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Zoetis Inc. (ZTS) Overweig

Q1 Expectations Seem Reasonable; Pullback Creates Attractive Entry Point

CONCLUSION

We believe the recent pullback in shares of ZTS has created an attractive entry point. We believe the stock has been weak for a few reasons: 1) concerns regarding the production animal business in some emerging markets, e.g. bird flu in China, 2) the overhang from the drought in the U.S. and smaller herd sizes this year, and 3) the longer winter in the upper Midwest. We expect slower growth during 1H13 due to some of these headwinds, however Street revenue estimates of ~3% growth for Q1 seem reasonable and achievable, in our view. Treatment for some of the younger calves may shift from the March quarter to June due to recent snowfall in April in the upper plains states, which is not a major issue in our opinion. With the stock trading closer to 19x our FY14E EPS, we remain buyers into earnings next Tuesday (4/30).

- Expect in-line FY13 guidance. We expect ZTS to report mostly in-line Q1 results and issue FY13 guidance that is in-line with Street estimates. The Street currently expects FY13 revenues and EPS of \$4,533 MM (+4.6% y/y) and \$1.38, which compares to our estimates of \$4,504 MM (+3.9% y/y) and \$1.42, respectively. We are forecasting Q1 EPS of \$0.34 on revenues of \$1,073 MM, which compares to consensus EPS of \$0.33 and revenues of \$1,079 MM. Our Q1 revenue estimate is primarily driven by 5% growth in APAC revenues to \$182.7 MM and 4% growth in U.S. revenues to \$442 MM, while we expect EuAfME and CLAR revenues to remain relatively flat y/y. While there is some concern about smaller herd sizes in the U.S. due to last year's drought, ZTS' presence in the Latin American countries like Brazil is fairly strong and this could help mitigate some of the headwinds the company faces domestically.
- China bird flu unlikely to have a significant impact. We believe recent media stories surrounding a bird flu outbreak in China has raised concern among investors as farmers in China have been killing their flocks in order to prevent further outbreak. While reduced flock sizes could create a headwind for medication and vaccine sales, we are not overly concerned since ZTS has limited revenue exposure to poultry product sales in China, which we estimate at ~1%. We also believe some of the other concerns raised from competing manufacturers seem overblown, and it is difficult to draw a direct correlation from one manufacturer to another. Other key topics for the call include antibiotic use in production animals, FY13 guidance, the impact from the drought, companion animal trends, capital allocation, and margin expansion opportunities.
- ZTS reports before the open on Tuesday, April 30th. Conference call at 8:30 AM ET.

RISKS TO ACHIEVEMENT OF PRICE TARGET

Risks include increased regulatory pressures, adverse weather conditions, lower utilization of products, increased competition, and macro economic factors.

COMPANY DESCRIPTION

Zoetis is the leading global manufacturer of animal health medications and vaccines.

VEAD			I	REVENUE	(US\$ m)		EARNINGS PER SHARE (US\$)							
YEAR	Mar	Jun	Sep	Dec	FY	FY RM	Mar	Jun	Sep	Dec	FY	FY P/E		
2012A	1,047.0	1,094.0	1,019.0	1,176.0	4,336.0	3.7X	0.30	0.35	0.31	0.11	1.08	29.4X		
2013E	1,073.2	1,132.3	1,080.1	1,218.7	4,504.3	3.5x	0.34	0.36	0.36	0.35	1.42	22.3X		
2014E	1,121.4	1,193.2	1,147.2	1,300.3	4,762.1	3.3x	0.38	0.41	0.40	0.43	1.62	19.6x		

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PRICE: US\$31.70 TARGET: US\$40.00 (24.5x FY14E EPS)

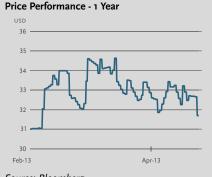
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Changes	Previous	Current
Rating	_	Overweight
Price Tgt	_	US\$40.00
FY13E Rev (mil)	_	US\$4,504.3
FY14E Rev (mil)	_	US\$4,762.1
FY13E EPS	_	US\$1.42
FY14E EPS	_	US\$1.62
52-Week High / Low	US\$35.4	2 / US\$26.00
Shares Out (mil)		500.0
Market Cap. (mil)		US\$15,850.0
Book Value/Share		US\$8.o8
Net Cash Per Share		US\$0.53
Debt to Total Capital		75%
Div (ann)		US\$0.26
Yield		0.82%
Fiscal Year End		Dec



Source: Bloomberg

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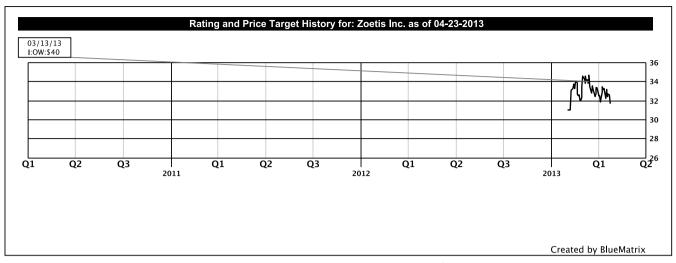
Period	FY09	FY10	FY11	1Q12	2Q12	3Q12	4Q12	FY12	1013E	2Q13E	3Q13E	4Q13E	FY13E	1014E	2014E	3014E	4Q14E	FY14E	FY15E
Ending	12/31/09	12/31/10	12/31/11	3/31/12	6/30/12	9/30/12	12/31/12	12/31/12	3/31/13	6/30/13	9/30/13	12/31/13	12/31/13	3/31/14	6/30/14	9/30/14	12/31/14	12/31/14	12/31/15
Revenues	\$2,760.0	\$3,582.0	\$4,233.0	\$1,047.0	\$1,094.0	\$1,019.0	\$1,176.0	\$4.336.0	\$1,073.2	\$1,132.3	\$1,080.1	\$1,218.7	\$4,504.3	\$1,121,4	\$1,193.2	\$1,147.2	\$1,300.3	\$4,762.1	\$5.041.8
Change, yr/yr	72,700.0	29.8%	18.2%	6.5%	1.9%	-2.9%	4.3%	2.4%	2.5%	3.5%	6.0%	3.6%	3.9%	4.5%	5.4%	6.2%	6.7%	5.7%	5.9%
Change, qtr/qtr		27.0%	70.270	-7.1%	4.5%	-6.9%	15.4%	2	-8.7%	5.5%	-4.6%	12.8%	0.770	-8.0%	6.4%	-3.9%	13.3%	2.770	2.57.0
Cost of sales	1.001.0	1,318.0	1,581.0	388.0	382.0	352.0	\$427.0	1,549.0	386.4	405.9	375.4	431.4	1.599.0	395.3	420.6	392.9	445.3	1,654.2	1,727.3
Gross Profit	1,759.0	2,264.0	2,652.0	659.0	712.0	667.0	749.0	2,787.0	686.9	726.4	704.8	787.3	2,905.3	726,1	772.6	754.3	854.9	3,107.9	3,314.5
Gross Margin	63.73%	63.20%	62.65%	62.94%	65.08%	65.46%	63.69%	64.28%	64.00%	64.15%	65.25%	64.60%	64.50%	64.75%	64.75%	65.75%	65.75%	65.26%	65.74%
SG&A	1,057.0	1,365.0	1,447.0	331.0	351.0	330.0	440.0	1,452.0	332.7	353.8	334.8	396.1	1,417.4	336.4	363.9	349.9	412.8	1,463.1	1,519.2
R&D	365.0	411.0	407.0	93.0	91.0	94.0	121.0	399.0	92.8	93.4	91.8	118.8	396.9	96.4	97.2	97.5	117.0	408.2	416.8
Amortization of intangibles	16.0	17.0	20.0	4.0	3.0	4.0	4.0	15.0	4.0	4.0	4.0	4.0	16.0	4.0	4.0	4.0	4.0	16.0	16.0
Restructuring	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other expenses/(income)	(1.0)	(25.0)	(28.0)	(6.0)	(7.0)	(10.0)	2.0	(21.0)	(8.0)	(8.0)	(8.0)	(8.0)	(32.0)	(9.0)	(9.0)	(9.0)	(9.0)	(36.0)	(36.0)
Total operating expenses	1,437.0	1,768.0	1,846.0	422.0	438.0	418.0	567.0	1,845.0	421.5	443.2	422.7	510.9	1,798.3	427.9	456.2	442.4	524.9	1,851.3	1,916.0
Adj. Operating Income	322.0	496.0	806.0	237.0	274.0	249.0	182.0	942.0	265.3	283.1	282,1	276.4	1,106.9	298.2	316.4	311.9	330.1	1,256.6	1,398.6
Adj. Operating Margin	11.67%	13.85%	19.04%	22.64%	25.05%	24.44%	15.48%	21.73%	24.72%	25.00%	26.12%	22.68%	24.58%	26.60%	26.52%	27.19%	25.38%	26.39%	27.74%
Interest expense	26.0	37.0	36.0	8.0	8.0	7.0	8.0	31.0	25.6	<u>27.1</u>	<u>27.1</u>	27.1	107.0	<u>29.1</u>	<u>29.1</u>	<u>29.1</u>	29.1	116.6	112.0
Income before taxes	296.0	459.0	770.0	229.0	266.0	242.0	174.0	911.0	239.7	256.0	255.0	249.2	999.9	269.1	287.3	282.7	300.9	1,140.0	1,286.6
Pretax Margin	10.72%	12.81%	18.19%	21.87%	24.31%	23.75%	14.80%	21.01%	22.34%	22.61%	23.61%	20.45%	22.20%	24.00%	24.08%	24.65%	23.14%	23.94%	25.52%
Income taxes	108.0	183.0	264.0	76.0	90.0	89.0	117.0	372.0	69.5	74.2	74.0	72.3	290.0	78.0	83.3	82.0	87.3	330.6	373.1
Tax Rate	36.49%	39.87%	34.29%	33.19%	33.83%	36.78%	67.24%	40.83%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%
Net Income	188.0	276.0	506.0	153.0	176.0	153.0	57.0	539.0	170.2	181.7	181.1	177.0	710.0	191.1	204.0	200.7	213.7	809.4	913.5
less: net income attributable to noncon	(1.0)	1.0	3.0	1.0	0.0	(1.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income attributable to Zoetis	189.0	275.0	503.0	152.0	176.0	154.0	57.0	539.0	170.2	181.7	181.1	177.0	710.0	191,1	204.0	200.7	213.7	809.4	913.5
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Net Margin	6.85%	7.68%	11.88%	14.52%	16.09%	15.11%	4.85%	12.43%	15.86%	16.05%	16.76%	14.52%	15.76%	17.04%	17.09%	17.50%	16.43%	17.00%	18.12%
Net Margin Diluted EPS	6.85% \$0.38	7.68% \$0.55	11.88% \$1.01	14.52% \$0.30	16.09% \$0.35	15.11% \$0.31	4.85% \$0.11	12.43% \$1.08	15.86% \$0.34	16.05% \$0.36	16.76% \$0.36	14.52% \$0.35	15.76% \$1.42	17.04% \$0.38	17.09% \$0.41	17.50% \$0.40	16.43% \$0.43	17.00% \$1.62	18.12% \$1.83
Diluted EPS	\$0.38	\$0.55	\$1.01	\$0.30	\$0.35	\$0.31	\$0.11	\$1.08	\$0.34	\$0.36	\$0.36	\$0.35	\$1.42	\$0.38	\$0.41	\$0.40	\$0.43	\$1.62	\$1.83
Diluted EPS Diluted Shares	\$0.38	\$0.55	\$1.01 500.0	\$0.30 500.0	\$0.35 500.0	\$0.31 500.0	\$0.11 500.0	\$1.08 500.0	\$0.34 500.0	\$0.36 500.0	\$0.36 500.0	\$0.35 500.0	\$1.42 500.0	\$0.38 500.0	\$0.41 500.0	\$0.40 500.0	\$0.43 500.0	\$1.62 500.0	\$1.83 500.0
Diluted EPS Diluted Shares Dividend	\$0.38	\$0.55	\$1.01 500.0	\$0.30 500.0	\$0.35 500.0	\$0.31 500.0	\$0.11 500.0	\$1.08 500.0	\$0.34 500.0 \$0.065	\$0.36 500.0 \$0.065	\$0.36 500.0 \$0.065	\$0.35 500.0 \$0.065	\$1.42 500.0 \$0.26	\$0.38 500.0 \$0.065	\$0.41 500.0 \$0.065	\$0.40 500.0 \$0.065	\$0.43 500.0 \$0.065	\$1.62 500.0 \$0.26	\$1.83 500.0 \$0.26
Diluted EPS Diluted Shares Dividend Dividend yield Payout	\$0.38 500.0	\$0.55 500.0	\$1.01 500.0 \$0.83 82.7%	\$0.30 500.0 \$0.104 34.2%	\$0.35 500.0 \$0.020 5.7%	\$0.31 500.0 \$0.002 0.6%	\$0.11 500.0 \$0.000 0.0%	\$1.08 500.0 \$0.13 11.7%	\$0.34 500.0 \$0.065 0.9% 19.1%	\$0.36 500.0 \$0.065 0.9% 17.9%	\$0.36 500.0 \$0.065 0.9% 18.0%	\$0.35 500.0 \$0.065 0.9% 18.4%	\$1.42 500.0 \$0.26 0.9% 18.3%	\$0.38 500.0 \$0.065 0.9% 17.0%	\$0.41 500.0 \$0.065 0.9% 15.9%	\$0.40 500.0 \$0.065 0.9% 16.2%	\$0.43 500.0 \$0.065 0.9% 15.2%	\$1.62 500.0 \$0.26 0.9% 16.1%	\$1.83 500.0 \$0.26 0.9% 14.2%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization	\$0.38 500.0	\$0.55 500.0 122.0	\$1.01 500.0 \$0.83 82.7% 137.0	\$0.30 500.0 \$0.104 34.2% 32.9	\$0.35 500.0 \$0.020 5.7% 37.0	\$0.31 500.0 \$0.002 0.6% 37.0	\$0.11 500.0 \$0.000 0.0% 30.1	\$1.08 500.0 \$0.13 11.7% 137.0	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1	\$1.83 500.0 \$0.26 0.9% 14.2%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA	\$0.38 500.0	\$0.55 500.0	\$1.01 500.0 \$0.83 82.7%	\$0.30 500.0 \$0.104 34.2%	\$0.35 500.0 \$0.020 5.7%	\$0.31 500.0 \$0.002 0.6%	\$0.11 500.0 \$0.000 0.0%	\$1.08 500.0 \$0.13 11.7%	\$0.34 500.0 \$0.065 0.9% 19.1%	\$0.36 500.0 \$0.065 0.9% 17.9%	\$0.36 500.0 \$0.065 0.9% 18.0%	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6	\$1.42 500.0 \$0.26 0.9% 18.3%	\$0.38 500.0 \$0.065 0.9% 17.0%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4	\$0.40 500.0 \$0.065 0.9% 16.2%	\$0.43 500.0 \$0.065 0.9% 15.2%	\$1.62 500.0 \$0.26 0.9% 16.1%	\$1.83 500.0 \$0.26 0.9% 14.2%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin	\$0.38 500.0 103.0 426.0	\$0.55 500.0 122.0 617.0	\$1.01 500.0 \$0.83 82.7% 137.0 940.0	\$0.30 500.0 \$0.104 34.2% 32.9 268.9	\$0.35 500.0 \$0.020 5.7% 37.0 311.0	\$0.31 500.0 \$0.002 0.6% 37.0 287.0	\$0.11 500.0 \$0.000 0.0% 30.1 212.1	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis:	\$0.38 500.0 103.0 426.0 15.43%	\$0.55 500.0 122.0 617.0 17.23%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37%	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.68%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales	\$0.38 500.0 103.0 426.0 15.43% 36.27%	\$0.55 500.0 122.0 617.0 17.23% 36.80%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75%	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.68%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales SG&A	\$0.38 500.0 103.0 426.0 15.43% 36.27% 38.30%	\$0.55 500.0 122.0 617.0 17.23% 36.80% 38.11%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35% 34.18%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68% 37.06% 31.61%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92% 32.08%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16% 34.54% 32.38%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04% 36.31% 37.41%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72% 33.49%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97% 36.00% 31.00%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25% 35.85% 31.25%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75% 31.00%	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93% 35.40% 32.50%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83% 35.50% 31.47%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90% 35.25% 30.00%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82% 35.25% 30.50%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49% 34.25% 30.50%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.68% 34.25% 31.75%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69% 34.74% 30.72%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04% 34.26% 30.13%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales SG&A R&D	\$0.38 500.0 103.0 426.0 15.43% 36.27%	\$0.55 500.0 122.0 617.0 17.23% 36.80%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35% 34.18% 9.61%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68% 37.06% 31.61% 8.88%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92% 32.08% 8.32%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16% 34.54% 32.38% 9.22%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04% 36.31% 37.41% 10.29%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72% 33.49% 9.20%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97% 36.00% 31.00% 8.65%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25% 35.85% 31.25% 8.25%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75% 31.00% 8.50%	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93% 35.40% 32.50% 9.75%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83% 35.50% 31.47% 8.81%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90% 35.25% 30.00% 8.60%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82% 35.25% 30.50% 8.15%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49% 34.25% 30.50% 8.50%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.68% 34.25% 31.75% 9.00%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales SG&A R&D Total operating expenses	\$0.38 500.0 103.0 426.0 15.43% 36.27% 38.30% 13.22%	\$0.55 500.0 122.0 617.0 17.23% 36.80% 38.11% 11.47% 49.36%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35% 34.18%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68% 37.06% 31.61%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92% 32.08%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16% 34.54% 32.38%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04% 36.31% 37.41% 10.29% 48.21%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72% 33.49%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97% 36.00% 31.00%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25% 35.85% 31.25%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75% 31.00%	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93% 35.40% 32.50%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83% 35.50% 31.47%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90% 35.25% 30.00%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82% 35.25% 30.50%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49% 34.25% 30.50%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.68% 34.25% 31.75%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69% 34.74% 30.72% 8.57%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04% 34.26% 30.13% 8.27%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales SG&A R&D Total operating expenses Depreciation and amortization	\$0.38 500.0 103.0 426.0 15.43% 36.27% 38.30% 13.22% 52.07%	\$0.55 500.0 122.0 617.0 17.23% 36.80% 38.11% 11.47%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35% 34.18% 9.61% 43.61%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68% 37.06% 31.61% 8.88% 40.31%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92% 32.08% 8.32% 40.04%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16% 34.54% 32.38% 9.22% 41.02%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04% 36.31% 37.41% 10.29%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72% 33.49% 9.20% 42.55%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97% 36.00% 31.00% 8.65% 39.28%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25% 35.85% 31.25% 8.25% 39.15%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75% 31.00% 8.50% 39.13%	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93% 35.40% 32.50% 9.75% 41.92%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83% 35.50% 31.47% 8.81% 39.92%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90% 35.25% 30.00% 8.60% 38.15%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82% 35.25% 30.50% 8.15% 38.23%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49% 34.25% 30.50% 8.50% 38.56%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.66% 34.25% 31.75% 9.00% 40.37%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69% 34.74% 30.72% 8.57% 38.88%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04% 34.26% 30.13% 8.27% 38.00%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales SG&A R&D Total operating expenses Depreciation and amortization Yr/Yr Growth:	\$0.38 500.0 103.0 426.0 15.43% 36.27% 38.30% 13.22% 52.07%	\$0.55 500.0 122.0 617.0 17.23% 36.80% 38.11% 11.47% 49.36% 3.41%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35% 34.18% 9.61% 43.61% 3.24%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68% 37.06% 31.61% 8.88% 40.31% 3.14%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92% 32.08% 8.32% 40.04% 3.38%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16% 34.54% 32.38% 9.22% 41.02% 3.63%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04% 36.31% 37.41% 10.29% 48.21% 2.56%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72% 33.49% 9.20% 42.55% 3.16%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97% 36.00% 31.00% 8.65% 39.28% 3.25%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25% 35.85% 31.25% 8.25% 39.15% 3.25%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75% 31.00% 8.50% 39.13% 3.25%	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93% 35.40% 32.50% 9.75% 41.92% 3.25%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83% 35.50% 31.47% 8.81% 39.92% 3.25%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90% 35.25% 30.00% 8.60% 38.15% 3.30%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82% 35.25% 30.50% 8.15% 38.23% 3.30%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49% 34.25% 30.50% 8.50% 38.56% 3.30%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.68% 34.25% 31.75% 9.00% 40.37% 3.30%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69% 34.74% 30.72% 8.57% 38.88% 3.30%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04% 34.26% 30.13% 8.27% 38.00% 3.30%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales SG&A R&D Total operating expenses Depreciation and amortization Yr/Yr Growth: Cost of Sales	\$0.38 500.0 103.0 426.0 15.43% 36.27% 38.30% 13.22% 52.07%	\$0.55 500.0 122.0 617.0 17.23% 36.80% 38.11% 11.47% 49.36% 3.41% 31.7%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35% 34.18% 9.61% 43.61% 3.24%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68% 37.06% 31.61% 8.88% 40.31% 3.14%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92% 32.08% 8.32% 40.04% 3.38% -10.5%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16% 34.54% 32.38% 9.22% 41.02% 3.63%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04% 36.31% 37.41% 10.29% 48.21% 2.56%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72% 33.49% 9.20% 42.55% 3.16%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97% 36.00% 31.00% 8.65% 39.28% 3.25%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25% 35.85% 31.25% 8.25% 39.15% 3.25%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75% 31.00% 8.50% 39.13% 3.25%	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93% 35.40% 32.50% 9.75% 41.92% 3.25% 1.0%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83% 35.50% 31.47% 8.81% 39.92% 3.25%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90% 35.25% 30.00% 8.60% 38.15% 3.30%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82% 35.25% 30.50% 8.15% 38.23% 3.30%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49% 34.25% 30.50% 8.50% 3.30% 4.7%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.66% 34.25% 31.75% 9.00% 40.37% 3.30%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69% 34.74% 30.72% 8.57% 38.88% 3.30%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04% 34.26% 30.13% 8.27% 38.00% 3.30% 4.4%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales SG&A R&D Total operating expenses Depreciation and amortization Yr/Yr Growth; Cost of Sales Gross Profit	\$0.38 500.0 103.0 426.0 15.43% 36.27% 38.30% 13.22% 52.07%	\$0.55 500.0 122.0 617.0 17.23% 36.80% 38.11% 49.36% 3.41% 31.7% 28.7%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35% 34.18% 9.61% 43.61% 3.24% 20.0% 17.1%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68% 37.06% 31.61% 8.88% 40.31% 3.14% 5.4% 7.2%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92% 32.08% 8.32% 40.04% 3.38% -10.5% 10.0%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16% 34.54% 32.38% 9.22% 41.02% 3.63% -9.7% 1.2%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04% 36.31% 37.41% 10.29% 48.21% 2.56% 7.8% 2.5%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72% 33.49% 9.20% 42.55% 3.16% -2.0% 5.1%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97% 36.00% 31.00% 8.65% 39.28% 3.25%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25% 35.85% 31.25% 8.25% 39.15% 3.25% 6.3% 2.0%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75% 31.00% 8.50% 39.13% 3.25%	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93% 35.40% 32.50% 9.75% 41.92% 3.25% 1.0% 5.1%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83% 35.50% 31.47% 8.81% 39.92% 3.25% 4.2%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90% 35.25% 30.00% 8.60% 38.15% 3.30%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82% 35.25% 30.50% 8.15% 38.23% 3.30% 3.6% 6.4%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49% 34.25% 30.50% 8.50% 38.56% 33.30%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.68% 34.25% 31.75% 9.00% 40.37% 3.30%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69% 34.74% 30.72% 8.57% 38.88% 3.30%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04% 34.26% 30.13% 8.27% 38.00% 3.30% 4.4% 6.6%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales SG&A R&D Total operating expenses Depreciation and amortization Yr/Yr Growth: Cost of Sales Gross Profit SG&A	\$0.38 500.0 103.0 426.0 15.43% 36.27% 38.30% 13.22% 52.07%	\$0.55 500.0 122.0 617.0 17.23% 36.80% 38.11% 11.47% 49.36% 3.41% 31.7% 28.7% 29.1%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35% 34.18% 9.61% 43.61% 3.24% 20.0% 17.1% 6.0%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68% 37.06% 31.61% 8.88% 40.31% 3.14% 5.4% 7.2% -1.2%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92% 32.08% 8.32% 40.04% 3.38% -10.5% 10.0% -2.2%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16% 34.54% 32.38% 9.22% 41.02% 3.63% -9.7% 1.2% 0.3%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04% 36.31% 37.41% 10.29% 48.21% 2.56% 7.8% 2.56%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72% 33.49% 9.20% 42.55% 3.16% -2.0% 5.1% 0.3%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97% 36.00% 8.65% 39.28% 3.25% -0.4% 4.2% 0.5%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25% 35.85% 31.25% 8.25% 39.15% 3.25% 6.3% 2.0% 0.8%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75% 31.00% 8.50% 39.13% 6.6% 5.7% 1.5%	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93% 35.40% 9.75% 41.92% 3.25% 1.0% 5.1% -10.0%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83% 35.50% 31.47% 8.81% 39.92% 3.25% 4.2% -2.4%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90% 35.25% 30.00% 8.60% 38.15% 3.30% 2.3% 5.7% 1.1%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82% 35.25% 30.50% 8.15% 38.23% 3.30% 6.4% 2.9%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49% 34.25% 30.50% 8.50% 38.56% 3.30% 4.7% 7.0% 4.5%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.68% 34.25% 31.75% 9.00% 40.37% 3.30% 3.2% 8.6% 4.2%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69% 34.74% 30.72% 8.57% 38.88% 3.30% 3.4% 7.0% 3.2%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04% 34.26% 30.13% 8.27% 38.00% 3.30% 4.4% 6.6% 3.8%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales SG&A R&D Total operating expenses Depreciation and amortization Yr/Yr Growth: Cost of Sales Gross Profit SG&A R&D	\$0.38 500.0 103.0 426.0 15.43% 36.27% 38.30% 13.22% 52.07%	\$0.55 500.0 122.0 617.0 17.23% 36.80% 38.11% 11.47% 49.36% 3.41% 31.7% 28.7% 29.1% 12.6%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35% 34.18% 9.61% 43.61% 3.24% 20.0% 17.1% 6.0% -1.0%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68% 37.06% 31.61% 8.88% 40.31% 3.14% 5.4% 7.2% -6.1%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92% 32.08% 8.32% 40.04% 3.38% -10.5% 10.0% -2.2% -9.0%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16% 34.54% 32.38% 9.22% 41.02% 3.63% -9.7% 1.2% 0.3% -4.1%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04% 36.31% 37.41% 10.29% 48.21% 2.56% 7.8% 2.55% 3.8% 10.0%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72% 33.49% 9.20% 42.55% 3.16% -2.0% 5.1% 0.3% -2.0%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97% 36.00% 31.00% 8.65% 39.28% 3.25% -0.4% 4.2% 0.5% -0.2%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25% 35.85% 31.25% 8.25% 39.15% 3.25% 6.3% 2.0% 0.8% 2.7%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75% 31.00% 8.50% 39.13% 3.25% 6.6% 5.7% 1.5% 	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93% 35.40% 32.50% 9.75% 41.92% 3.25% 1.0% 5.1% -10.0% -1.8%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83% 35.50% 31.47% 8.81% 39.92% 3.25% 4.2% -2.4% -0.5%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90% 35.25% 30.00% 8.60% 38.15% 3.30% 2.3% 5.7% 1.1% 3.9%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82% 30.50% 8.15% 38.23% 3.30% 6.4% 2.9% 4.1%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49% 34.25% 30.50% 8.50% 3.30% 4.7% 7.0% 4.5% 6.2%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.68% 34.25% 31.75% 9.00% 40.37% 3.30% 3.2% 8.6% 4.2% -1.5%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69% 34.74% 30.72% 8.57% 38.88% 3.30% 3.4% 7.0% 3.2% 2.9%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04% 34.26% 30.13% 8.27% 38.00% 3.30% 4.4% 6.6% 3.8% 2.1%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales SG&A R&D Total operating expenses Depreciation and amortization Yr/Yr Growth: Cost of Sales Gross Profit SG&A R&D Adjusted Operating Income	\$0.38 500.0 103.0 426.0 15.43% 36.27% 38.30% 13.22% 52.07%	\$0.55 500.0 122.0 617.0 17.23% 36.80% 38.11% 11.47% 49.36% 3.41% 31.7% 29.1% 12.6% 54.0%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35% 34.18% 9.61% 43.61% 3.24% 20.0% 17.1% 6.0% -1.0% 62.5%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68% 37.06% 31.61% 8.88% 40.31% 3.14% 5.4% 7.2% -1.2% -6.1% 28.8%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92% 32.08% 8.32% 40.04% 3.38% -10.5% 10.0% -2.2% -9.0% 46.5%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16% 34.54% 32.38% 9.22% 41.02% 3.63% -9.7% 1.2% 0.3% -4.1% 6.4%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04% 36.31% 37.41% 10.29% 48.21% 2.56% 7.8% 2.56% 10.0% -9.5%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72% 33.49% 9.20% 42.55% 3.16% -2.0% 5.1% 0.3% -2.0% 16.9%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97% 36.00% 31.00% 8.65% 39.28% -0.4% 4.2% 0.5% -0.2% 12.0%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25% 35.85% 31.25% 8.25% 3.25% 6.3% 2.0% 0.8% 2.7% 3.3%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75% 31.00% 8.50% 39.13% 3.25% 6.6% 5.7% 1.5% 	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93% 35.40% 32.50% 9.75% 41.92% 3.25% 1.0% 5.1% -10.0% -1.8% 51.9%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83% 35.50% 31.47% 8.81% 39.92% 3.25% 4.2% -2.4% -0.5% 17.5%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90% 35.25% 30.00% 8.60% 38.15% 3.30% 2.3% 5.7% 1.1% 3.9% 12.4%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82% 30.50% 8.15% 38.23% 3.30% 3.6% 6.4% 2.9% 4.1% 11.8%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49% 34.25% 30.50% 8.50% 38.56% 3.30% 4.7% 7.0% 4.5% 6.2% 10.5%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.68% 34.25% 31.75% 9.00% 40.37% 3.30% 3.2% 8.6% 4.2% 1.5%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69% 34.74% 30.72% 8.57% 38.88% 3.30% 3.4% 7.0% 3.2% 2.9% 13.5%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04% 34.26% 30.13% 8.27% 38.00% 3.30% 4.4% 6.6% 3.8% 2.1% 11.3%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales SG&A R&D Total operating expenses Depreciation and amortization Yr/Yr Growth: Cost of Sales Gross Profit SG&A R&D Adjusted Departing Income Income before taxes	\$0.38 500.0 103.0 426.0 15.43% 36.27% 38.30% 13.22% 52.07%	\$0.55 500.0 122.0 617.0 17.23% 36.80% 38.11% 11.47% 49.36% 3.41% 31.7% 28.7% 29.1% 54.0% 54.0% 55.1%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35% 34.18% 9.61% 43.61% 3.24% 20.0% 17.1% 6.0% 62.5% 67.8%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68% 37.06% 31.61% 8.88% 40.31% 3.14% 5.4% 7.2% -6.1% 28.8% 30.9%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92% 32.08% 8.32% 40.04% 3.38% -10.5% 10.0% -2.0% 46.5% 49.4%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16% 34.54% 32.38% 9.22% 41.02% 3.63% -9.7% 1.2% 0.3% -4.1% 6.4% 7.6%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04% 36.31% 37.41% 10.29% 48.21% 2.56% 7.8% 2.56% 10.0% -9.5% -9.4%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72% 33.49% 9.20% 42.55% 3.16% -2.0% 5.1% 0.3% -2.0% 16.9% 18.3%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97% 36.00% 31.00% 8.65% 39.28% 3.25% -0.4% 4.2% -0.2% 12.0% 4.7%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25% 31.25% 8.25% 39.15% 3.25% 6.3% 2.0% 0.8% 2.7% 3.3% -3.8%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75% 31.00% 8.50% 39.13% 3.25% 6.6% 5.7% 1.5% -2.3% 13.3% 5.4%	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93% 32.50% 9.75% 41.92% 3.25% 1.0% 5.1% -1.0% 5.1% 43.2%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83% 35.50% 31.47% 8.81% 39.92% 3.25% 4.2% -0.5% 17.5% 9.8%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90% 35.25% 30.00% 8.60% 38.15% 3.30% 2.3% 5.7% 1.1% 3.9% 12.4%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82% 35.25% 30.50% 8.15% 38.23% 3.30% 3.6% 6.4% 4.1% 11.8% 12.2%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49% 34.25% 30.50% 8.50% 38.56% 3.30% 4.7% 7.0% 6.2% 10.5% 10.5%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.68% 34.25% 31.75% 9.00% 40.37% 3.30% 3.2% 8.6% 4.2% 1.5% 19.4% 20.7%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69% 34.74% 30.72% 8.57% 38.88% 3.30% 3.4% 7.0% 2.9% 13.5% 14.0%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04% 34.26% 30.13% 8.27% 38.00% 3.30% 4.4% 6.6% 3.8% 2.1% 11.3% 12.9%
Diluted EPS Diluted Shares Dividend Dividend yield Payout Depreciation and amortization Adjusted EBITDA Adjusted EBITDA Margin Margin Analysis: Cost of sales SG&A R&D Total operating expenses Depreciation and amortization Yr/Yr Growth: Cost of Sales Gross Profit SG&A R&D Adjusted Operating Income	\$0.38 500.0 103.0 426.0 15.43% 36.27% 38.30% 13.22% 52.07%	\$0.55 500.0 122.0 617.0 17.23% 36.80% 38.11% 11.47% 49.36% 3.41% 31.7% 29.1% 12.6% 54.0%	\$1.01 500.0 \$0.83 82.7% 137.0 940.0 22.21% 37.35% 34.18% 9.61% 43.61% 3.24% 20.0% 17.1% 6.0% -1.0% 62.5%	\$0.30 500.0 \$0.104 34.2% 32.9 268.9 25.68% 37.06% 31.61% 8.88% 40.31% 3.14% 5.4% 7.2% -1.2% -6.1% 28.8%	\$0.35 500.0 \$0.020 5.7% 37.0 311.0 28.43% 34.92% 32.08% 8.32% 40.04% 3.38% -10.5% 10.0% -2.2% -9.0% 46.5%	\$0.31 500.0 \$0.002 0.6% 37.0 287.0 28.16% 34.54% 32.38% 9.22% 41.02% 3.63% -9.7% 1.2% 0.3% -4.1% 6.4%	\$0.11 500.0 \$0.000 0.0% 30.1 212.1 18.04% 36.31% 37.41% 10.29% 48.21% 2.56% 7.8% 2.56% 10.0% -9.5%	\$1.08 500.0 \$0.13 11.7% 137.0 1,079.0 24.88% 35.72% 33.49% 9.20% 42.55% 3.16% -2.0% 5.1% 0.3% -2.0% 16.9%	\$0.34 500.0 \$0.065 0.9% 19.1% 34.9 300.2 27.97% 36.00% 31.00% 8.65% 39.28% -0.4% 4.2% 0.5% -0.2% 12.0%	\$0.36 500.0 \$0.065 0.9% 17.9% 36.8 319.9 28.25% 35.85% 31.25% 8.25% 3.25% 6.3% 2.0% 0.8% 2.7% 3.3%	\$0.36 500.0 \$0.065 0.9% 18.0% 35.1 317.2 29.37% 34.75% 31.00% 8.50% 39.13% 3.25% 6.6% 5.7% 1.5% 	\$0.35 500.0 \$0.065 0.9% 18.4% 39.6 316.0 25.93% 35.40% 32.50% 9.75% 41.92% 3.25% 1.0% 5.1% -10.0% -1.8% 51.9%	\$1.42 500.0 \$0.26 0.9% 18.3% 146.4 1,253.3 27.83% 35.50% 31.47% 8.81% 39.92% 3.25% 4.2% -2.4% -0.5% 17.5%	\$0.38 500.0 \$0.065 0.9% 17.0% 37.0 335.2 29.90% 35.25% 30.00% 8.60% 38.15% 3.30% 2.3% 5.7% 1.1% 3.9% 12.4%	\$0.41 500.0 \$0.065 0.9% 15.9% 39.4 355.8 29.82% 35.25% 30.50% 8.15% 38.23% 3.30% 3.6% 6.4% 2.9% 4.1% 11.8%	\$0.40 500.0 \$0.065 0.9% 16.2% 37.9 349.7 30.49% 34.25% 30.50% 8.50% 38.56% 3.30% 4.7% 7.0% 4.5% 6.2% 10.5%	\$0.43 500.0 \$0.065 0.9% 15.2% 42.9 373.0 28.68% 34.25% 31.75% 9.00% 40.37% 3.30% 3.2% 8.6% 4.2% 1.5%	\$1.62 500.0 \$0.26 0.9% 16.1% 157.1 1,413.8 29.69% 34.74% 30.72% 8.57% 38.88% 3.30% 3.4% 7.0% 3.2% 2.9% 13.5%	\$1.83 500.0 \$0.26 0.9% 14.2% 166.4 1,564.9 31.04% 34.26% 30.13% 8.27% 38.00% 3.30% 4.4% 6.6% 3.8% 2.1% 11.3%

Source: Company reports and Piper Jaffray & Co. Current disclosure information for this company can be found at http://www.piperjaffray.com/researchdisclosures.

April 24, 2013

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IMPORTANT RESEARCH DISCLOSURES



Notes: The boxes on the Rating and Price Target History chart above indicate the date of the Research Note, the rating, and the price target. Each box represents a date on which an analyst made a change to a rating or price target, except for the first box, which may only represent the first Note written during the past three years.

Legend:

I: Initiating Coverage

R: Resuming Coverage

T: Transferring Coverage

D: Discontinuing Coverage

S: Suspending Coverage

OW: Overweight

N: Neutral

UW: Underweight NA: Not Available UR: Under Review

	Distribution of Ratings/IB Ser Piper Jaffray	vices		
			IB Serv.	/Past 12 Mos.
Rating	Count	Percent	Count	Percent
BUY [OW]	330	56.41	63	19.09
HOLD [N]	225	38.46	12	5.33
SELL [UW]	30	5.13	1	3.33

Note: Distribution of Ratings/IB Services shows the number of companies currently in each rating category from which Piper Jaffray and its affiliates received compensation for investment banking services within the past 12 months. FINRA rules require disclosure of which ratings most closely correspond with "buy," "hold," and "sell" recommendations. Piper Jaffray ratings are not the equivalent of buy, hold or sell, but instead represent recommended relative weightings. Nevertheless, Overweight corresponds most closely with buy, Neutral with hold and Underweight with sell. See Stock Rating definitions below.

Analyst Certification — Kevin K. Ellich, Sr Research Analyst — Bradley D. Maiers, Research Analyst

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- Underweight (UW): Anticipated to underperform relative to the median of the group of stocks covered by the analyst.

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