, 2020

Thermo Fisher introduced its next-generation Thermo Scientific Apreo 2 Scanning Electron Microscope (SEM), which is a high-performance field emission SEM that takes automation to the next level.

Thermo Fisher, Lyell Immunopharma Partner to Enhance Cell Therapy: Jul 28, 2020

Thermo Fisher entered into a partnership with biotechnology company Lyell Immunopharma to develop manufacturing processes to create more effective cell therapies to aid cancer patients.

Thermo Fisher Expands its Sequencing Program: Jul 27, 2020

Thermo Fisher announced the expansion of its GlobalAccess Sequencing Program to include laboratories working in oncology, which was originally introduced to accelerate multi-institutional-led studies focused on SARS-CoV-2.

Thermo Fisher Receives FDA's Nod for its Allergen Component Test: Jul 23, 2020

Thermo Fisher announced the receipt of the FDA's approval for its ImmunoCAP Specific IgE alpha-Gal Allergen Component test for in vitro diagnostic use.

Initiative to Support Development and Production of Therapeutics and Vaccines: Jul 20, 2020

Thermo Fisher continues to expand global capacity and capabilities across its pharma services network to support customers in government, industry and academia as they accelerate development and production of COVID-19 vaccines, therapies and other treatments. The company is now supporting more than 200 of these projects globally.

Clinical NGS and Oncology Business to Expand in Israel: Jul 16, 2020

Thermo Fisher announced that, starting July, its comprehensive molecular profiling is covered for patients with non-small cell lung cancer (NSCLC) in Israel, as outlined in a letter from the Israeli Ministry of Health to medical directors of the country's health insurance funds. With this, local laboratories are approved to develop and utilize comprehensive molecular profiling assays using Thermo Fisher's Oncomine Comprehensive Assay Plus.

QIAGEN Agreement Amended: Jul 16, 2020

Thermo Fisher, along with QIAGEN announced that, they have entered into an amendment to their acquisition agreement under which Thermo Fisher has commenced a tender offer to acquire all of the ordinary shares of QIAGEN. The amendment provides for an increase from the original offer price of €39.00 to a new price of €43.00 per QIAGEN share in cash.

New companion diagnostic Partnership: Jul 8, 2020

Thermo Fisher signed a companion diagnostic (CDx) agreement with Chugai Pharmaceutical Co., Ltd., a member of the Roche Group, and applied to the Ministry of Health, Labour and Welfare (MHLW) to expand the use of the Oncomine Dx Target Test in Japan.

New Infectious Disease quality control Initiative Taken: Jul 1, 2020

Thermo Fisher launched its MAS Omni Infectious Disease quality control sets for monitoring serological assays for analytes such as HIV 1&2, Hepatitis B & C virus, Syphilis and HTLV I/II.

New Alliance on NGS-Based CDx: Jun 23, 2020

Thermo Fisher announced the expansion of its partnership with Daiichi Sankyo by signing a new agreement to co-develop a CDx that will utilize Thermo Fisher's next-generation sequencing (NGS)-based Oncomine Dx Target Test.

Breakthrough Device Designation to Oncomine: Jun 15, 2020

Thermo Fisher announced the receipt of the FDA's Breakthrough Device Designation to its Oncomine Precision Assay, which identifies low-grade glioma (LGG) patients with isocitrate dehydrogenase 1 and 2 (IDH1 and IDH2) mutations who may be eligible for vorasidenib (AG-881).

Inks Deal with Agios Pharmaceuticals: Jun 9, 2020

Thermo Fisher announced the expansion of its partnership with Agios Pharmaceuticals by adding the co-development of a second CDx for oncology to their existing agreement.

New Partnership on Biologic Therapies: May 27, 2020

Thermo Fisher announced entering into a partnership with CSL Limited to help meet the growing demand for biologic therapies while also accelerating CSL's broader manufacturing objectives.

New Partnership with MSAID GmbH: May 26, 2020

Thermo Fisher announced the signing of an exclusive license agreement with MSAID GmbH to develop and commercialize deep learning tools for proteomics, making MSAID's Prosit-derived framework widely accessible to proteomics laboratories.

Extends Alliance with Biognosys: May 26, 2020

Thermo Fisher announced the continuation of its collaboration with Biognosys to advance data independent acquisition (DIA) mass spectrometry-based workflows.

Valuation

Thermo Fisher shares are up 29.2% in the year-to-date period and up 54.9% in the trailing 12-month periods. Year-to-date, the Zacks sub-industry is up 16.2% and sector is down 0.2%. Over the past year, the Zacks sub-industry is up 23.3% and sector is up 8.8%.

The S&P 500 index is up 6.5% in the year-to-date period and up 19.5% in the past year.

The stock is currently trading at 26.5X Forward 12-months earnings, which compares to 38.1X for the Zacks sub-industry, 22.1X for the Zacks sector and 23.1X for the S&P 500 index.

Over the past five years, the stock has traded as high as 30.1X and as low as 14.8X, with a 5-year median 18.7X. Our Outperform recommendation indicates that the stock will perform above the market. Our \$483 price target reflects 30.4X forward 12-months earnings.

The table below shows summary valuation data for TMO.

| Valuation Multiples - TMO | | | | | |
|---------------------------|---------------|-------|--------------|--------|---------|
| | | Stock | Sub-Industry | Sector | S&P 500 |
| P/E F12M | Current | 26.45 | 38.05 | 22.11 | 23.05 |
| | 5-Year High | 30.06 | 41.71 | 23.21 | 23.05 |
| | 5-Year Low | 14.81 | 23.21 | 15.89 | 15.25 |
| | 5-Year Median | 18.68 | 28.06 | 18.97 | 17.58 |
| P/S F12M | Current | 5.73 | 4.40 | 2.79 | 3.76 |
| | 5-Year High | 6.03 | 4.44 | 3.42 | 3.76 |
| | 5-Year Low | 2.71 | 2.52 | 2.23 | 2.53 |
| | 5-Year Median | 3.50 | 3.09 | 2.89 | 3.05 |
| P/B TTM | Current | 5.56 | 4.50 | 3.82 | 4.64 |
| | 5-Year High | 5.68 | 4.77 | 5.07 | 4.64 |
| | 5-Year Low | 2.27 | 2.75 | 2.94 | 2.83 |
| | 5-Year Median | 3.25 | 3.90 | 4.29 | 3.76 |

As of 08/24/2020

Industry Analysis Zacks Industry Rank: Bottom 34% (166 out of 252)



Top Peers

| Company (Ticker) | Rec | Rank |
|---------------------------------|--------------|------|
| Danaher Corporation (DHR) | Outperform | 1 |
| PerkinElmer, Inc. (PKI) | Outperform | 1 |
| Quidel Corporation (QDEL) | Outperform | 1 |
| BioRad Laboratories, Inc. (BIO) | Neutral | 2 |
| Bruker Corporation (BRKR) | Neutral | 3 |
| DexCom, Inc. (DXCM) | Neutral | 3 |
| Luminex Corporation (LMNX) | Neutral | 2 |
| Illumina, Inc. (ILMN) | Underperform | 5 |

| Industry Comparison Industry: Medical - Instruments | | | | Industry Peers | | |
|---|------------|------------|-----------|----------------|--------------|-----------|
| | TMO | X Industry | S&P 500 | DHR | ILMN | LMNX |
| Zacks Recommendation (Long Term) | Outperform | - | - | Outperform | Underperform | Neutral |
| Zacks Rank (Short Term) | 2 | - | - | 1 | 5 | 2 |
| VGM Score | C | - | - | F | D | B |
| Market Cap | 166.05 B | 135.27 M | 23.81 B | 145.83 B | 50.94 B | 1.40 B |
| # of Analysts | 8 | 2 | 14 | 8 | 7 | 4 |
| Dividend Yield | 0.21% | 0.00% | 1.64% | 0.35% | 0.00% | 1.19% |
| Value Score | C | - | - | F | D | C |
| Cash/Price | 0.03 | 0.12 | 0.07 | 0.04 | 0.06 | 0.20 |
| EV/EBITDA | 25.75 | -1.49 | 13.37 | 36.04 | 34.91 | 69.31 |
| PEG Ratio | 2.21 | 3.99 | 3.02 | 3.23 | 11.36 | NA |
| Price/Book (P/B) | 5.56 | 3.46 | 3.17 | 4.42 | 11.24 | 2.74 |
| Price/Cash Flow (P/CF) | 23.21 | 22.92 | 12.77 | 33.08 | 42.38 | 70.50 |
| P/E (F1) | 27.63 | 48.62 | 21.72 | 37.55 | 79.52 | 37.20 |
| Price/Sales (P/S) | 6.33 | 4.41 | 2.48 | 7.46 | 15.20 | 3.78 |
| Earnings Yield | 3.62% | -3.86% | 4.44% | 2.66% | 1.26% | 2.69% |
| Debt/Equity | 0.69 | 0.13 | 0.76 | 0.68 | 0.29 | 0.42 |
| Cash Flow (\$/share) | 18.08 | -0.13 | 6.93 | 6.21 | 8.23 | 0.43 |
| Growth Score | B | - | - | D | C | B |
| Hist. EPS Growth (3-5 yrs) | 14.10% | 10.12% | 10.41% | 2.68% | 20.27% | -26.00% |
| Proj. EPS Growth (F1/F0) | 23.00% | 7.56% | -5.05% | 23.84% | -33.23% | 485.71% |
| Curr. Cash Flow Growth | 6.99% | 5.04% | 5.20% | 1.84% | 13.10% | -57.32% |
| Hist. Cash Flow Growth (3-5 yrs) | 10.08% | 10.65% | 8.50% | 5.87% | 16.75% | -15.21% |
| Current Ratio | 2.62 | 2.94 | 1.33 | 2.20 | 3.76 | 7.25 |
| Debt/Capital | 40.86% | 18.30% | 44.50% | 38.15% | 22.70% | 29.75% |
| Net Margin | 14.12% | -25.57% | 10.13% | 17.73% | 20.67% | 3.04% |
| Return on Equity | 18.18% | -17.25% | 14.66% | 11.88% | 19.13% | 2.38% |
| Sales/Assets | 0.45 | 0.53 | 0.51 | 0.30 | 0.46 | 0.62 |
| Proj. Sales Growth (F1/F0) | 9.77% | 0.00% | -1.45% | 6.73% | -12.78% | 26.10% |
| Momentum Score | F | - | - | F | F | C |
| Daily Price Chg | -2.06% | 0.00% | 1.32% | -1.08% | -1.19% | -4.26% |
| 1 Week Price Chg | 3.58% | -1.62% | -1.45% | 1.44% | 1.59% | 1.94% |
| 4 Week Price Chg | 1.53% | -0.33% | 3.38% | 3.31% | -11.24% | -18.96% |
| 12 Week Price Chg | 20.16% | 0.01% | 7.69% | 24.30% | -4.53% | -4.80% |
| 52 Week Price Chg | 54.94% | 3.00% | 3.85% | 50.70% | 23.59% | 52.25% |
| 20 Day Average Volume | 1,109,594 | 255,275 | 1,873,293 | 1,731,130 | 943,614 | 861,738 |
| (F1) EPS Est 1 week change | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| (F1) EPS Est 4 week change | 1.57% | 4.03% | 1.00% | 3.52% | -28.62% | 367.31% |
| (F1) EPS Est 12 week change | 27.43% | 4.63% | 3.40% | 12.14% | -29.78% | 367.31% |
| (Q1) EPS Est Mthly Chg | 0.00% | 3.60% | 0.00% | 1.10% | -55.69% | 2,175.00% |

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 | C |
| Growth Score | B |
| Momentum Score | F |
| 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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