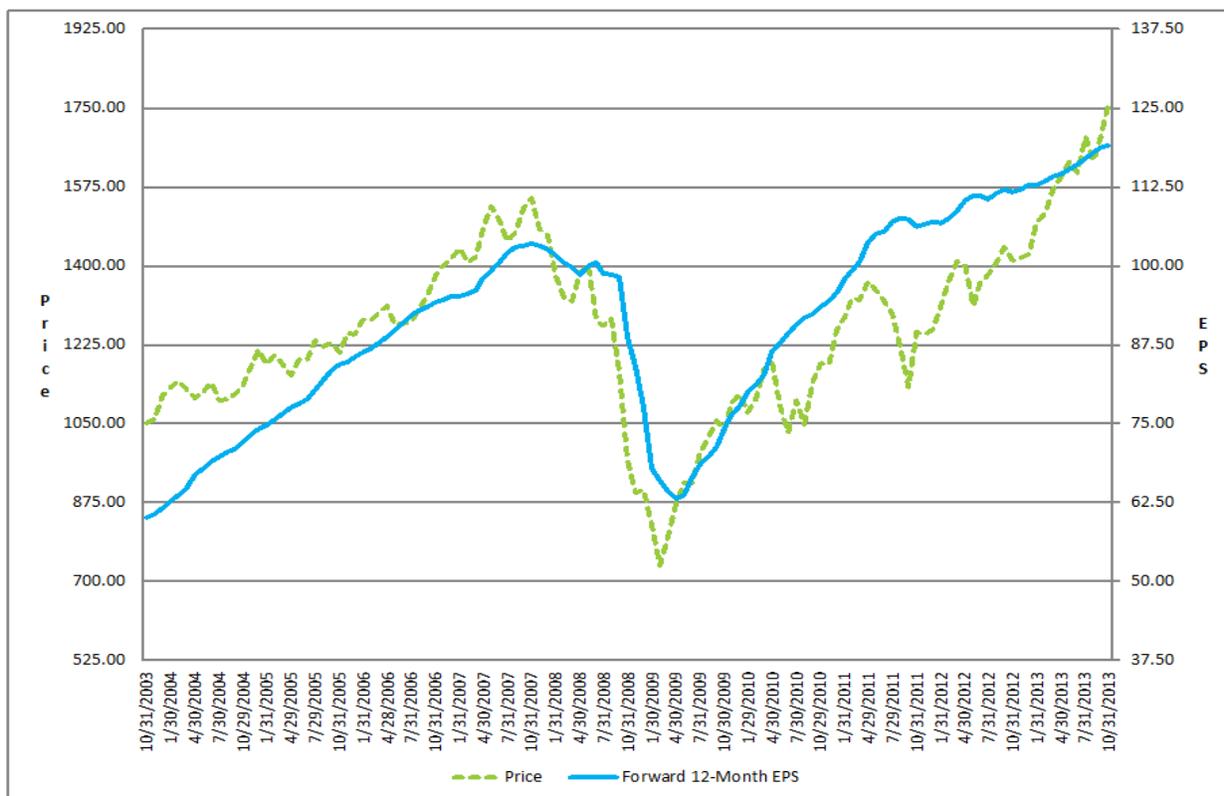


### Key Metrics

- + **Earnings Scorecard:** Of the 366 companies that have reported earnings to date for Q3 2013, 74% have reported earnings above the mean estimate and 53% have reported sales above the mean estimate.
- + **Earnings Growth:** The blended earnings growth rate for Q3 2013 is 3.0%. The Consumer Discretionary has the highest earnings growth rate for the quarter, while the Energy sector has the lowest earnings growth rate for the quarter.
- + **Earnings Revisions:** On September 30, the earnings growth rate for Q3 2013 was also 3.0%. Eight sectors have recorded increases in earnings growth rates over this time frame, and two sectors have recorded declines in earnings growth rates over this time frame.
- + **Earnings Guidance:** For Q4 2013, 66 companies have issued negative EPS guidance and 13 companies have issued positive EPS guidance.
- + **Valuation:** The current 12-month forward P/E ratio is 14.8. This P/E ratio is based on Thursday's closing price of 1756.54 and forward 12-month EPS estimate of \$119.05.

S&P 500 Forward 12-Month EPS vs. Price: 10-Year



All data published in this report is available on FactSet. Please contact media\_request@factset.com or 1-877-FACTSET for more information.

## Topic of the Week

### S&P 500 at Record Highs despite Cuts to Estimates for Q4 2013

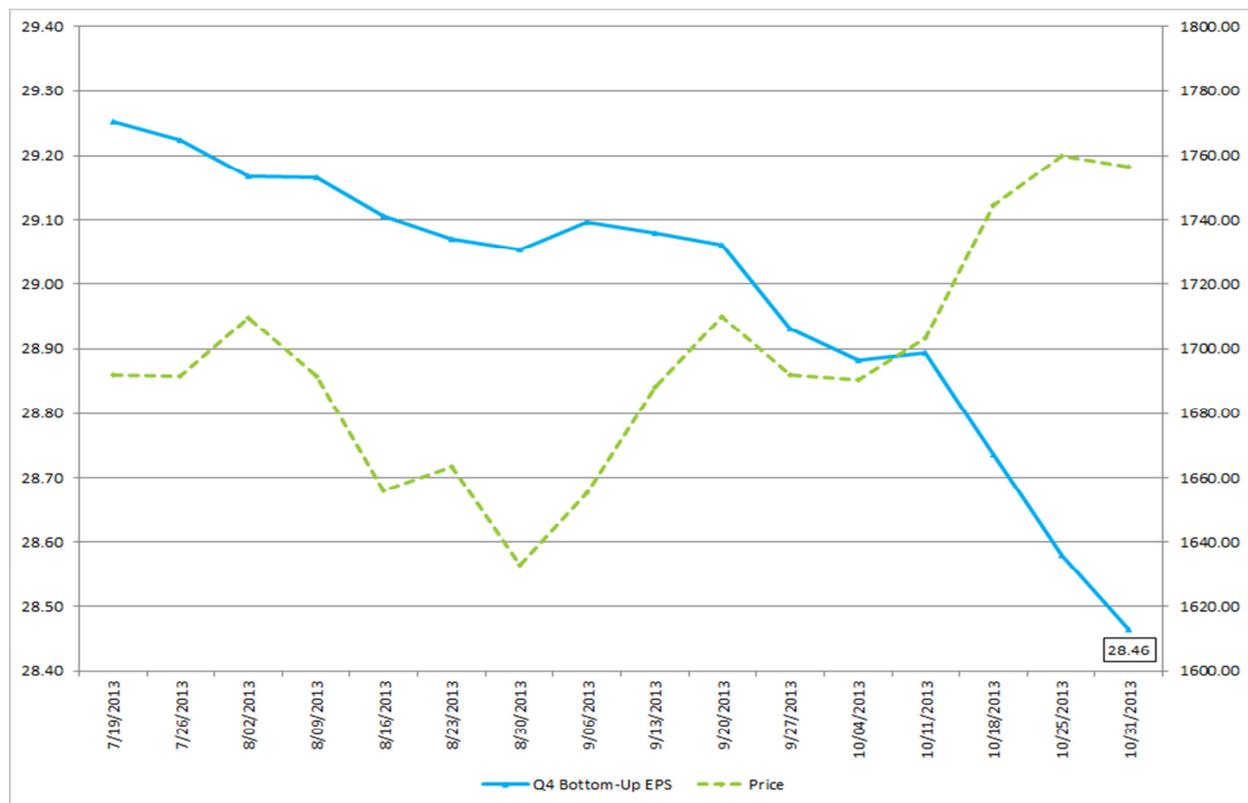
During the month of October, analysts lowered earnings estimates for companies in the S&P 500 for the fourth quarter. The Q4 bottom-up EPS estimate (which is an aggregation of the estimates for all 500 companies in the index) dropped 1.5% (to \$28.46 from \$28.90) during the month. How significant is a 1.5% decline in the bottom-up EPS estimate during the first month of the quarter? How does this decrease compare to recent quarters?

During the past year (4 quarters), the average decline in the bottom-up EPS estimate during the first month of the quarter has been 2.2%. During the past five years (20 quarters), the average decline in the bottom-up EPS estimate during the first month of the quarter has been 2.5%. During the past ten years, (40 quarters), the average decline in the bottom-up EPS estimate during the first month of the quarter has been 1.6%. Thus, the decline in the bottom-up EPS estimate recorded during the course of the first month (October) of the fourth quarter was lower than the trailing 1-year, 5-year, and 10-year averages.

Although the percentage reduction was lower than recent averages, analysts did take down earnings estimates during the month. At the same time, the value of the S&P 500 increased 4.5% (to 1756.54 from 1681.55) during October, and it closed at a record high on October 29 (1771.95). Is it unusual for the bottom-up EPS estimate for the index to decline and the value of the index to increase during the first month of a quarter?

In recent quarters, it has not been unusual. In fact, it has occurred in seven of the past nine quarters (including Q4 2013). During these seven quarters, the average decrease in the bottom-up EPS has been 2.6%, while the average increase in the value of the index has been 4.7%.

S&P 500: Q4 Bottom-Up EPS Estimate vs. Price



## Q3 2013 Earnings Season: Overview

### More Companies Beating EPS Estimates, but Fewer Companies Beating Revenue Estimates

With 73% of the companies in the S&P 500 reporting actual results, the percentage of companies reporting earnings above estimates is above the four-year average, while the percentage of companies reporting revenue above estimates is below the four-year average.

#### Percentage of Companies Beating EPS Estimates (74%) Above 4-Year Average

Overall, 366 companies have reported earnings to date for the third quarter. Of these 366 companies, 74% have reported actual EPS above the mean EPS estimate and 26% have reported actual EPS below the mean EPS estimate. Over the past four quarters on average, 70% of companies have reported actual EPS above the mean EPS estimate. Over the past four years on average, 73% of companies have reported actual EPS above the mean EPS estimate.

At the sector level, the Information Technology (85%) and Consumer Discretionary (84%) sectors have the highest percentages of companies reporting earnings above estimates, while the Utilities (61%) and Consumer Staples (62%) sectors have the lowest percentages of companies reporting earnings above estimates.

#### Lowest Surprise Percentage (1.4%) since 2008 due to Financials sector

In aggregate, companies are reporting earnings that are 1.4% above expectations. Over the last four quarters on average, actual earnings have surpassed estimates by 3.7%. Over the past four years on average, actual earnings have surpassed estimates by 6.5%. If 1.4% is the final surprise percentage for the quarter, it will mark the lowest surprise percentage since Q4 2008 (-62%).

Companies in the Information Technology (+9.4%) and Materials (+9.0%) sectors are reporting the largest upside aggregate differences between actual earnings and estimated earnings. In the Information Technology sector, Micron Technology has reported the largest upside earnings surprise of all the companies in the index. The company reported EPS of \$1.51 for the third quarter, which was substantially above the mean EPS estimate of \$0.23. The upside surprise was aided by *"purchase accounting gains relating to the acquisition and the results of operations of Elpida for the month of August,"* which totaled \$1.31 per share. Other companies in the sector that have reported significant upside earnings surprises include Electronic Arts (+176%) and First Solar (+102%). In the Materials sector, companies that have reported actual EPS substantially above the mean EPS estimate include Alcoa (+105%), Newmont Mining (+43%), and Freeport McMoRan Copper & Gold (+41%).

Companies in the Financials (-10.4%) sector are reporting the largest downside aggregate differences between actual earnings and estimated earnings. However, one company is mainly responsible for the unusually large negative surprise percentage for the sector: JPMorgan Chase. The company reported a loss of \$0.17 for the third quarter, which was significantly below the mean EPS estimate of \$1.19. A legal expense (including reserves for litigation and regulatory proceedings) of \$1.85 per share was the main contributor to the downside surprise. In addition to JPMorgan Chase, SunTrust Banks (-52%) and BB&T Corporation (-47%) have also reported actual EPS well below the expectations of analysts.

#### Percentage of Companies Beating Revenue Estimates (53%) Below 4-Year Average

In terms of revenues, 53% of companies have reported actual sales above estimated sales and 47% have reported actual sales below estimated sales. The percentage of companies beating sales estimates is above the percentage recorded over the last four quarters (48%), but below the average over the previous four years (59%).

At the sector level, the Telecom Services (67%), Health Care (62%), and Information Technology (62%) sectors have the highest percentages of companies reporting revenue above estimates, while the Materials (41%), Industrials (42%), and Consumer Staples (42%) sectors have the lowest percentages of companies reporting revenue above estimates.

#### High Surprise Percentage (1.0%) due to Energy sector

In aggregate, companies are reporting sales that are 1.0% above expectations. Over the previous four quarters on average, actual sales have exceeded estimates by 0.5%. Over the previous four years on average, actual sales have exceeded estimates by 0.6%.

Companies in the Energy (+5.4%) sector are reporting the largest upside aggregate differences between actual sales and estimated sales, while companies in the Industrials (-0.9%) and Financials (-0.8%) sectors are reporting the largest downside aggregate differences between actual sales and estimated sales.

### Increase in Earnings Growth Rate This Week Due to Upside Surprises in Multiple Sectors

#### Upside Surprises in Multiple Sector This Week Led By Health Care and Information Technology

The blended earnings growth rate for the third quarter is 3.0% this week, up from a growth rate of 2.3% last week. The rise in the earnings growth rate this week can mainly be attributed to upside earnings surprises reported by companies in multiple sectors. Seven of the ten sectors recorded an increase in earnings growth this week, led by the Health Care and Information Technology sectors.

In the Information Technology sector, the upside earnings surprise reported by Apple (+4%) was the largest contributor to the increase in earnings growth for the index during the week. Other companies that reported upside earnings surprises during the week included First Solar (+102%) and Electronic Arts (+176%). As a result, the blended earnings growth rate for the Information Technology sector improved to 8.4% from 7.0% over this period.

In the Health Care sector, companies that reported earnings above estimates during the week included Pfizer (+4%), Merck (+5%), Cardinal Health (+29%), and Cigna (+17%). As a result, the blended earnings growth rate for the sector improved to 3.1% from 1.3% over this period.

#### Financials Sector Has Seen Largest Drop in Earnings Growth since September 30

As a result of the increase over the past week, the blended earnings growth rate for Q3 2013 of 3.0% is equal to the estimate of 3.0% at the end of the quarter (September 30). However, only two of the ten sectors have recorded a decline in earnings growth during this time frame, led by the Financials (to -0.8% from 8.9%) and Energy (to -9.1% from -0.8%) sectors. Eight of the ten sectors have seen an increase in earnings growth over this period, led by the Information Technology (to 8.4% from 0.9%) and Materials (to 8.8% from 1.5%) sectors.

### Blended Earnings Growth: 3.0%

The blended earnings growth rate for Q3 2013 is 2.3%. Eight of the ten sectors are reporting higher earnings relative to a year ago, led by the Consumer Discretionary, Materials, and Information Technology sectors. On the other hand, the Energy and Financials sectors are the only two sectors reporting year-over-year decreases in earnings for the quarter.

#### Consumer Discretionary: Broad-Based Growth across Sector

The Consumer Discretionary sector has the highest earnings growth rate of all ten sectors at 8.9%. Growth is broad-based across the sector. Ten of the twelve industries in the sector are reporting earnings growth. Six of these industries have double-digit growth rates, led by the Internet & Catalog Retail (83%), Household Durables (25%), and Auto Components (17%) industries. At the other end of the spectrum, the Multiline Retail (-23%) industry has the lowest earnings growth rate for the quarter.

**Materials: Broad-Based Growth across Sector**

The Materials sector has the second highest earnings growth rate of all ten sectors at 8.8%. Growth is broad-based across this sector as well. Ten of the 13 sub-industries in the sector are reporting or are expected to report earnings growth. Seven of these sub-industries have double-digit growth rates, led by the Aluminum (268%) and Construction Materials (87%) sub-industries. On the other hand, the Fertilizers & Agricultural Chemicals (-51%), Gold (-46%), and Steel (-29%) sub-industries have the lowest growth rates for the quarter.

**Information Technology: Apple Still a Drag on Earnings Growth**

The Information Technology sector has the third highest earnings growth rate of all ten sectors at 8.4%. Six of the eight industries in the sector are reporting earnings growth, led by the Semiconductors & Semiconductor Equipment (39%) industry. On the other hand, the Computer & Peripherals (-10%) industry is reporting the largest decrease in earnings for the quarter.

At the company level, Micron Technology is the largest contributor to earnings growth for the sector. The company reported actual EPS of \$1.51 for the third quarter, relative to year-ago actual EPS of -\$0.24. The increase in EPS relative to Q3 2012 was aided by *"purchase accounting gains relating to the acquisition and the results of operations of Elpida for the month of August,"* which totaled \$1.31 per share. If Micron Technology is excluded from the index, the growth rate for the sector falls to 4.3%. Other companies that are significant contributors to growth for the sector include Microsoft and Google.

Apple is the largest detractor to earnings growth for the sector. The reported actual EPS of \$8.26 for the third quarter, compared to year-ago actual EPS of \$8.67. This marked the fourth consecutive quarter that Apple reported a year-over-year decline in EPS. If Apple is excluded from the index, the growth rate for the sector would improve to 12.1%.

**Energy: Exxon Mobil, Phillips 66, and Marathon Petroleum**

The Energy sector has the lowest earnings growth rate of any sector at -9.1%. Three of the seven sub-industries in this sector are reporting a decline in earnings: Coal & Consumable Fuels (-140%), Oil & Gas Refining & Marketing (-74%), and Integrated Oil & Gas (-8%). On the other end of the spectrum, the Oil & Gas Storage & Transportation (44%) and Oil & Gas Exploration & Production (24%) sub-industries have the highest earnings growth rates.

At the company level, Exxon Mobil, Phillips 66, and Marathon Petroleum are the largest detractors to earnings growth. Exxon Mobil reported actual EPS of \$1.79, compared to year-ago EPS of \$2.09. Phillips 66 reported actual EPS of \$0.87, relative to year-ago EPS of \$2.97. Marathon Petroleum reported actual EPS of \$0.59, compared to year-ago actual EPS of \$3.31. If these three companies are excluded, the growth rate for the Energy sector would improve to 7.0%.

**Financials: Bank of America & Morgan Stanley vs. JPMorgan Chase**

The Financials sector has the second lowest earnings growth rate (-0.8%) of any sector. Four of the eight industries in the sector are reporting a decline in earnings for the quarter, led by the Diversified Financial Services (-32%) industry. Four of the eight industries are reporting year-over-year growth in earnings, led by the Capital Markets (64%) industry.

At the company level, Bank of America and Morgan Stanley are not only the largest contributors to growth for the sector, but for the entire S&P 500 as well. Bank of America reported actual EPS of \$0.20, relative to year-ago actual EPS of \$0.00. Morgan Stanley reported actual EPS of \$0.50, compared to year-ago actual EPS of -\$0.55. If both of these companies are excluded from the index, the growth rate for the Financials sector would fall to -10.4%, while the growth rate for the S&P 500 would be 1.3%.

On the other hand, JPMorgan Chase is not only the largest detractor to growth for the sector, but for the entire S&P 500 as well. The company reported actual EPS of -\$0.17, compared to year-ago actual EPS of \$1.40. A legal expense (including reserves for litigation and regulatory proceedings) of \$1.85 per share was the main contributor to the decrease in EPS relative to Q3 2012. If this company is excluded from the index, the growth rate for the Financials sector would improve to 15.4%, while the growth rate for the S&P 500 would rise to 5.5%.

### **Blended Revenue Growth: 2.9%**

The blended revenue growth rate for Q3 2013 is 2.9%, which is above the growth rate of 2.7% recorded at the end of the third quarter (September 30). All ten sectors are reporting revenue growth for the quarter, led by the Health Care and Consumer Discretionary sectors. The Energy sector is reporting the lowest growth in sales for the quarter.

The Health Care sector has the highest revenue growth rate at 5.6%. At the industry level, five of the six industries are reporting revenue growth, led by the Biotechnology (15%) and Health Care Providers & Services (10%) industries. The only industry reporting a decline in sales is the Health Care Equipment & Supplies (-13%) industry.

The Consumer Discretionary sector has the second highest revenue growth rate at 5.1%. Growth is broad-based across the sector. At the industry level, all twelve industries in the sector are reporting revenue growth, led by the Internet & Catalog Retail (24%) and Household Durables (12%) industries.

The Energy sector has the lowest revenue growth rate of all ten sectors at 0.8%. At the sub-industry level, five of the seven sub-industries are reporting growth in sales, led by the Oil & Gas Storage & Transportation sub-industry (16%). On the other hand, the Coal & Consumable Fuels (-6%) and Integrated Oil & Gas (-5%) sub-industries have the lowest growth rates.

### **Domestic Concerns: Government Shutdown**

#### **Government Shutdown**

During the past month, a number of companies have commented on the impact of the government shutdown on the overall economy. While most companies stated that the shutdown has added to “uncertainty” in the economy, some companies were more specific in their comments, citing the negative impact of the shutdown as one factor impacting actual earnings for the third quarter or projected earnings for the fourth quarter.

*“And then, so far this quarter, I think we'll have a potentially stronger quarter in international and the U.S. we think we'll struggle a little bit. Struggle may be too harsh a word, but we'll have some impact from the budgetary stalemate. Probably if the U.S. government, if we didn't have this issue on the macro side, given that we had a slight positive book-to-bill, given that the Japan economy in particular was doing well and Europe had a better summer than normal, we probably would not have guided down. We probably would've guided somewhere in the flat range had we not had these macroeconomic events.” – Linear Technology (Oct. 16)*

*“And we believe the strategy and the programs that are in place to deliver the long-term financial objectives will get where they need to be. But we are revising our full-year 2013 guidance – EPS guidance to a range of \$4.90 to \$5 as a result – primarily as a result of the slower margin recovery within Security, weakening in emerging markets, and the impact of the U.S. government shutdown on near-term organic growth.” – Stanley Black & Decker (Oct. 16)*

*“Our results reflect the challenging operating environment, including a slowdown in client activity based on uncertainty regarding Fed tapering, concerns about the effect of the U.S. government shutdown and forecast for slowing economic growth, particularly in the emerging markets.” – Citigroup (Oct. 15)*

## Global Concerns: F/X Rates, Europe and Emerging Markets

### Less Favorable F/X Rates

The U.S. dollar has strengthened relative to the Japanese yen and other foreign currencies over the past year. In the year-ago quarter (Q3 2012), one dollar was equal to about \$78.62 yen on average. For Q3 2013 on average, one dollar was equal to about \$98.90 yen on average. A number of companies commented on the negative impact of F/X rates on revenues and earnings for the third quarter.

*“For example, the year-over-year exchange rates for the yen for both the spot rate and the average rate have weakened 20% against the dollar. Other major FX moves occurred in India, Australia, Argentina and Brazil. These were somewhat offset by a slight strengthening of the euro. Overall, FX rates had a negative impact on our revenue and billings growth for the quarter although the impact on profitability was less pronounced.” –Red Hat (Sep. 23)*

*“I want to start by letting you know that currency in Q1 gave us a 2% headwind for new software license and total revenue which was more than my guidance last quarter.” –Oracle (Sep. 18)*

*“Year-over-year, FX rate changes had an \$18 million negative impact on reported revenue.” –Adobe Systems (Sep. 17)*

### Europe

Europe has been reporting a decline in economic growth relative to last year. According to FactSet Economics, the European Union recorded a decrease in GDP of 0.2% in Q2 2013, which marked the sixth consecutive quarter of year-over-year declines in GDP. A number of companies stated that economic conditions were still weak in Europe in the third quarter. However, some companies stated that conditions may have reached a bottom or improved slightly.

*“I think so from a macroeconomic situation, the one area that I called out was in particular the EMEA region had its lowest percentage of total bookings or total company bookings that they've had in some time. Having said that, I think their Q3 and Q4 is shaping up better and I'm hopeful that we're going to see some improvement there.” –Red Hat (Sep. 23)*

*“In Europe, first quarter sales in constant currency declined 3%, reflecting the tough operating environment in the region.” –General Mills (Sep. 18)*

### Emerging Markets

Economic growth for some countries in emerging markets regions has also been decreasing over the past year. According to FactSet Economics, two of the four “BRIC” countries recorded slower GDP growth in the most recent quarter. For Q2 2012, China and India recorded GDP growth of 7.6% and 3.4%, respectively. By Q2 2013, GDP growth rates for China and India had fallen to 7.5% and 2.4%.

On the other hand, Brazil has recorded an increase in GDP growth over the past year. For Q2 2013, Brazil reported GDP growth of 3.3%, above the 0.5% recorded in Q1 2012.

As a result, comments on business conditions in China and emerging markets continued to be mixed for Q3. Some companies reported weak conditions, while others saw strength.

*“For the third quarter, we reported a 15% decline in EPS before special items, which is obviously disappointing. This decline was led by sales and profit declines in our China Division as well as a higher tax rate.” –YUM! Brands (Oct. 9)*

*“Revenues for the NIKE Brand were \$6.5 billion, up 7 percent on a currency neutral basis, with growth in every product type and every geography except Greater China.” –NIKE (Sep. 26)*

*“And by the way, while many of you have commented on the softening in emerging market economies overall, I mean, I do want to point out that our business continues to be very strong in emerging markets. We had a very strong quarter in China and we're seeing terrific growth in Brazil.” –General Mills (Sep.18)*

### **High Percentage of Companies Have Issued Negative EPS Guidance (84%) for Q4**

At this stage of Q3 2013 earnings season, 79 companies in the index have issued EPS guidance for the fourth quarter. Of these 79 companies, 66 have issued negative EPS guidance and 13 have issued positive EPS guidance. Thus, the percentage of companies issuing negative EPS guidance to date for the fourth quarter is 84% (66 out of 79). This percentage is well above the 5-year average of 63%.

### **Earnings Growth Rebound Still Projected for Q413, But Little Revenue Growth**

Since the start of the fourth quarter (September 30), analysts have reduced earnings growth expectations for Q4 2013 (to 7.9% from 9.9%). However, they still expect a significant improvement in earnings growth in the fourth quarter of 2013 relative to recent quarters. For Q4 2013, five of the ten sectors are predicted to see double-digit earnings growth: Financials (25.3%), Telecom Services (15.0%), Industrials (14.8%), Materials (10.4%), and Consumer Discretionary (10.4%).

The estimated revenue growth rate for Q4 2013 of 0.6% is well below the estimated earnings growth rate. The Financials sector accounts for much of this gap between expected earnings and revenue growth for the index, as the sector is projected to report the highest earnings growth of all ten sectors at 25.4%, but also the lowest revenue growth of all ten sectors at -10.1%. For more details on this dichotomy, please see our most recent *Market Insight* report titled, "Growth Divide in EPS & Sales in Q4," which was published on September 25.

### **Valuation: Forward P/E Ratio is 14.8, above the 10-Year Average (14.0)**

The current 12-month forward P/E ratio is 14.8. This P/E ratio is based on Thursday's closing price of 1756.54 and forward 12-month EPS estimate of \$119.05.

At the sector level, the Consumer Discretionary (17.8) and Consumer Staples (17.1) sectors have the highest forward 12-month P/E ratios, while the Financials (12.2) and Energy (12.8) sectors have the lowest forward 12-month P/E ratios.

The P/E ratio of 14.8 for the index as a whole is above the prior 5-year average forward 12-month P/E ratio of 12.9, and above the prior 10-year average forward 12-month P/E ratio of 14.0.

It is also above the forward 12-month P/E ratio of 14.2 recorded one month ago. During the past month, the price of the index rose by 4.5%, while the forward 12-month EPS estimate increased by 0.4%.

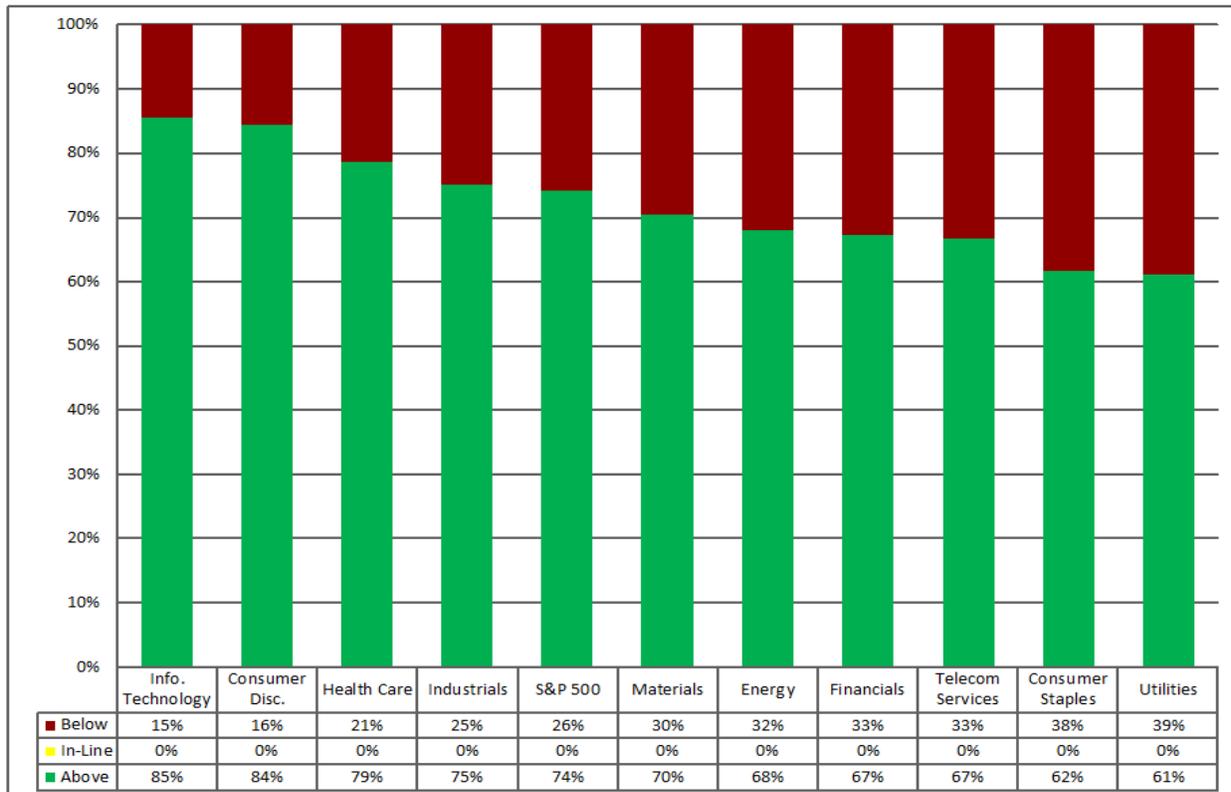
At the sector level, all ten sectors recorded an increase in the forward 12-month P/E ratio over the past month.

### **Companies Reporting Next Week: 78**

The upcoming week marks the final "peak" week of the third quarter earnings season, as one Dow 30 component (Walt Disney Company) and 78 S&P 500 companies are scheduled to report earnings for the third quarter.

Q3 2013: Scorecard

Q3 2013 Earnings: Above, In-Line, Below Estimates

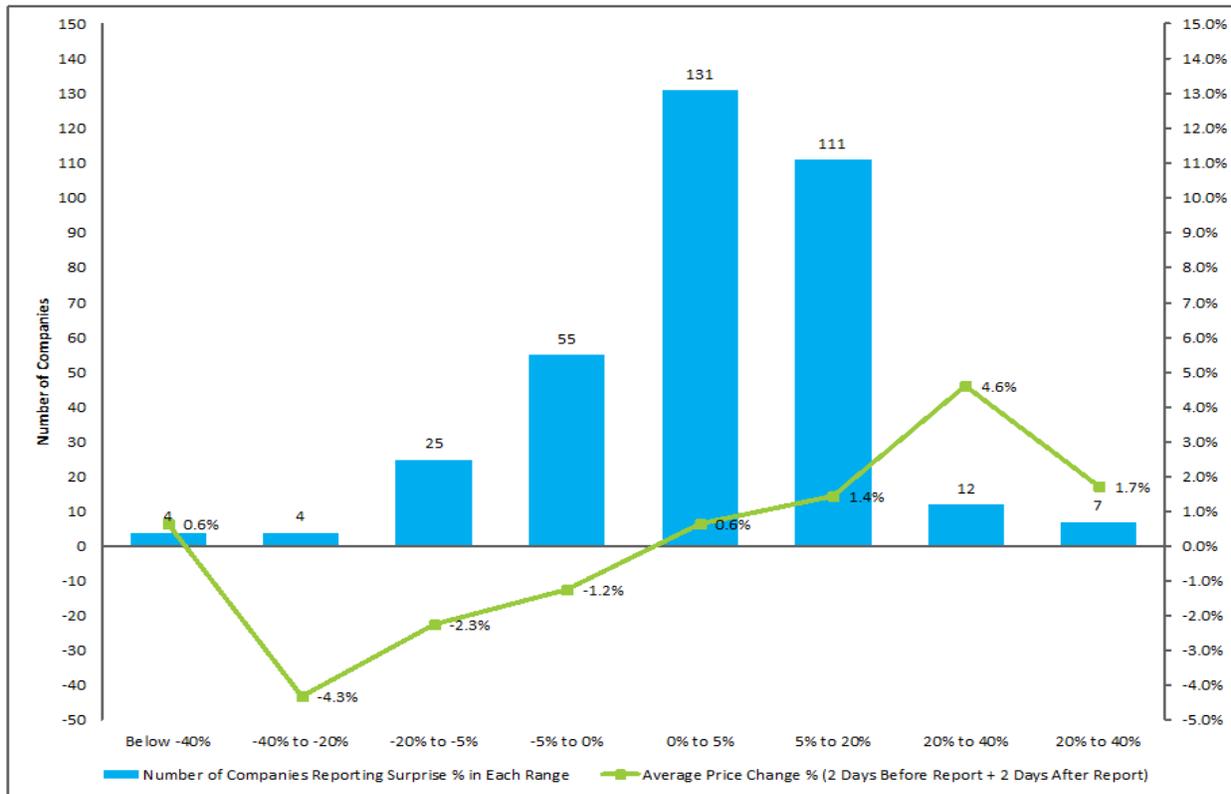


Q3 2013 Revenues: Above, In-Line, Below Estimates

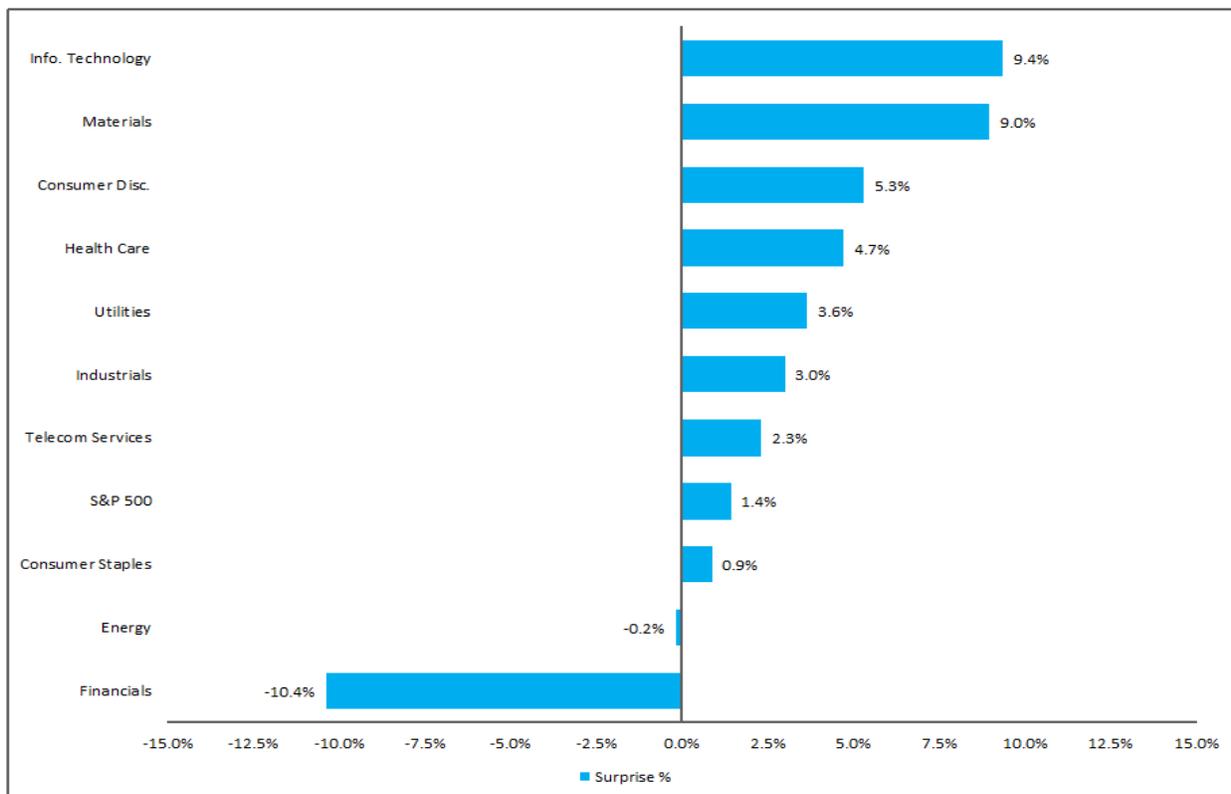


Q3 2013: Scorecard

Q3 2013: Surprise % Numbers

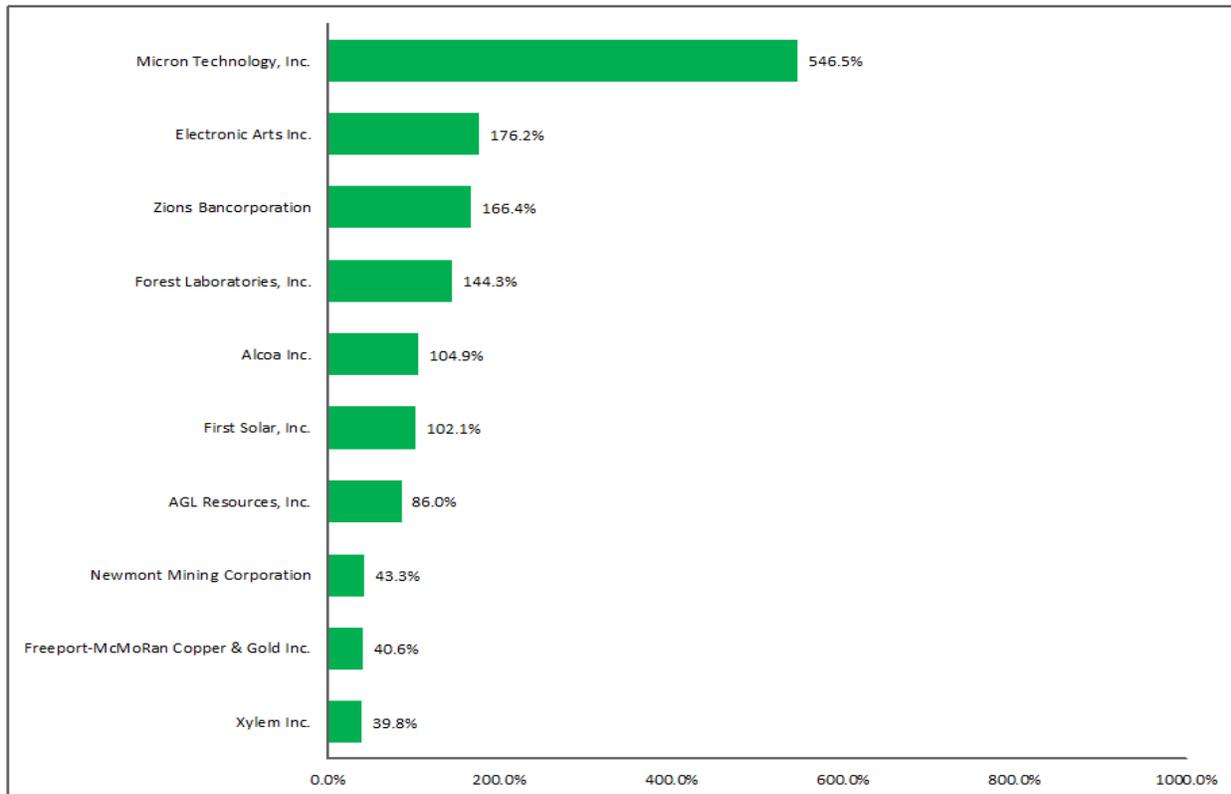


Q3 2013: Sector Level Surprise %

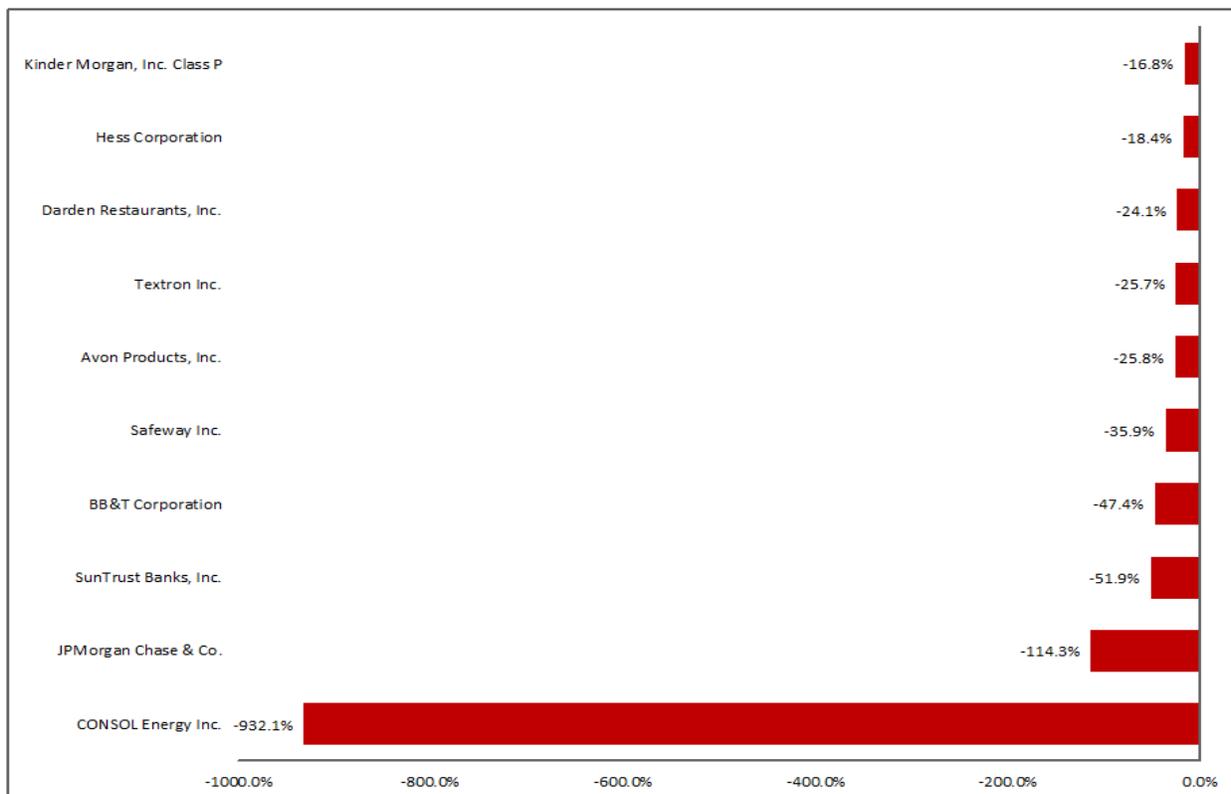


Q3 2013: Scorecard

EPS Surprise %: Top 10 Companies

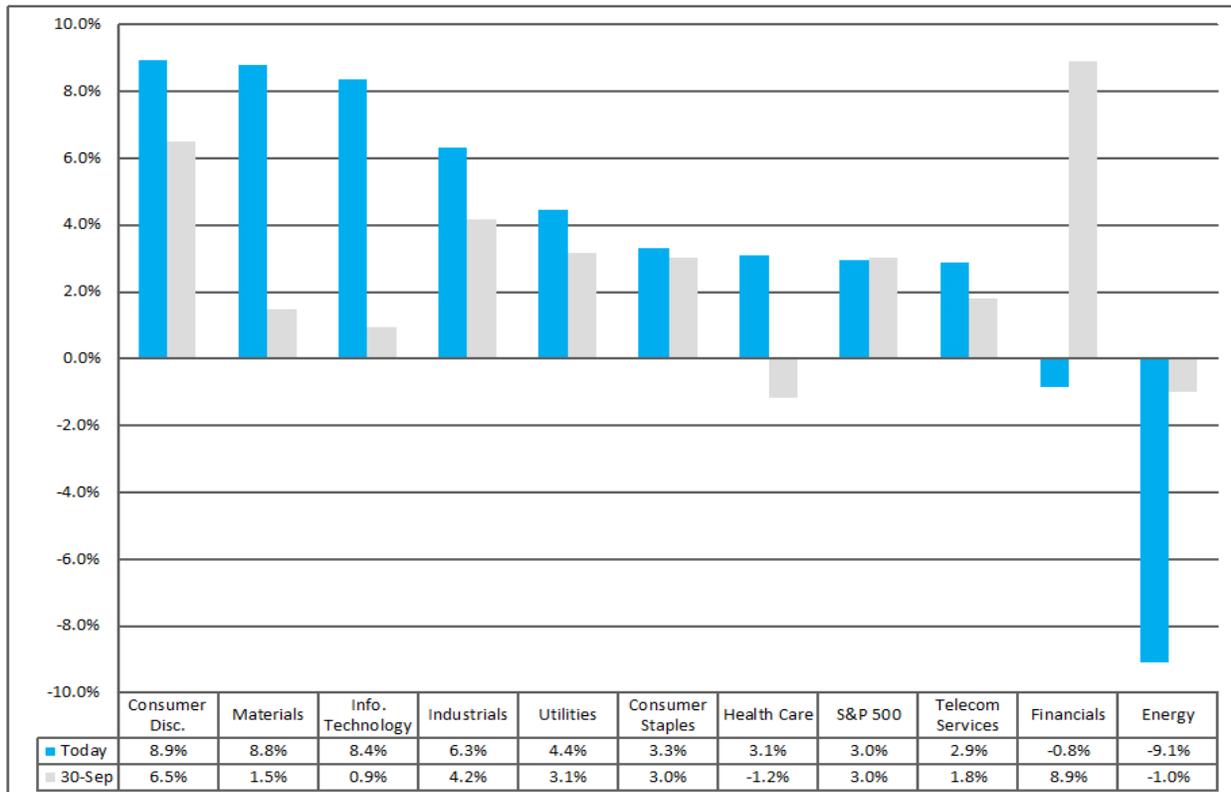


EPS Surprise %: Bottom 10 Companies

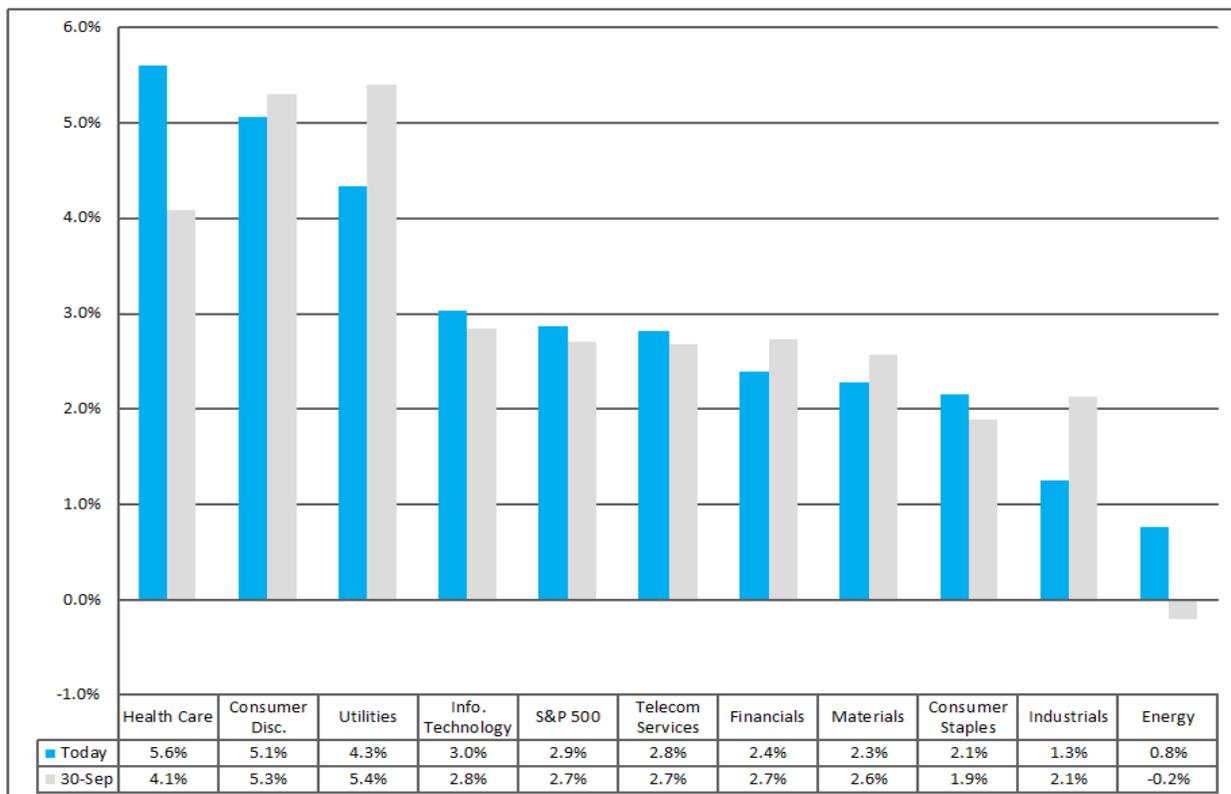


Q3 2013: Growth

Q3 2013 Earnings Growth

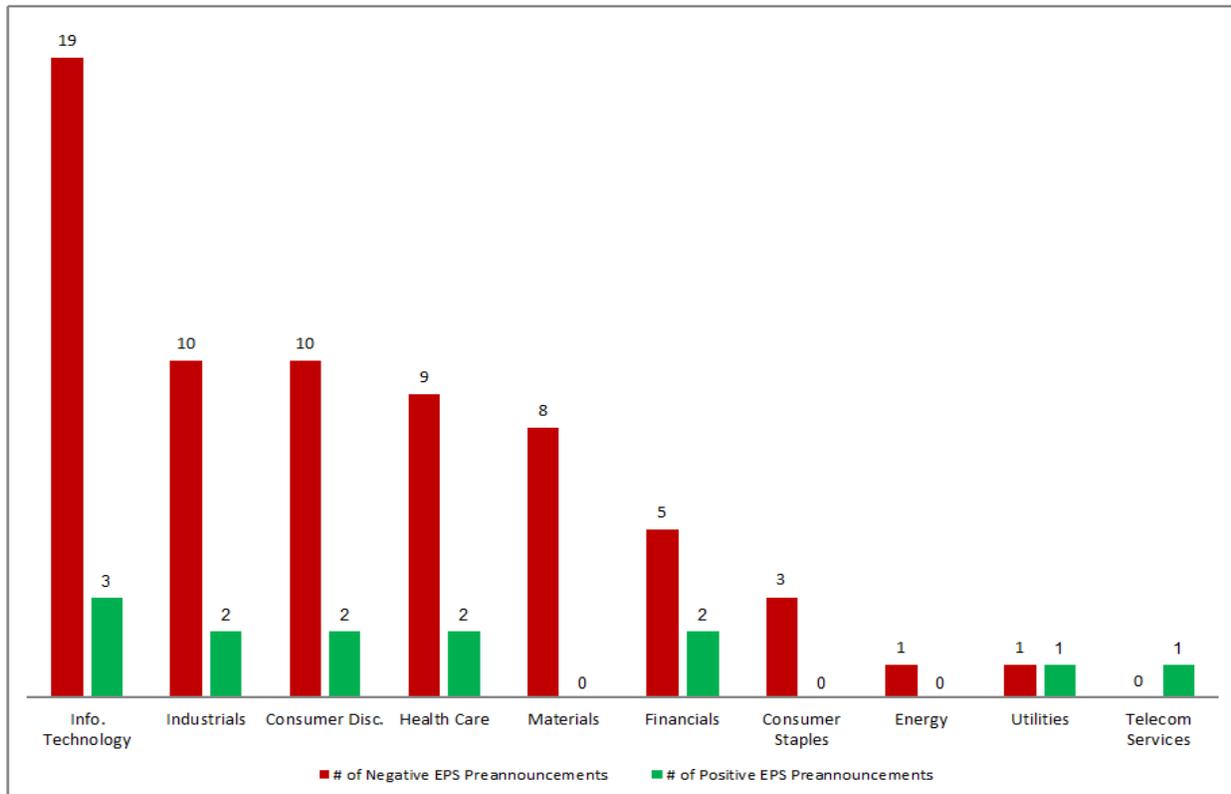


Q3 2013 Revenue Growth

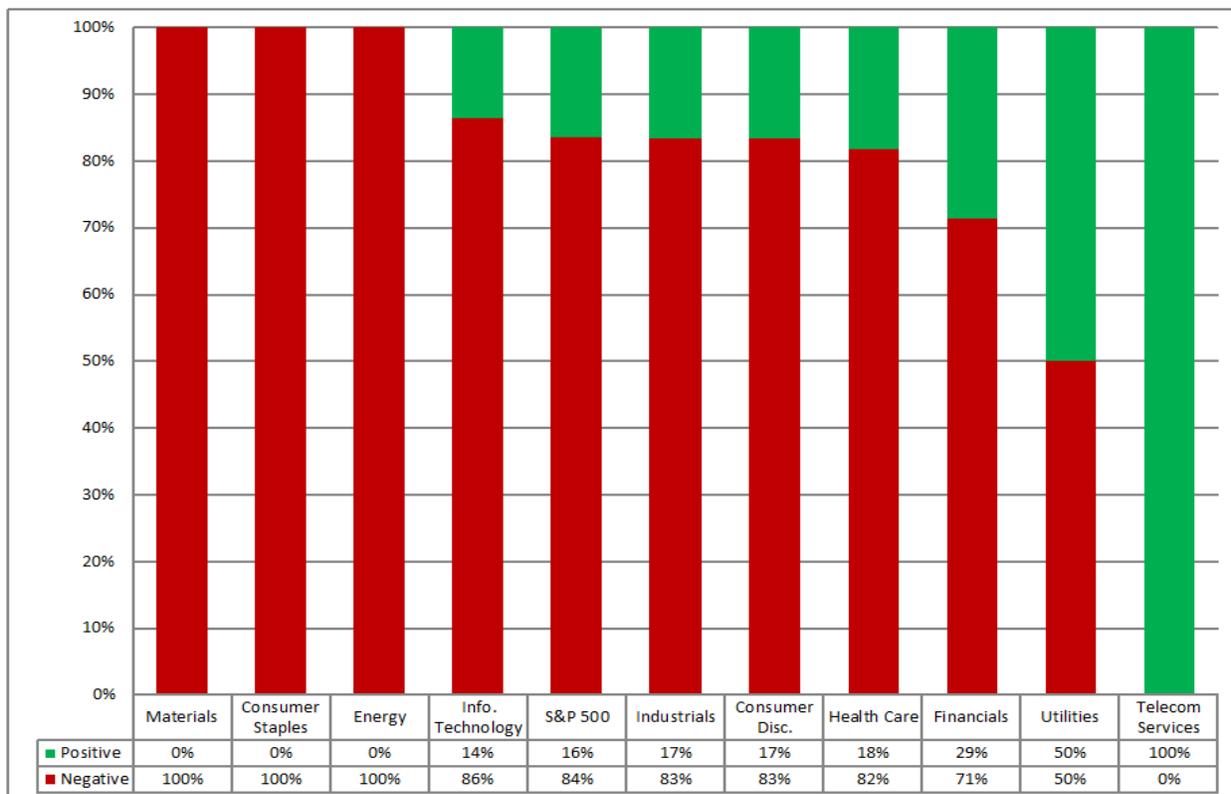


## Q4 2013: Guidance

Number of Positive & Negative EPS Preannouncements: Q4 2013

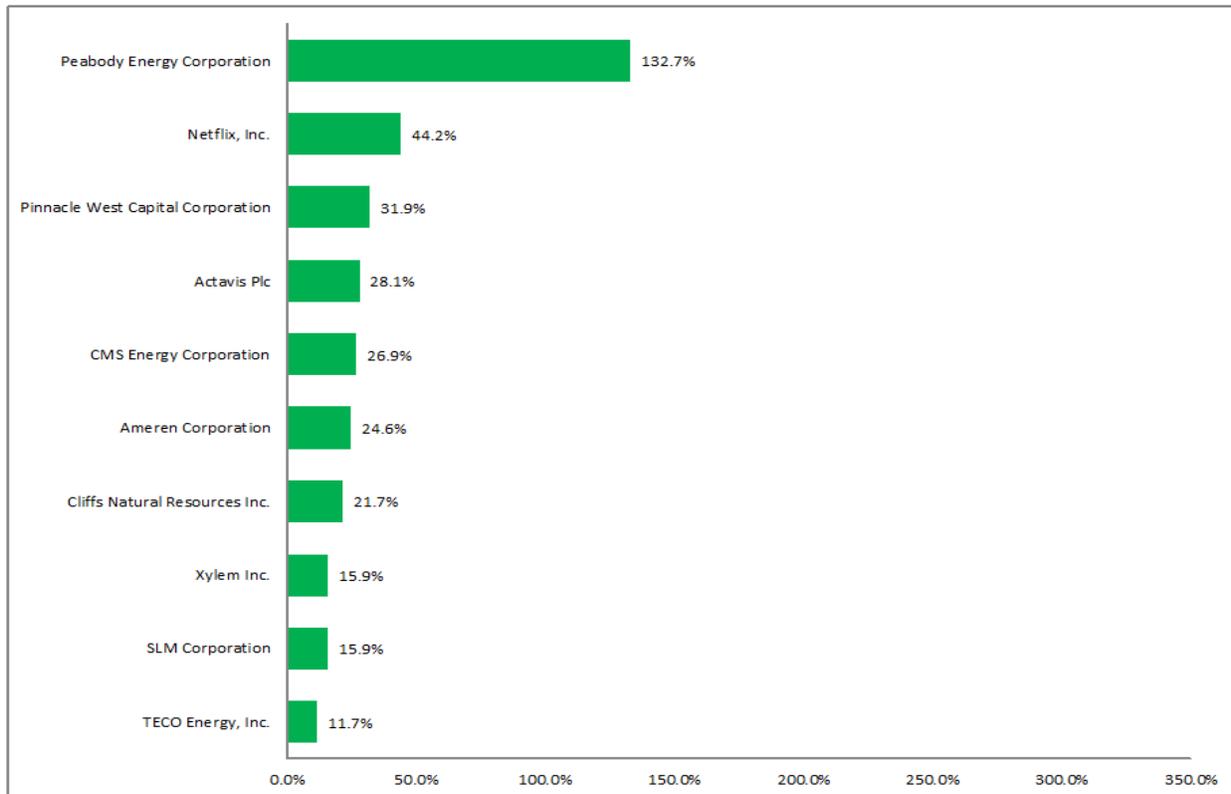


Percentage of Positive & Negative EPS Preannouncements: Q4 2013

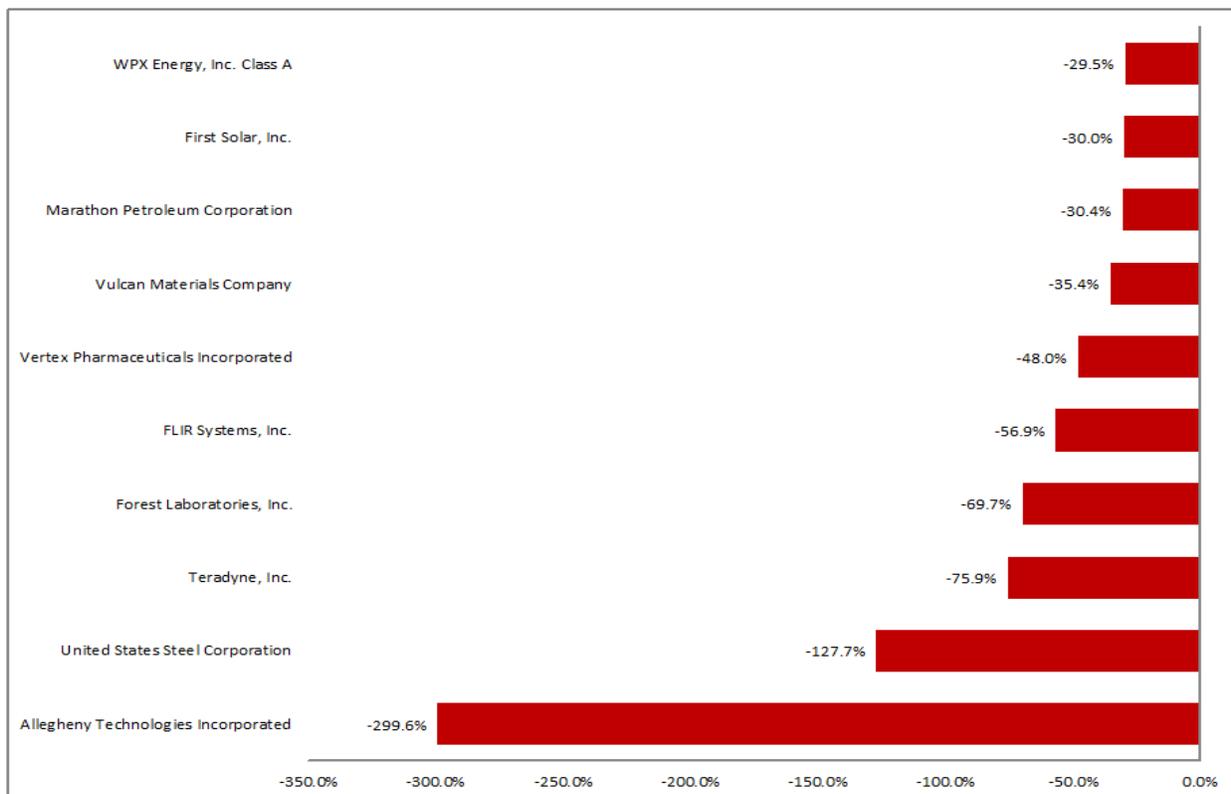


## Q4 2013: EPS Revisions

Highest Upward Change (Trailing 4-Weeks) in Mean EPS Estimate: Top 10 Companies

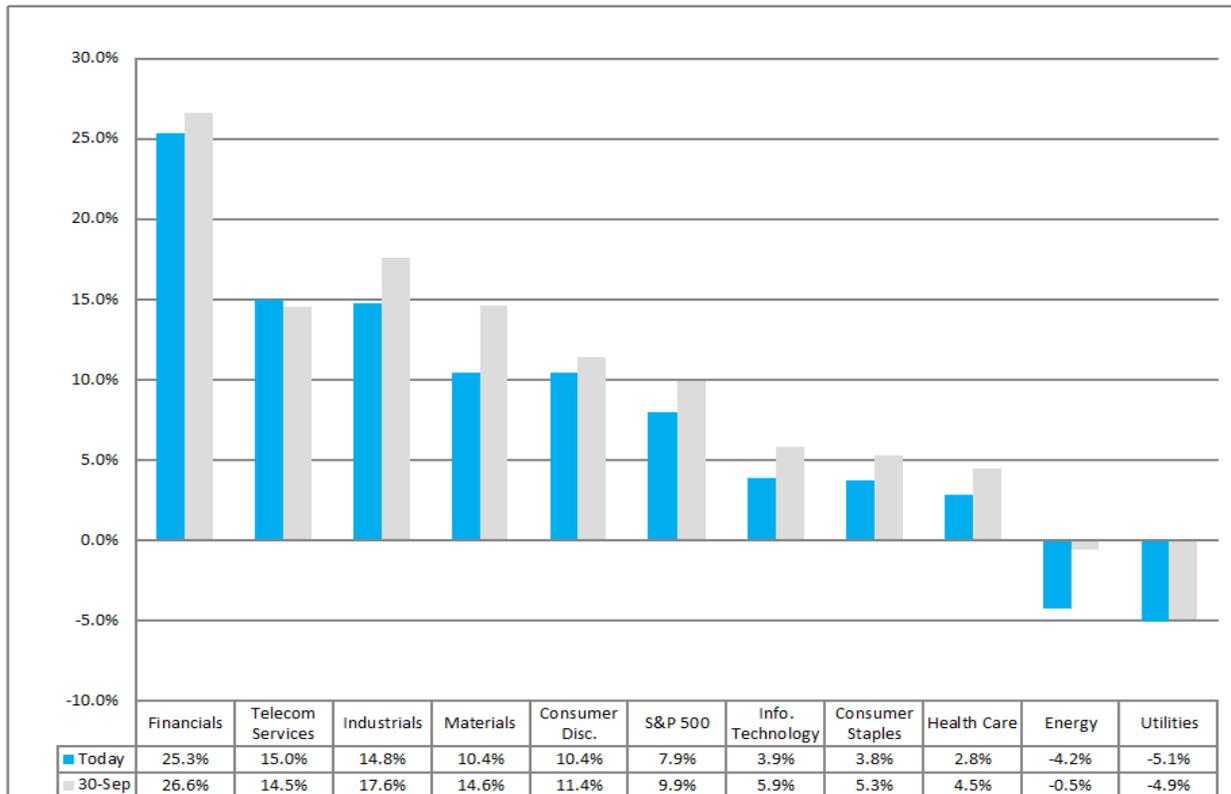


Highest Downward Change (Trailing 4-Weeks) in Mean EPS Estimate: Top 10 Companies



Q4 2013: Growth

Q4 2013 Earnings Growth

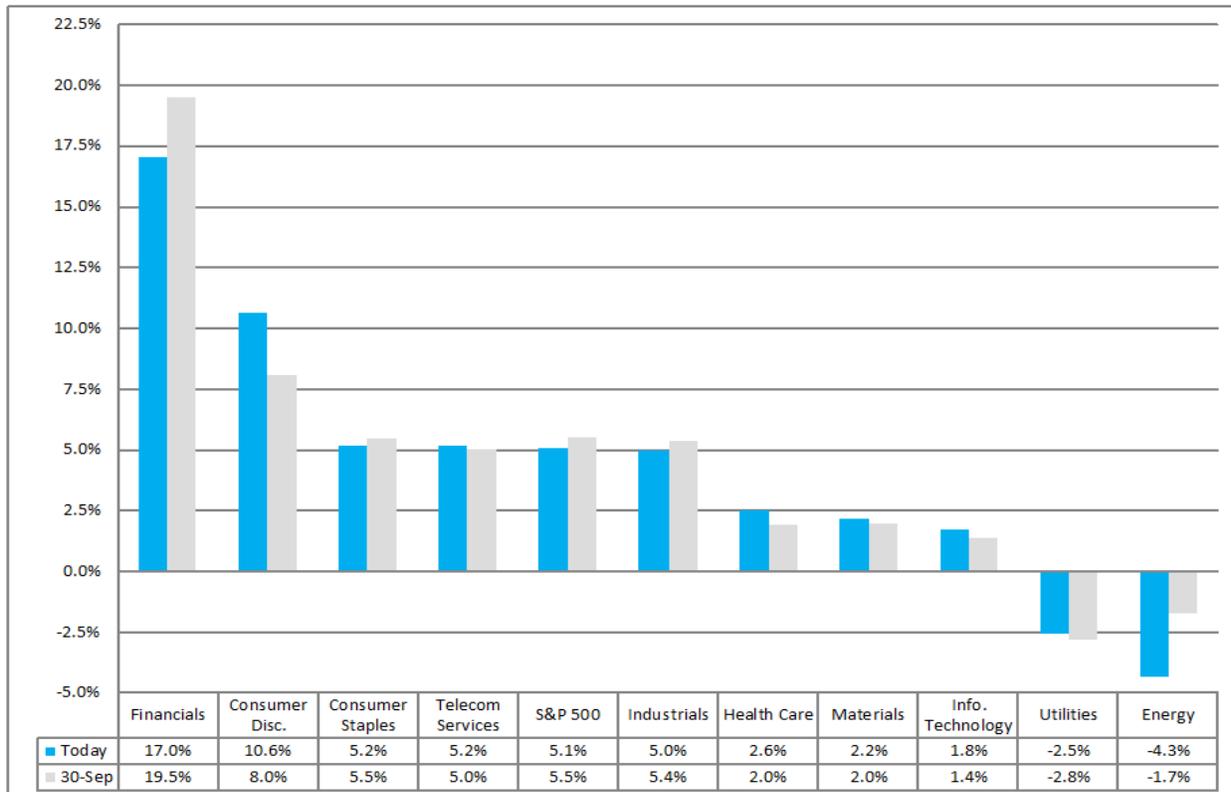


Q4 2013 Revenue Growth

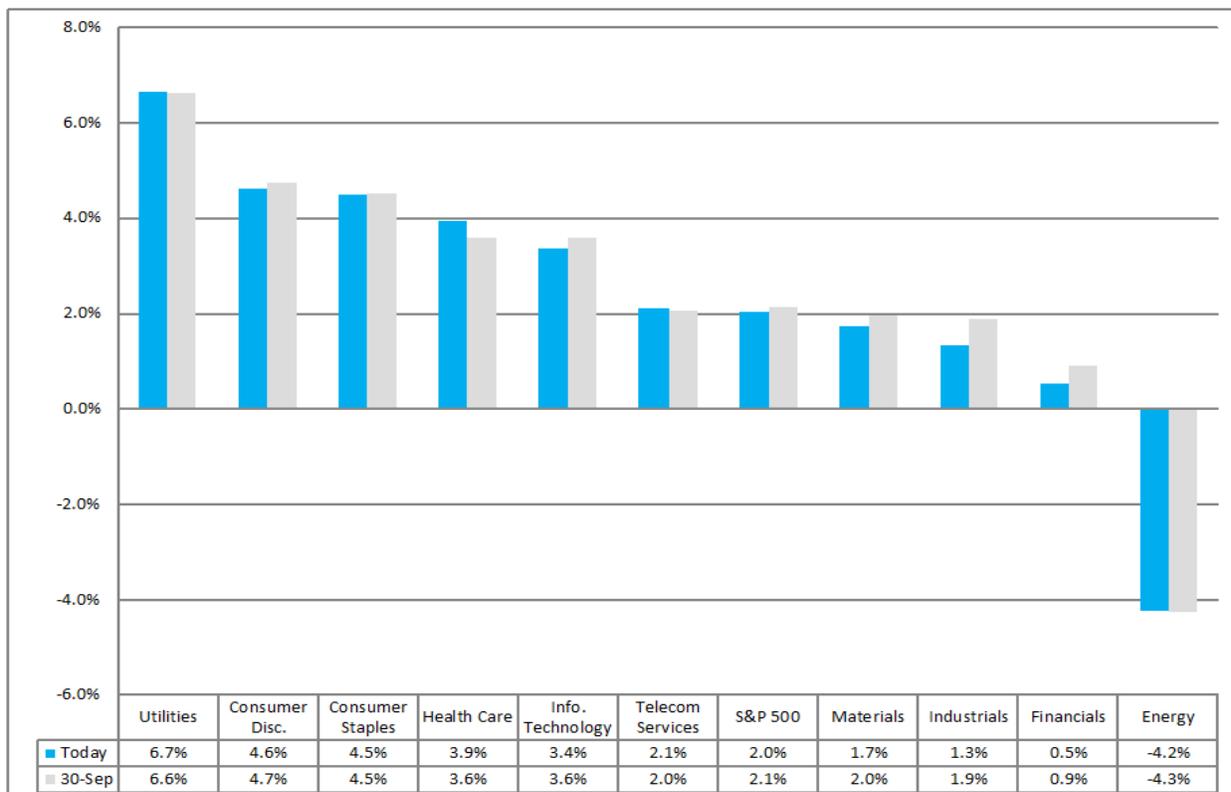


CY 2013: Growth

CY 2013 Earnings Growth

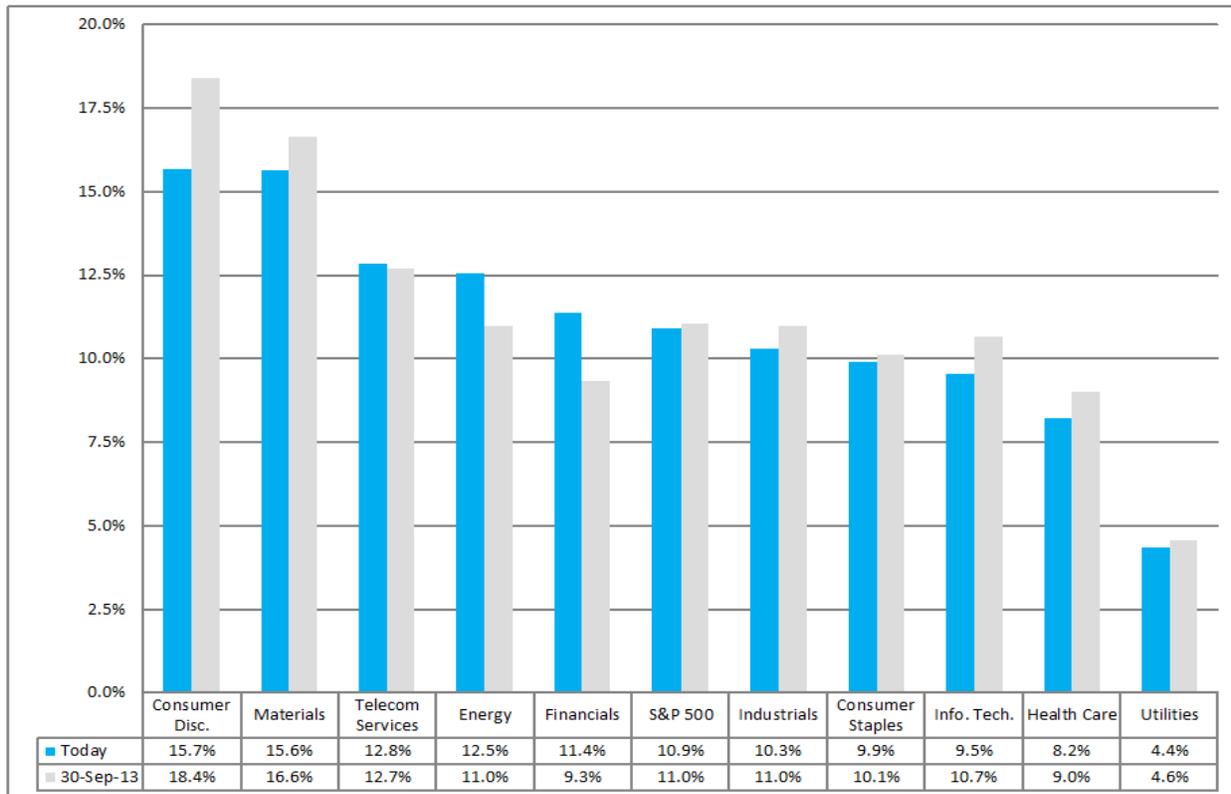


CY 2013 Revenue Growth

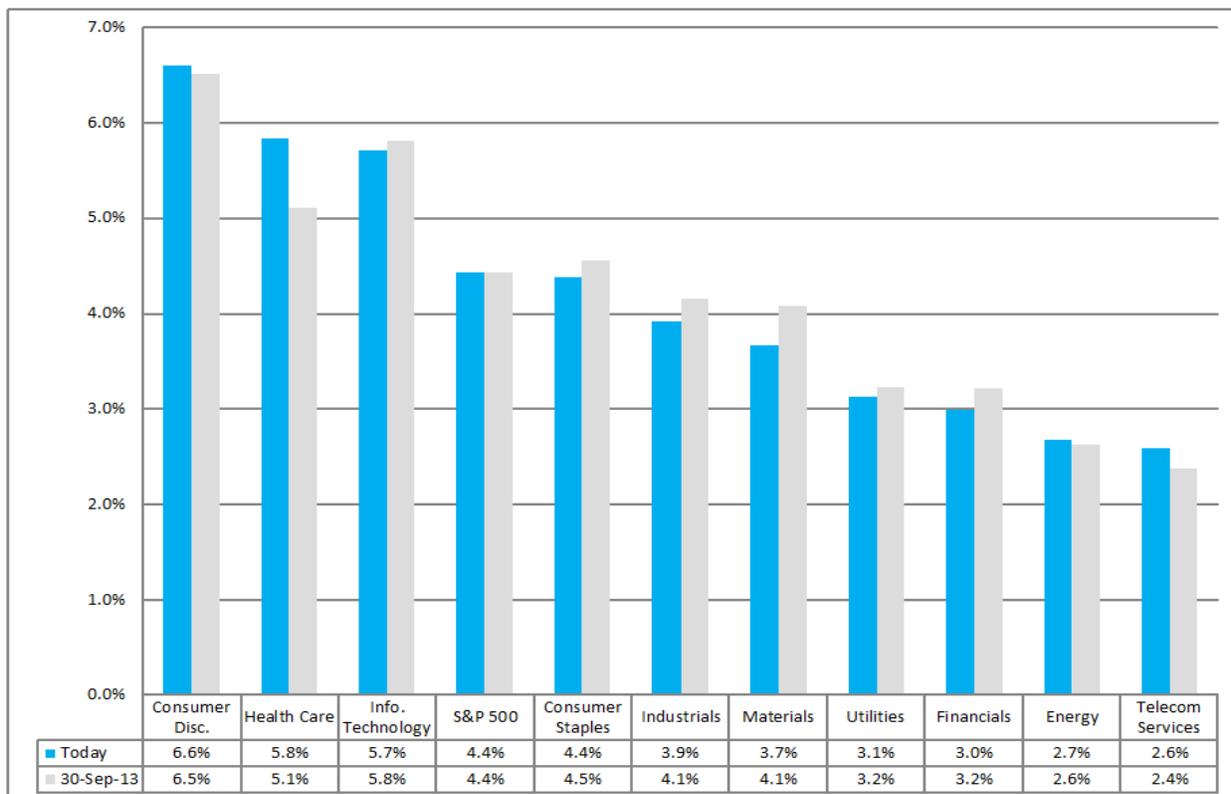


CY 2014: Growth

CY 2014 Earnings Growth

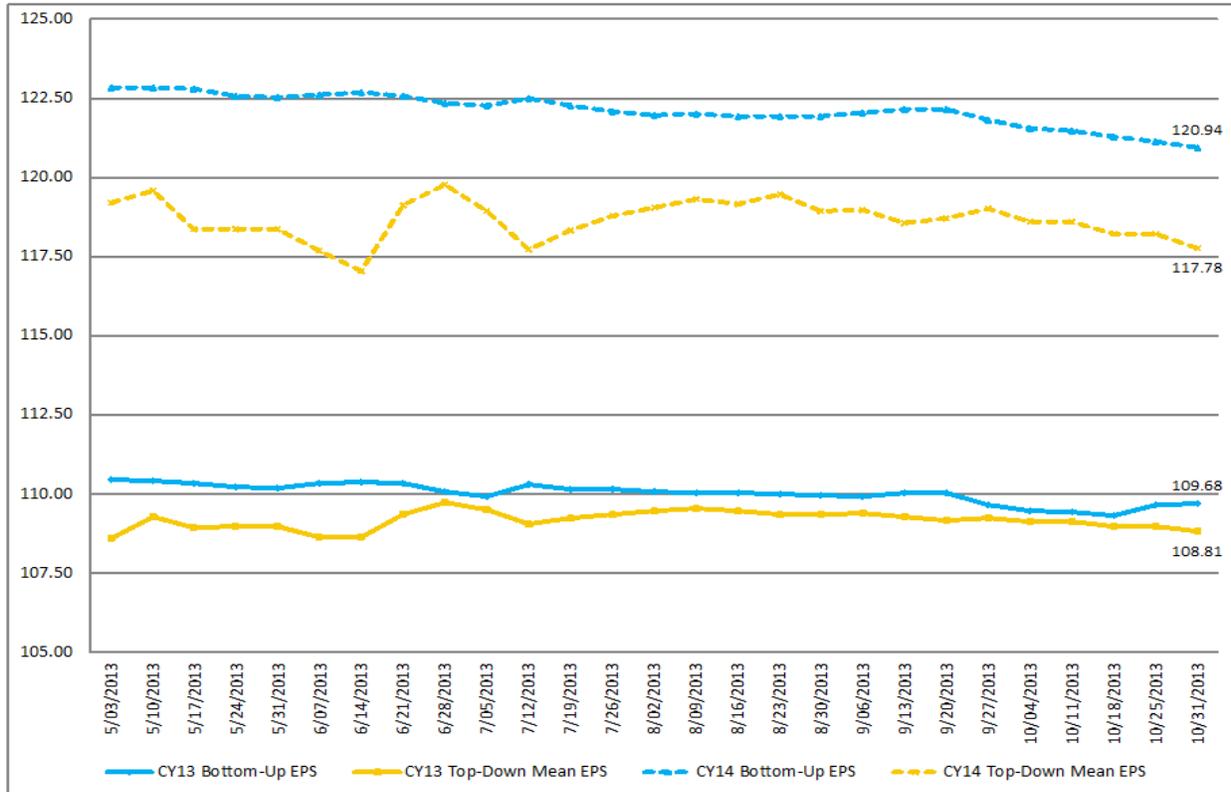


CY 2014 Revenue Growth

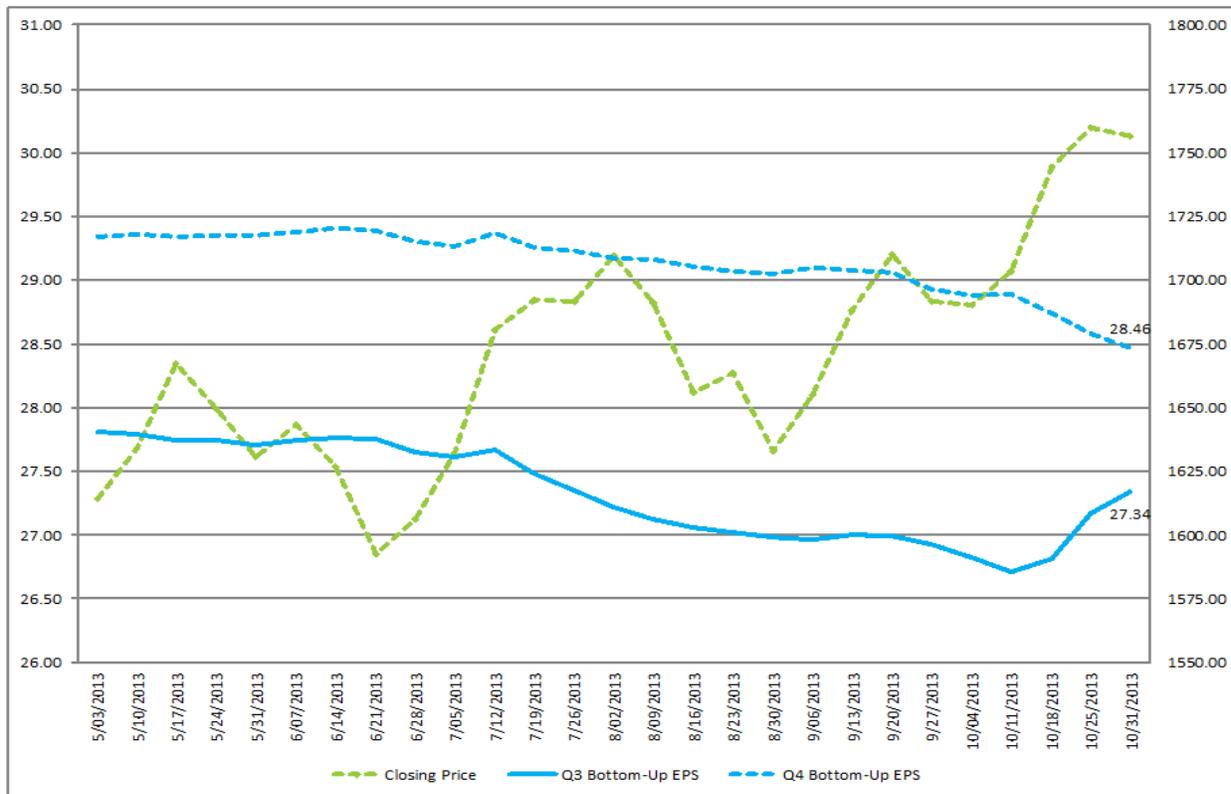


## Bottom-up EPS Estimates: Revisions

CY Bottom-Up EPS vs. Top-Down Mean EPS (Trailing 26-Weeks)

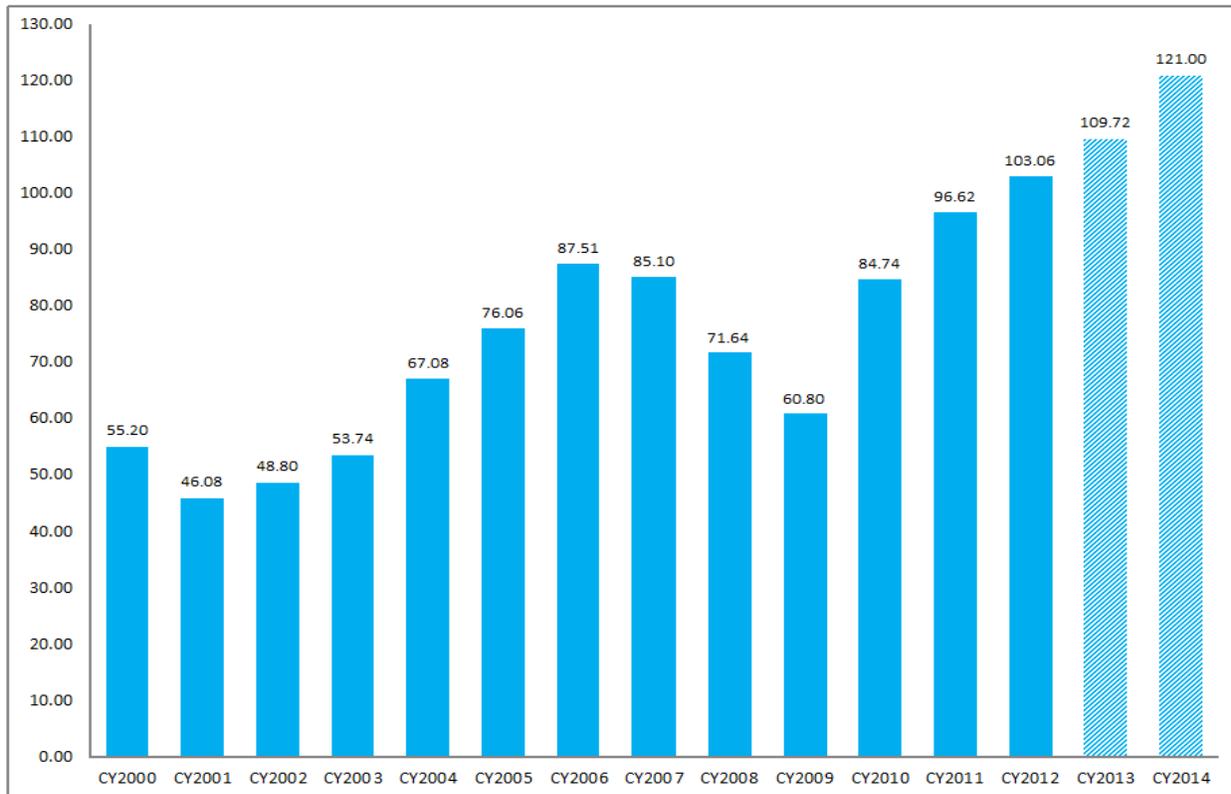


Change in Q213 Bottom-Up EPS vs. Price (Trailing 26-Weeks)

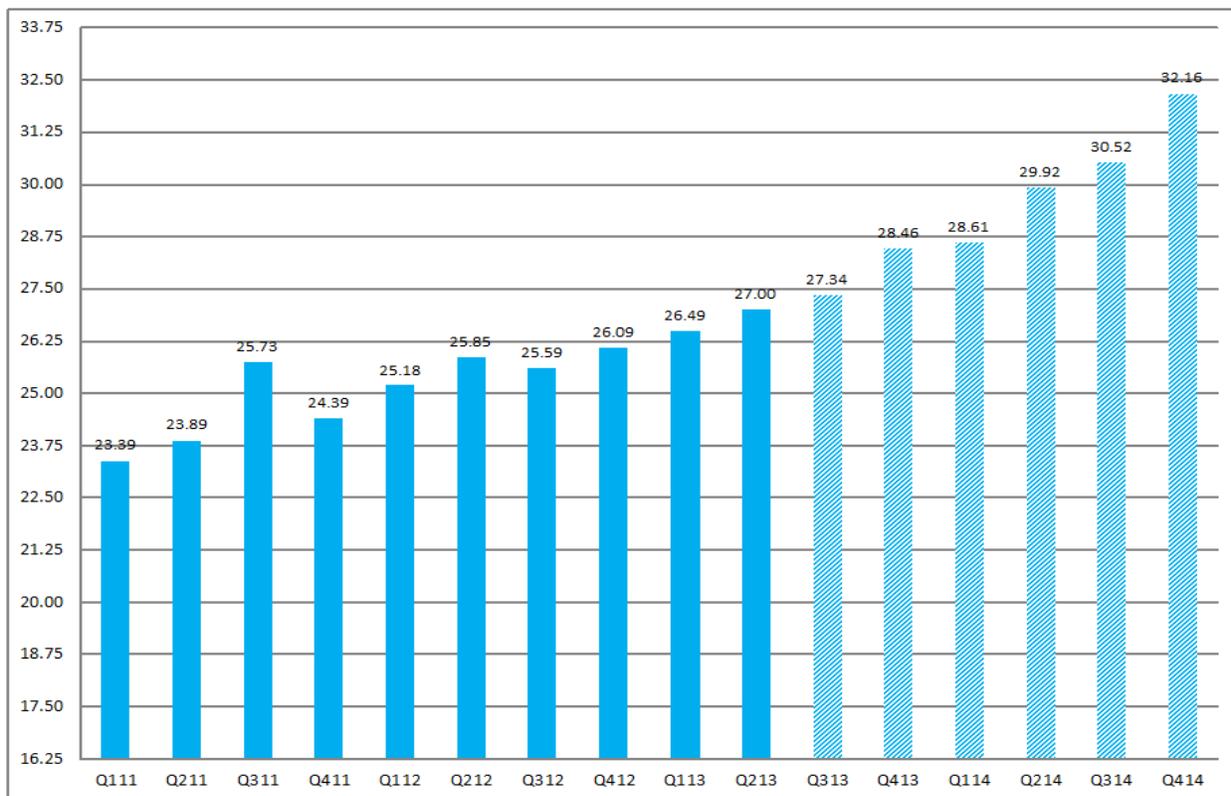


## Bottom-up EPS Estimates: Current & Historical

Calendar Year Bottom-Up EPS Actuals & Estimates

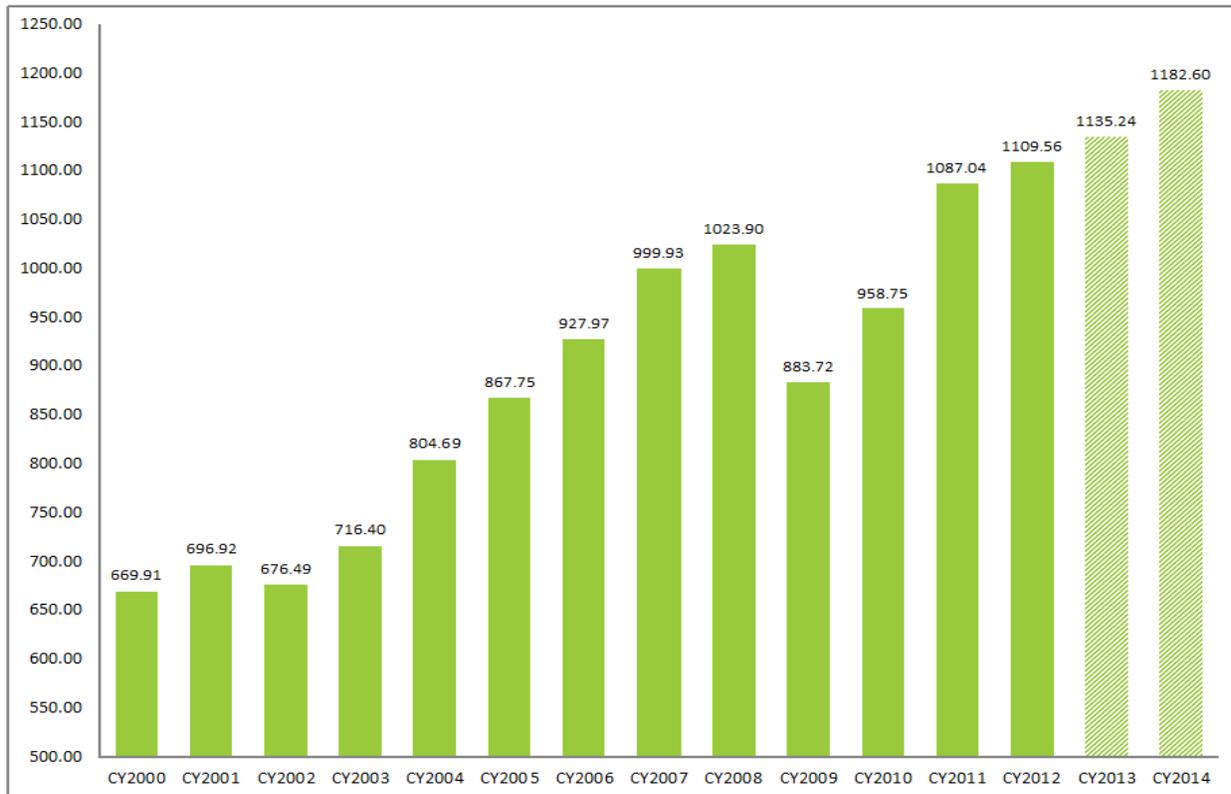


Quarterly Bottom-Up EPS Actuals & Estimates

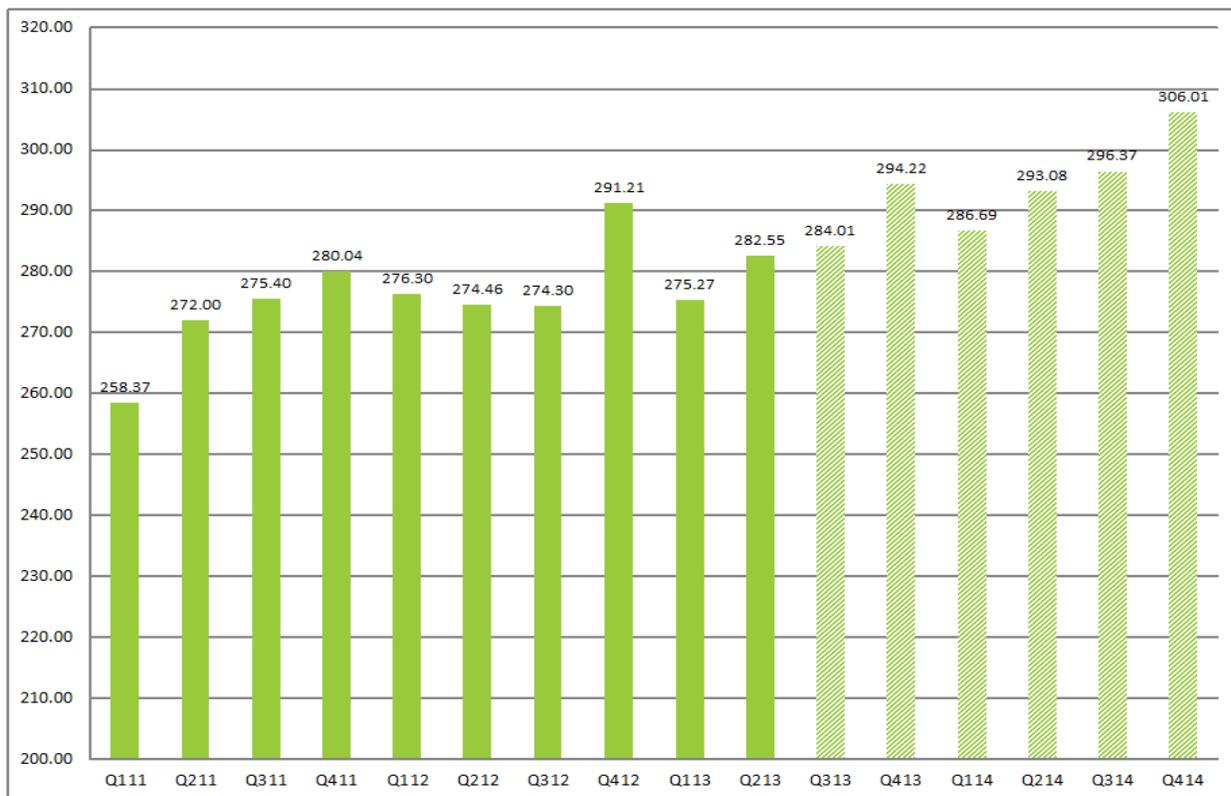


## Bottom-up SPS Estimates: Current & Historical

Calendar Year Bottom-Up SPS Actuals & Estimates

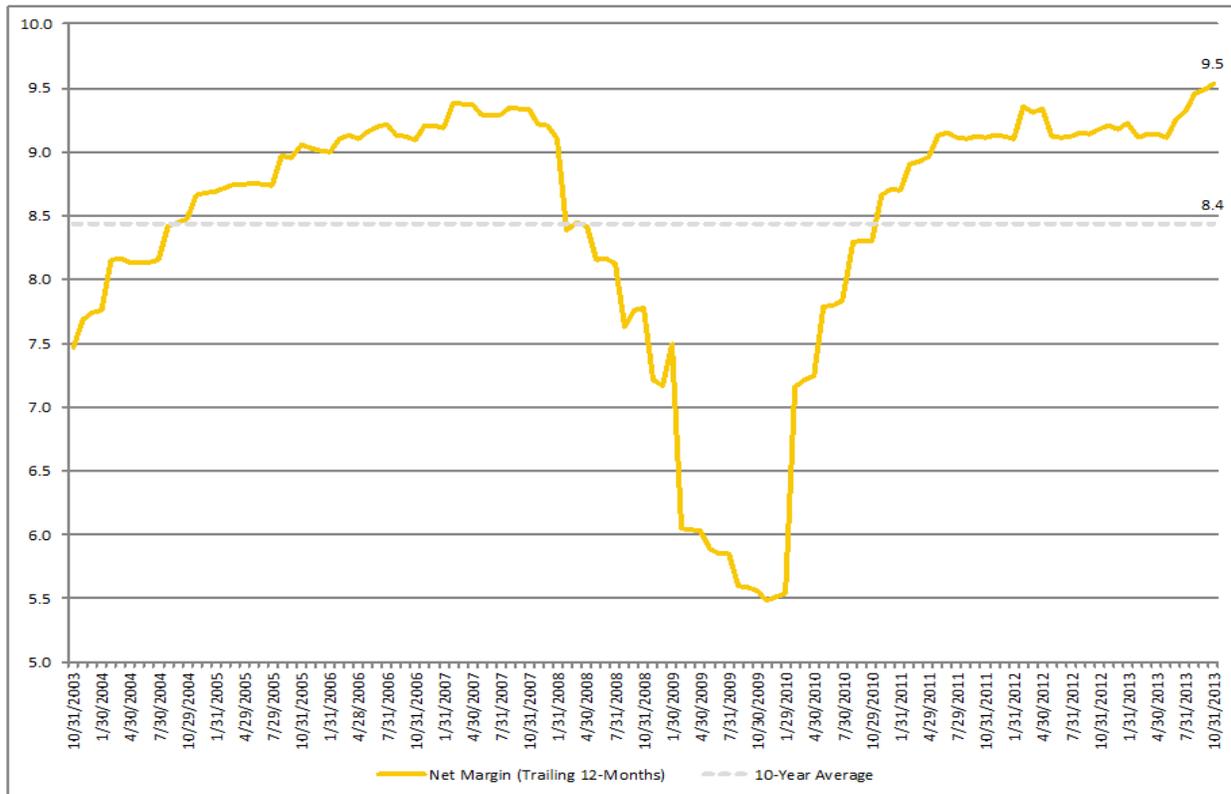


Quarterly Bottom-Up SPS Actuals & Estimates

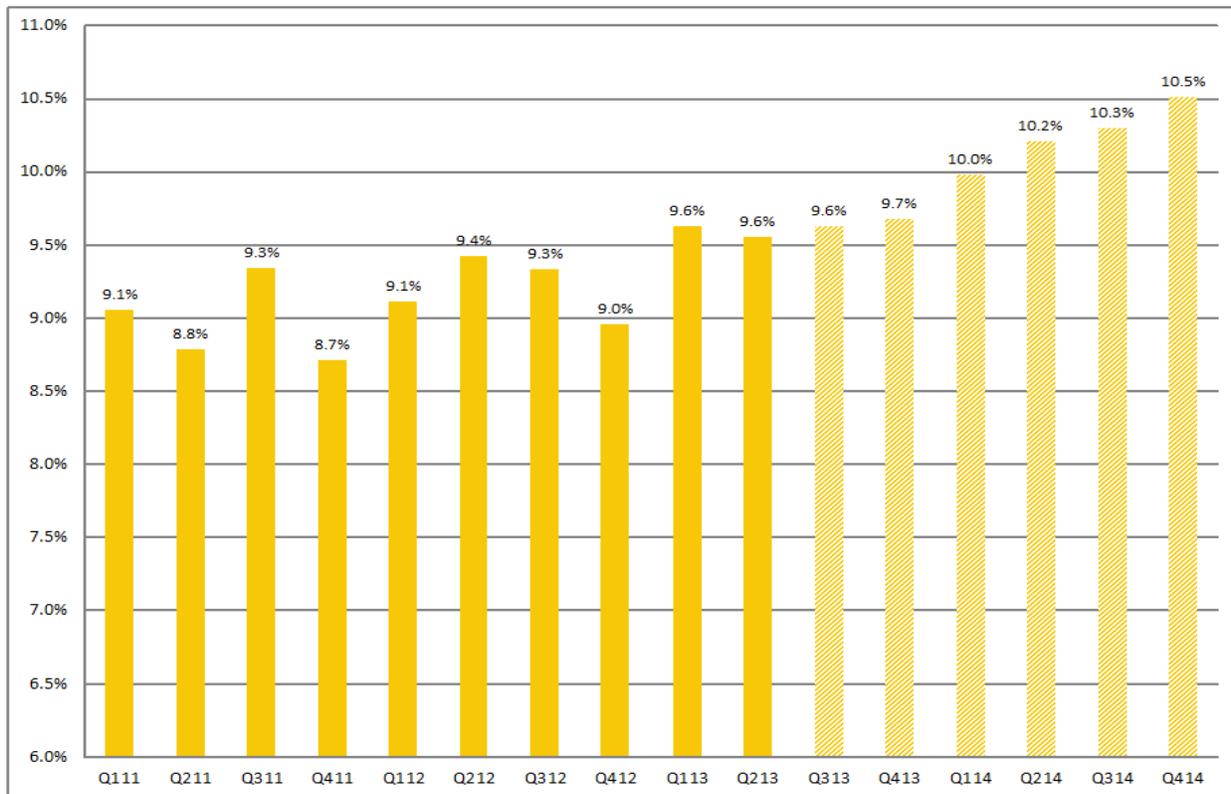


## Net Margins: Current & Historical

Trailing 12M Net Margin: 10 Years

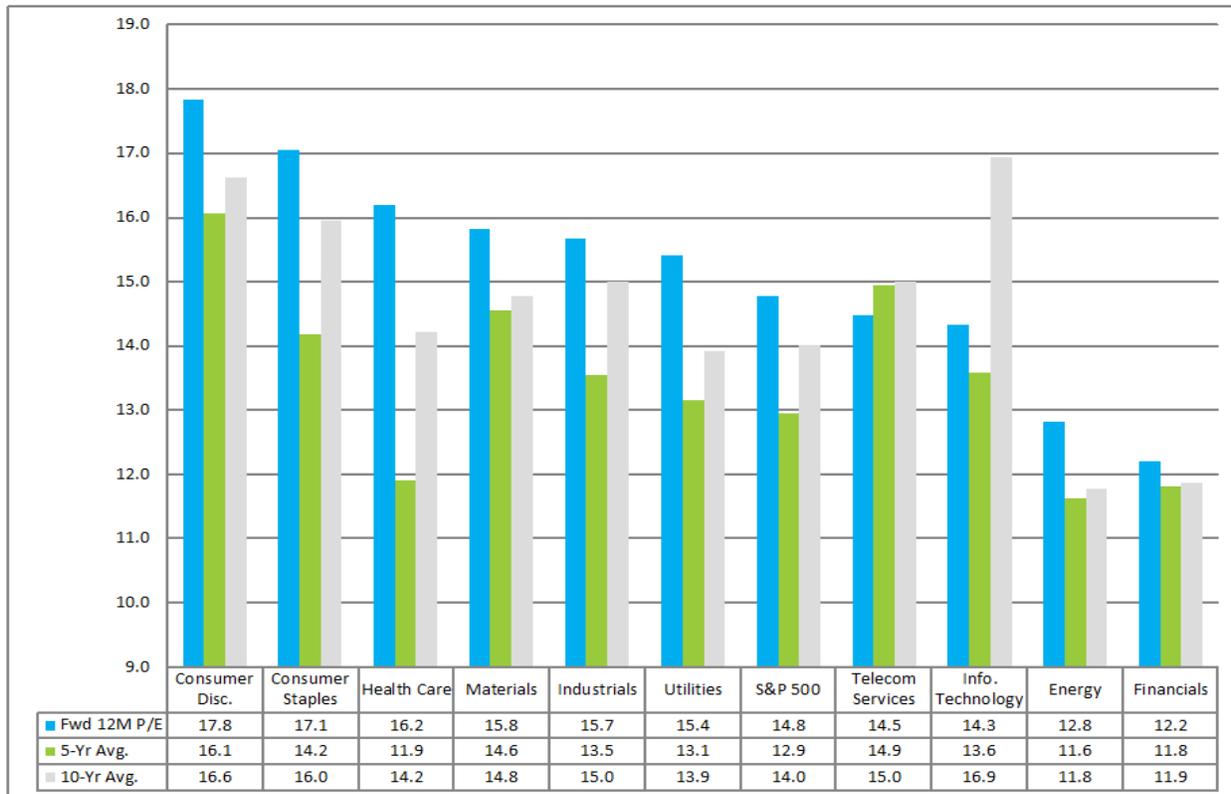


Quarterly Net Margins (Bottom-Up EPS / Bottom-Up SPS)

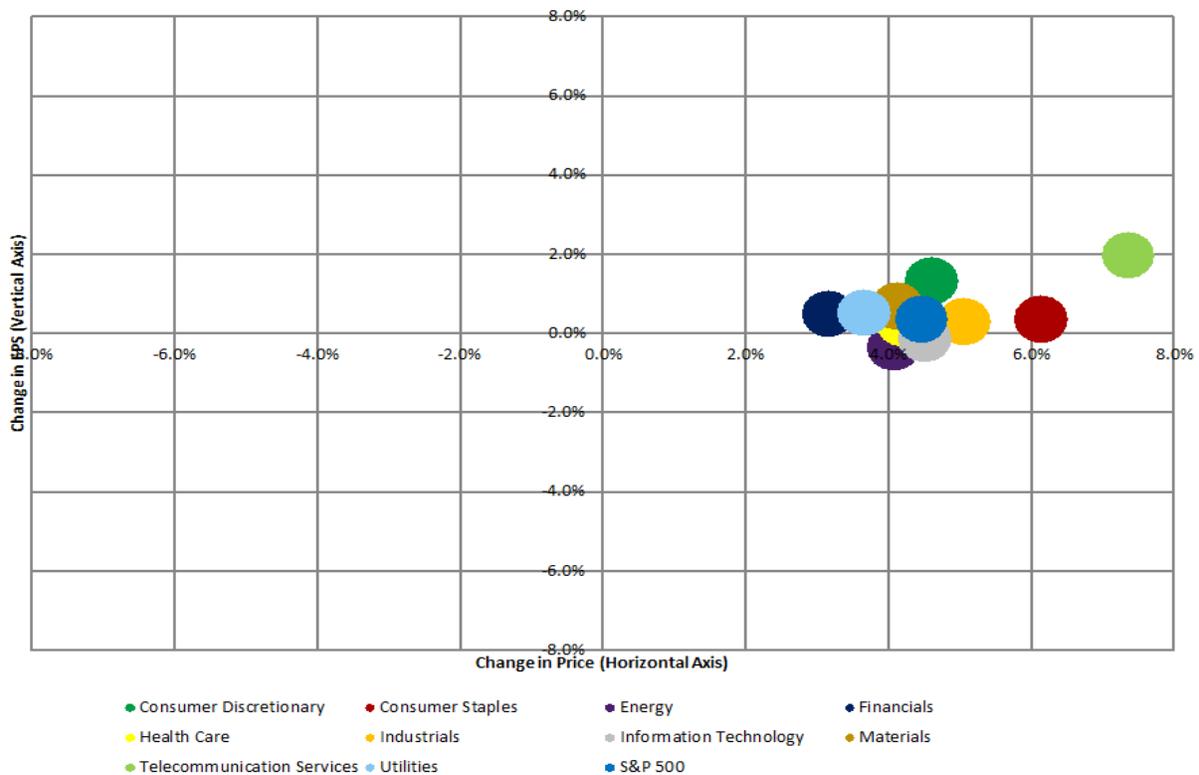


## Forward 12M Price / Earnings Ratio: Sector Level

Sector-Level Forward 12-Month P/E Ratios

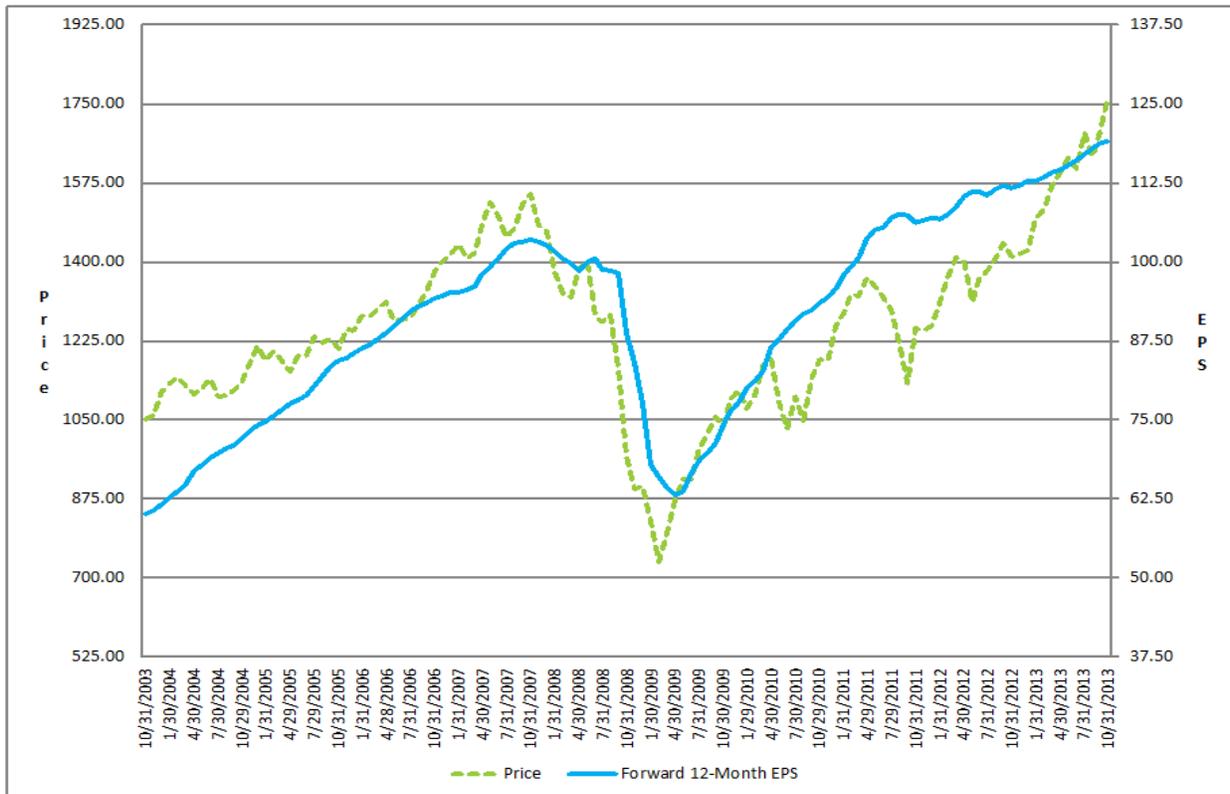


Sector-Level Change in Price vs. Change Forward 12M EPS: 1-Month

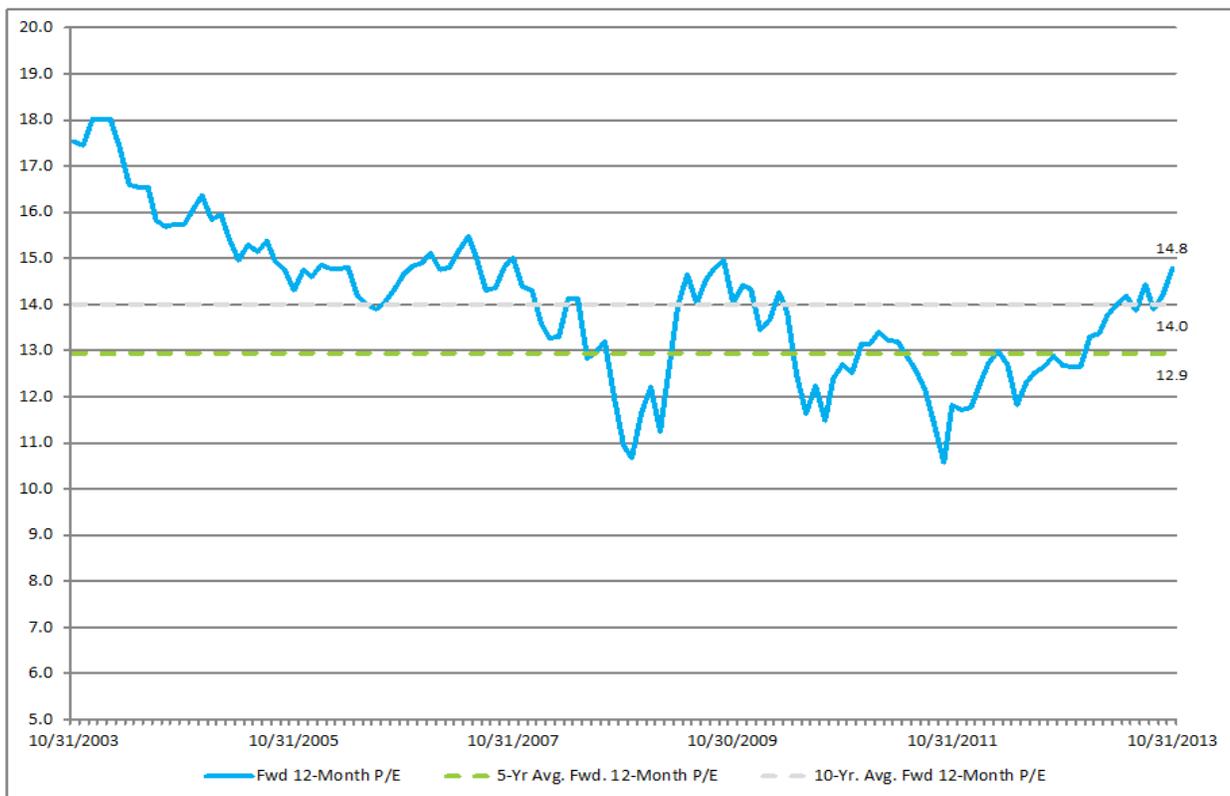


## Forward 12M Price / Earnings Ratio: Long-Term Averages

Change in Price vs. Change in Forward 12M EPS: 10-Year

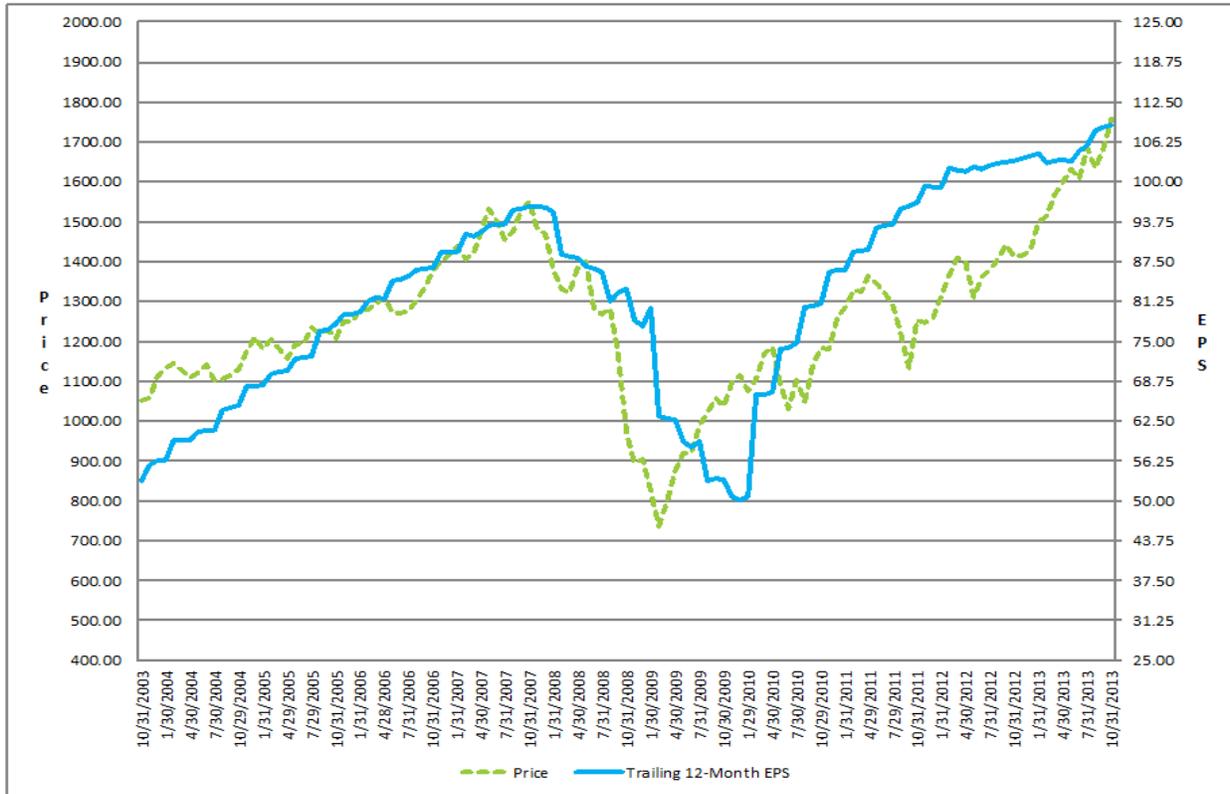


Forward 12M P/E Ratio: 10-Year

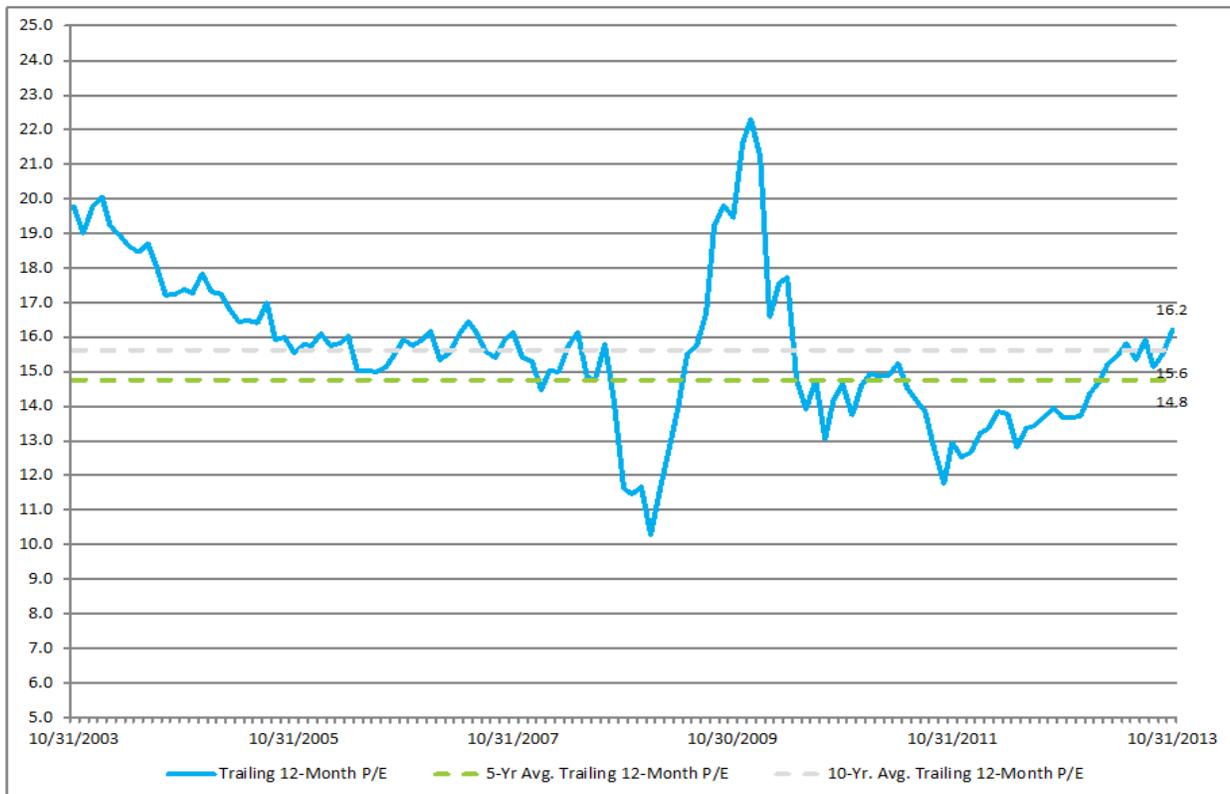


## Trailing 12M Price / Earnings Ratio: Long-Term Averages

Change in Price vs. Change in Trailing 12M EPS: 10-Year



Trailing 12M P/E Ratio: 10-Year



## Important Notice

The information contained in this report is provided “as is” and all representations, warranties, terms and conditions, oral or written, express or implied (by common law, statute or otherwise), in relation to the information are hereby excluded and disclaimed to the fullest extent permitted by law. In particular, FactSet and its affiliates disclaim implied warranties of merchantability and fitness for a particular purpose and make no warranty of accuracy, completeness or reliability of the information. This report is for information purposes and does not constitute a solicitation or an offer to buy or sell any securities mentioned within it. The information in this report is not investment advice. FactSet and its affiliates assume no liability for any consequence relating directly or indirectly to any action or inaction taken based on the information contained in this report.

## About FactSet

FactSet (NYSE:FDS) (Nasdaq:FDS) combines integrated financial information, analytical applications, and client service to enhance the workflow and productivity of the global investment community. The company, headquartered in Norwalk, Connecticut, was formed in 1978 and now conducts operations along with its affiliates from twenty-four locations worldwide, including Boston, New York, Chicago, San Mateo, London, Amsterdam, Frankfurt, Paris, Milan, Tokyo, Hong Kong, Mumbai, Dubai, and Sydney.