



RESEARCH UPDATE

FRANKLIN COVEY CO. (NYSE: FC)

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Market Statistics

Price	\$16.90
52-Week Range	\$14.04 - \$39.22
Daily Vol. (3 Month Avg.)	126,109
Market Cap (M)	\$206.3
Enterprise Value (M)	\$182.4
Shares Out (M)	13.0
Float (M)	10.9
Institutional Ownership	81.2%
Insider Ownership	16.0%

Financial Summary

Equity (M)	\$ 66.9
BV/Sh	\$ 5.15
Cash (M)	\$ 31.7
Debt (M)	\$ 0.8
Debt/Cap	1.2%

FYE: AUG	2025	2026E	2027E
<i>(in \$M)</i>			
Rev	\$ 267.1	\$ 266.3	\$ 275.6
Chng%	-7%	0%	3%
EBITDA	\$ 28.8	\$ 29.0	\$ 33.0
EPS	\$ 0.24	\$ 0.91	\$ 1.05
EV/R	0.7x	0.7x	0.7x
EV/EBITDA	6.3x	6.3x	5.5x
P/E	71.7x	18.6x	16.1x



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 delivered performance in-line with expectations during 4Q that was challenged by the external macro environment. Ultimately, we view the current situation as a speedbump, noting that the new go-to market strategy, diligent cost cutting, and high expectations for the education segment leads us to believe that FC is still well positioned to drive meaningful growth into FY26. As stated, management emphasized that the results reflected continued macro uncertainty and the non-repeat of a prior year North America IP deal, while highlighting positive momentum exiting the year and common stock repurchases. FC maintains a healthy liquidity position at over \$90.0M with a cash balance of \$31.7M.

Quarterly results - FC reported revenue, adj EBITDA, and EPS of \$71.2M, \$11.7M, and \$0.41, respectively. This compares to our/consensus estimates of \$71.5M/\$71.1M, \$12.0M/\$13.0M, and \$0.48/\$0.45, respectively. Revenue was in-line with our expectations, consensus forecasts, and guidance. One time moving expenses resulted in Adj. EBITDA below our expectations. Important metrics such as invoicing showed and improvement in the quarter.

Macro Headwinds – Following the significant changes to government contracts at the federal level, as well as the significant uncertainty due to tariffs, FC dealt with significant in FY25. Enterprise performance continued to be affected by macroeconomic uncertainties, geopolitical trade tensions, and earlier cancellations of U.S. federal government contracts, which weighed on North America and International Direct Office revenue in FY25. The Company also lapped a \$6.2M North America IP deal recognized in FY24 that did not repeat. On the call, management reiterated these items as primary y/y pressures and indicated that shutdown related impacts of the scale seen previously are not expected to continue, with cost reductions and operating discipline positioned to support margin expansion going forward.

Go-to Market Strategy – As of quarter end, Management stated that the go to market transformation is complete and gaining traction with robust new logo growth, client expansion, strong services bookings, and sustained retention as the team progresses through fiscal Q1. In North America, multiyear mix improved with 60 percent of AAP contract value in multiyear agreements at year end, and deferred subscription balances remained healthy with \$46.7M billed and \$67.6M unbilled in Q4. Education finished FY25 steady and leadership expressed confidence heading into FY26, noting expectations for invoiced amounts to return to growth in FY26 which should support reported revenue acceleration later in FY26 and into FY27.

Guidance – For FY26 FC guides to total revenue of \$265M to \$275M and Adjusted EBITDA of \$28M to \$33M. Management expects ~45 to 50% of revenue and ~30 to 35% of Adjusted EBITDA to be generated in the first half, reflecting normal seasonality and delivery timing, with margin expansion expected to build in the back half as cost savings and operating leverage take hold.

Valuation - Based on our DCF analysis, we place a valuation range for FC of \$30.75 to \$34.67 with the mid-point of the range at \$32.56.

Summary

Exhibit 1: Quarterly Results Comparison to Model

	4Q25 results		Notes
	Reported	Model	
Total revenues	71.2	71.5	Revenue in-line with our expectations
Cost of sales	17.5	17.8	
Gross (loss) profit	53.8	53.7	GPM was above our expectations
Gross margin	75.5%	75.2%	
SG&A	43.7	42.5	
D&A	2.2	2.2	
Total opex	45.9	44.7	
EBIT - adjusted	9.5	9.1	
Operating margin	13.3%	12.7%	
EBITDA - adjusted	11.7	13.0	EBITDA behind our expectations
EBITDA margin	16.4%	18.2%	
Net income (loss) - adj	5.2	6.2	EPS slightly below our expectations
EPS (loss)	\$ 0.41	\$ 0.48	

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 use a DCF analysis.

DCF Analysis

For our sensitivity analysis, we use a range of discount rates from 10.75%-11.25% 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 6.7%, based on LIBOR + 185bps
- The current 3-month T-Bill rate of 4.0%
- A beta adjusted market risk premium of 6.2%
- An average cost of equity equal to 11.00% after accounting for a size premium
- A tax rate of 25%

The above assumption results in a valuation range of \$30.75 to \$34.67 with the mid-point of the range at \$32.56.

Sensitivity Analysis:

		Terminal Growth Rates				
		1.0%	1.5%	2.0%	2.5%	3.0%
Discount rate	10.50%	\$32.78	\$33.70	\$34.73	\$35.88	\$37.19
	10.75%	\$31.81	\$32.66	\$33.61	\$34.67	\$35.87
	11.00%	\$30.89	\$31.68	\$32.56	\$33.54	\$34.64
	11.25%	\$30.02	\$30.75	\$31.57	\$32.47	\$33.49
	11.50%	\$29.19	\$29.87	\$30.63	\$31.47	\$32.41

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														
<i>(in \$M, except per share)</i>														
Estimates:	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2026E	2036E	Terminal Value
Revenue	287.2	267.1	266.3	275.6	284.7	296.4	312.7	331.1	351.3	373.5	397.7	424.4	452.8	
Operating Income	33.0	5.7	17.5	18.9	37.0	40.8	44.1	48.0	51.6	56.0	59.7	64.9	69.3	
Less: Taxes (benefit)	9.6	3.0	6.3	5.8	9.3	10.2	11.0	12.0	12.9	14.0	14.9	16.2	17.3	
NOPAT	23.4	2.7	11.2	13.1	27.8	30.6	33.1	36.0	38.7	42.0	44.7	48.7	52.0	
Plus: Depreciation & Amortization	8.2	8.5	7.5	7.5	7.1	6.5	6.3	6.0	6.0	6.2	6.4	6.4	6.8	
Plus: Changes in WC	11.8	5.1	2.7	2.8	0.7	0.7	0.8	0.5	0.5	0.6	0.6	0.6	0.7	
Less: Capex	(11.3)	(16.9)	(15.0)	(11.0)	(8.5)	(5.9)	(4.7)	(3.3)	(3.5)	(3.4)	(3.6)	(3.8)	(4.1)	
Free Cash Flow	32.1	(0.6)	6.4	12.3	27.0	31.9	35.4	39.2	41.7	45.4	48.1	51.9	55.4	627.4
Discount period - months			12	24	36	48	60	72	84	96	108	120	132	
Discount period - years			1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	
Discount factor			0.90	0.81	0.73	0.66	0.59	0.53	0.48	0.43	0.39	0.35	0.32	
PV of FCF			5.7	10.0	19.8	21.0	21.0	20.9	20.1	19.7	18.8	18.3	17.6	199.1
Growth rate assumptions:														
Revenue		-7.0%	-0.3%	3.5%	3.3%	4.1%	5.5%	5.9%	6.1%	6.3%	6.5%	6.7%	6.7%	
Operating Income		-82.7%	206.3%	8.1%	95.9%	10.1%	8.2%	8.9%	7.6%	8.5%	6.5%	8.8%	6.7%	
EBITDA		-65.6%	76.3%	5.7%	67.2%	7.1%	6.5%	7.2%	6.8%	7.9%	6.2%	8.0%	6.7%	
Free Cash Flow		-101.9%	#####	93.4%	119.3%	17.9%	11.0%	10.6%	6.5%	8.8%	6.1%	7.8%	6.7%	
Margin assumptions:														
Operating Income	11.5%	2.1%	6.6%	6.9%	13.0%	13.8%	14.1%	14.5%	14.7%	15.0%	15.0%	15.3%	15.3%	
D&A as a % of sales	2.8%	3.2%	2.8%	2.7%	2.5%	2.2%	2.0%	1.8%	1.7%	1.7%	1.6%	1.5%	1.5%	
EBITDA	14.3%	5.3%	9.4%	9.6%	15.5%	16.0%	16.1%	16.3%	16.4%	16.7%	16.6%	16.8%	16.8%	
Taxes	29.2%	52.6%	35.8%	30.6%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	
Changes in WC	4.1%	1.9%	1.0%	1.0%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	
Capex as a % of sales	-3.9%	-6.3%	-5.6%	-4.0%	-3.0%	-2.0%	-1.5%	-1.0%	-1.0%	-0.9%	-0.9%	-0.9%	-0.9%	
Valuation:														
Shares outstanding	13.0													
PV of FCF	192.9													
PV of Terminal Value	199.1													
Enterprise Value	392.0													
less: Net Debt	(30.9)													
Estimated Total Value:	422.9													
Est Equity Value/share:	\$ 32.56													
Price	\$16.90													

Sensitivity Analysis:						
		Terminal Growth Rates				
		1.0%	1.5%	2.0%	2.5%	3.0%
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	11.25%	\$30.02	\$30.75	\$31.57	\$32.47	\$33.49
	11.50%	\$29.19	\$29.87	\$30.63	\$31.47	\$32.41

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	FY 2024	Q1 Nov-24	Q2 Feb-25	Q3 May-25	Q4 Aug-25	FY 2025	Q1 E Nov-25	Q2 E Feb-26	Q3 E May-26	Q4 E Aug-26	FY 2026 E	Q1 E Nov-26	Q2 E Feb-27	Q3 E May-27	Q4 E Aug-27	FY 2027 E	
Revenues																					
Revenues	\$ 198.5	\$ 224.2	\$ 262.8	\$ 280.5	\$ 287.2	\$ 69.1	\$ 59.6	\$ 67.1	\$ 71.2	\$ 267.1	\$ 65.1	\$ 60.0	\$ 68.5	\$ 72.7	\$ 266.3	\$ 70.2	\$ 61.5	\$ 69.9	\$ 74.0	\$ 275.6	
Total revenue	198.5	224.2	262.8	280.5	287.2	69.1	59.6	67.1	71.2	267.1	65.1	60.0	68.5	72.7	266.3	70.2	61.5	69.9	74.0	275.6	
Cost of revenues																					
Cost of sales	53.1	51.3	60.9	67.0	66.2	16.4	13.9	15.8	17.5	63.5	16.8	13.5	17.5	15.9	63.7	17.6	14.2	16.1	17.2	65.1	
Total cost of revenues	53.1	51.3	60.9	67.0	66.2	16.4	13.9	15.8	17.5	63.5	16.8	13.5	17.5	15.9	63.7	17.6	14.2	16.1	17.2	65.1	
Gross (loss) profit	145.4	172.9	201.9	213.5	221.1	52.7	45.7	51.3	53.8	203.6	48.3	46.5	51.0	56.8	202.6	52.6	47.3	53.8	56.8	210.5	
Operating expenses																					
Selling, general and administrative	129.4	153.6	168.1	178.5	175.9	47.2	45.1	46.7	43.7	182.7	44.6	42.1	44.5	46.5	177.7	46.7	43.8	46.7	46.9	184.1	
Depreciation	6.7	6.2	4.9	4.3	3.9	1.0	1.0	1.0	1.1	4.1	1.1	1.1	1.1	4.5	1.1	1.1	1.1	1.1	4.5		
Amortization	4.6	5.0	5.3	4.3	4.2	1.1	1.1	1.1	1.1	4.4	0.8	0.8	0.8	3.0	0.8	0.8	0.8	0.8	3.0		
Restructuring cost/other	1.6	-	-	-	3.9	2.0	-	4.7	-	6.7	-	-	-	-	-	-	-	-	-	-	
Total operating expenses	142.3	164.8	178.2	187.1	188.0	51.2	47.2	53.5	45.9	197.9	46.5	44.0	46.3	48.3	185.2	48.5	45.7	48.6	48.8	191.6	
Income (loss) from operations	3.1	8.1	23.7	26.4	33.0	1.5	(1.5)	(2.2)	7.9	5.7	1.8	2.5	4.7	8.5	17.5	4.1	1.7	5.1	8.0	18.9	
Inc (loss) from operations - adjusted (1)	3.6	8.1	23.7	26.9	37.0	3.5	(1.4)	3.0	9.5	14.5	1.8	2.5	4.7	8.5	17.5	4.1	1.7	5.1	8.0	18.9	
Other (income) expense:																					
Interest expense	2.3	2.0	1.6	0.5	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	
Total other income (expense):	2.3	2.0	1.6	0.5	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	
Pre-tax income (loss)	0.8	6.1	22.1	25.9	33.0	1.6	(1.3)	(2.1)	8.0	6.1	1.9	2.6	4.8	8.6	17.9	4.2	1.8	5.2	8.1	19.3	
Income taxes (benefit)	10.2	(7.5)	3.6	8.1	9.6	0.4	(0.3)	(0.7)	3.6	3.0	0.7	0.9	1.7	3.0	6.3	1.2	0.5	1.6	2.4	5.8	
Net income (loss)	(9.4)	13.6	18.4	17.8	23.4	1.2	(1.1)	(1.4)	4.4	3.1	1.3	1.7	3.1	5.6	11.6	2.9	1.2	3.7	5.7	13.5	
EPS (loss)	\$ (0.68)	\$ 0.97	\$ 1.29	\$ 1.24	\$ 1.74	\$ 0.09	\$ (0.08)	\$ (0.11)	\$ 0.34	\$ 0.24	\$ 0.10	\$ 0.13	\$ 0.24	\$ 0.43	\$ 0.91	\$ 0.23	\$ 0.10	\$ 0.29	\$ 0.44	\$ 1.05	
Net income (loss) - adjusted (1) (2)	1.0	4.5	18.5	18.2	26.1	2.7	(1.0)	2.0	5.2	8.9	1.3	1.7	3.1	5.6	11.6	3.0	1.3	3.8	5.8	13.9	
EPS (loss) - adjusted (1) (2)	\$ 0.07	\$ 0.32	\$ 1.29	\$ 1.27	\$ 1.93	\$ 0.20	\$ (0.08)	\$ 0.16	\$ 0.41	\$ 0.68	\$ 0.10	\$ 0.13	\$ 0.24	\$ 0.43	\$ 0.91	\$ 0.23	\$ 0.10	\$ 0.29	\$ 0.45	\$ 1.08	
Shares outstanding	13.9	14.1	14.3	14.3	13.5	13.3	13.1	12.9	12.8	13.0	12.8	12.8	12.8	12.8	12.8	12.8	12.9	12.9	12.9	12.9	
EBITDA	14.3	19.3	33.8	35.0	41.2	3.5	0.7	(0.1)	10.1	14.2	3.7	4.4	6.5	10.3	25.0	5.9	3.5	7.0	9.9	26.4	
EBITDA - adjusted (1)	14.3	28.0	42.2	48.1	55.3	7.7	2.1	7.3	11.7	28.8	4.7	5.4	7.5	11.3	29.0	7.6	5.2	8.7	11.5	33.0	

Margin Analysis

Gross margin	73.3%	77.1%	76.8%	76.1%	77.0%	76.3%	76.7%	76.5%	75.5%	76.2%	74.3%	77.5%	74.5%	78.1%	76.1%	74.9%	77.0%	76.9%	76.8%	76.4%
Operating margin	1.5%	3.6%	9.0%	9.4%	11.5%	2.1%	-2.4%	-3.3%	11.1%	2.1%	2.8%	4.2%	6.8%	11.6%	6.6%	5.8%	2.7%	7.4%	10.8%	6.9%
Operating margin - adjusted	1.8%	3.6%	9.0%	9.6%	12.9%	5.0%	-2.3%	4.4%	13.3%	5.4%	2.8%	4.2%	6.8%	11.6%	6.6%	5.8%	2.7%	7.4%	10.8%	6.9%
EBITDA margin	7.2%	8.6%	12.9%	12.5%	14.3%	5.1%	1.1%	-0.1%	14.1%	5.3%	5.7%	7.3%	9.5%	14.2%	9.4%	8.5%	5.8%	10.0%	13.4%	9.6%
EBITDA adjusted margin	7.2%	12.5%	16.1%	17.1%	19.2%	11.1%	3.5%	10.9%	16.4%	10.8%	7.3%	8.9%	11.0%	15.6%	10.9%	10.8%	8.4%	12.4%	15.6%	12.0%
Pre-tax margin	0.4%	2.7%	8.4%	9.2%	11.5%	2.3%	-2.3%	-3.2%	11.2%	2.3%	3.0%	4.3%	6.9%	11.8%	6.7%	5.9%	2.9%	7.5%	11.0%	7.0%
Net income margin	-4.8%	6.1%	7.0%	6.3%	8.1%	1.7%	-1.8%	-2.1%	6.1%	1.1%	1.9%	2.8%	4.5%	7.7%	4.4%	4.1%	2.0%	5.3%	7.7%	4.9%
Tax rate	1285.3%	-124.2%	16.5%	31.3%	29.2%	25.6%	20.2%	33.8%	45.0%	49.4%	35.0%	35.0%	35.0%	35.0%	35.0%	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%	2.4%	1.0%	-2.8%	-8.5%	-15.3%	-7.0%	-5.7%	0.6%	2.0%	2.1%	-0.3%	7.9%	2.5%	2.1%	1.7%	3.5%
Total cost of revenues	-19.6%	-3.4%	18.8%	10.0%	-1.3%	1.6%	-4.3%	-8.0%	-5.1%	-4.0%	2.4%	-2.4%	10.5%	-8.7%	0.3%	5.1%	4.8%	-7.5%	7.7%	2.2%
Selling, general and administrative	-11.0%	18.7%	9.4%	6.2%	-1.4%	6.8%	10.6%	3.5%	-4.7%	3.8%	-5.5%	-6.6%	-4.7%	6.3%	-2.7%	4.6%	4.0%	5.1%	1.0%	3.6%
Depreciation	4.7%	-7.1%	-20.8%	-8.6%	-12.9%	-12.9%	11.3%	2.2%	19.6%	4.1%	18.4%	10.7%	11.2%	3.4%	10.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortization	-7.4%	8.7%	5.2%	-17.5%	-2.1%	2.5%	2.5%	3.4%	5.1%	3.4%	-31.7%	-31.7%	-31.7%	-31.7%	-31.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating income	15.2%	164.9%	192.2%	11.3%	25.3%	-72.3%	-200.9%	-126.4%	-56.0%	-82.7%	25.1%	271.5%	311.3%	7.4%	206.3%	119.9%	-33.0%	10.5%	-5.4%	8.1%
Operating income - adjusted	-19.9%	127.0%	191.5%	13.4%	37.3%	-41.5%	-134.2%	-67.0%	-47.3%	-60.8%	-48.6%	278.2%	56.2%	-10.4%	20.5%	119.9%	-33.0%	10.5%	-5.4%	8.1%
EBITDA - adjusted	-30.7%	95.7%	50.9%	13.9%	15.0%	-30.0%	-72.3%	-47.5%	-48.9%	-48.0%	-38.5%	160.7%	3.1%	-3.1%	0.7%	60.7%	-3.2%	15.1%	1.7%	13.9%
Pre-tax income	34.5%	663.3%	263.2%	17.2%	27.7%	-69.9%	-195.3%	-125.4%	-55.8%	-81.6%	22.6%	292.5%	323.6%	7.8%	194.5%	113.8%	-31.7%	10.2%	-5.3%	7.9%
Net income	-822.3%	244.4%	35.3%	-3.5%	31.6%	-75.7%	-223.1%	-124.6%	-63.4%	-86.9%	7.1%	256.8%	319.4%	27.5%	278.6%	130.2%	-26.5%	18.7%	2.0%	16.2%
EPS	-826.0%	242.3%	33.3%	-3.4%	39.7%	-75.0%	-226.7%	-125.6%	-61.7%	-86.4%	11.1%	260.4%	320.7%	27.0%	284.5%	129.3%	-26.8%	18.2%	1.5%	15.8%
Share count - fully diluted	-0.4%	1.5%	1.5%	-0.1%	-5.8%	-2.7%	-2.8%	-3.6%	-4.5%	-3.4%	-3.6%	-2.3%	-0.6%	0.4%	-1.5%	0.4%	0.4%	0.4%	0.4%	0.4%

(1) Excludes 1x items

(2) Using a 27% tax rate

Source: Company Reports, Stonegate Capital Markets estimates

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