



RESEARCH UPDATE

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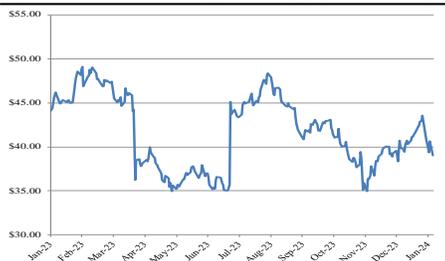
Market Statistics

Price	\$39.05
52-Week Range	\$32.19 - \$49.77
Daily Vol. (3 Month Avg.)	84,420
Market Cap (M)	\$518.4
Enterprise Value (M)	\$497.7
Shares Out (M)	13.2
Float (M)	11.1
Institutional Ownership	75.7%
Insider Ownership	15.7%

Financial Summary

Equity (M)	\$ 80.6
BV/Sh	\$ 6.12
Cash (M)	\$ 53.3
Debt (M)	\$ 3.5
Debt/Cap	5.9%

FYE: AUG	2024	2025E	2026E
<i>(in \$M)</i>			
Rev	\$ 287.2	\$ 299.7	\$ 330.0
Chng%	2%	4%	10%
EBITDA	\$ 55.3	\$ 41.7	\$ 48.8
EPS	\$ 1.74	\$ 0.99	\$ 1.42
EV/R	1.7x	1.7x	1.5x
EV/EBITDA	9.0x	11.9x	10.2x
P/E	22.5x	39.5x	27.5x



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.

FRANKLIN COVEY CO. (NYSE: FC)

1Q Results Sets Stage for Future Growth

Franklin Covey exhibited performance in-line with expectations during 1Q that continued to show strength across its business segments, led by strength in the education segment, while generating significant cash flow. FC maintains a healthy liquidity position with a cash balance of \$53.3M and an undrawn credit facility of \$62.5M. The Company observed positive leading indicators, including a 9.7% increase in deferred subscription revenue, a metric we expect to use extensively as FC ramps its most recent growth initiative. The quarter also featured strong logo retention, with a notable percentage of multi-year contracts in North America.

Quarterly results - FC reported revenue, adj EBITDA, and EPS of \$69.1M, \$7.7M, and \$0.20, respectively. This compares to our/consensus estimates of \$70.5M/\$76.4M, \$13.3M/\$8.0M, and \$0.14/\$0.39, respectively. Revenue was in-line with our expectations and below consensus forecasts, driven by strong performance in the Education Division, which saw sales grow 11.7% year over year. Adj. EBITDA was slightly below our expectations but maintained an impressive margin of 11.1%.

Metrics show positive trends – Aggregate revenue increased by 1.0% year-over-year. Total deferred subscription revenue grew by 9.7%, while unbilled deferred subscription revenue decreased. Notably, multi-year AAP contracts in the Enterprise Division accounted for 55% of contracts and 60% of total AAP revenue. The Enterprise division reported revenue of \$51.6M essentially flat year over year. Lastly, the Education Division demonstrated strong performance, with 1Q25 revenue of \$16.5M, up 11.7% year over year.

New Areas of Investment – In 1Q25, FC expanded on its plans to accelerate its revenue growth by investing in two key areas. First, The Company aims to deepen its presence within existing clients by increasing client-facing sales and support roles, leveraging the substantial headroom for growth. This strategy is expected to enhance the average revenue per client, which has already grown from an average of \$35k per client to \$85k per client. It is believed that FC has ~10% penetration among clients on average, leaving significant headroom for growth. Second, FC plans to boost new logo sales by investing in additional sales, marketing, and closing resources. These investments are designed to capitalize on the vast untapped market potential and drive double-digit revenue growth. Management has indicated that this will require ~ \$13.0M in incremental investments throughout the remainder of the year. We note that the Company seems to be ahead of schedule as hiring is largely complete for these projects, giving us confidence that meaningful contributions will be noticeable in 2H25.

Guidance – FC has reiterated its adjusted FY25 EBITDA guidance, projecting a range of \$40.0M to \$44.0M. The Company also reiterated its revenue guidance for FY25 in a range of \$295.0M to \$305.0M. We believe this range is reasonable and have made adjustments to our model.

Valuation - Based on our DCF analysis, we place a valuation range for FC of \$65.18 to \$74.73 with the mid-point of the range at \$69.57.

Summary

Exhibit 1: Quarterly Results Comparison to Model

	1Q25 results		Notes
	Reported	Model	
Total revenues	69.1	70.5	Revenue in-line with our expectations buoyed by strength in the Education Division
Cost of sales	16.4	17.0	
Gross (loss) profit	52.7	53.5	GPM was above our expectations
Gross margin	76.3%	75.9%	
SG&A	47.2	48.5	
D&A	2.0	2.3	
Total opex	51.2	50.8	
EBIT - adjusted	3.5	2.7	
Operating margin	5.0%	3.8%	
EBITDA - adjusted	7.7	8.0	EBITDA slightly below expectations
EBITDA margin	11.1%	11.4%	
Net income (loss) - adj	2.7	1.9	EPS outpaced our expectations
EPS (loss)	\$ 0.20	\$ 0.14	

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 conservative 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 4.6%
- A beta adjusted market risk premium of 5.5%
- An average cost of equity equal to 11.3% after factoring in a size premium
- A tax rate of 30%

The above assumption results in a valuation range of \$65.18 to \$74.73 with the mid-point of the range at \$69.57.

Sensitivity Analysis:

		Terminal Growth Rates				
		1.0%	1.5%	2.0%	2.5%	3.0%
Discount rate	10.50%	\$69.83	\$72.14	\$74.71	\$77.61	\$80.89
	10.75%	\$67.55	\$69.68	\$72.06	\$74.73	\$77.74
	11.00%	\$65.39	\$67.37	\$69.57	\$72.04	\$74.81
	11.25%	\$63.34	\$65.18	\$67.23	\$69.50	\$72.06
	11.50%	\$61.40	\$63.12	\$65.01	\$67.12	\$69.48

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:	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	299.7	330.0	369.6	421.4	479.3	544.0	617.4	697.7	788.4	890.9	#####	
Operating Income	26.4	33.0	19.2	28.1	39.5	54.8	65.9	78.9	94.5	115.1	135.6	153.2	173.2	
Less: Taxes (benefit)	8.1	9.6	6.0	8.9	9.9	13.7	16.5	19.7	23.6	28.8	33.9	38.3	43.3	
NOPAT	18.3	23.4	13.2	19.2	29.7	41.1	49.4	59.2	70.9	86.3	101.7	114.9	129.9	
Plus: Depreciation & Amortization	8.6	8.2	7.9	7.8	9.6	10.5	10.5	10.9	11.1	11.9	11.8	13.4	15.1	
Plus: Changes in WC	(11.8)	11.8	3.0	3.3	1.8	1.1	1.2	1.4	0.9	1.0	1.2	1.3	1.5	
Less: Capex	(13.6)	(11.3)	(12.3)	(9.9)	(9.2)	(8.4)	(7.2)	(8.2)	(6.2)	(7.0)	(7.1)	(8.0)	(9.1)	
Free Cash Flow	1.5	32.1	11.8	20.4	31.9	44.2	54.0	63.2	76.7	92.3	107.6	121.6	137.4	1,557.4
Discount period - months			9	21	33	45	57	69	81	93	105	117	129	
Discount period - years			0.8	1.8	2.8	3.8	4.8	5.8	6.8	7.8	8.8	9.8	10.8	
Discount factor			0.92	0.83	0.75	0.68	0.61	0.55	0.49	0.45	0.40	0.36	0.33	
PV of FCF			10.9	17.0	23.9	29.9	32.9	34.7	37.9	41.1	43.2	44.0	44.8	507.2
Growth rate assumptions:														
Revenue		2.4%	4.3%	10.1%	12.0%	14.0%	13.8%	13.5%	13.5%	13.0%	13.0%	13.0%	13.0%	
Operating Income		25.3%	-41.7%	46.0%	40.7%	38.5%	20.3%	19.7%	19.8%	21.9%	17.8%	13.0%	13.0%	
EBITDA		17.8%	-34.1%	32.2%	36.9%	32.9%	17.1%	17.4%	17.6%	20.3%	16.1%	13.0%	13.0%	
Free Cash Flow		2057.2%	-63.1%	72.5%	56.4%	38.8%	22.0%	17.2%	21.3%	20.3%	16.6%	13.0%	13.0%	
Margin assumptions:														
Operating Income	9.4%	11.5%	6.4%	8.5%	10.7%	13.0%	13.8%	14.5%	15.3%	16.5%	17.2%	17.2%	17.2%	
D&A as a % of sales	3.1%	2.8%	2.6%	2.4%	2.6%	2.5%	2.2%	2.0%	1.8%	1.7%	1.5%	1.5%	1.5%	
EBITDA	12.5%	14.3%	9.1%	10.9%	13.3%	15.5%	16.0%	16.5%	17.1%	18.2%	18.7%	18.7%	18.7%	
Taxes	30.7%	29.2%	31.4%	31.7%	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%	-4.1%	-3.0%	-2.5%	-2.0%	-1.5%	-1.5%	-1.0%	-1.0%	-0.9%	-0.9%	-0.9%	
Valuation:														
Shares outstanding	13.2													
PV of FCF	360.3													
PV of Terminal Value	507.2													
Enterprise Value	867.5													
less: Net Debt	(49.8)													
Estimated Total Value:	917.3													
Est Equity Value/share:	\$ 69.57													
Price	\$39.05													
Sensitivity Analysis:														
		Terminal Growth Rates												
		1.0%	1.5%	2.0%	2.5%	3.0%								
Discount rate	10.50%	\$69.83	\$72.14	\$74.71	\$77.61	\$80.89								
	10.75%	\$67.55	\$69.68	\$72.06	\$74.73	\$77.74								
	11.00%	\$65.39	\$67.37	\$69.57	\$72.04	\$74.81								
	11.25%	\$63.34	\$65.18	\$67.23	\$69.50	\$72.06								
	11.50%	\$61.40	\$63.12	\$65.01	\$67.12	\$69.48								

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 E 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	\$ 62.4	\$ 78.0	\$ 90.3	\$ 299.7	\$ 77.1	\$ 69.9	\$ 84.5	\$ 98.5	\$ 330.0
Total revenue	198.5	224.2	262.8	280.5	68.4	61.3	73.4	84.1	287.2	69.1	62.4	78.0	90.3	299.7	77.1	69.9	84.5	98.5	330.0
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	18.4	17.4	19.5	71.7	18.1	16.0	19.4	22.4	75.9
Total cost of revenues	53.1	51.3	60.9	67.0	16.1	14.5	17.2	18.4	66.2	16.4	18.4	17.4	19.5	71.7	18.1	16.0	19.4	22.4	75.9
Gross (loss) profit	145.4	172.9	201.9	213.5	52.3	46.9	56.2	65.7	221.1	52.7	43.9	60.5	70.8	228.0	59.0	53.9	65.0	76.1	254.1
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	44.3	50.9	55.5	197.9	53.5	50.1	54.7	59.9	218.2
Depreciation	6.7	6.2	4.9	4.3	1.1	0.9	1.0	0.9	3.9	1.0	0.9	0.9	0.9	3.5	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	1.0	-	-	3.0	-	-	-	-	-
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	52.8	57.5	208.7	55.4	52.0	56.7	61.9	226.0
Income (loss) from operations	3.1	8.1	23.7	26.4	5.3	1.4	8.3	17.9	33.0	1.5	(3.3)	7.7	13.3	19.2	3.6	1.9	8.4	14.2	28.1
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	(2.3)	7.7	13.3	22.2	3.6	1.9	8.4	14.2	28.1
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	0.1	0.1	0.1	0.1	0.1	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	0.1	0.1	0.1	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	(3.4)	7.7	13.3	19.2	3.5	1.9	8.3	14.2	27.9
Income taxes (benefit)	10.2	(7.5)	3.6	8.1	0.4	0.5	2.6	6.0	9.6	0.4	(1.1)	2.5	4.3	6.0	1.1	0.6	2.7	4.5	8.9
Net income (loss)	(9.4)	13.6	18.4	17.8	4.9	0.9	5.7	12.0	23.4	1.2	(2.3)	5.2	9.0	13.2	2.4	1.3	5.7	9.7	19.0
EPS (loss)	\$ (0.68)	\$ 0.97	\$ 1.29	\$ 1.24	\$ 0.36	\$ 0.06	\$ 0.43	\$ 0.89	\$ 1.74	\$ 0.09	\$ (0.17)	\$ 0.39	\$ 0.68	\$ 0.99	\$ 0.18	\$ 0.09	\$ 0.42	\$ 0.72	\$ 1.42
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	(1.7)	5.5	9.6	16.1	2.5	1.3	6.0	10.2	20.1
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	\$ (0.13)	\$ 0.42	\$ 0.72	\$ 1.21	\$ 0.19	\$ 0.10	\$ 0.45	\$ 0.76	\$ 1.50
Shares outstanding	13.9	14.1	14.3	14.3	13.6	13.5	13.4	13.4	13.5	13.3	13.1	13.3	13.3	13.3	13.3	13.3	13.4	13.4	13.3
EBITDA	14.3	19.3	33.8	35.0	7.5	3.4	10.4	19.9	41.2	3.5	(1.3)	9.7	15.3	27.1	5.5	3.9	10.3	16.2	35.9
EBITDA - adjusted (1)	14.3	28.0	42.2	48.1	11.0	7.4	13.9	22.9	55.3	7.7	2.2	13.0	18.9	41.7	8.7	7.1	13.5	19.5	48.8

Margin Analysis

Gross margin	73.3%	77.1%	76.8%	76.1%	76.4%	76.4%	76.6%	78.1%	77.0%	76.3%	70.5%	77.7%	78.4%	76.1%	76.5%	77.1%	77.0%	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%	-5.3%	9.9%	14.8%	6.4%	4.6%	2.7%	9.9%	14.5%	8.5%
Operating margin - adjusted	1.8%	3.6%	9.0%	9.6%	8.6%	6.7%	12.3%	21.3%	12.9%	5.0%	-3.7%	9.9%	14.8%	7.4%	4.6%	2.7%	9.9%	14.5%	8.5%
EBITDA margin	7.2%	8.6%	12.9%	12.5%	11.0%	5.6%	14.2%	23.6%	14.3%	5.1%	-2.2%	12.4%	16.9%	9.1%	7.2%	5.5%	12.2%	16.4%	10.9%
EBITDA adjusted margin	7.2%	12.5%	16.1%	17.1%	16.0%	12.1%	19.0%	27.3%	19.2%	11.1%	3.4%	16.7%	20.9%	13.9%	11.3%	10.1%	16.0%	19.8%	14.8%
Pre-tax margin	0.4%	2.7%	8.4%	9.2%	7.7%	2.3%	11.4%	21.4%	11.5%	2.3%	-5.4%	9.8%	14.7%	6.4%	4.6%	2.7%	9.8%	14.4%	8.4%
Net income margin	-4.8%	6.1%	7.0%	6.3%	7.1%	1.4%	7.8%	14.2%	8.1%	1.7%	-3.7%	6.7%	10.0%	4.4%	3.1%	1.8%	6.7%	9.8%	5.7%
Tax rate	1285.3%	-124.2%	16.5%	31.3%	8.1%	38.2%	31.6%	33.5%	29.2%	25.6%	32.0%	32.0%	32.0%	31.5%	32.0%	32.0%	32.0%	32.0%	32.0%

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%	1.7%	6.3%	7.3%	4.3%	11.7%	12.1%	8.3%	9.1%	10.1%
Total cost of revenues	-19.6%	-3.4%	18.8%	10.0%	-3.0%	-0.4%	-0.2%	-1.4%	-1.3%	1.6%	27.3%	1.5%	5.9%	8.4%	10.7%	-13.1%	11.5%	14.8%	5.9%
Selling, general and administrative	-11.0%	18.7%	9.4%	6.2%	0.4%	-3.7%	-1.2%	-1.4%	-1.4%	6.8%	8.6%	12.7%	21.0%	12.5%	13.3%	13.0%	7.6%	8.0%	10.3%
Depreciation	4.7%	-7.1%	-20.8%	-12.9%	-12.4%	-4.0%	6.0%	-20.2%	-8.6%	-12.9%	-6.9%	-14.1%	-6.6%	-10.3%	-10.5%	0.0%	0.0%	0.0%	-2.9%
Amortization	-7.4%	8.7%	5.2%	-17.5%	-1.9%	-2.0%	-2.2%	-2.4%	-2.1%	2.5%	2.7%	3.6%	5.3%	3.5%	0.2%	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%	-328.7%	-7.3%	-25.6%	-41.7%	142.3%	158.0%	8.2%	6.8%	46.0%
Operating income - adjusted	-19.9%	127.0%	191.5%	13.4%	-7.6%	44.8%	37.6%	61.0%	37.3%	-41.5%	-156.1%	-14.5%	-25.6%	-39.9%	3.3%	183.2%	8.2%	6.8%	26.4%
EBITDA - adjusted	-30.7%	95.7%	50.9%	13.9%	-4.4%	-9.0%	17.0%	38.9%	15.0%	-30.0%	-71.1%	-6.8%	-17.6%	-24.6%	13.7%	228.2%	4.1%	3.2%	17.0%
Pre-tax income	34.5%	663.3%	263.2%	17.2%	-13.0%	-49.1%	27.1%	72.2%	27.7%	-69.9%	-337.0%	-8.2%	-26.1%	-41.9%	121.8%	155.4%	8.3%	6.8%	45.2%
Net income	-822.3%	244.4%	35.3%	-3.5%	3.9%	-49.7%	25.4%	75.5%	31.6%	-75.7%	-360.9%	-8.8%	-24.4%	-43.8%	102.7%	155.4%	8.3%	6.8%	44.1%
EPS	-826.0%	242.3%	33.3%	-3.4%	10.6%	-45.8%	33.8%	82.1%	39.7%	-75.0%	-368.4%	-8.2%	-24.0%	-43.0%	101.8%	154.4%	7.8%	6.4%	43.5%
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%	-0.6%	-0.6%	-1.3%	0.4%	1.8%	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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