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INDUSTRY:
TRAINING & CONSULTING

RESEARCH UPDATE

FRANKLIN COVEY CO. (NYSE: FC)

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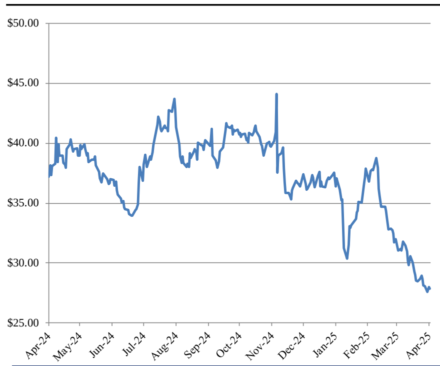
Market Statistics

Price	$27.89
52-Week Range	$26.90 - $44.46
Daily Vol. (3 Month Avg.)	137,328
Market Cap (M)	$362.0
Enterprise Value (M)	$325.8
Shares Out (M)	13.0
Float (M)	11.1
Institutional Ownership	77.8%
Insider Ownership	16.0%

Financial Summary

Equity (M)	$ 72.5
BV/Sh	$ 5.59
Cash (M)	$ 40.4
Debt (M)	$ 2.5
Debt/Cap	5.4%

FYE: AUG	2024	2025E	2026E
(in $M)			
Rev	$ 287.2	$ 278.4	$ 300.1
Chng%	2%	-3%	8%
EBITDA	$ 55.3	$ 31.5	$ 42.5
EPS	$ 1.74	$ 0.79	$ 1.41
EV/R	1.1x	1.2x	1.1x
EV/EBITDA	5.9x	10.3x	7.7x
P/E	16.1x	35.4x	19.8x



COMPANY DESCRIPTION

Franklin Covey Co. is a leading global provider of training and consulting solutions that delivers principle-based curriculums and effectiveness tools to its global customers. The Company provides consulting, seminars, educational materials, publications, and products designed to make individuals and organizations more effective.

Company Updates

Franklin Covey exhibited performance in-line with expectations during 2Q that was challenged by the external macro environment. While the Company has elaborated on the levers that caused it to lower full year guidance, we view the current situation as a speedbump, noting that the new go-to market strategy is still well positioned to drive meaningful growth over the coming quarters and years. For the roughly ~85% of the Company's business that is largely unaffected by macro challenges we are encouraged by the growth prospects. FC maintains a healthy liquidity position with a cash balance of $40.4M and an undrawn credit facility of $62.5M.

Quarterly results - FC reported revenue, adj EBITDA, and EPS of $59.6M, $2.1M, and ($0.08), respectively. This compares to our/consensus estimates of $62.4M/$62.7M, $2.1M/$2.2M, and ($0.13)/($0.13), respectively. Revenue was below both our expectations and consensus forecasts, driven by the below mentioned external factors. Adj. EBITDA was in-line with our expectations and EPS was slightly ahead of our expectations.

Macro Headwinds – Following the significant changes to government contracts at the federal level, as well as the significant increase in tariffs, FC is dealing with headwinds that the Company believes will impact top line revenue by ~$15.0M over the remainder of FY25. While it is still early, management has noted that ~$5.0M of that amount has already been realized though canceled U.S. Government contracts. The Company also expects impacts to its international business through retaliatory tariffs and secondary impacts to FC revenue from businesses that are impacted by the tariffs. We note that one silver lining is that the Department of Education is not a FC client, as FC deals with state governments. While states receive, on average, 14% of their budget from the DoE it is expected that this will have minimal flow through impact on Franklin Covey.

Go-to Market Strategy – In 1Q25, FC expanded on its plans to accelerate its revenue growth by investing in two key areas. First, The Company is deepening its presence within existing clients by increasing client-facing sales and support roles ("expanders"). This strategy is expected to enhance the average revenue per client by expanding beyond the ~10% penetration among current clients. Second, FC plans to boost new logo sales by investing in additional sales, marketing, and closing resources ("landers"). Management has reaffirmed indicated that this will require ~ $16.0M in full year investments. Already in 2Q25 FC is outpacing initial goals set for landers and expanders by 150% and 108%, respectively. While the macro environment is certainly challenged, we see consistency in the thesis that this new go-to market strategy is working as the Company recorded its largest new contract growth over the last 5 quarters for both logos and value.

Guidance – FC has update its adjusted FY25 EBITDA guidance, projecting a range of $31.0M to $33.0M, which has been moderated downward from $40.0M to $44.0M due to the above-mentioned headwinds. The Company also moderated its revenue guidance for FY25 to a range of $275.0M to $285M, from $295.0M to $305.0M last quarter.

Valuation - Based on our DCF analysis, we place a valuation range for FC of $47.28 to $53.71 with the mid-point of the range at $50.24.

Summary

Exhibit 1: Quarterly Results Comparison to Model

	2Q25 results		Notes
	Reported	Model	
Total revenues	**59.6**	**62.4**	Revenue below our expections
Cost of sales	13.9	18.4	
Gross (loss) profit	**45.7**	**43.9**	GPM was above our expectations
Gross margin	**76.7%**	**70.5%**	
SG&A	45.1	44.3	
D&A	2.1	2.0	
Total opex	47.2	47.2	
EBIT - adjusted	**(1.4)**	**(2.3)**	
Operating margin	**-2.3%**	**-3.7%**	
EBITDA - adjusted	**2.1**	**2.2**	
EBITDA margin	**3.5%**	**3.4%**	EBITDA in-line with expectations
Net income (loss) - adj	(1.0)	(1.7)	EPS outpaced our expectations
EPS (loss)	**$ (0.08)**	**$ (0.13)**	

Source: Company Reports; Stonegate Capital Markets, Inc.

INVESTMENT FACTORS

Franklin Covey Co. is a leading global provider of training and consulting solutions delivering principle-based curriculums and effectiveness tools to its global customers. The Company provides consulting, seminars, educational materials, publications, and products designed to make individuals and organizations more effective. The Company appears well positioned in the training industry as it commands a strong global brand name, product differentiation, and is backed by accelerating multi-year growth efforts and margin expansion.

Investment Positives

Franklin Covey's brand value is driven by its proprietary content (intellectual property) that creates differentiation and drives strong margins – The Company's proprietary content or IP is centered on delivering transformational results that alter human behavior with the capability to measure the impact of the delivered training and tools. Furthermore, the Company provides a wide offering of key practices that can help most clients' needs. These attributes provide the Company with a high level of differentiation, in our opinion. As further evidence of differentiation, we note that the Company has one of the highest gross margins vs. other publicly listed training companies. And Franklin Covey's gross margin is about 50% higher than prototypical consultants.

All Access Pass business model leads to predictable cash flows – In F16, the Company embarked on changing its business model toward annual subscriptions. This subscription is called All Access Pass (AAP) and allows clients to access all of FCs proprietary content for an annual subscription. AAP is expected to (1) improve client retention; (2) increase lifetime customer spend; (3) show increasing margins as the deferred revenue is at 90%+ gross margins; and (4) allow FC to maintain high-single digit revenue growth rates. While the transition has taken some time, and negatively impacted headline revenue growth comparisons given the deferral of revenue, the Company is largely past the transition to its new business model. As a result, the Company is seeing an increase in predictability of both future revenue growth and cash flows with revenue growth now in the low teens. Management noted on the 1Q23 earnings call that 100% of sales growth has been attributed to the subscription business with all subscription services expected to account for all their sales within the next few years.

Further growth is also expected from international licensees – The Company is looking to expand its international licensees' business that operates via a royalty model. The Company's international licensee partners represent the Franklin Covey brand in over 150 countries. Currently, these licensees are underpenetrated in their respective home market and have even lower penetration in non-home country markets. As penetration rates grow in the respective home country and approach North American levels, licensees' gross revenues should accelerate. Additionally, the international licensees have the ability to roll-out the AAP model in their respective markets.

This all leads to margin expansion as the Company has high incremental margins – For every incremental dollar in revenue, 40% - 50% of the incremental revenue falls to adjusted EBITDA (exclusive of stock option expense). Given the AAP model, we would expect flow-through rates to move toward the higher end of the range. As a result, this should lead to expanding adjusted EBITDA margins.

Investment challenges / risks

Intangible assets comprise a significant portion of the balance sheet – The Company has significant intangible assets and goodwill. At the end of FY24, Franklin Covey had $37.8M in intangible assets and $31.2M in goodwill, compared to total assets of $261.5M. Any future impairment of these assets could negatively impact the company's financial results.

Competition is intense and there are little barriers to entry – The training and consulting industry is highly fragmented with no one player with a large market share position. Additionally, a variety of organizations offer individual services comparable with those of Franklin Covey. With little barriers to entry, many new entrants to the industry further compound the intensity of competition.

The industry and hence Franklin Covey is sensitive to macroeconomic events – The training industry is affected by economic growth or lack thereof. Consequently, any negative macroeconomic events could slow growth in the industry and negatively affect Franklin Covey's results.

VALUATION SUMMARY

To help frame valuation we used a DCF analysis.

DCF Analysis

We use a top line growth rate of about 13% per year, slightly more conversative than management's long-term guidance of low teens growth. Additionally, we assumed an approximate 35% adjusted EBITDA flow-through, also in-line with management's business model guidance.

For our sensitivity analysis, we use a range of discount rates from 10.50%-11.00% and terminal growth rates between 1% and 3%. The discount range is deemed reasonable based on the CAPM formula for determining WACC. The key variables for this include:

- The cost of company debt equal to approximately 7.4%, based on LIBOR + 185bps
- The current 3-month T-Bill rate of 4.3%
- A beta adjusted market risk premium of 5.5%
- An average cost of equity equal to 11.25% after factoring in a size premium
- A tax rate of 25%

The above assumption results in a valuation range of $47.28 to $53.71 with the mid-point of the range at $50.24.

Sensitivity Analysis:

		Terminal Growth Rates				
		1.0%	1.5%	2.0%	2.5%	3.0%
Discount rate	10.50%	$50.44	$51.98	$53.71	$55.65	$57.85
	10.75%	$48.89	$50.32	$51.92	$53.71	$55.73
	11.00%	$47.43	$48.76	$50.24	$51.89	$53.75
	11.25%	$46.04	$47.28	$48.66	$50.18	$51.90
	11.50%	$44.73	$45.88	$47.16	$48.58	$50.16

We see the following important catalysts for the stock in F25 and beyond:

- Continued traction of All Access Pass …………………………………………………. F25+
- EBITDA margin expansion ……………………………………………………………. F25+
- Continued growth in Education ………………………………………………………. F25+
- Sales force expansion …………………………………………………………………. F25+

DISCOUNTED CASH FLOW ANALYSIS

Franklin Covey Co
Discounted Cash Flow Model
(in $M, except per share)

Estimates:	2023	2024	2025 E	2026 E	2027 E	2028 E	2029 E	2030 E	2031 E	2032 E	2033 E	2034 E	2035 E	Terminal Value
Revenue	280.5	287.2	278.4	300.1	328.6	360.7	397.1	435.4	475.1	516.7	558.5	602.4	648.2	
Opearting Income	26.4	33.0	14.9	26.7	35.2	46.9	54.6	63.1	72.7	85.3	93.3	102.4	111.5	
Less: Taxes (benefit)	8.1	9.6	4.3	8.0	8.8	11.7	13.6	15.8	18.2	21.3	23.3	25.6	27.9	
NOPAT	18.3	23.4	10.6	18.8	26.4	35.2	40.9	47.3	54.5	63.9	70.0	76.8	83.6	
Plus: Depreciation & Amortization	8.6	8.2	8.0	7.8	8.5	9.0	8.7	8.7	8.6	8.8	9.2	9.6	9.7	
Plus: Changes in WC	(11.8)	11.8	2.8	3.0	1.6	0.9	1.0	1.1	0.7	0.8	0.8	0.9	1.0	
Less: Capex	(13.6)	(11.3)	(16.3)	(9.0)	(8.2)	(7.2)	(6.0)	(6.5)	(4.8)	(5.2)	(5.0)	(5.4)	(5.8)	
Free Cash Flow	1.5	32.1	5.1	20.6	28.3	37.9	44.7	50.6	59.0	68.3	75.0	81.9	88.5	1,002.7
Discount period - months			6	18	30	42	54	66	78	90	102	114	126	
Discount period - years			0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	
Discount factor			0.95	0.86	0.77	0.69	0.63	0.56	0.51	0.46	0.41	0.37	0.33	
PV of FCF			4.9	17.6	21.8	26.3	28.0	28.5	30.0	31.2	30.9	30.4	29.6	335.2
Growth rate assumptions:														
Revenue		2.4%	-3.1%	7.8%	9.5%	9.8%	10.1%	9.7%	9.1%	8.8%	8.1%	7.9%	7.6%	
Operating Income		25.3%	-54.8%	79.1%	31.5%	33.3%	16.5%	15.6%	15.1%	17.3%	9.4%	9.8%	8.9%	
EBITDA		17.8%	-44.3%	50.5%	26.6%	27.9%	13.3%	13.4%	13.1%	15.7%	9.0%	9.3%	8.2%	
Free Cash Flow		2057.2%	-84.0%	300.3%	37.8%	33.6%	18.1%	13.2%	16.6%	15.8%	9.7%	9.3%	8.0%	
Margin assumptions:														
Operating Income	9.4%	11.5%	5.4%	8.9%	10.7%	13.0%	13.8%	14.5%	15.3%	16.5%	16.7%	17.0%	17.2%	
D&A as a % of sales	3.1%	2.8%	2.9%	2.6%	2.6%	2.5%	2.2%	2.0%	1.8%	1.7%	1.7%	1.6%	1.5%	
EBITDA	12.5%	14.3%	8.2%	11.5%	13.3%	15.5%	16.0%	16.5%	17.1%	18.2%	18.4%	18.6%	18.7%	
Taxes	30.7%	29.2%	28.8%	29.8%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	
Changes in WC	-4.2%	4.1%	1.0%	1.0%	0.5%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	
Capex as a % of sales	-4.8%	-3.9%	-5.9%	-3.0%	-2.5%	-2.0%	-1.5%	-1.5%	-1.0%	-1.0%	-0.9%	-0.9%	-0.9%	

Valuation:

Shares outstanding	13.0
PV of FCF	279.1
PV of Terminal Value	335.2
Enterprise Value	614.3
less: Net Debt	(37.9)
Estimated Total Value:	652.2
Est Equity Value/share:	**$ 50.24**
Price	$27.89

Sensitivity Analysis:

Discount rate	Terminal Growth Rates 1.0%	1.5%	2.0%	2.5%	3.0%
10.50%	$50.44	$51.98	$53.71	$55.65	$57.85
10.75%	$48.89	$50.32	$51.92	$53.71	$55.73
11.00%	$47.43	$48.76	$50.24	$51.89	$53.75
11.25%	$46.04	$47.28	$48.66	$50.18	$51.90
11.50%	$44.73	$45.88	$47.16	$48.58	$50.16

Source: Company Reports; Stonegate Capital Markets

INCOME STATEMENT

Franklin Covey Co. (NYSE: FC)
Consolidated Statements of Income (in $M, except per share amounts)
Fiscal Year: August

	FY 2020	FY 2021	FY 2022	FY 2023	Q1 Nov-23	Q2 Feb-24	Q3 May-24	Q4 Aug-24	FY 2024	Q1 Nov-24	Q2 Feb-25	Q3 E May-25	Q4 E Aug-25	FY 2025 E	Q1 E Nov-25	Q2 E Feb-26	Q3 E May-26	Q4 E Aug-26	FY 2026 E
Revenues																			
Revenues	$ 198.5	$ 224.2	$ 262.8	$ 280.5	$ 68.4	$ 61.3	$ 73.4	$ 84.1	$ 287.2	$ 69.1	$ 59.6	$ 67.9	$ 81.9	$ 278.4	$ 75.8	$ 64.4	$ 72.2	$ 87.7	$ 300.1
Total revenue	**198.5**	**224.2**	**262.8**	**280.5**	**68.4**	**61.3**	**73.4**	**84.1**	**287.2**	**69.1**	**59.6**	**67.9**	**81.9**	**278.4**	**75.8**	**64.4**	**72.2**	**87.7**	**300.1**
Cost of revenues																			
Cost of sales	53.1	51.3	60.9	67.0	16.1	14.5	17.2	18.4	66.2	16.4	13.9	17.8	20.3	68.4	17.8	14.8	16.5	19.9	69.0
Total cost of revenues	53.1	51.3	60.9	67.0	16.1	14.5	17.2	18.4	66.2	16.4	13.9	17.8	20.3	68.4	17.8	14.8	16.5	19.9	69.0
Gross (loss) profit	**145.4**	**172.9**	**201.9**	**213.5**	**52.3**	**46.9**	**56.2**	**65.7**	**221.1**	**52.7**	**45.7**	**50.1**	**61.5**	**210.0**	**58.0**	**49.7**	**55.7**	**67.8**	**231.1**
Operating expenses																			
Selling, general and administrative	129.4	153.6	168.1	178.5	44.2	40.8	45.1	45.9	175.9	47.2	45.1	46.3	46.5	185.1	50.1	48.0	48.2	50.2	196.6
Depreciation	6.7	6.2	4.9	4.3	1.1	0.9	1.0	0.9	3.9	1.0	1.0	0.8	0.8	3.6	0.9	0.9	0.9	0.9	3.4
Amortization	4.6	5.0	5.3	4.3	1.1	1.1	1.1	1.0	4.2	1.1	1.1	1.1	1.1	4.4	1.1	1.1	1.1	1.1	4.4
Restructuring cost/other	1.6	-	-	-	0.6	2.7	0.7	-	3.9	2.0	-	-	-	2.0	-	-	-	-	-
Total operating expenses	142.3	164.8	178.2	187.1	46.9	45.4	47.9	47.8	188.0	51.2	47.2	48.2	48.4	195.1	52.1	50.0	50.2	52.2	204.4
Income (loss) from operations	**3.1**	**8.1**	**23.7**	**26.4**	**5.3**	**1.4**	**8.3**	**17.9**	**33.0**	**1.5**	**(1.5)**	**1.8**	**13.1**	**14.9**	**5.9**	**(0.3)**	**5.5**	**15.6**	**26.7**
Inc (loss) from operations - adjusted (1)	**3.6**	**8.1**	**23.7**	**26.9**	**5.9**	**4.1**	**9.0**	**17.9**	**37.0**	**3.5**	**(1.4)**	**1.8**	**13.1**	**17.0**	**5.9**	**(0.3)**	**5.5**	**15.6**	**26.7**
Other (income) expense:																			
Interest expense	2.3	2.0	1.6	0.5	0.1	0.0	(0.0)	(0.1)	(0.0)	(0.1)	(0.1)	-	-	(0.2)	-	-	-	-	-
Total other income (expense):	2.3	2.0	1.6	0.5	0.1	0.0	(0.0)	(0.1)	(0.0)	(0.1)	(0.1)	0.3	0.3	0.3	0.1	0.1	0.1	0.1	0.2
Pre-tax income (loss)	**0.8**	**6.1**	**22.1**	**25.9**	**5.3**	**1.4**	**8.4**	**18.0**	**33.0**	**1.6**	**(1.3)**	**1.6**	**12.8**	**14.7**	**5.8**	**(0.3)**	**5.5**	**15.5**	**26.5**
Income taxes (benefit)	10.2	(7.5)	3.6	8.1	0.4	0.5	2.6	6.0	9.6	0.4	(0.3)	0.3	3.8	4.3	1.8	(0.1)	1.6	4.7	8.0
Net income (loss)	**(9.4)**	**13.6**	**18.4**	**17.8**	**4.9**	**0.9**	**5.7**	**12.0**	**23.4**	**1.2**	**(1.1)**	**1.3**	**9.0**	**10.4**	**4.1**	**(0.2)**	**3.8**	**10.9**	**18.6**
EPS (loss)	**$ (0.68)**	**$ 0.97**	**$ 1.29**	**$ 1.24**	**$ 0.36**	**$ 0.06**	**$ 0.43**	**$ 0.89**	**$ 1.74**	**$ 0.09**	**$ (0.08)**	**$ 0.10**	**$ 0.68**	**$ 0.79**	**$ 0.31**	**$ (0.02)**	**$ 0.29**	**$ 0.83**	**$ 1.41**
Net income (loss) - adjusted (1) (2)	**1.0**	**4.5**	**18.5**	**18.2**	**5.4**	**2.5**	**6.2**	**12.0**	**26.1**	**2.7**	**(1.0)**	**1.7**	**10.6**	**13.9**	**4.3**	**(0.2)**	**4.0**	**11.3**	**19.4**
EPS (loss) - adjusted (1) (2)	**$ 0.07**	**$ 0.32**	**$ 1.29**	**$ 1.27**	**$ 0.39**	**$ 0.19**	**$ 0.46**	**$ 0.89**	**$ 1.93**	**$ 0.20**	**$ (0.08)**	**$ 0.13**	**$ 0.81**	**$ 1.06**	**$ 0.33**	**$ (0.01)**	**$ 0.30**	**$ 0.86**	**$ 1.48**
Shares outstanding	13.9	14.1	14.3	14.3	13.6	13.5	13.4	13.4	13.5	13.3	13.1	13.1	13.1	13.2	13.1	13.2	13.2	13.2	13.2
EBITDA	14.3	19.3	33.8	35.0	7.5	3.4	10.4	19.9	41.2	3.5	0.7	3.8	15.0	22.9	7.9	1.7	7.5	17.5	34.5
EBITDA - adjusted (1)	14.3	28.0	42.2	48.1	11.0	7.4	13.9	22.9	55.3	7.7	2.1	5.3	16.5	31.5	9.9	3.7	9.5	19.5	42.5
Margin Analysis																			
Gross margin	73.3%	77.1%	76.8%	76.1%	76.4%	76.4%	76.6%	78.1%	77.0%	76.3%	76.7%	73.8%	75.2%	75.4%	76.5%	77.1%	77.1%	77.3%	77.0%
Operating margin	1.5%	3.6%	9.0%	9.4%	7.8%	2.4%	11.4%	21.3%	11.5%	2.1%	-2.4%	2.7%	16.0%	5.4%	7.8%	-0.4%	7.6%	17.8%	8.9%
Operating margin - adjusted	1.8%	3.6%	9.0%	9.6%	8.6%	6.7%	12.3%	21.3%	12.9%	5.0%	-2.3%	2.7%	16.0%	6.1%	7.8%	-0.4%	7.6%	17.8%	8.9%
EBITDA margin	7.2%	8.6%	12.9%	12.5%	11.0%	5.6%	14.2%	23.6%	14.3%	5.1%	1.1%	5.5%	18.3%	8.2%	10.4%	2.6%	10.3%	20.0%	11.5%
EBITDA adjusted margin	7.2%	12.5%	16.1%	17.1%	16.0%	12.1%	19.0%	27.3%	19.2%	11.1%	3.5%	7.8%	20.2%	11.3%	13.0%	5.7%	13.1%	22.3%	14.2%
Pre-tax margin	0.4%	2.7%	8.4%	9.2%	7.7%	2.3%	11.4%	21.4%	11.5%	2.3%	-2.3%	2.3%	15.7%	5.3%	7.7%	-0.5%	7.6%	17.7%	8.8%
Net income margin	-4.8%	6.1%	7.0%	6.3%	7.1%	1.4%	7.8%	14.2%	8.1%	1.7%	-1.8%	1.9%	11.0%	3.7%	5.4%	-0.4%	5.3%	12.4%	6.2%
Tax rate	1285.3%	-124.2%	16.5%	31.3%	8.1%	38.2%	31.6%	33.5%	29.2%	25.6%	20.2%	20.0%	30.0%	29.3%	30.0%	30.0%	30.0%	30.0%	30.0%
Growth Rate Analysis Y/Y																			
Total revenue	-11.9%	13.0%	17.3%	6.7%	-1.4%	-0.7%	2.7%	7.9%	2.4%	1.0%	-2.8%	-7.5%	-2.7%	-3.1%	9.7%	8.1%	6.4%	7.1%	7.8%
Total cost of revenues	-19.6%	-3.4%	18.8%	10.0%	-3.0%	-0.4%	-0.2%	-1.4%	-1.3%	1.6%	-4.3%	3.7%	10.6%	3.4%	8.8%	6.4%	-7.1%	-2.2%	0.9%
Selling, general and administrative	-11.0%	18.7%	9.4%	6.2%	0.4%	-3.7%	-1.2%	-1.4%	-1.4%	6.8%	10.6%	2.6%	1.5%	5.2%	6.2%	6.5%	4.2%	7.9%	6.2%
Depreciation	4.7%	-7.1%	-20.8%	-12.9%	-12.4%	-4.0%	6.0%	-20.2%	-8.6%	-12.9%	11.3%	-16.7%	-9.3%	-7.4%	-10.5%	-16.3%	3.0%	3.0%	-6.0%
Amortization	-7.4%	8.7%	5.2%	-17.5%	-1.9%	-2.0%	-2.2%	-2.4%	-2.1%	2.5%	2.5%	3.4%	5.1%	3.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating income	15.2%	164.9%	192.2%	11.3%	-16.6%	-49.0%	26.9%	69.6%	25.3%	-72.3%	-200.9%	-77.9%	-27.1%	-54.8%	300.3%	81.1%	199.0%	19.4%	79.1%
Operating income - adjusted	-19.9%	127.0%	191.5%	13.4%	-7.6%	44.8%	37.6%	61.0%	37.3%	-41.5%	-134.2%	-79.6%	-27.1%	-54.1%	70.7%	80.4%	199.0%	19.4%	57.6%
EBITDA - adjusted	-30.7%	95.7%	50.9%	13.9%	-4.4%	-9.0%	17.0%	38.9%	15.0%	-30.0%	-72.3%	-62.2%	-28.1%	-43.0%	28.4%	78.3%	79.6%	18.5%	35.1%
Pre-tax income	34.5%	663.3%	263.2%	17.2%	-13.0%	-49.1%	27.1%	72.2%	27.7%	-69.9%	-195.3%	-80.9%	-28.7%	-55.7%	268.6%	75.5%	242.4%	21.3%	81.0%
Net income	-822.3%	244.4%	35.3%	-3.5%	3.9%	-49.7%	25.4%	75.5%	31.6%	-75.7%	-223.1%	-77.7%	-24.9%	-55.8%	246.7%	78.5%	199.6%	21.3%	79.3%
EPS	-826.0%	242.3%	33.3%	-3.4%	10.6%	-45.8%	33.8%	82.1%	39.7%	-75.0%	-226.7%	-77.3%	-23.5%	-54.7%	250.1%	78.6%	198.4%	20.8%	79.2%
Share count - fully diluted	-0.4%	1.5%	1.5%	-0.1%	-6.0%	-7.2%	-6.3%	-3.6%	-5.8%	-2.7%	-2.8%	-2.0%	-1.9%	-2.4%	-1.0%	0.4%	0.4%	0.4%	0.1%

(1) Excludes 1x items
(2) Using a 27% tax rate

Source: Company Reports, Stonegate Capital Markets estimates

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