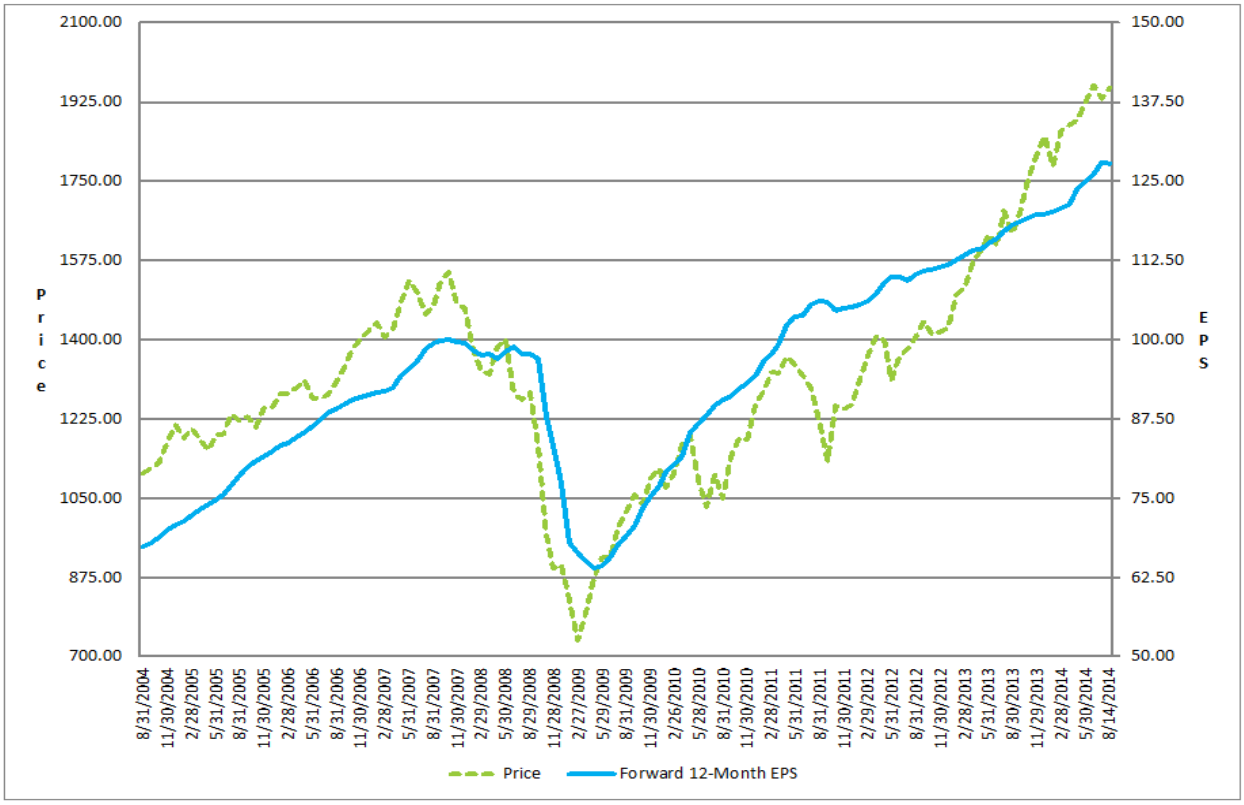
John Butters, Senior Earnings Analyst
jbutters@factset.com

Media Questions/Requests
media_request@factset.com

Key Metrics

- **Earnings Scorecard:** Of the 469 companies that have reported earnings to date for Q2 2014, 73% have reported earnings above the mean estimate and 64% have reported sales above the mean estimate.
- **Earnings Growth:** The blended earnings growth rate for Q2 2014 is 7.6%. The Telecom Services sector reported the highest earnings growth for the quarter, while the Financials sector is reporting the lowest earnings growth for the quarter.
- **Earnings Revisions:** On June 30, the estimated earnings growth rate for Q2 2014 was 4.8%. Eight of the ten sectors have higher growth rates today (compared to June 30) due to positive earnings surprises, led by the Health Care sector.
- **Earnings Guidance:** For Q3 2014, 63 companies have issued negative EPS guidance and 26 companies have issued positive EPS guidance.
- **Valuation:** The current 12-month forward P/E ratio is 15.3. This P/E ratio is based on Thursday's closing price (1955.18) and forward 12-month EPS estimate ($127.80).

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

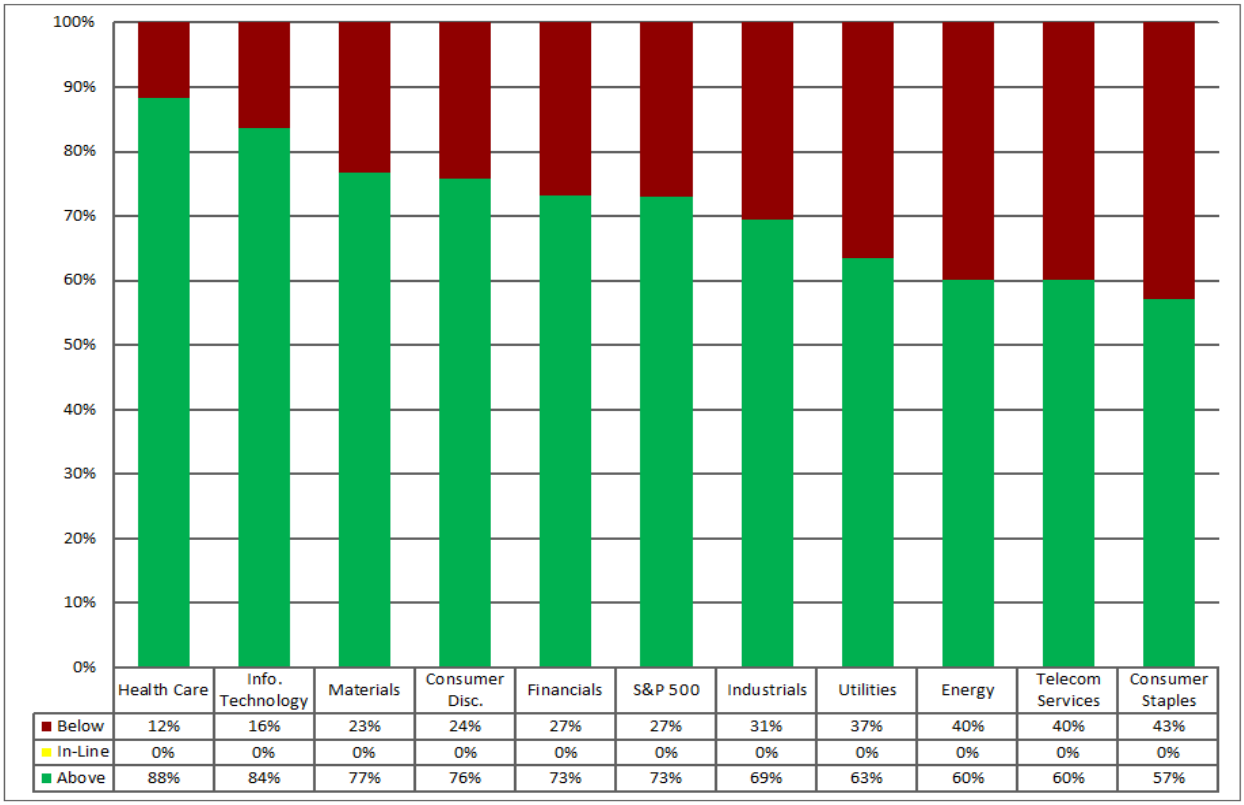


All data published in this report is available on FactSet. Please contact media_request@factset.com or 1-877-FACTSET for more information.

Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

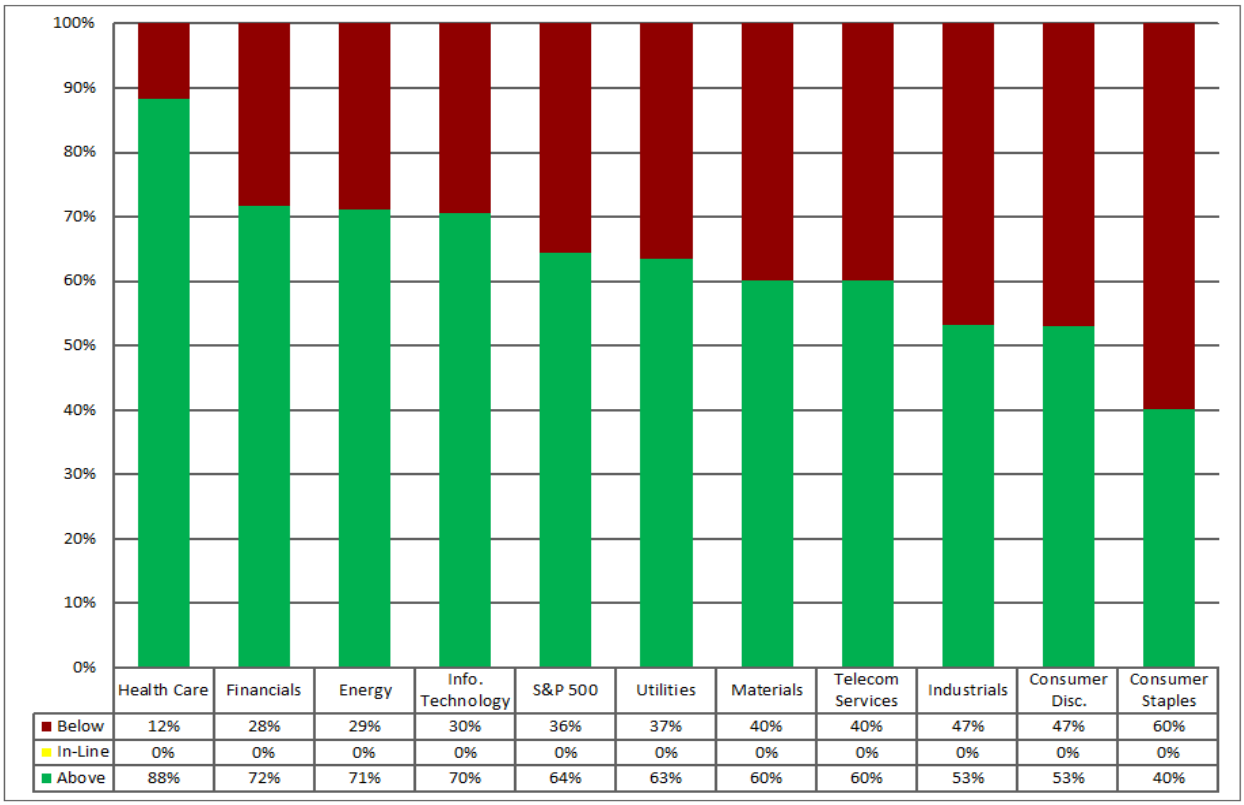
Q2 2014: Scorecard

Q2 2014 Earnings: Above, In-Line, Below Estimates



	Health Care	Info. Technology	Materials	Consumer Disc.	Financials	S&P 500	Industrials	Utilities	Energy	Telecom Services	Consumer Staples
Below	12%	16%	23%	24%	27%	27%	31%	37%	40%	40%	43%
In-Line	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Above	88%	84%	77%	76%	73%	73%	69%	63%	60%	60%	57%

Q2 2014 Revenues: Above, In-Line, Below Estimates

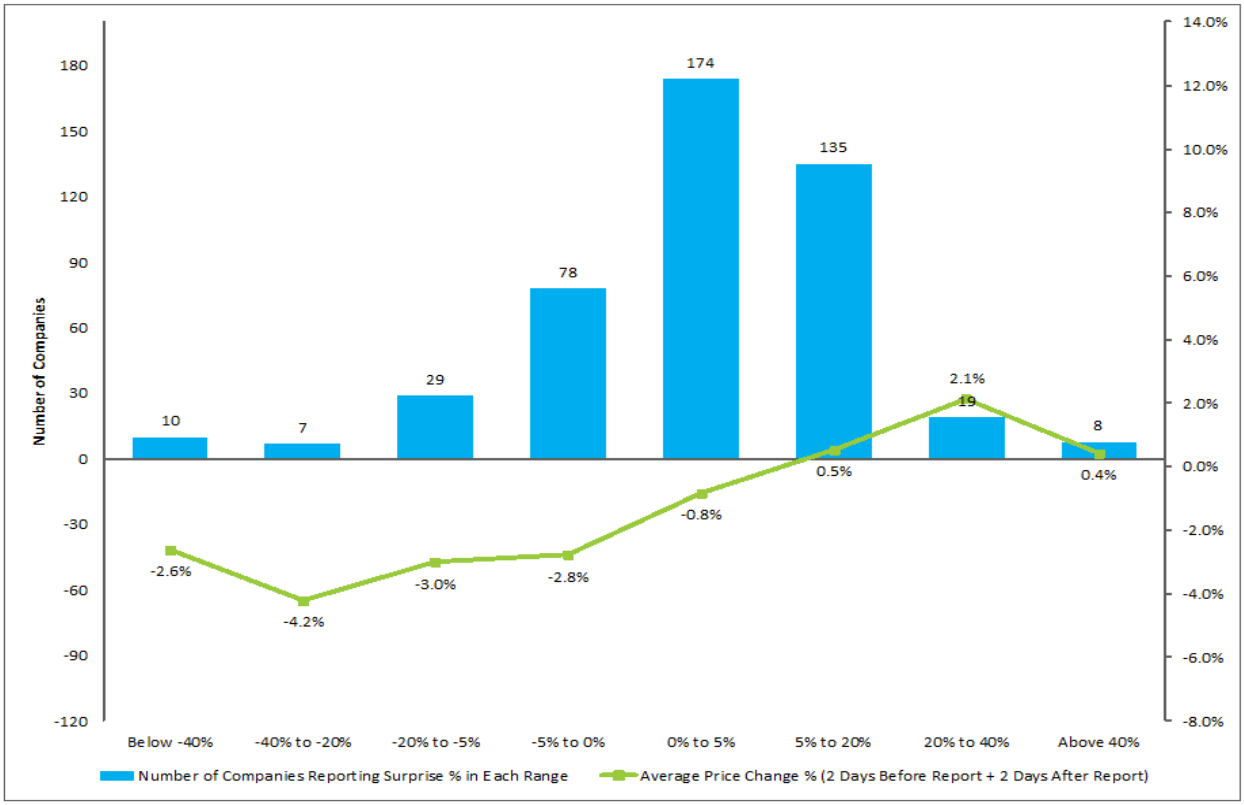


	Health Care	Financials	Energy	Info. Technology	S&P 500	Utilities	Materials	Telecom Services	Industrials	Consumer Disc.	Consumer Staples
Below	12%	28%	29%	30%	36%	37%	40%	40%	47%	47%	60%
In-Line	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Above	88%	72%	71%	70%	64%	63%	60%	60%	53%	53%	40%

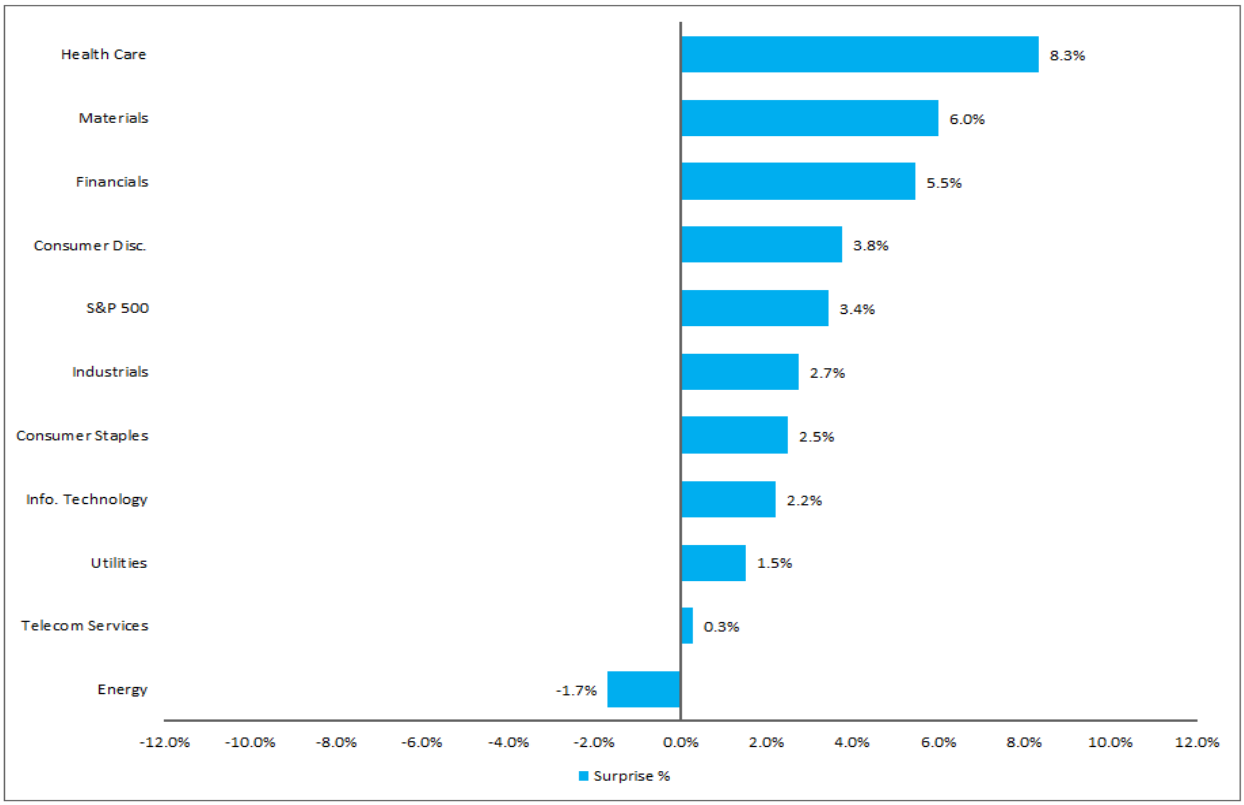
Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

Q2 2014: Scorecard

Q2 2014: EPS Surprise % vs. Price %



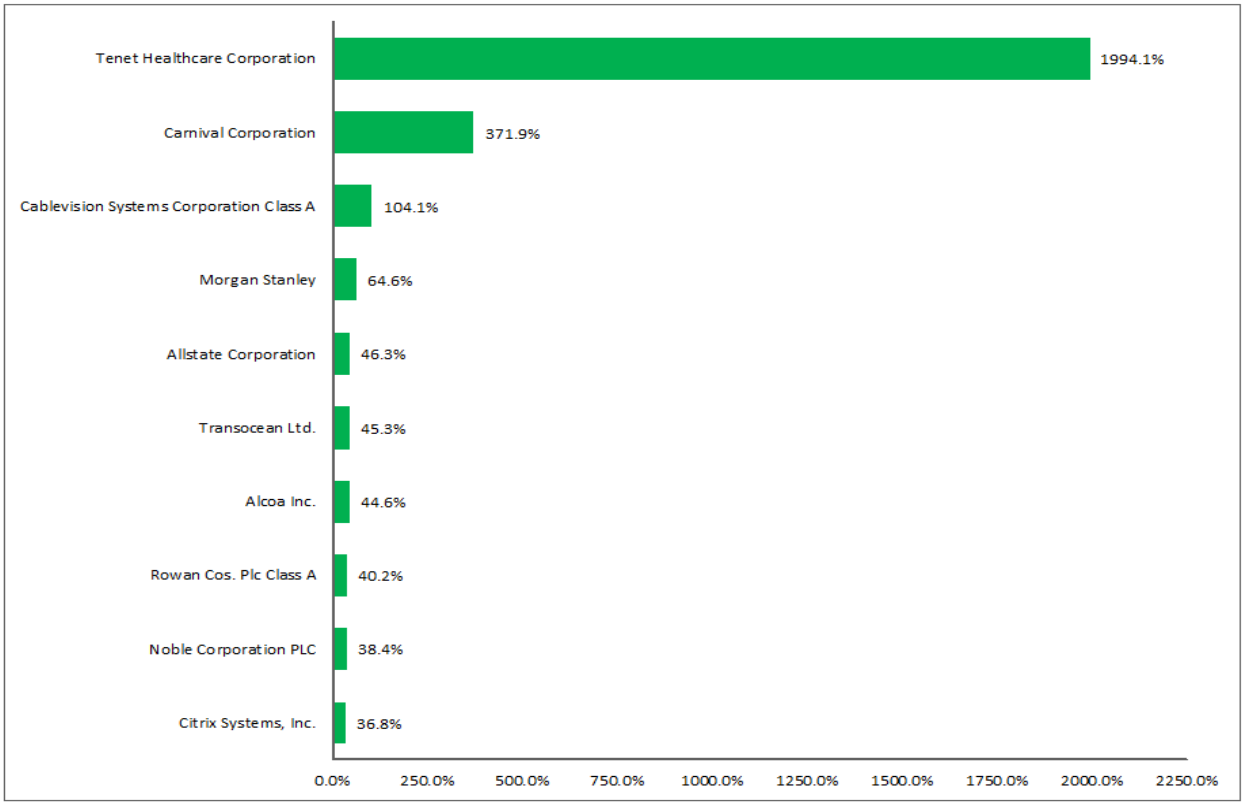
Q2 2014: Sector Level EPS Surprise %



Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

Q2 2014: Scorecard

EPS Surprise %: Top 10 Companies

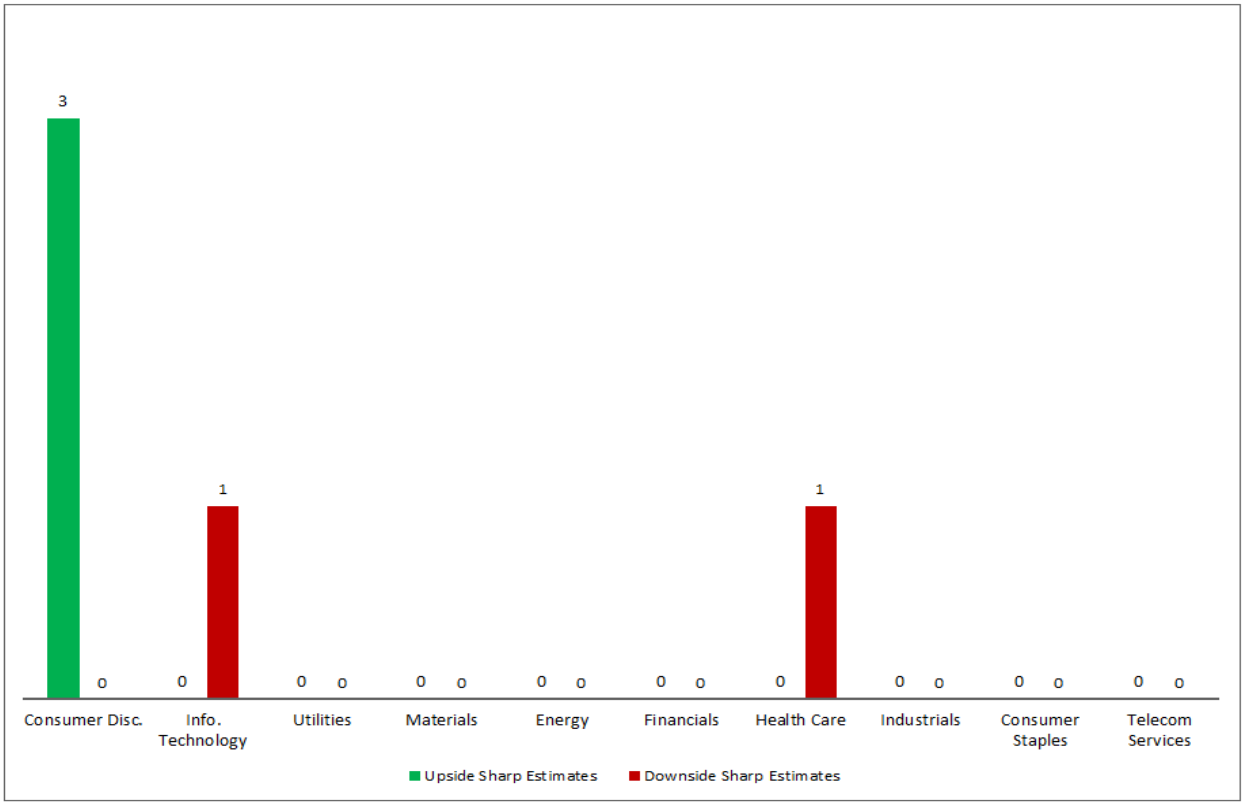


EPS Surprise %: Bottom 10 Companies

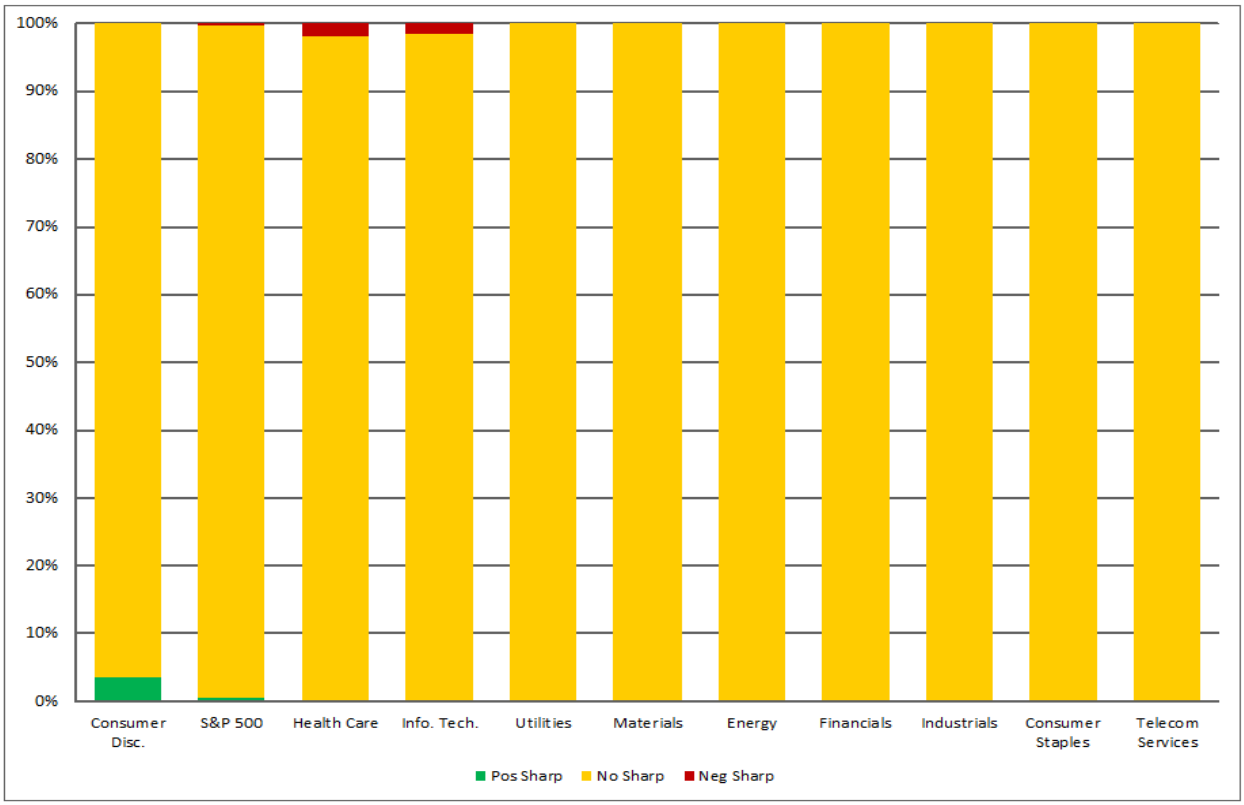
Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

Q2 2014: Projected EPS Surprises (Sharp Estimates)

Number (#) of Companies with Sharp Estimates



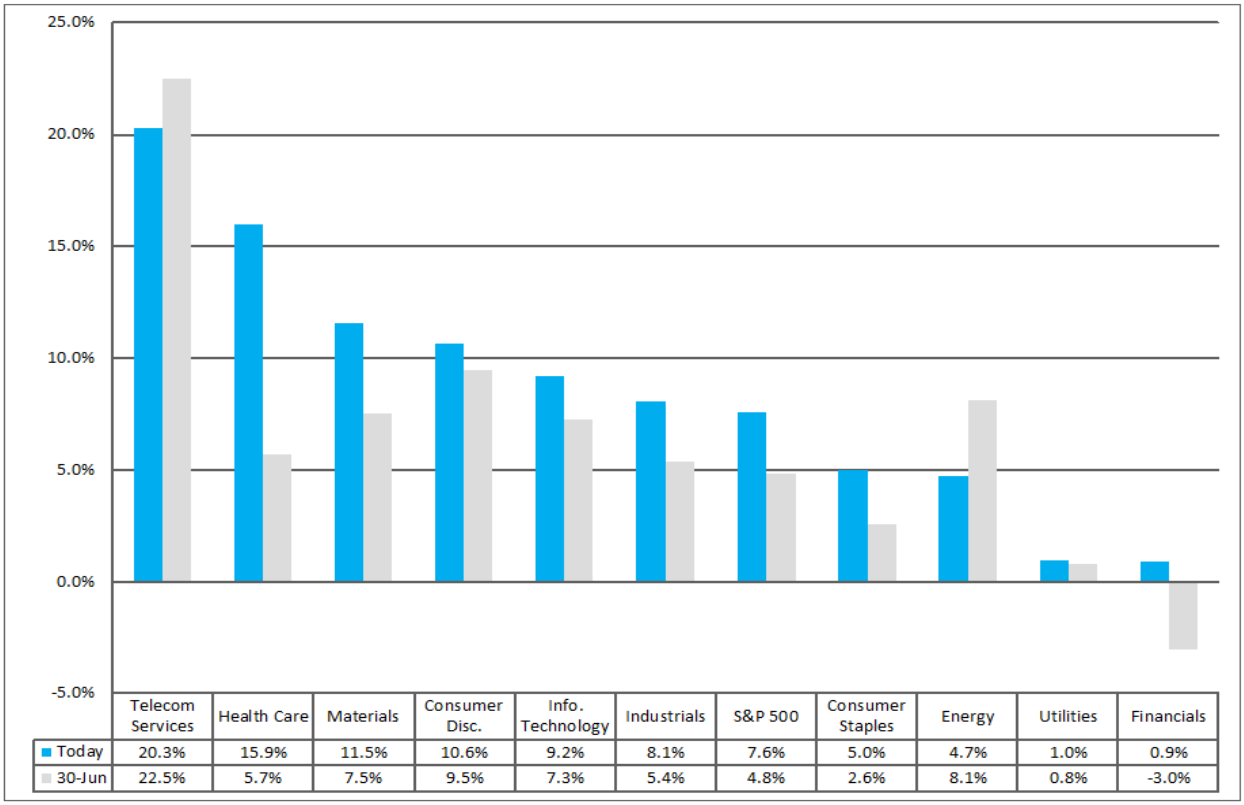
Percentage (%) of Companies with Sharp Estimates



Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

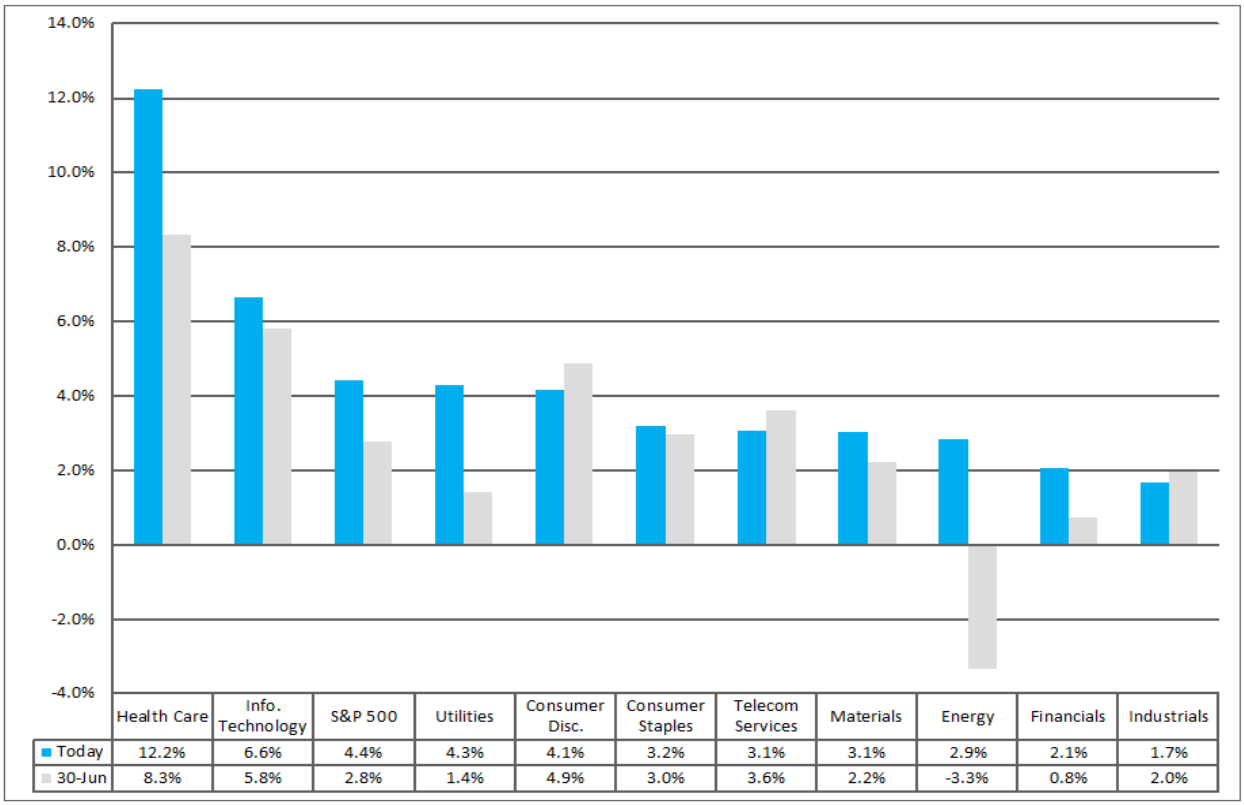
Q2 2014: Growth

Q2 2014 Earnings Growth



	Telecom Services	Health Care	Materials	Consumer Disc.	Info. Technology	Industrials	S&P 500	Consumer Staples	Energy	Utilities	Financials
Today	20.3%	15.9%	11.5%	10.6%	9.2%	8.1%	7.6%	5.0%	4.7%	1.0%	0.9%
30-Jun	22.5%	5.7%	7.5%	9.5%	7.3%	5.4%	4.8%	2.6%	8.1%	0.8%	-3.0%

Q2 2014 Revenue Growth

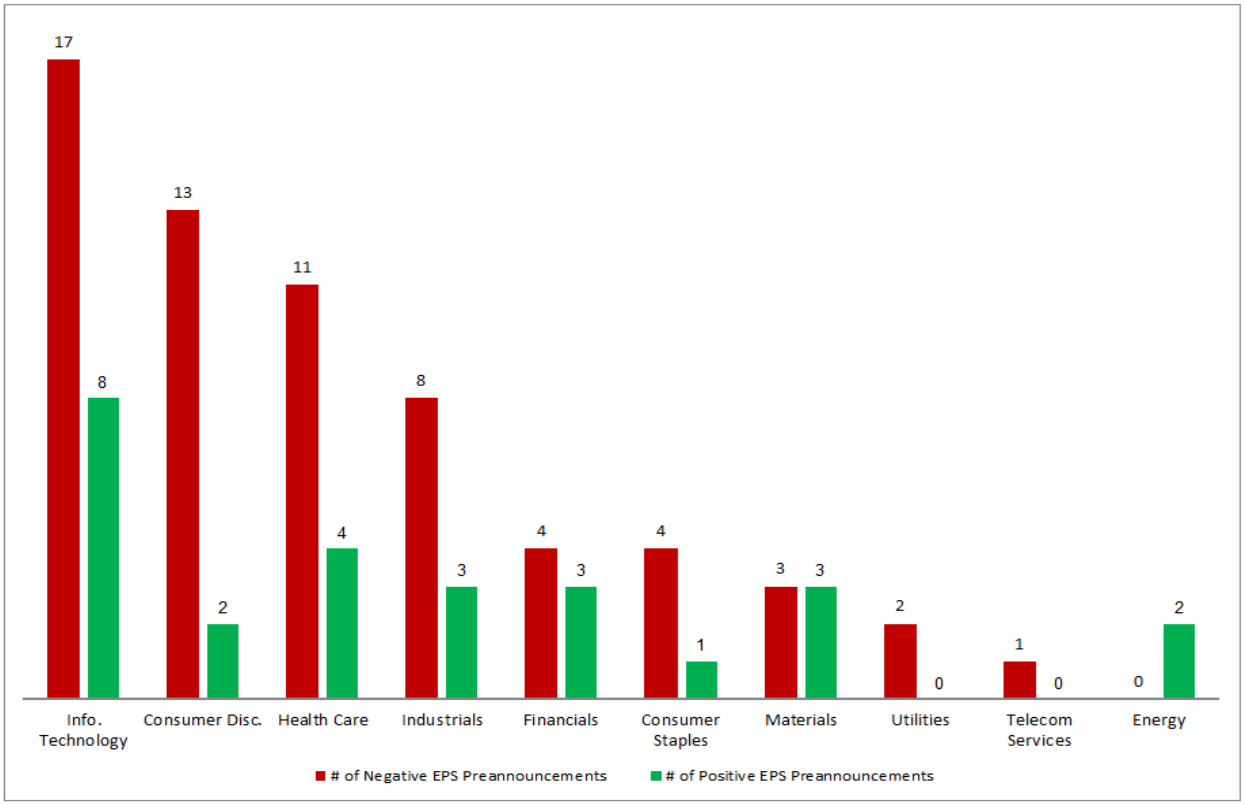


	Health Care	Info. Technology	S&P 500	Utilities	Consumer Disc.	Consumer Staples	Telecom Services	Materials	Energy	Financials	Industrials
Today	12.2%	6.6%	4.4%	4.3%	4.1%	3.2%	3.1%	3.1%	2.9%	2.1%	1.7%
30-Jun	8.3%	5.8%	2.8%	1.4%	4.9%	3.0%	3.6%	2.2%	-3.3%	0.8%	2.0%

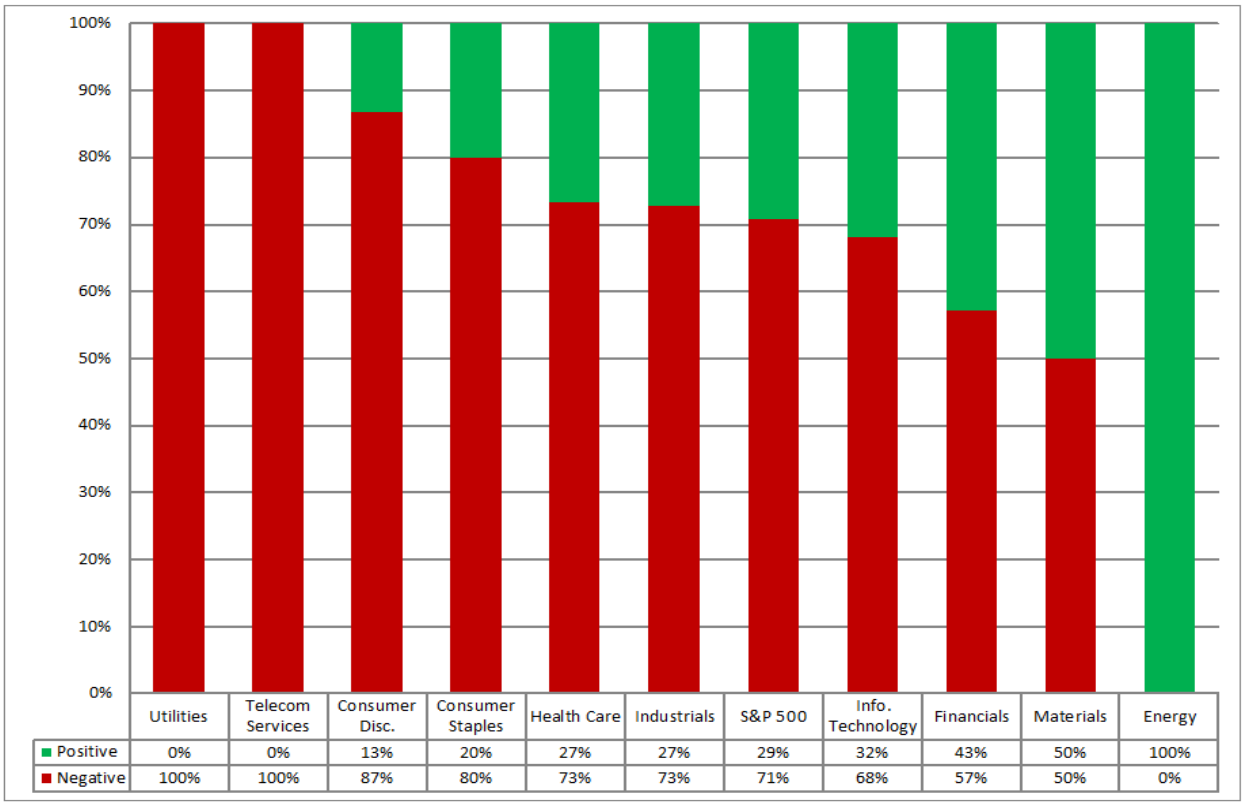
Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

Q3 2014: EPS Guidance

Number of Positive & Negative EPS Preannouncements: Q3 2014



Percentage of Positive & Negative EPS Preannouncements: Q3 2014

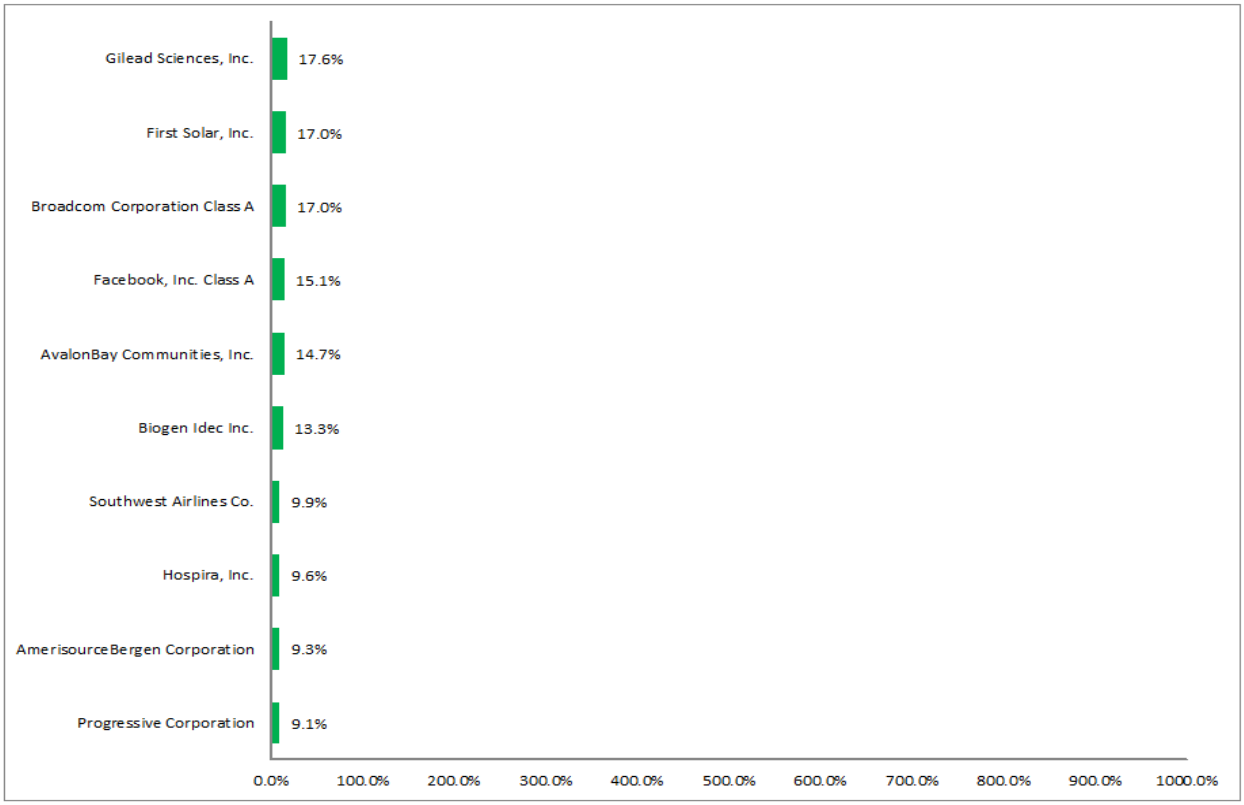


	Utilities	Telecom Services	Consumer Disc.	Consumer Staples	Health Care	Industrials	S&P 500	Info. Technology	Financials	Materials	Energy
Positive	0%	0%	13%	20%	27%	27%	29%	32%	43%	50%	100%
Negative	100%	100%	87%	80%	73%	73%	71%	68%	57%	50%	0%

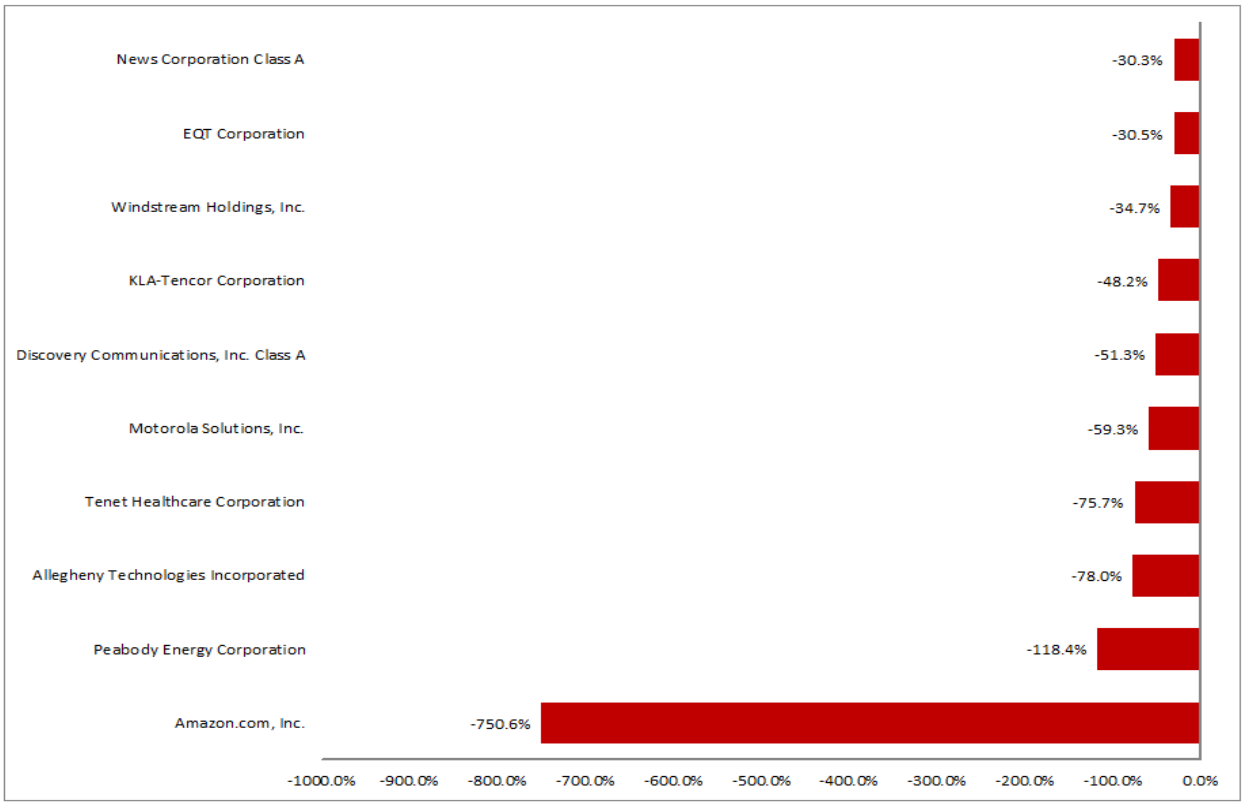
Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

Q3 2014: EPS Revisions

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



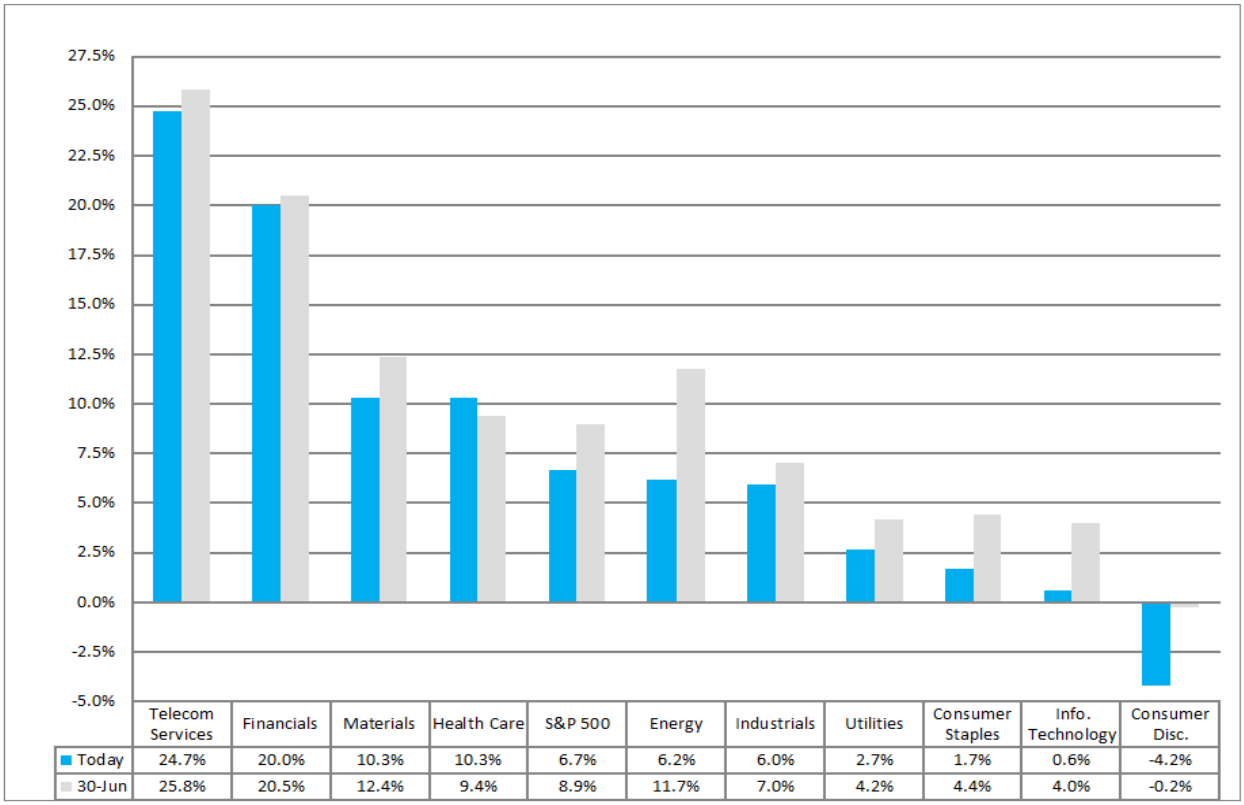
Highest Downward Change (Trailing 4-Weeks) in Mean EPS Estimate: Top 10 Companies



Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

Q3 2014: Growth

Q3 2014 Earnings Growth



	Telecom Services	Financials	Materials	Health Care	S&P 500	Energy	Industrials	Utilities	Consumer Staples	Info. Technology	Consumer Disc.
Today	24.7%	20.0%	10.3%	10.3%	6.7%	6.2%	6.0%	2.7%	1.7%	0.6%	-4.2%
30-Jun	25.8%	20.5%	12.4%	9.4%	8.9%	11.7%	7.0%	4.2%	4.4%	4.0%	-0.2%

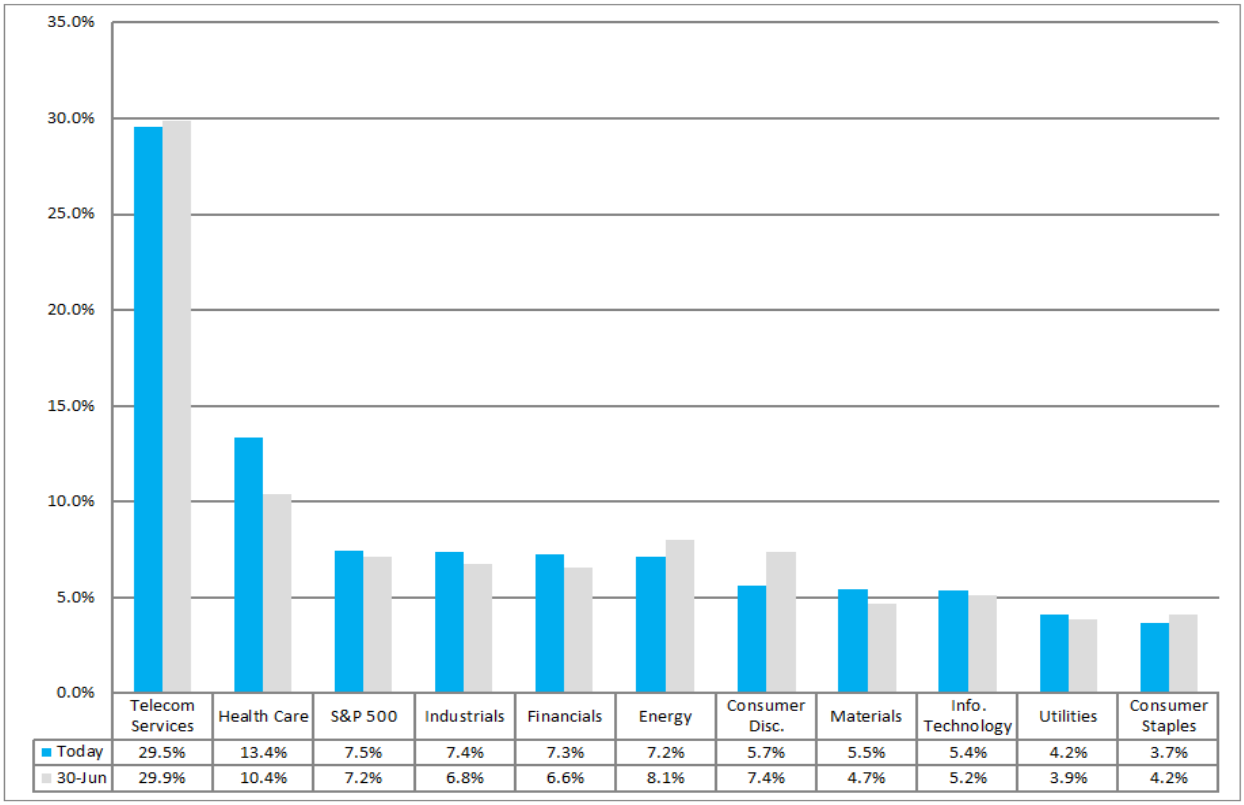
Q3 2014 Revenue Growth

	Health Care	Info. Technology	Utilities	Consumer Disc.	Financials	S&P 500	Telecom Services	Consumer Staples	Industrials	Materials	Energy
Today	10.1%	5.9%	5.1%	4.5%	4.1%	3.7%	3.5%	3.4%	2.9%	1.6%	-2.4%
30-Jun	8.5%	6.3%	5.5%	5.2%	4.0%	3.4%	3.5%	3.4%	3.6%	3.1%	-5.2%

Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

CY 2014: Growth

CY 2014 Earnings Growth



	Telecom Services	Health Care	S&P 500	Industrials	Financials	Energy	Consumer Disc.	Materials	Info. Technology	Utilities	Consumer Staples
Today	29.5%	13.4%	7.5%	7.4%	7.3%	7.2%	5.7%	5.5%	5.4%	4.2%	3.7%
30-Jun	29.9%	10.4%	7.2%	6.8%	6.6%	8.1%	7.4%	4.7%	5.2%	3.9%	4.2%

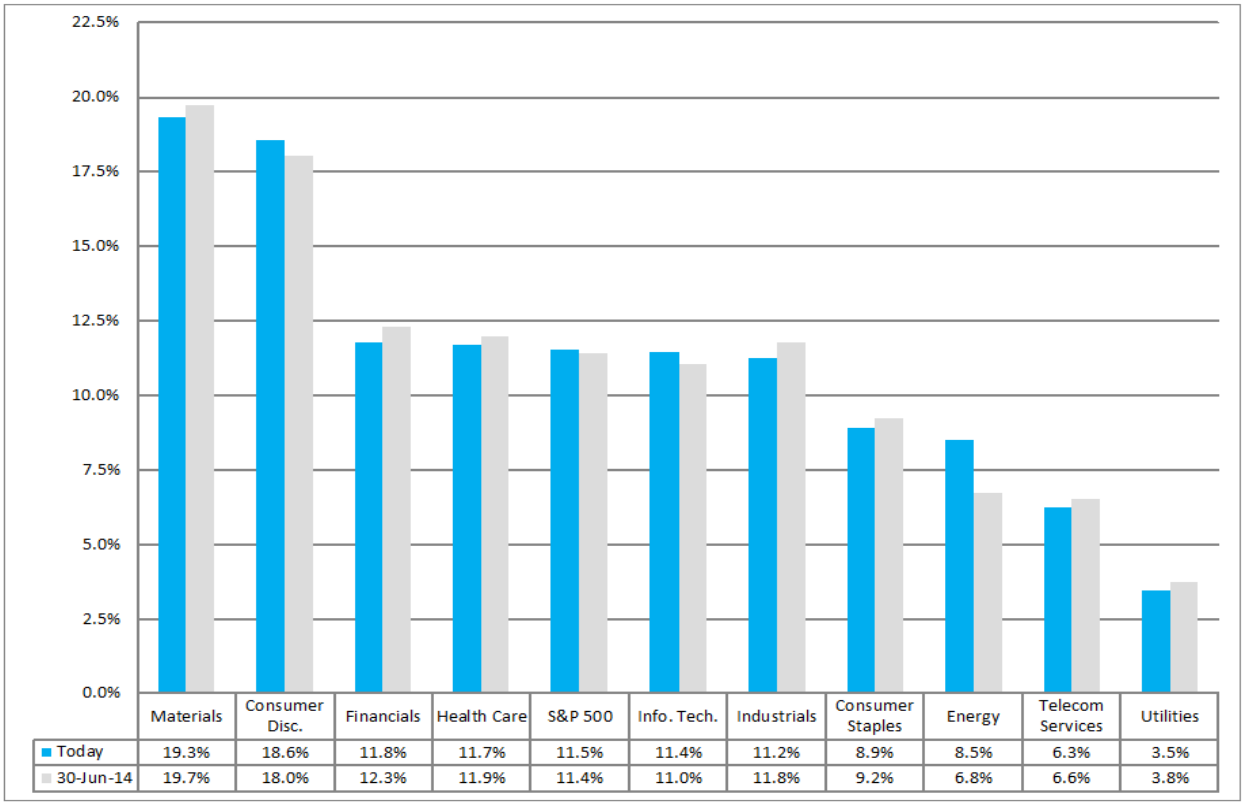
CY 2014 Revenue Growth

	Health Care	Info. Technology	Utilities	Consumer Disc.	S&P 500	Telecom Services	Consumer Staples	Industrials	Financials	Materials	Energy
Today	9.4%	5.9%	5.2%	4.5%	3.7%	3.6%	3.4%	2.5%	1.8%	1.2%	0.2%
30-Jun	7.9%	5.8%	5.1%	5.1%	3.3%	3.5%	3.2%	2.8%	1.8%	1.9%	-2.3%

Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

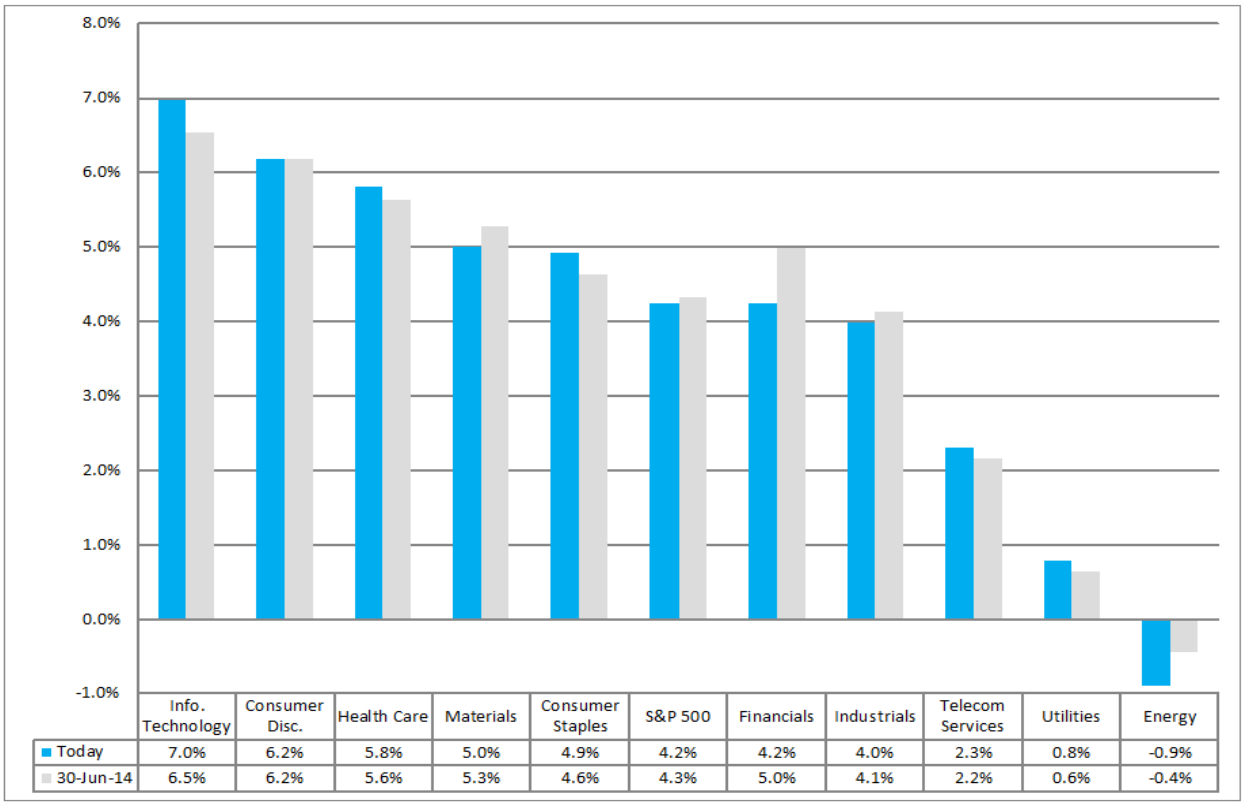
CY 2015: Growth

CY 2015 Earnings Growth



	Materials	Consumer Disc.	Financials	Health Care	S&P 500	Info. Tech.	Industrials	Consumer Staples	Energy	Telecom Services	Utilities
Today	19.3%	18.6%	11.8%	11.7%	11.5%	11.4%	11.2%	8.9%	8.5%	6.3%	3.5%
30-Jun-14	19.7%	18.0%	12.3%	11.9%	11.4%	11.0%	11.8%	9.2%	6.8%	6.6%	3.8%

CY 2015 Revenue Growth

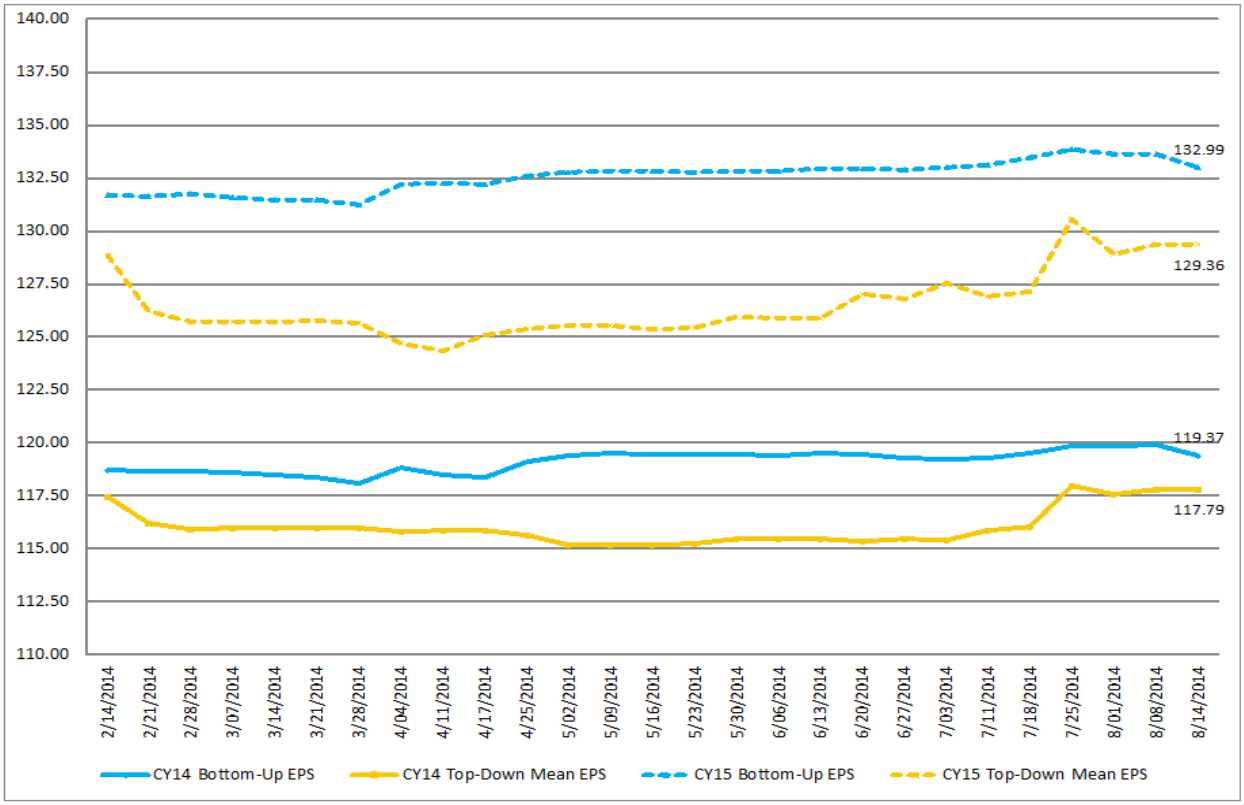


	Info. Technology	Consumer Disc.	Health Care	Materials	Consumer Staples	S&P 500	Financials	Industrials	Telecom Services	Utilities	Energy
Today	7.0%	6.2%	5.8%	5.0%	4.9%	4.2%	4.2%	4.0%	2.3%	0.8%	-0.9%
30-Jun-14	6.5%	6.2%	5.6%	5.3%	4.6%	4.3%	5.0%	4.1%	2.2%	0.6%	-0.4%

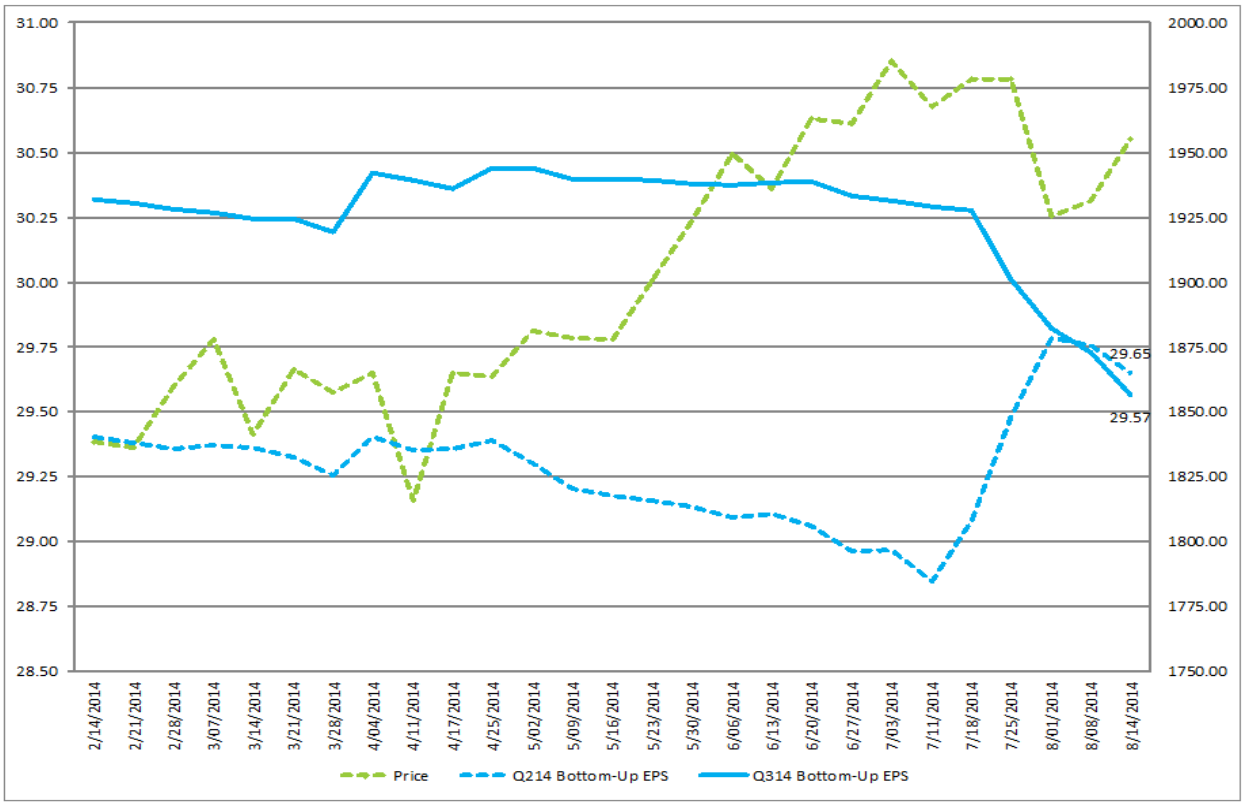
Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

Bottom-up EPS Estimates: Revisions

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



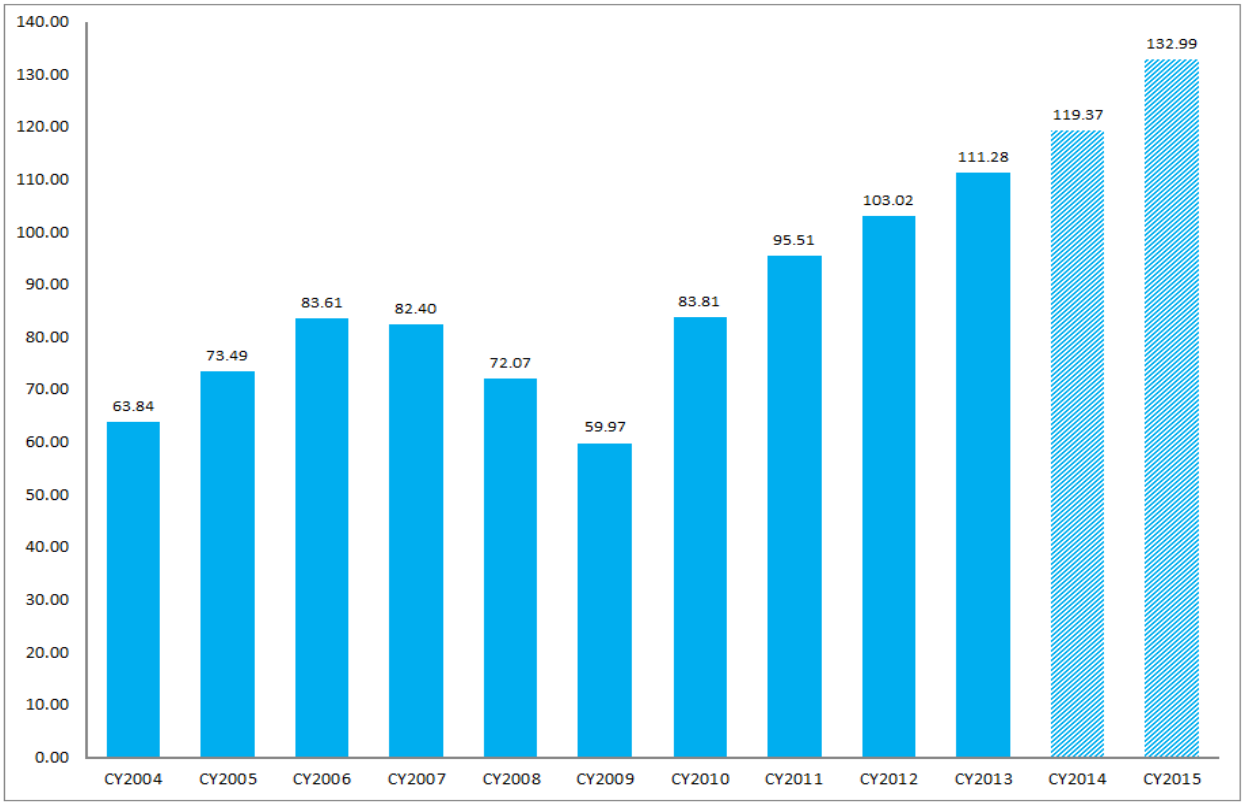
Change in Q214 and Q314 Bottom-Up EPS vs. Price (Trailing 26-Weeks)



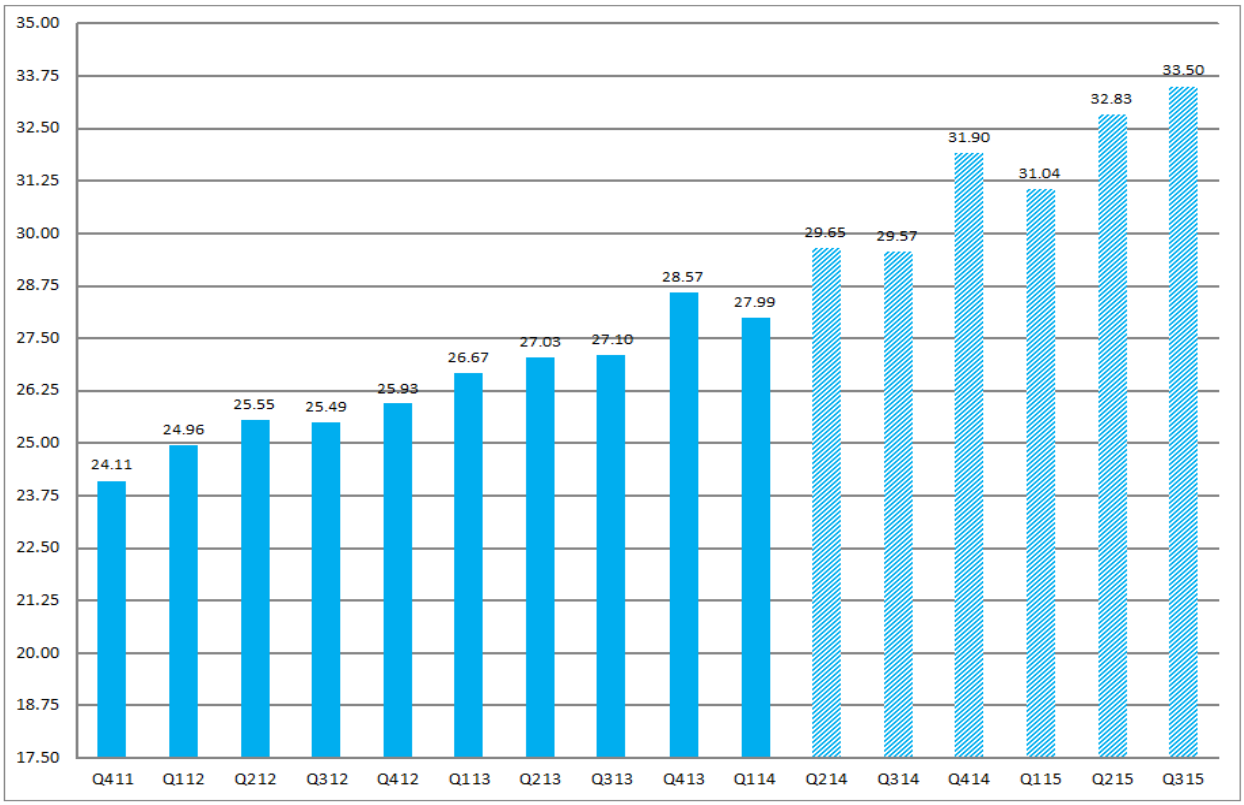
Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

Bottom-up EPS Estimates: Current & Historical

Calendar Year Bottom-Up EPS Actuals & Estimates



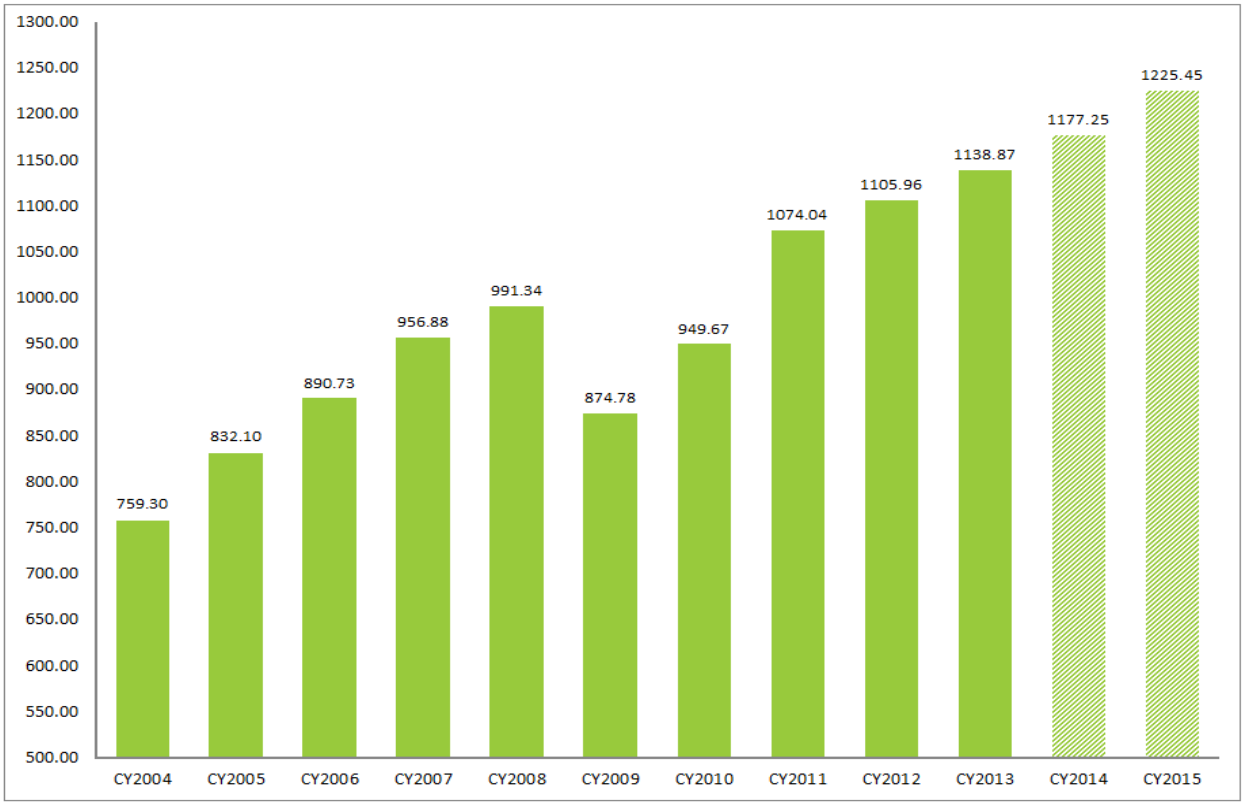
Quarterly Bottom-Up EPS Actuals & Estimates



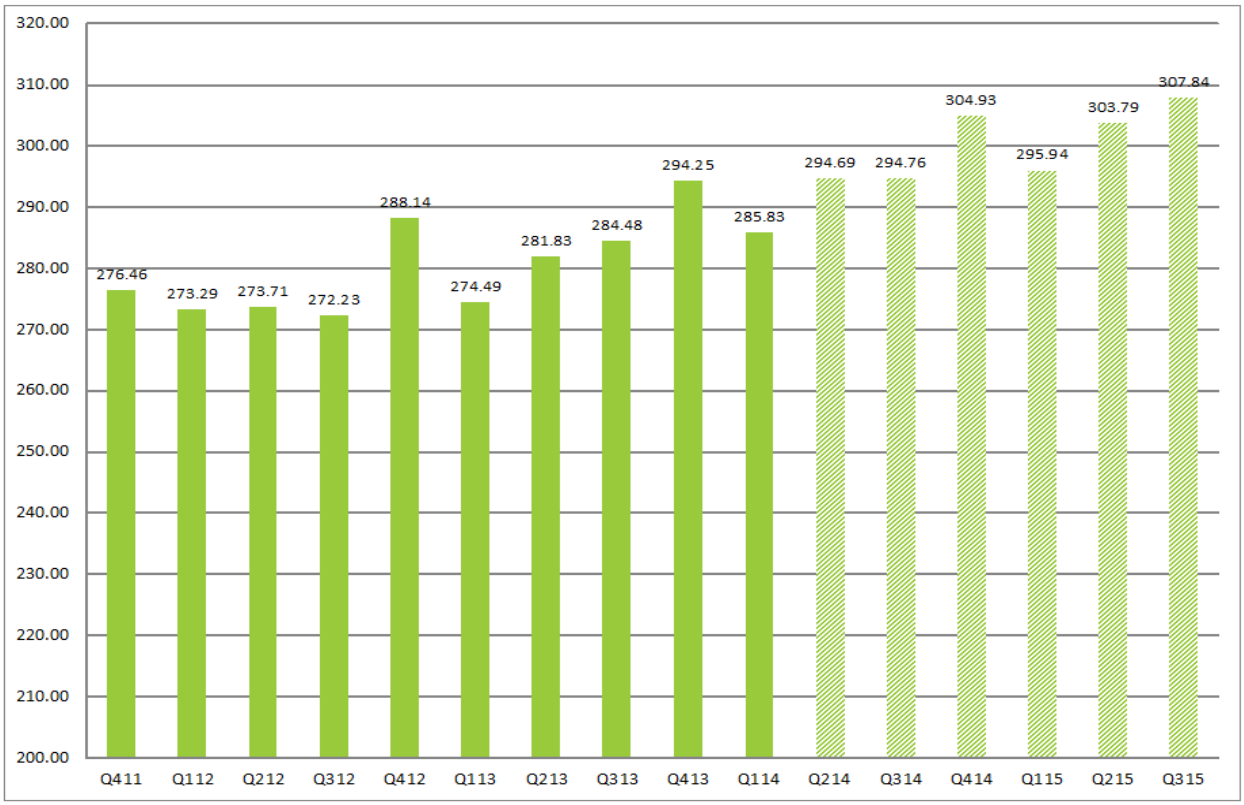
Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

Bottom-up SPS Estimates: Current & Historical

Calendar Year Bottom-Up SPS Actuals & Estimates



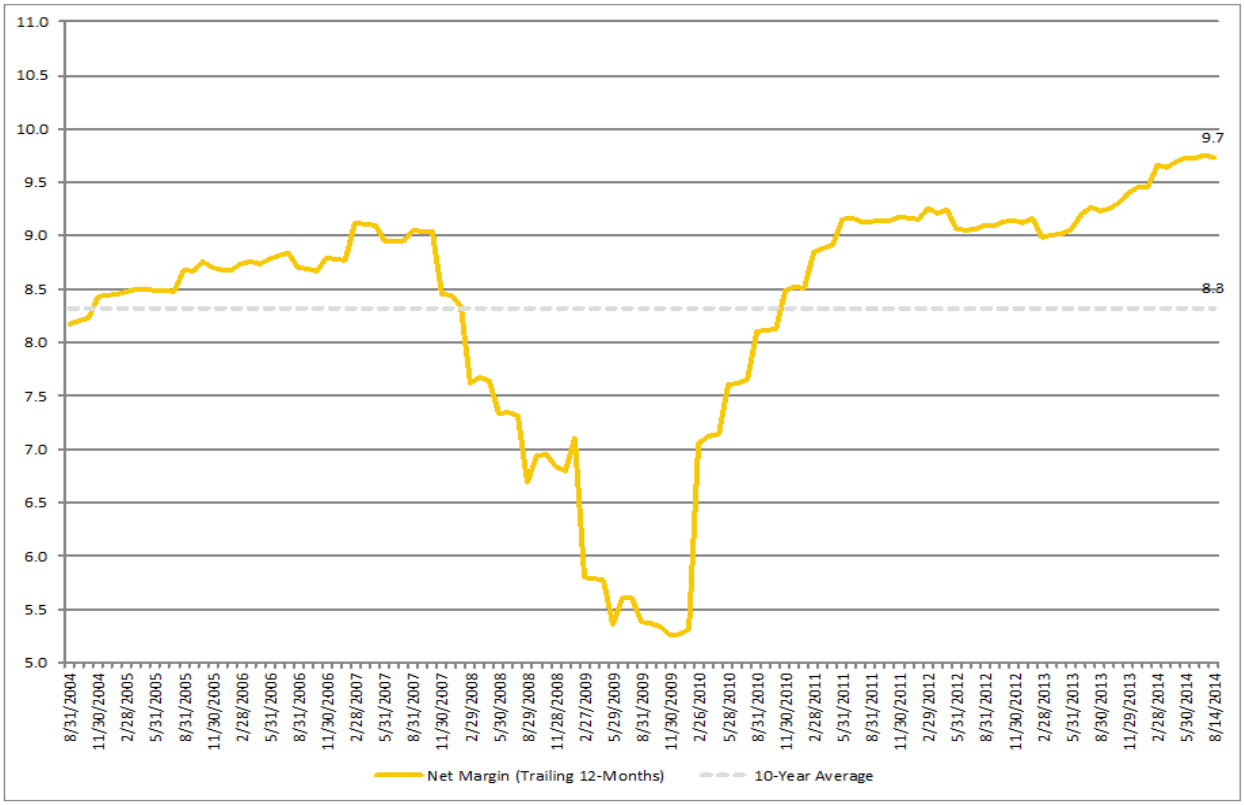
Quarterly Bottom-Up SPS Actuals & Estimates



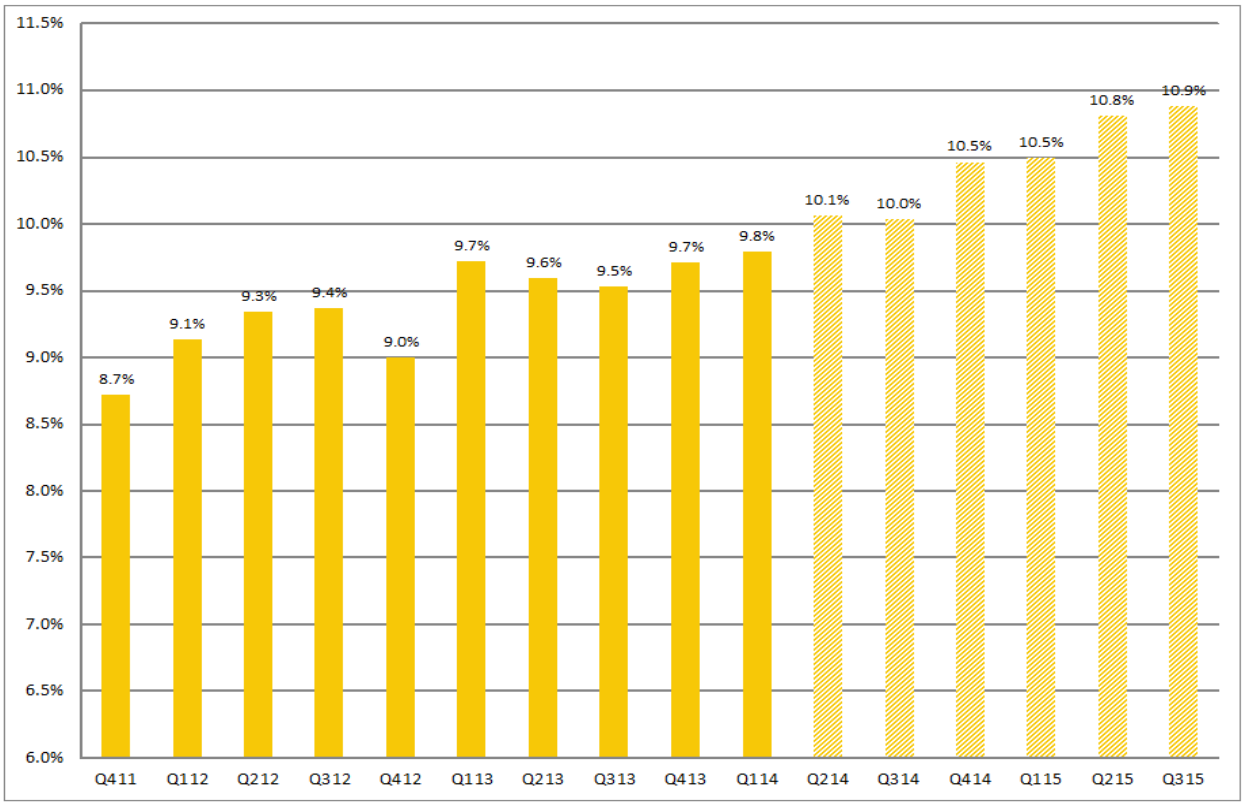
Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

Net Margins: Current & Historical

Trailing 12M Net Margin: 10 Years



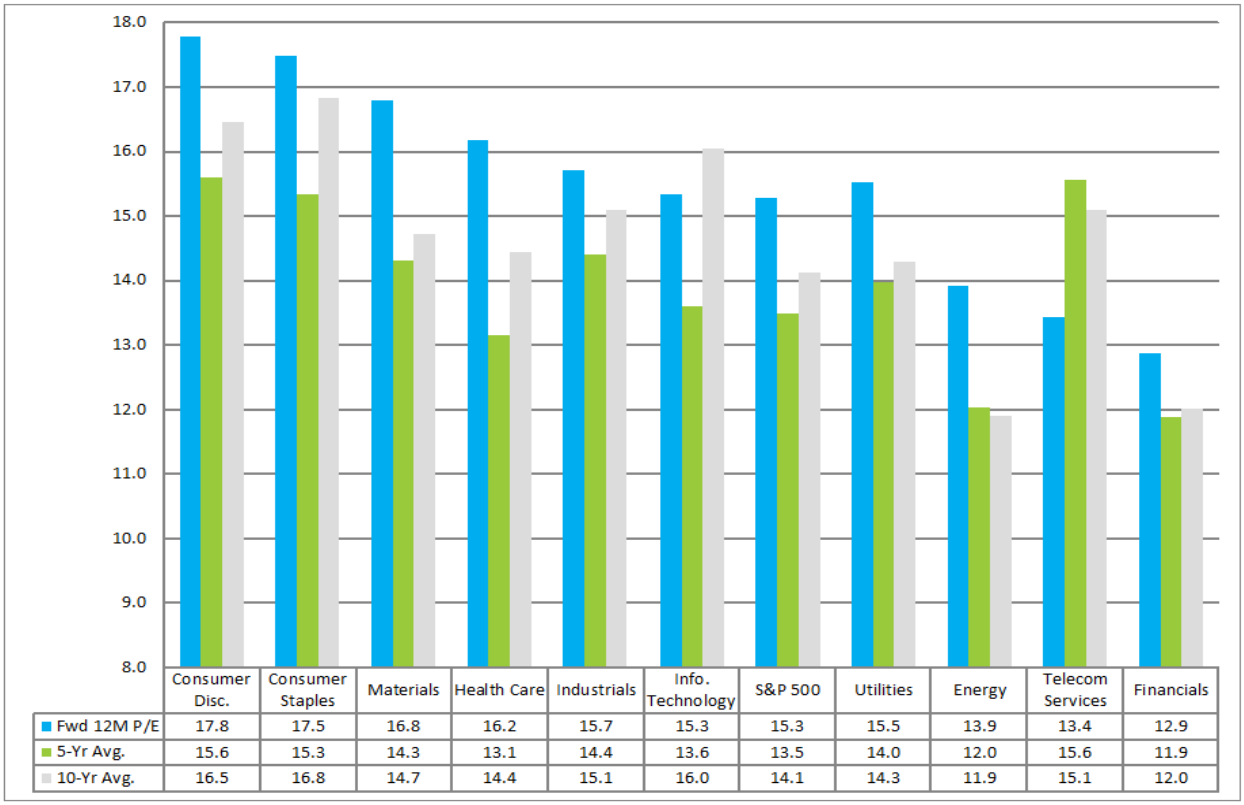
Quarterly Net Margins (Bottom-Up EPS / Bottom-Up SPS)



Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

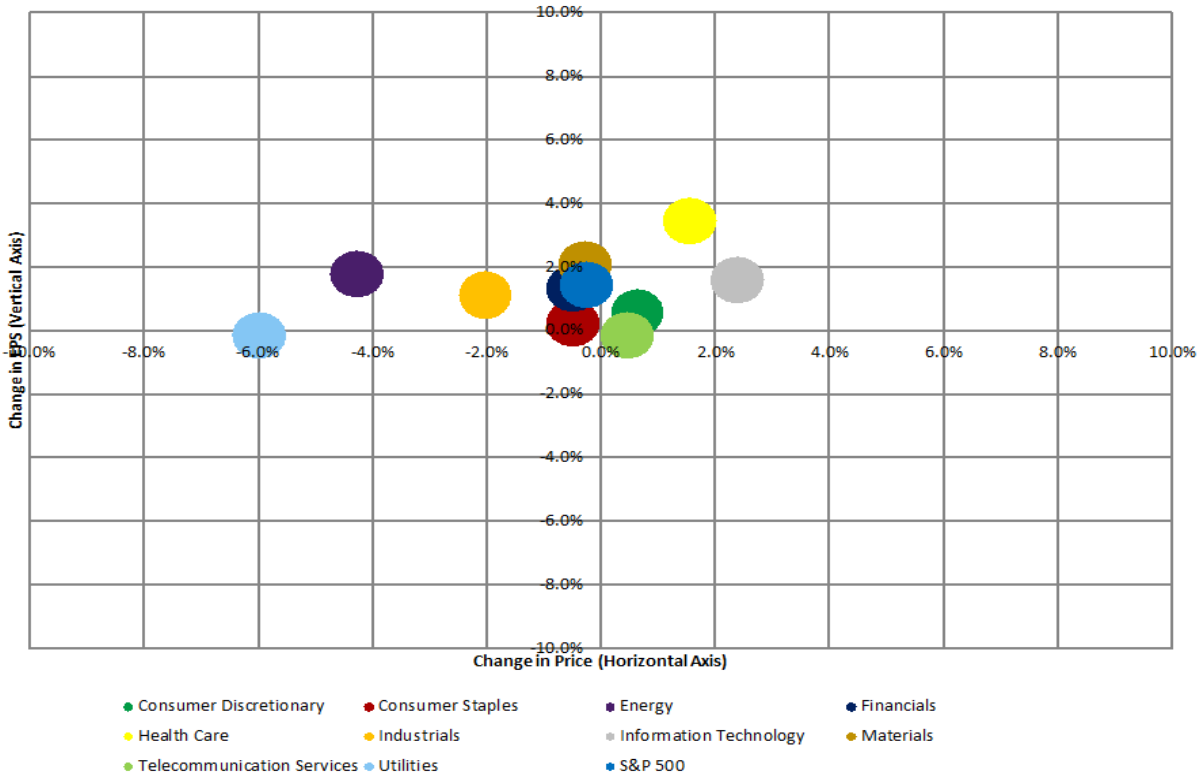
Forward 12M Price / Earnings Ratio: Sector Level

Sector-Level Forward 12-Month P/E Ratios



	Consumer Disc.	Consumer Staples	Materials	Health Care	Industrials	Info. Technology	S&P 500	Utilities	Energy	Telecom Services	Financials
Fwd 12M P/E	17.8	17.5	16.8	16.2	15.7	15.3	15.3	15.5	13.9	13.4	12.9
5-Yr Avg.	15.6	15.3	14.3	13.1	14.4	13.6	13.5	14.0	12.0	15.6	11.9
10-Yr Avg.	16.5	16.8	14.7	14.4	15.1	16.0	14.1	14.3	11.9	15.1	12.0

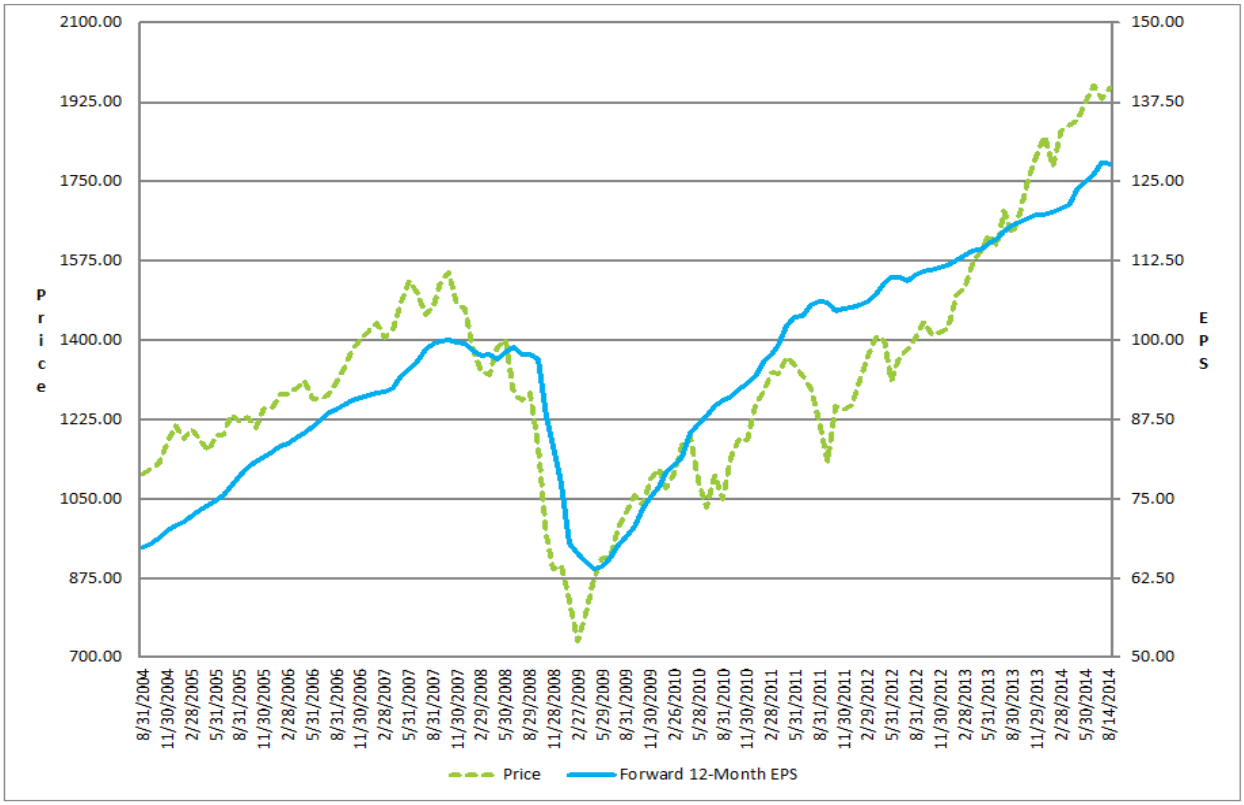
Sector-Level Change in Price vs. Change Forward 12M EPS: Since Jun. 30



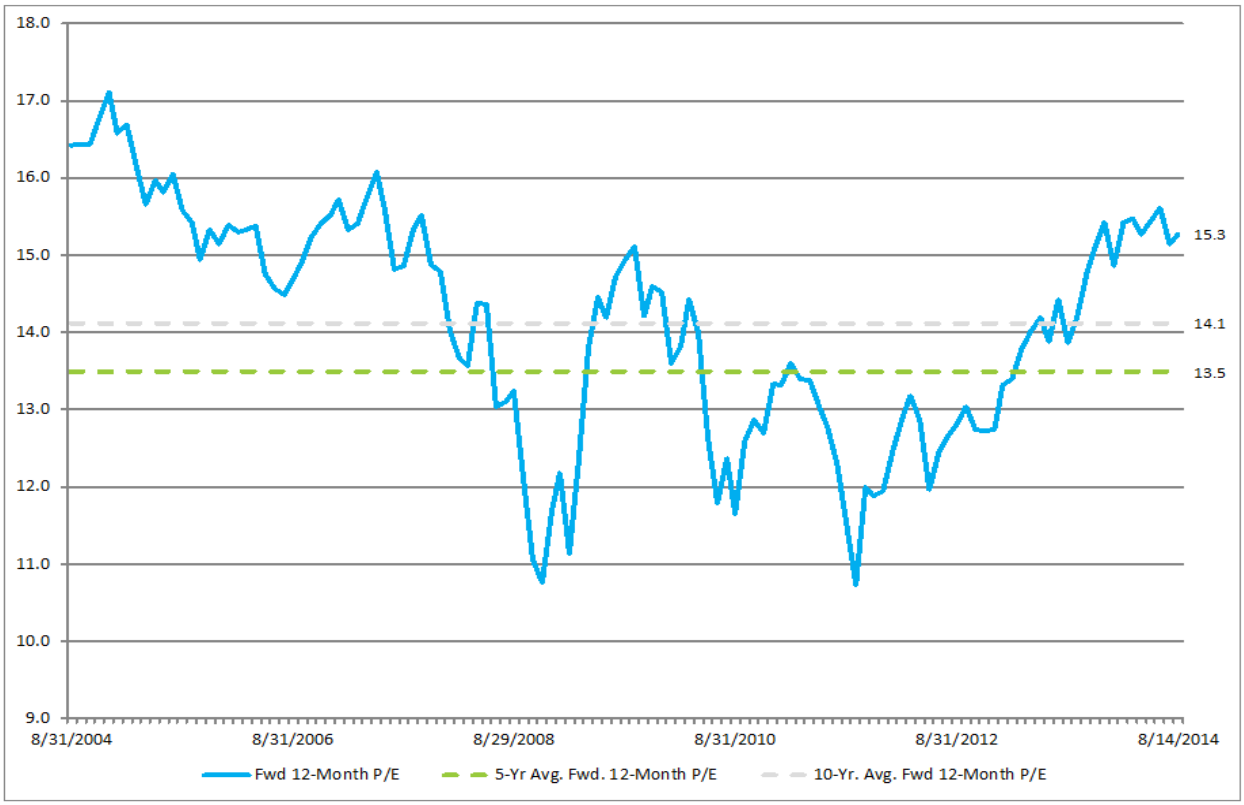
Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

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

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



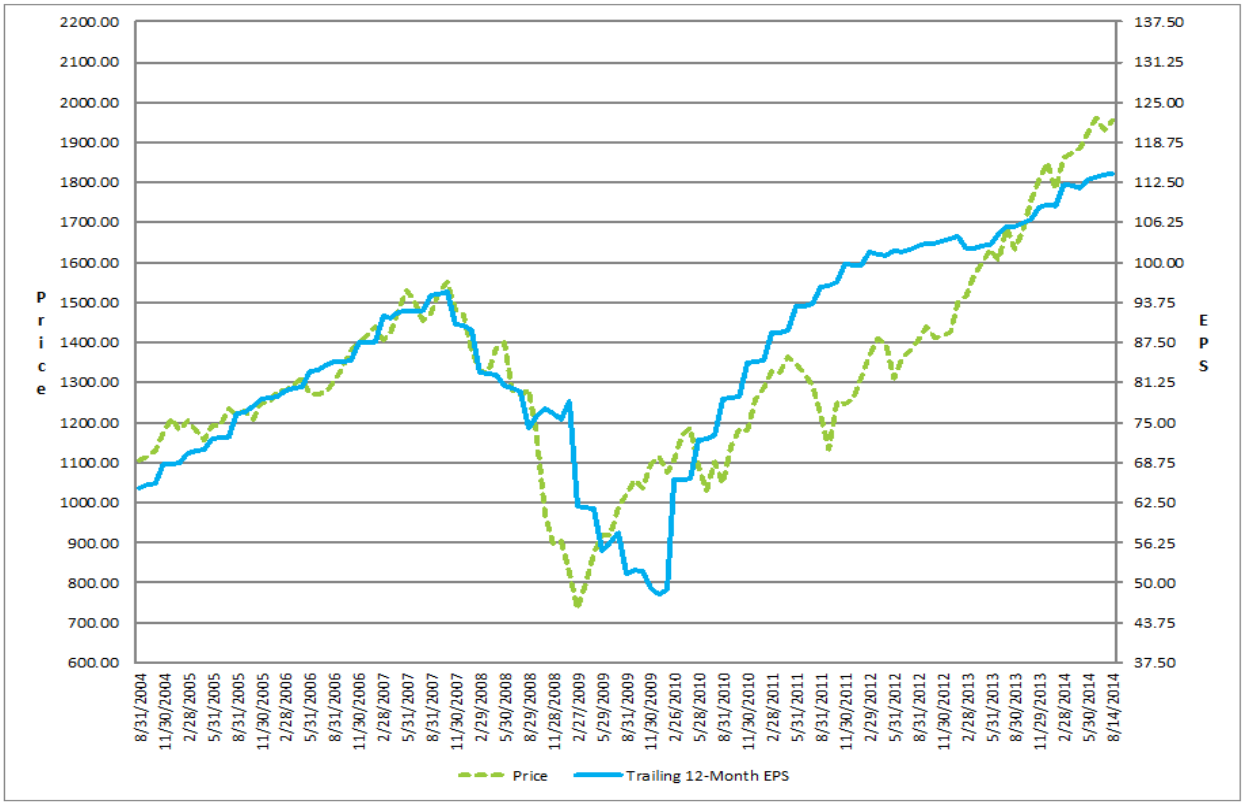
Forward 12M P/E Ratio: 10-Year



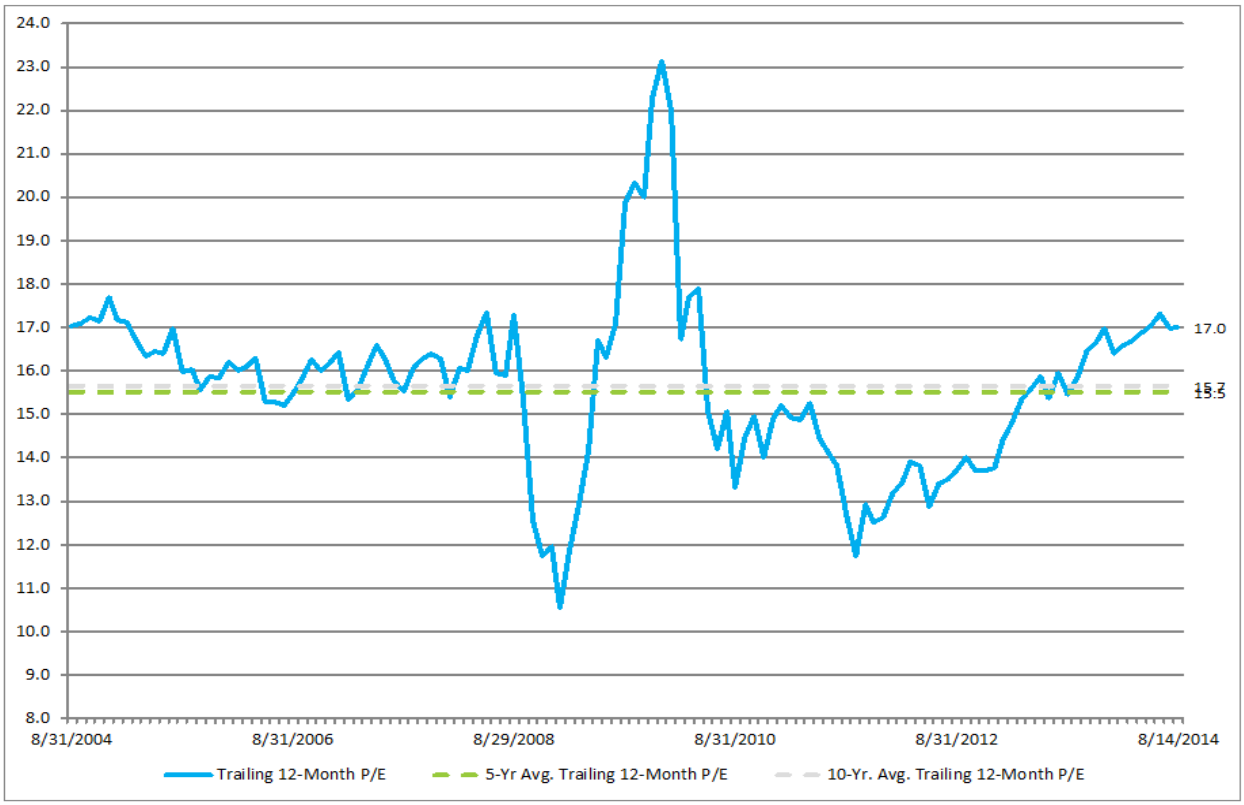
Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

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



Copyright © 2014 FactSet Research Systems Inc. All rights reserved.

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 thirty locations worldwide, including Boston, New York, Chicago, San Francisco, London, Amsterdam, Frankfurt, Paris, Milan, Tokyo, Hong Kong, Mumbai, Dubai, and Sydney.

Copyright © 2014 FactSet Research Systems Inc. All rights reserved.