


**COMPANY UPDATE / ESTIMATE CHANGE**
**Key Metrics**

|   |                 |                   |
|---|-----------------|-------------------|
| SIX - NYSE                                | (as of 7/26/17) | \$59.23           |
| Price Target                              |                 | N/A               |
| 52-Week Range                             |                 | \$47.61 - \$65.19 |
| Shares Outstanding (mil) (basic)          |                 | 87.1              |
| Market Cap. (\$mil)                       |                 | \$5,161           |
| 3-Mo. Average Daily Volume                |                 | 1,070,503         |
| Institutional Ownership                   |                 | 93%               |
| Total Debt (\$mil) (6/17)                 |                 | \$2,048           |
| Total Stockholders' Equity (\$mil) (6/17) |                 | (\$555)           |
| Book Value/Share (6/17)                   |                 | NM                |
| Price/Book Value                          |                 | NM                |
| Annual Dividend & Yield                   | \$2.56          | 4.3%              |
| Adjusted EBITDA Margin (TTM ended 6/17)   |                 | 38%               |

**EPS FY 12/31** (GAAP-based figures)

|      | 2016     | Prior<br>2017E | Curr.<br>2017E | Prior<br>2018E | Curr.<br>2018E |
|------|----------|----------------|----------------|----------------|----------------|
| 1Q   | (\$0.51) |                | (\$0.63)       | A              |                |
| 2Q   | \$0.64   |                | \$0.59         | A              |                |
| 3Q   | \$1.09   |                | \$1.80         |                |                |
| 4Q   | \$0.02   |                | \$0.07         |                |                |
| Year | \$1.25   | \$1.90         | \$1.80         |                | \$2.25         |
| P/E  | 47.4x    |                | 32.9x          |                | 26.3x          |

Note: Quarterly EPS figures may not add to annual figure due to rounding and the impact of quarterly results fluctuating between profits and net losses.

**Revenue (\$mil)**

|      | 2016    | Prior<br>2017E | Curr.<br>2017E | Prior<br>2018E | Curr.<br>2018E |
|------|---------|----------------|----------------|----------------|----------------|
| 1Q   | \$115   |                | \$100          | A              |                |
| 2Q   | \$407   |                | \$422          | A              |                |
| 3Q   | \$558   |                | \$613          |                |                |
| 4Q   | \$239   |                | \$255          |                |                |
| Year | \$1,319 | \$1,415        | \$1,390        |                | \$1,450        |

**Company Description:** *Six Flags Entertainment Corporation is the world's largest regional amusement park company with 20 amusement parks and water parks across the U.S., Mexico, and Canada. International operations, and related growth initiatives, exist through licensing relationships. The company currently has projects in various stages of development in Dubai, China, and Vietnam. Six Flags is headquartered in Grand Prairie, TX.*

## Six Flags Entertainment Corp.

SIX — NYSE — Neutral-3

**Mixed 2Q Results; Lowering Annual Estimates**
**Investment Highlights**

- 2Q results were mixed.** Total revenues rose 4%, led by higher attendance and price increases. The quarter benefited by the timing of Spring Break and Easter this year, whereas that benefit occurred in 1Q last year. We believe same-park attendance (excluding recent water park additions) was down, due in part to some adverse weather in several markets. Adjusted EBITDA and earnings per share were both below street consensus expectations.
- The company's near-term financial goals are not likely to be met, in our view.** The targeted Modified EBITDA figure (includes contribution from properties less than wholly owned by SIX) of \$600 million in 2017 would require robust 2H growth. The targeted annual figure represents 10% growth from 2016, whereas the figure was down about 1% for the first half of this year.
- We have updated our financial estimates.** We have lowered our revenue, EBITDA, and earnings per share figures for 2017. In addition, we have initiated our 2018 outlook, which calls for improvement in most key metrics. The company's previously stated goal of \$750 million in Modified EBITDA by 2020 remains for now; this represents compounded annual growth of nearly 8% using 2015 as a base year.
- With a 4.3% current yield, SIX shares have a compelling income component.** Dividends are well covered by cash flow, in our view, and the quarterly rate has been raised for seven consecutive years.
- Our Neutral rating is based on valuation.** We consider SIX a well-run, high-quality operator in the theme park industry, and believe company fundamentals are positive. We like the portfolio of properties, brand equity, and growth opportunities. Our Suitability rating remains 3, which is largely based on a leveraged balance sheet.

**Note Important Disclosures on Pages 6-7.**

**Note Analyst Certification on Page 6.**

**Exhibit 1****Consolidated Statements of Income** (figures in millions except percentages and per share data)

|  | Quarter Ended  |                |                       | Six Months Ended |                |                       |
|--|----------------|----------------|-----------------------|------------------|----------------|-----------------------|
|  | <u>6/30/17</u> | <u>6/30/16</u> | <u>% chg.</u>         | <u>6/30/17</u>   | <u>6/30/16</u> | <u>% chg.</u>         |
| Admissions                               | \$221.9        | \$215.8        | 2.9%                  | \$272.9          | \$273.8        | (0.4%)                |
| Food, Merchandise and Other              | 174.0          | 168.3          | 3.4%                  | 205.2            | 206.6          | (0.7%)                |
| Sponsorship, Licensing, and Other        | 22.7           | 19.2           | 18.1%                 | 36.0             | 33.7           | 7.0%                  |
| Accommodations                           | 3.7            | 3.7            | (0.2%)                | 7.9              | 8.4            | (5.9%)                |
| Total Revenues                           | <u>422.4</u>   | <u>407.1</u>   | 3.8%                  | <u>521.9</u>     | <u>522.5</u>   | (0.1%)                |
| Cost of Products Sold                    | 37.5           | 36.0           | 4.1%                  | 45.1             | 46.2           | (2.4%)                |
| Operating Expenses                       | 145.8          | 142.1          | 2.6%                  | 237.9            | 236.2          | 0.7%                  |
| SG&A Expenses                            | 53.4           | 54.5           | (1.9%)                | 88.3             | 88.7           | (0.4%)                |
| Depreciation & Amortization              | 26.8           | 25.9           | 3.5%                  | 54.1             | 52.0           | 4.2%                  |
| Stock-based Compensation                 | (15.3)         | 4.2            | N/A                   | (3.3)            | 6.3            | N/A                   |
| Loss on Disposal of Assets               | 1.7            | 0.6            | N/A                   | 2.3              | 0.1            | N/A                   |
| Operating Income                         | <u>172.5</u>   | <u>143.7</u>   | 20.0%                 | <u>97.5</u>      | <u>93.1</u>    | 4.7%                  |
| Interest Expense, net                    | 27.2           | 20.2           | 34.5%                 | 48.2             | 39.6           | 21.5%                 |
| Loss on Early Extng. of Debt             | 37.1           | 2.4            | N/A                   | 37.1             | 2.4            | N/A                   |
| Other Expenses (Income)                  | 0.6            | (0.0)          | N/A                   | (0.3)            | 0.7            | N/A                   |
| Income Before Taxes                      | <u>107.7</u>   | <u>121.2</u>   | (11.1%)               | <u>12.5</u>      | <u>50.4</u>    | (75.1%)               |
| Provision for Taxes                      | <u>36.1</u>    | <u>41.1</u>    | (12.2%)               | <u>(1.5)</u>     | <u>17.2</u>    | N/A                   |
| Net Income, Contin. Oper.                | 71.6           | 80.1           | (10.6%)               | 14.1             | 33.2           | (57.5%)               |
| Net Income Attrib. to Noncontrol. Int.   | <u>(19.6)</u>  | <u>(19.2)</u>  | 2.0%                  | <u>(19.6)</u>    | <u>(19.2)</u>  | 2.0%                  |
| N.I. Attrib. to Six Flags, Contin. Oper. | <u>\$52.0</u>  | <u>\$60.9</u>  | (14.6%)               | <u>(\$5.5)</u>   | <u>\$14.0</u>  | N/A                   |
| N.I. Per Diluted Share, Contin. Oper.    | <u>\$0.59</u>  | <u>\$0.64</u>  | (8.2%)                | <u>(\$0.06)</u>  | <u>\$0.15</u>  | N/A                   |
| Avg. Diluted Shares Outstanding          | 88.8           | 95.4           | (6.9%)                | 89.1             | 95.0           | (6.1%)                |
| <b>Modified EBITDA</b>                   | <b>\$185.7</b> | <b>\$174.5</b> | 6.4%                  | <b>\$150.6</b>   | <b>\$151.4</b> | (0.5%)                |
| <b>Adjusted EBITDA</b>                   | <b>\$166.1</b> | <b>\$155.3</b> | 7.0%                  | <b>\$131.0</b>   | <b>\$132.2</b> | (0.9%)                |
| Adjusted EBITDA, Less:                   |                |                |                       |                  |                |                       |
| Cash Interest Paid                       | (11.1)         | (8.0)          | 38.6%                 | (46.8)           | (36.7)         | 27.7%                 |
| Capital Expenditures                     | (45.6)         | (38.2)         | 19.4%                 | (97.2)           | (80.7)         | 20.5%                 |
| Cash Taxes Paid                          | (3.2)          | (4.7)          | (31.9%)               | (5.9)            | (10.7)         | (45.1%)               |
| <b>Free Cash Flow</b>                    | <b>\$106.3</b> | <b>\$104.5</b> | 1.7%                  | <b>(\$18.9)</b>  | <b>\$4.2</b>   | (548.8%)              |
| <b>As a % of Total Revenues:</b>         |                |                | <b><u>bp chg.</u></b> |                  |                | <b><u>bp chg.</u></b> |
| Cost of Products Sold                    | 8.88%          | 8.85%          | 3                     | 8.64%            | 8.83%          | (20)                  |
| Operating Expenses                       | 34.51%         | 34.91%         | (40)                  | 45.58%           | 45.21%         | 37                    |
| SG&A Expenses                            | 12.65%         | 13.38%         | (73)                  | 16.93%           | 16.98%         | (5)                   |
| Modified EBITDA                          | 43.97%         | 42.87%         | 110                   | 28.86%           | 28.98%         | (12)                  |
| Adjusted EBITDA                          | 39.32%         | 38.15%         | 118                   | 25.10%           | 25.31%         | (20)                  |
| Depreciation & Amortization              | 6.35%          | 6.37%          | (2)                   | 10.37%           | 9.94%          | 43                    |

Source: SixFlags Entertainment Corporation

Note: December fiscal year

**2Q results.** Results for the quarter ended June 30, 2017 were generally below expectations. Revenues of \$422 million were below street consensus of \$436 million. Similarly, adjusted EBITDA of \$166 million fell short of the consensus estimate of \$175 million and earnings per share of \$0.59 was below the \$0.64 expectation. We feel the main reason for the shortfalls was the negative impact of adverse weather conditions (including rain and extreme heat) in various markets. This likely impacted attendance and per capita spending, in our view.

Total attendance in 2Q was up 5% versus a year ago, but this reflected a calendar shift whereby Easter and Spring Break business favorably impacted 2Q this year versus related benefits in 1Q of 2016. For the entire 1H period, this year's attendance was up 2% compared to last year. Total guest per capita spending was down 2% in the quarter to \$41.67. This is likely impacted by rising season pass sales, which typically results in lower per capita spending due to multiple visits during the season by the pass holder. However, considering profitability and margins, greater season pass sales is a more desirable business attribute than an increase in per capita spending.

We remind investors of the seasonality to the amusement park business, with July and August both typically being larger contributing months than June. We believe business is likely to be good in 3Q, with potentially normalized weather and some pent-up demand from postponed visits during 2Q due to the aforementioned weather conditions.

**Financial condition.** SIX operates under a leveraged capital structure. At June 30, 2017, the company had \$2.048 billion in total debt, \$68 million in cash, and a \$555 million deficit in shareholders' equity. Shareholders' equity was positive throughout 2015 and moved to a deficit in 2016 due in part to rising debt balances and the effects of share repurchases. The net leverage ratio (net debt divided by trailing adjusted EBITDA) was 3.9x; we are generally comfortable with levels below 4.5x. SIX's financial statements can vary on a quarter-to-quarter basis due to the seasonality of the business. Cash has historically seen a boost in the September quarter, following the peak operating season.

**Dividends.** We consider SIX's dividend a positive factor. The stock's current yield is 4.3%. Dividends were initiated in 2010 shortly after a reorganization and issue of common shares. In late 2010, the company announced a quarterly dividend rate of \$0.015 per share (adjusted for subsequent stock splits). This rate was boosted to \$0.30 per share in early 2012 and has risen every year since. The most recent increase, a 10.3% hike to a quarterly rate of \$0.64 per share, was announced in November 2016.

We believe the quarterly dividend rate is likely to be increased each year during the 4Q period, keeping in step with recent history. We believe increases in the single digit percentage range represents the most likely scenario in future years, acknowledging a variety of potential uses for the company's cash flow following debt service, including capital spending and share repurchases. Importantly, we believe dividends are well covered by cash flow.

**Outlook.** The company's "Project 600" business plan was implemented several years ago and included a goal of \$600 million in Modified EBITDA by 2017. Based on 1H 2017 results and in according with accounting standards, management now views this goal as "no longer probable." Consequently, in the recent 2Q, the company reversed some stock-based compensation expense to reflect expected partial achievement of related performance-based compensation awards.

The company reiterated its existing modified EBITDA target of \$750 million by 2020. This represents compounded annual growth of nearly 8% using 2015 as the base year. Modified EBITDA is similar to adjusted EBITDA but includes third party interest in EBITDA of certain operations. We believe growth can come from a combination of attendance gains, price increases, season pass and dining plan sales, international licensing, and potential acquisitions.

We have updated our fiscal 2017 financial outlook with minor changes. We estimate net sales at \$1.390 billion, down \$25 million from our previous estimate and representing a 5.4% increase from 2016. We assume gains in overall attendance, season pass and dining plan sales, and licensing revenues. We expect normalized weather (compared to unusually challenging weather in 2016) to help attendance and margins in 2H. Our adjusted EBITDA estimate is \$545 million, down \$20 million from our previous figure and representing growth of 7.6% from 2016. Our diluted EPS estimate is \$1.80, down \$0.10 from our previous figure after updates to various line items. However, we feel EBITDA is by far a more closely watched financial metric than EPS.

**Valuation.** Enterprise Value (using year-end net debt figures) divided by our 2017 adjusted EBITDA estimate is 13.1x, while the multiple on our 2018 estimate is 12.0x. We estimate a recent historical valuation range on forward adjusted EBITDA to be 9x-15x. We feel the current valuation, while not uncomfortably high, reflects expectations of margin improvement, substantial cash flows, strong brand equity, expanding international opportunities, and a generous dividend with annual growth potential. As a matter of information, we note our original purchase recommendation of SIX upon initiation of coverage in August 2016 was based on an Enterprise Value/adjusted EBITDA multiple of 11.3x.

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**Exhibit 2**
**Valuation Analysis** (figures in millions except ratios, percentages, and per share data)

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|  | <u>2018E</u> | <u>2017E</u> | <u>2016</u>  | <u>2015</u> | <u>2014</u> |
|--|--------------|--------------|--------------|-------------|-------------|
| Share Price (close on 7/26/17)           | \$59.23      |              |              |             |             |
| Diluted Share Count , most recent        | 88.8         |              |              |             |             |
| Market Capitalization                    | \$5,261.5    |              |              |             |             |
| Total Debt, year end, net of cash        | \$1,800.0    | \$1,875.0    | \$1,516.3    | \$1,405.8   | \$1,321.6   |
| Enterprise Value (EV)                    | \$7,061.5    | \$7,136.5    | \$6,777.8    | \$6,667.3   | \$6,583.2   |
| Adj. EBITDA (exclud. nonrecurring items) | \$590.0      | \$545.0      | \$506.6      | \$481.4     | \$439.3     |
| % chg.                                   | 8.3%         | 7.6%         | 5.2%         | 9.6%        | 8.7%        |
| <b>EV / Adj. EBITDA</b>                  | <b>12.0x</b> | <b>13.1x</b> | <b>13.4x</b> |             |             |

Note: Estimated figures assume declining net debt and stable share base, although a portion of future free cash flow could be applied toward share repurchases.

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Source: Six Flags Entertainment Corporation and Hilliard Lyons estimates

Note: December fiscal year

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**Opinion.** We like Six Flags' operating history, the property portfolio, the management team, and a financial outlook we expect to include rising annual cash flows. We believe modest capital appreciation potential exists, with an attractive dividend adding to total return potential. However, we prefer a lower valuation for a purchase recommendation. As such, we maintain our Neutral rating.

**Suitability.** Our Suitability rating of 3 (see definitions in the Important Disclosures section of this report) is primarily based on a leveraged balance sheet, with other factors being market capitalization, the company's financial history, the discretionary nature of the business, the early stages of international business pursuits, and our perception of the overall risk profile.

**Risks.** Risk factors that could impact Six Flags' results and therefore our profit projections include general economic conditions, overall levels of leisure spending, pricing power, the competitive landscape, weather conditions, pace of new project construction, potential asset sales, prevailing interest rates, geopolitical risks that could affect international expansion plans, guest safety, and other factors. Also, we believe swings in gasoline prices can affect attendance levels to some degree but this factor has historically had more of an impact on in-park spending. Finally, cash flow utilization (capital spending, debt reduction, share buybacks, and cash distributions) may be subject to investor scrutiny.

**Exhibit 3****Consolidated Statements of Income** (figures in millions except percentages and per share data)

|  | <u>2018E</u>   | <u>2017E</u>   | <u>2016</u>    | <u>2015</u>    | <u>2014</u>    |
|--|----------------|----------------|----------------|----------------|----------------|
| Admissions                               | \$775.0        | \$748.5        | \$715.4        | \$687.8        | \$641.5        |
| Food, Merchandise and Other              | 572.0          | 548.0          | 521.2          | 500.2          | 460.1          |
| Sponsorship, Licensing, and Other        | 86.0           | 77.0           | 66.3           | 59.1           | 57.3           |
| Accommodations                           | 17.0           | 16.5           | 16.5           | 16.8           | 16.9           |
| Total Revenues                           | <u>1,450.0</u> | <u>1,390.0</u> | <u>1,319.4</u> | <u>1,263.9</u> | <u>1,175.8</u> |
| % change                                 | 4.3%           | 5.4%           | 4.4%           | 7.5%           | 5.9%           |
| Cost of Products Sold                    | 118.0          | 115.0          | 109.6          | 100.7          | 90.5           |
| Operating Expenses                       | 534.0          | 511.0          | 489.4          | 465.2          | 437.4          |
| SG&A Expenses                            | 188.0          | 185.0          | 175.5          | 178.6          | 170.9          |
| Depreciation & Amortization              | 114.0          | 110.0          | 106.9          | 107.4          | 108.1          |
| Stock-based Compensation                 | 53.0           | 50.0           | 116.3          | 56.2           | 140.0          |
| Loss on Disposal of Assets               | 0.0            | 2.3            | 2.0            | 9.9            | 5.9            |
| Gain on Sale of Investee                 | 0.0            | 0.0            | 0.0            | 0.0            | (10.0)         |
| Operating Income                         | <u>443.0</u>   | <u>416.7</u>   | <u>319.8</u>   | <u>345.9</u>   | <u>233.0</u>   |
| Interest Expense, net                    | 95.0           | 90.0           | 81.9           | 75.9           | 72.6           |
| Loss on Early Extng. of Debt             | 5.0            | 37.1           | 2.9            | 6.6            | 0.0            |
| Other Expenses (Income)                  | 2.0            | 2.0            | 1.7            | 0.2            | 0.4            |
| Income Before Taxes                      | <u>341.0</u>   | <u>287.6</u>   | <u>233.3</u>   | <u>263.2</u>   | <u>160.0</u>   |
| Provision for Taxes                      | <u>110.0</u>   | <u>90.0</u>    | <u>76.5</u>    | <u>70.4</u>    | <u>46.5</u>    |
| Net Income, Contin. Oper.                | <u>\$231.0</u> | <u>\$197.6</u> | <u>\$156.7</u> | <u>\$192.8</u> | <u>\$113.5</u> |
| Net Income Attrib. to Noncontrol. Int.   | <u>(40.0)</u>  | <u>(39.0)</u>  | <u>(38.4)</u>  | <u>(38.2)</u>  | <u>(38.0)</u>  |
| N.I. Attrib. to Six Flags, Contin. Oper. | <u>\$191.0</u> | <u>\$158.6</u> | <u>\$118.3</u> | <u>\$154.7</u> | <u>\$75.5</u>  |
| N.I. Per Diluted Share, Contin. Oper.    | <u>\$2.25</u>  | <u>\$1.80</u>  | <u>\$1.25</u>  | <u>\$1.58</u>  | <u>\$0.76</u>  |
| Avg. Diluted Shares Outstanding          | 85.0           | 88.0           | 94.4           | 98.0           | 98.1           |
| <b>As a % of Total Revenues:</b>         |                |                |                |                |                |
| Cost of Products Sold                    | 8.14%          | 8.27%          | 8.31%          | 7.97%          | 7.70%          |
| Operating Expenses                       | 36.83%         | 36.76%         | 37.09%         | 36.81%         | 37.20%         |
| SG&A Expenses                            | 12.97%         | 13.31%         | 13.30%         | 14.13%         | 14.54%         |
| Operating Income                         | 30.55%         | 29.98%         | 24.24%         | 27.37%         | 19.81%         |
| Modified EBITDA                          | 43.45%         | 42.09%         | 41.31%         | 41.11%         | 40.59%         |
| Adjusted EBITDA                          | 40.69%         | 39.21%         | 38.40%         | 38.09%         | 37.36%         |
| Depreciation & Amortization              | 7.86%          | 7.91%          | 8.10%          | 8.50%          | 9.19%          |
| <b>Modified EBITDA</b>                   | <b>\$630.0</b> | <b>\$585.0</b> | <b>\$545.0</b> | <b>\$519.6</b> | <b>\$477.3</b> |
| % change                                 | 7.7%           | 7.3%           | 4.9%           | 8.9%           | 7.5%           |
| <b>Adjusted EBITDA</b>                   | <b>\$590.0</b> | <b>\$545.0</b> | <b>\$506.6</b> | <b>\$481.4</b> | <b>\$439.3</b> |
| % change                                 | 8.3%           | 7.6%           | 5.2%           | 9.6%           | 8.7%           |
| Less:                                    |                |                |                |                |                |
| Cash Interest Paid                       | (85.0)         | (80.0)         | (68.8)         | (70.5)         | (66.7)         |
| Capital Expenditures                     | (135.0)        | (131.0)        | (128.9)        | (114.2)        | (107.8)        |
| Cash Taxes Paid                          | <u>(20.0)</u>  | <u>(20.0)</u>  | <u>(17.3)</u>  | <u>(15.0)</u>  | <u>(16.8)</u>  |
| <b>Free Cash Flow</b>                    | <b>\$350.0</b> | <b>\$314.0</b> | <b>\$291.6</b> | <b>\$281.7</b> | <b>\$248.0</b> |
| Dividends Paid                           | \$240.0        | \$230.0        | \$220.0        | \$201.0        | \$184.3        |
| % change                                 | 4.3%           | 4.5%           | 9.5%           | 9.0%           | 4.6%           |

Source: Six Flags Entertainment Corporation and Hilliard Lyons estimates

Note: December fiscal year

*Additional information is available upon request.*

### **Analyst Certification**

I, Jeffrey S. Thomison, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject company(ies) and its (their) securities. I also certify that I have not been, am not, and will not be receiving direct or indirect compensation in exchange for expressing the specific recommendation(s) in this report.

### **Important Disclosures**

Hilliard Lyons' analysts receive bonus compensation based on Hilliard Lyons' profitability. They do not receive direct payments from investment banking activity.

### **Investment Ratings**

**Buy** - We believe the stock has significant total return potential in the coming 12 months.

**Long-term Buy** - We believe the stock is an above average holding in its sector, and expect solid returns to be realized over a longer time frame than our Buy rated issues, typically 2-3 years.

**Neutral** - We believe the stock is an average holding in its sector, is currently fully valued, and may be used as a source of funds if better opportunities arise.

**Underperform** - We believe the stock is vulnerable to a price set back in the next 12 months.

### **Suitability Ratings**

**1** - A large cap, core holding with a solid history

**2** - A historically secure company which could be cyclical, has a shorter history than a "1" or is subject to event driven setbacks

**3** - An above average risk/reward ratio could be due to small size, lack of product diversity, sporadic earnings or high leverage

**4** - Speculative, due to small size, inconsistent profitability, erratic revenue, volatility, low trading volume or a narrow customer or product base

|                     | Hilliard Lyons<br>Recommended Issues |                        | Investment Banking<br>Provided in Past 12 Mo. |            |
|---------------------|--------------------------------------|------------------------|---|------------|
|                     | # of<br>Stocks Covered               | % of<br>Stocks Covered | Banking                                       | No Banking |
| <b>Rating</b>       |                                      |                        |   |            |
| <b>Buy</b>          | 36                                   | 29%                    | 14%   | 86%        |
| <b>Hold/Neutral</b> | 79                                   | 63%                    | 5%  | 95%        |
| <b>Sell</b>         | 10                                   | 8%                     | 0%  | 100%       |

*As of 7 July 2017*



Note: Price targets accompanying Buy ratings reflect a one year time period while price targets accompanying Long-term Buy ratings reflect a two to three year time period.

### Other Disclosures

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