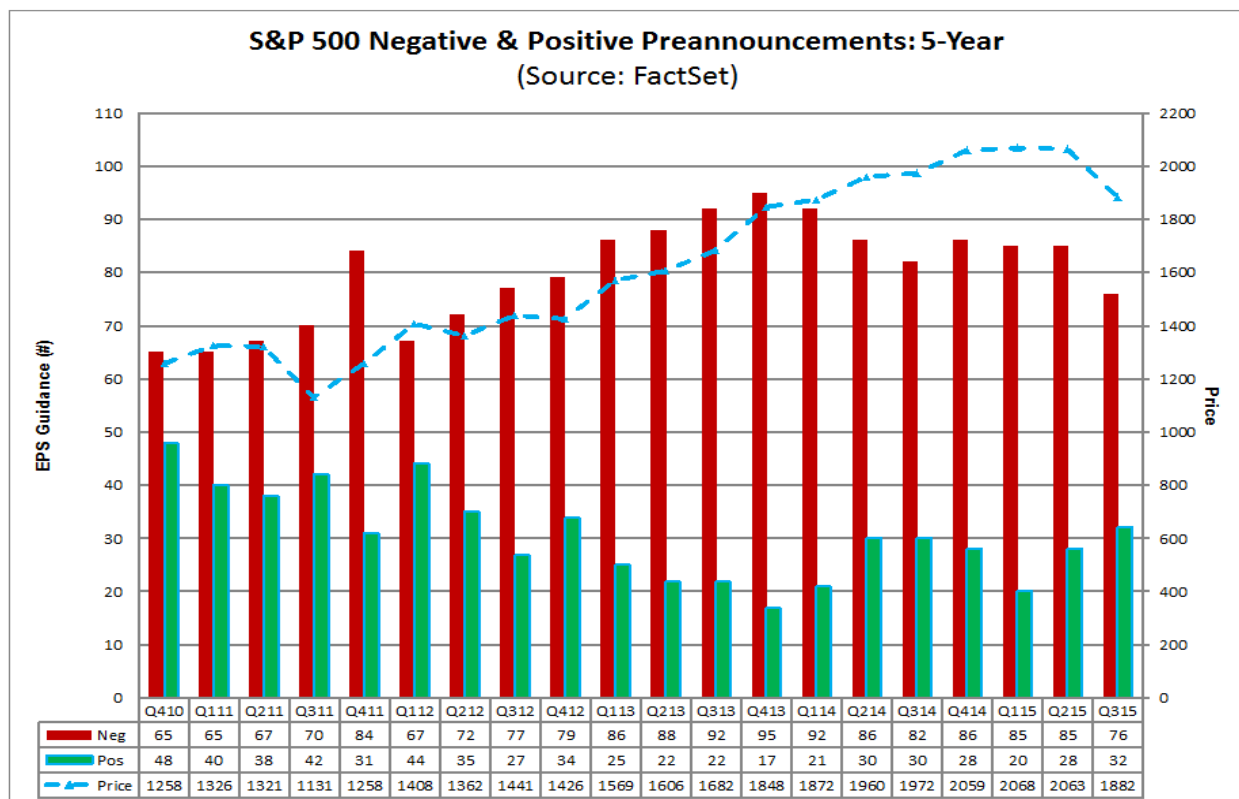


Key Metrics:

- + For Q3 2015, 76 companies in the S&P 500 have issued negative EPS guidance and 32 companies have issued positive EPS guidance. If 76 is the final number of companies issuing negative EPS guidance for the quarter, it will mark the lowest number since Q2 2012.
- + Companies are providing EPS estimates for Q2 that are 4.2% below analyst expectations on average. This percentage is below the 5-year average of -10.9%.
- + The market is punishing companies that have issued negative EPS guidance for Q3 more than average. Companies that have issued negative EPS guidance for Q3 have seen an average change in price of -1.7%, which is a larger than the 5-year average price change of -0.7%.
- + For the current fiscal year, 129 companies have issued negative EPS guidance and 125 companies have issued positive EPS guidance.



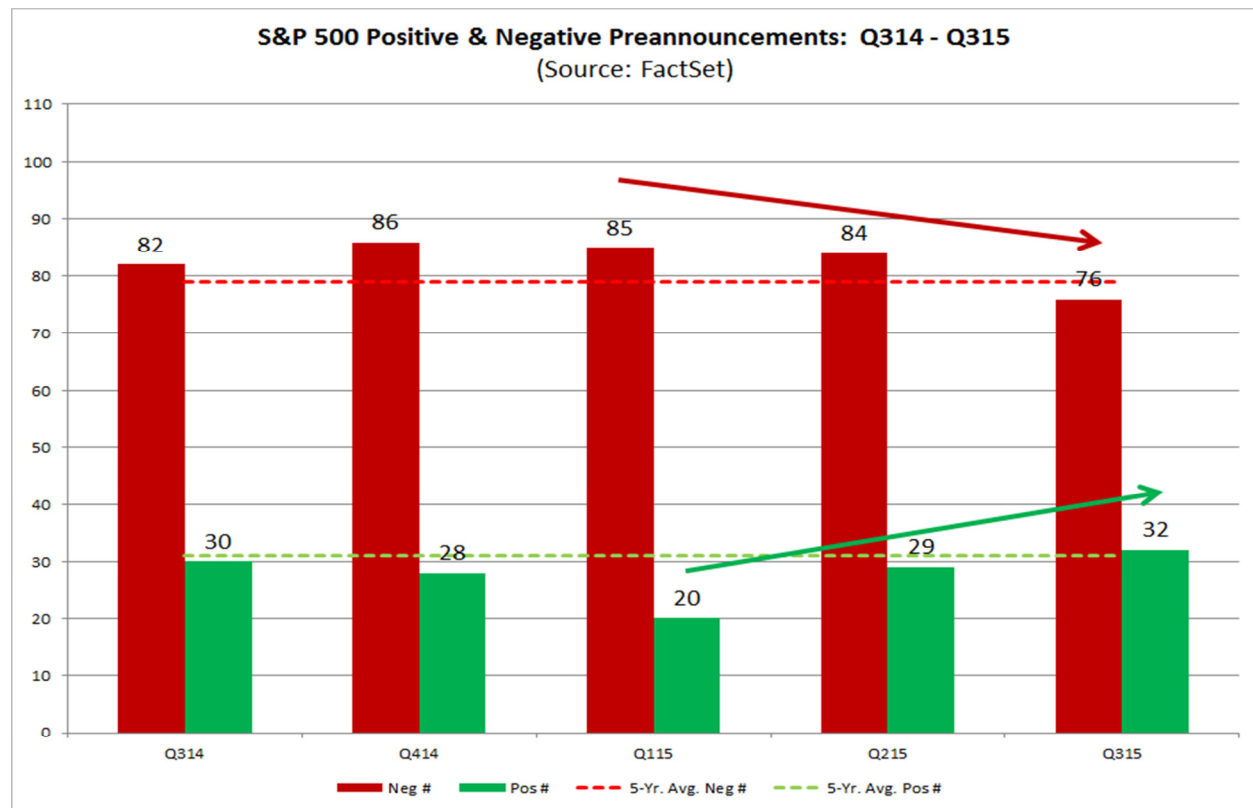
To receive this report via e-mail, please go to: www.factset.com/data/news_research/researchdesk

Q3 Guidance:

Lowest Number of Negative Preannouncements (76) Since Q2 2012

Positive Shift in Information Technology Over Past 2 Quarters

Companies in the S&P 500 have issued fewer negative EPS preannouncements and more positive EPS preannouncements for the third quarter of 2015 relative to the past two quarters. For Q3 2015, 76 companies have issued negative EPS guidance and 32 companies have issued positive EPS guidance. If 76 is the final number for the third quarter, it will mark the lowest number of companies issuing negative EPS preannouncements for a quarter since Q2 2012 (72). If 32 is the final number of companies issuing positive EPS guidance for the third quarter, it will mark the highest number of companies issuing positive EPS guidance since Q4 2012 (34).



At the sector level, the Information Technology sector has led the positive shift in EPS guidance over the past two quarters. This sector has witnessed not only the largest increase (+6) in the number of companies issuing positive EPS guidance since Q1 2015, but also the largest decline (-6) in the number of companies issuing negative EPS guidance compared to Q1 2015.

For Q3 2015, 19 companies in the Information have issued negative EPS guidance and 12 companies in the Information Technology sector have issued positive EPS guidance. If 19 is the final number for the third quarter, it will mark the lowest number of companies issuing negative EPS preannouncements in this sector for a quarter since Q1 2011 (17). If 12 is the final number of companies issuing positive EPS guidance for the quarter, it will mark the highest number of companies issuing positive EPS guidance in this sector since Q1 2012 (15).

Percentage of Companies Issuing Negative Guidance for Q3 Now Below 5-Year Average

With the positive shift in EPS guidance for Q3, the number of companies issuing negative EPS guidance for Q3 2015 (76) is now below the five-year average (79) for a quarter, while the number of companies issuing positive EPS guidance for Q3 (32) is now slightly above the 5-year average (31).

At the sector level, the Health Care (+3) and Information Technology (+2) sectors have recorded the largest increases in the number of companies issuing positive EPS guidance relative to their five-year averages, while the Consumer Discretionary (-2) sector has seen the largest decrease in the number of companies issuing positive EPS guidance relative to its five-year average.

On the other hand, the Utilities (+3), Consumer Discretionary (+2), and Industrials (+2) sectors have witnessed the largest increases in the number of companies issuing negative EPS guidance relative to their five-year averages, while the Information Technology (-4) and Materials (-4) sectors have seen the largest decreases in the number of companies issuing negative EPS guidance relative to their five-year averages.

The percentage of companies issuing negative EPS guidance for Q3 2015 is 70% (76 out of 108), which is slightly below the 5-year average for a quarter (72%).

At the sector-level (with a minimum of five companies issuing quarterly EPS guidance), the Consumer Staples (100%) and Industrials (86%) sectors have the highest percentage of companies issuing negative EPS guidance for the third quarter.

Surprise Percentage (-4.2%) for EPS Guidance Below 5-Year Average

The 108 companies that have given EPS guidance for Q3 2015 have guided earnings 4.2% below the expectations of analysts on average. This percentage decline is much smaller than the 5-year average of -10.9%.

Market Punishing Negative EPS Guidance and Not Rewarding Positive EPS Guidance

To date, the market is punishing companies that have issued negative EPS guidance for Q3 2015 more than average, while it is rewarding companies that have issued positive EPS guidance for Q3 less than average.

The 76 companies that have issued negative EPS guidance for Q3 2015 have seen an average decrease in price of 1.7% from two days before the guidance was issued through two days after the guidance was issued. This percentage decline is larger than the 5-year average price decrease of 0.7% during this same window for companies issuing negative EPS guidance.

The 32 companies that have issued positive EPS guidance for Q3 2015 have seen an average increase in price of 1.9% from two days before the guidance was issued through two days after the guidance was issued. This percentage increase is below the 5-year average price increase of 2.7% during this same window for companies issuing positive EPS guidance.

Positive Shift in Sales Guidance for Q3

For Q3 2015, 51 companies have issued negative revenue guidance for the quarter and 29 have issued positive revenue guidance. The number of companies issuing negative revenue guidance for Q3 2015 is above the trailing 5-year average (45) for a quarter, but below the number recorded in Q2 2015 (56) and Q1 2015 (58). The number of companies issuing positive revenue guidance is above the trailing 5-year average (27) and above the number recorded in Q2 2015 (23) and Q1 2015 (22).

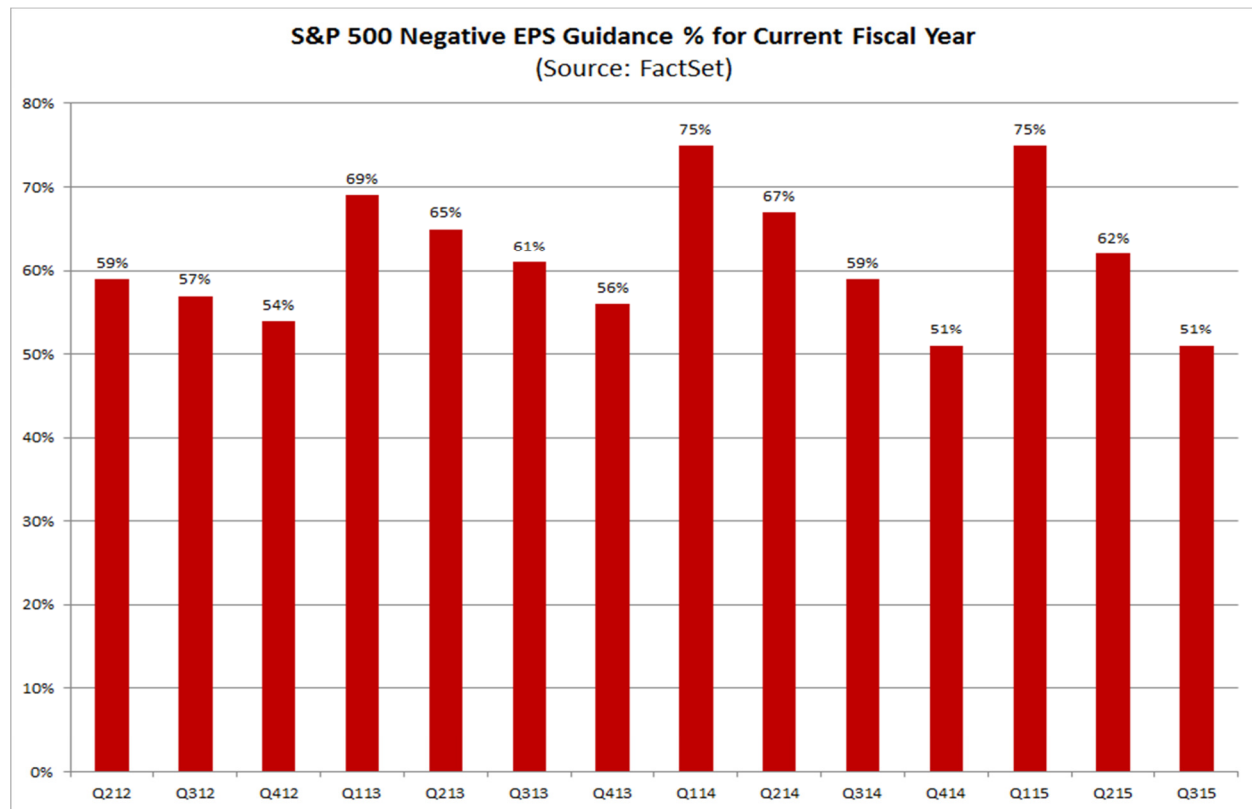
On a percentage basis, 64% (51 of 80) of the companies that have issued revenue guidance for the quarter have issued negative guidance. This percentage is slightly above the trailing 5-year average (63%).

At the sector level, more than half (42) of the companies that have issued revenue guidance in the S&P 500 for the third quarter are in the Information Technology sector. In this sector, 26 of the 42 companies (or 62%) have issued negative revenue guidance for the quarter. This percentage is above the trailing 5-year average (59%), but below the percentage recorded in Q2 2015 (71%) and Q2 2015 (73%).

Fiscal Year Guidance:

Positive Shift in Fiscal Year EPS Guidance Since June 30

For the current fiscal year, 129 companies have issued negative EPS guidance and 125 companies have issued positive EPS guidance. As a result, the overall percentage of companies issuing negative EPS guidance to date for the current fiscal year stands at 51% (129 out of 254), which is well below the percentage recorded at the end of June (62%).



Since the end of Q2 2015, the number of companies issuing negative EPS guidance for the current fiscal year has decreased by 28, while the number of companies issuing positive EPS guidance has increased by 30. The Consumer Discretionary and Health Care sectors have witnessed the largest decreases in the number of companies issuing negative EPS guidance and the largest increases in the number of companies issuing positive EPS guidance for the current fiscal year since the end of last quarter.

At the sector level today (with a minimum of ten companies issuing guidance), the Consumer Staples (65%), Utilities (60%), and Industrials (59%) sectors have the highest percentages of companies issuing negative EPS preannouncements for the current fiscal year, while the Health Care (65%) and Financials (56%) sectors have the highest percentages of companies issuing positive EPS preannouncements for the current fiscal year.

Little Change in Fiscal Year Revenue Guidance Since June 30

For the current fiscal year, 95 companies have issued negative revenue guidance and 68 companies have issued positive revenue guidance. As a result, the overall percentage of companies issuing negative revenue guidance to date for the current fiscal year stands at 58% (95 out of 163), which is slightly below the percentage recorded at the end of Q2 2015 (59%).

Since the end of June, the number of companies issuing negative revenue guidance for the current fiscal year has increased by 2, while the number of companies issuing positive revenue guidance for the current fiscal year increased by 4. The Information Technology and Consumer Discretionary sectors saw the largest increases in the number of companies issuing positive revenue guidance and the largest decreases in the number of companies issuing negative EPS guidance since the end of Q2. On the other hand, the Health Care and Consumer Staples sectors saw the largest increases in the number of companies issuing negative revenue guidance and the largest decreases in the number of companies issuing positive revenue guidance since the end of Q2.

At the sector level today (with a minimum of 10 companies issuing guidance), the Industrials (68%) sector has the highest percentage of companies issuing negative revenue preannouncements for the current fiscal year, while the Consumer Discretionary (53%) and Information Technology (53%) sectors have the highest percentages of companies issuing positive revenue preannouncements for the current fiscal year.

Q2 Guidance:

Percentage (80%) of Companies Reporting Actual EPS above Guidance Below Average

At this point in time, all 113 of the companies that issued EPS guidance for Q2 2015 have reported actual results for the quarter. Of these 113 companies, 80% reported actual EPS above guidance, 11% reported actual EPS below guidance, and 10% reported actual EPS in line with guidance. This upside percentage (80%) is slightly below the trailing 5-year average for companies issuing EPS guidance, but above the overall performance of the S&P 500 for Q2 2015. Of the companies that have issued quarterly EPS guidance over the past five years, 81% reported EPS above guidance, 13% reported EPS below guidance, and 6% reported EPS in-line with guidance on average. Of all the companies in the S&P 500 that reported earnings for Q2 2015, 74% reported EPS above the mean estimate and 26% reported EPS below the mean EPS estimate.

Actual Surprise vs. Guidance for Q2 (+8.4%) Below Average

Companies reported actual earnings that surpassed guidance by 8.4% on average. This percentage was below the trailing 5-year average (+10.0%).

Definitions / Methodology

The terms “guidance” and “preannouncement” have the same definition in this report and are interchangeable. “Guidance” (or a “preannouncement”) is defined as a projection or estimate for a specific metric (usually EPS or sales) provided by a company in advance of the company reporting actual results for the metric.

For companies that are classified as part of the REIT industry, FFO guidance is used in place of EPS guidance.

If a company provides a range of EPS estimates for guidance, the mid-point of the range is used in this report for all analysis.

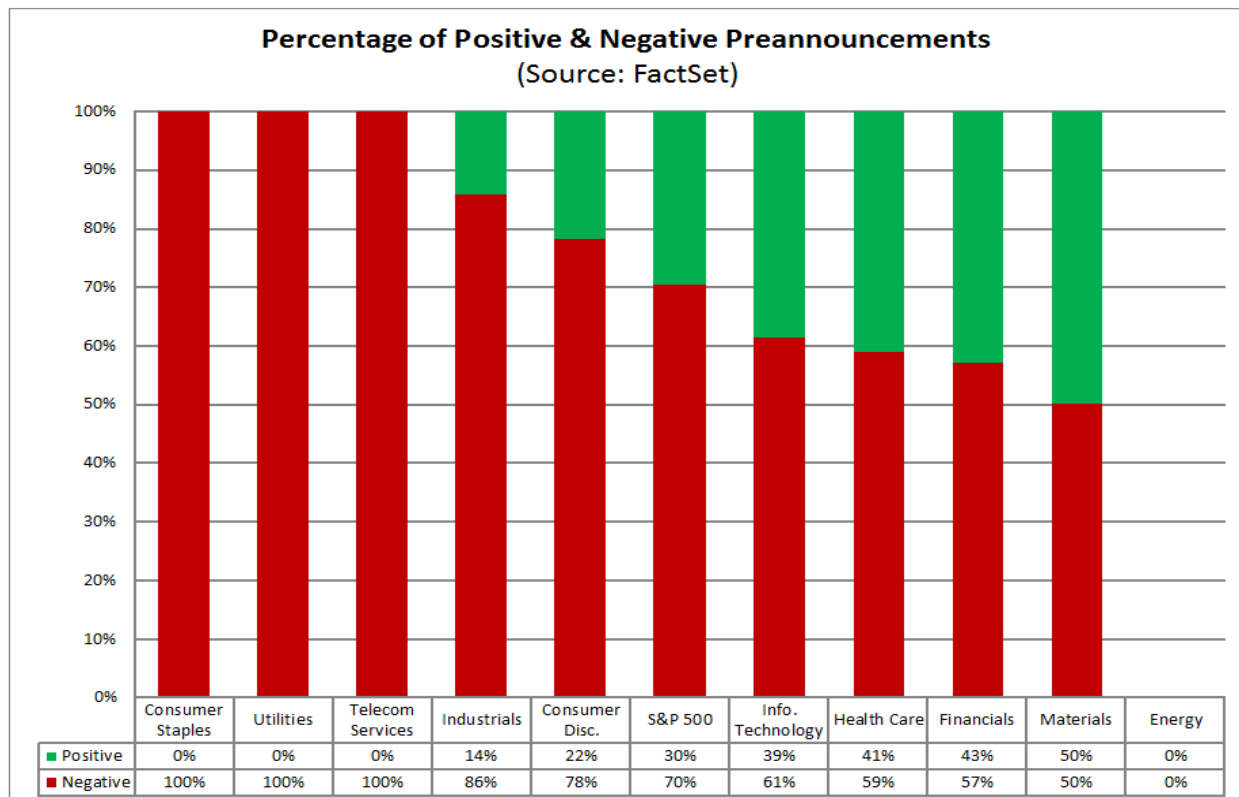
Guidance is classified as negative if the estimate (or mid-point of a range estimates) provided by a company is lower than the mean EPS estimate the day before the guidance was issued.

Guidance is classified as positive if the estimate (or mid-point of a range of estimates) provided by the company is higher than the mean EPS estimate the day before the guidance was issued.

Q3 2015: Sector-Level EPS Guidance

Number of Negative & Positive EPS Preannouncements

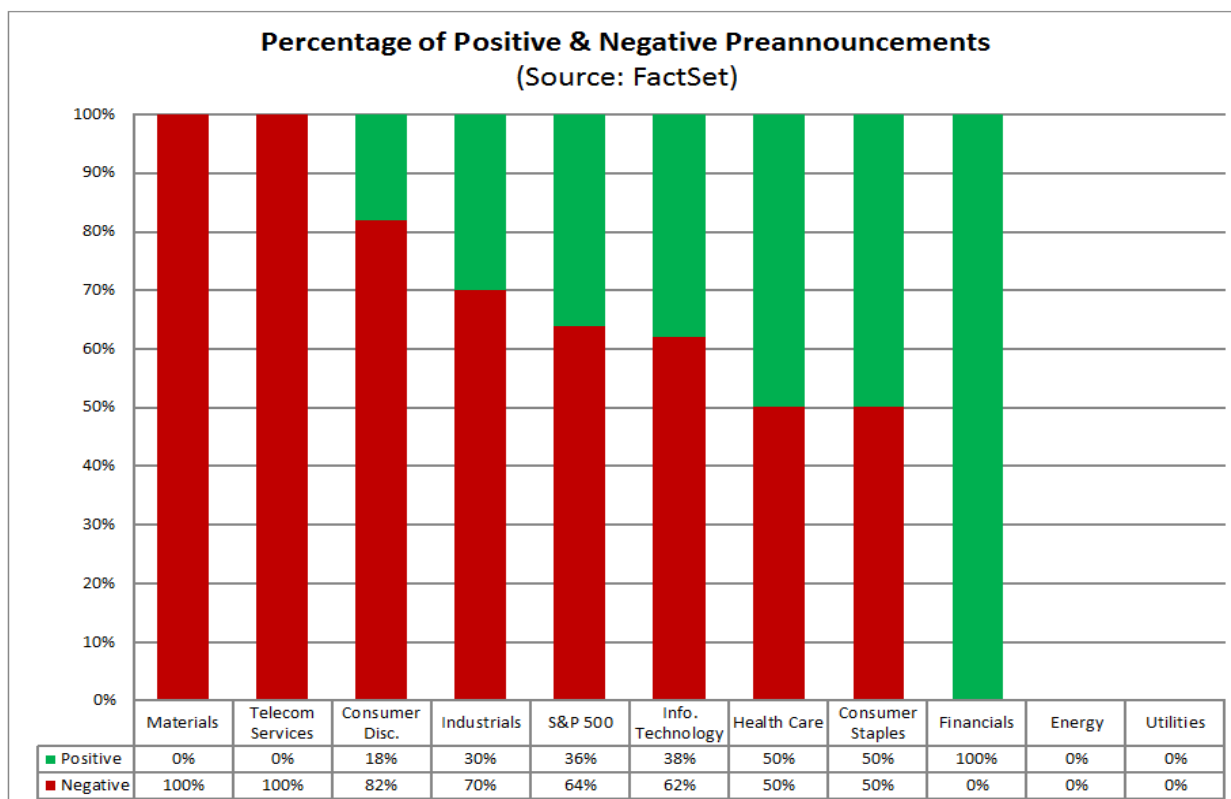
Sector	Negative (#)	Positive (#)	Negative (%)	Positive (%)
Consumer Disc.	18	5	78%	22%
Consumer Staples	5	0	100%	0%
Energy	0	0	0%	0%
Financials	4	3	57%	43%
Health Care	10	7	59%	41%
Industrials	12	2	86%	14%
Info. Technology	19	12	61%	39%
Materials	3	3	50%	50%
Telecom Services	1	0	100%	0%
Utilities	4	0	100%	0%
S&P 500	76	32	70%	30%



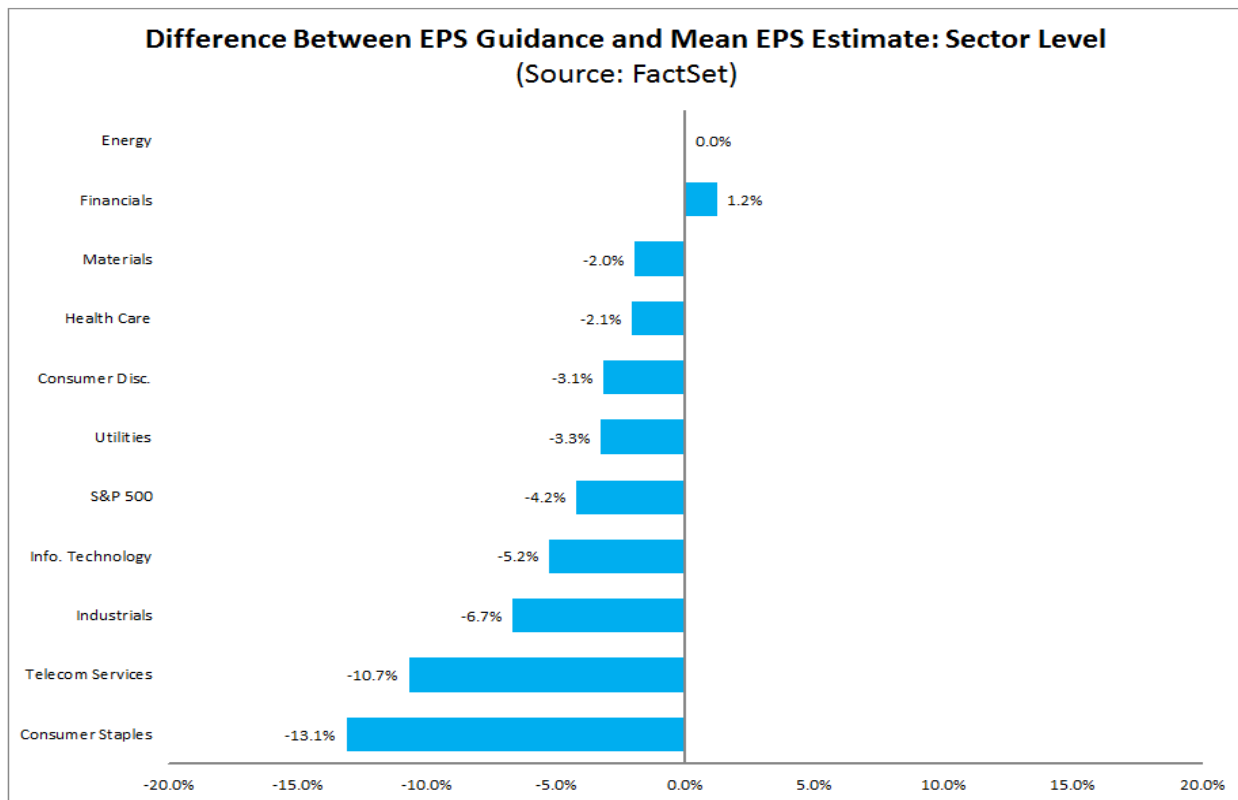
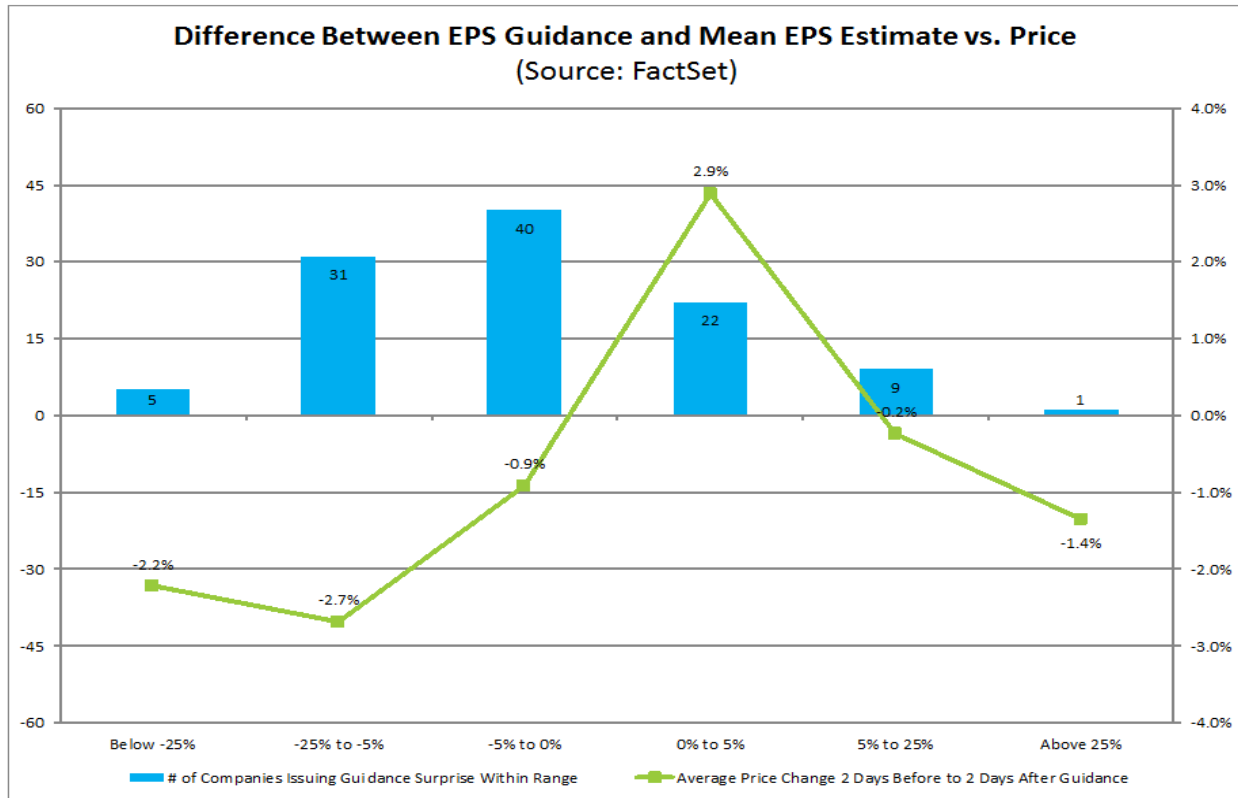
Q3 2015: Sector-Level Revenue Guidance

Number of Negative & Positive Revenue Preannouncements

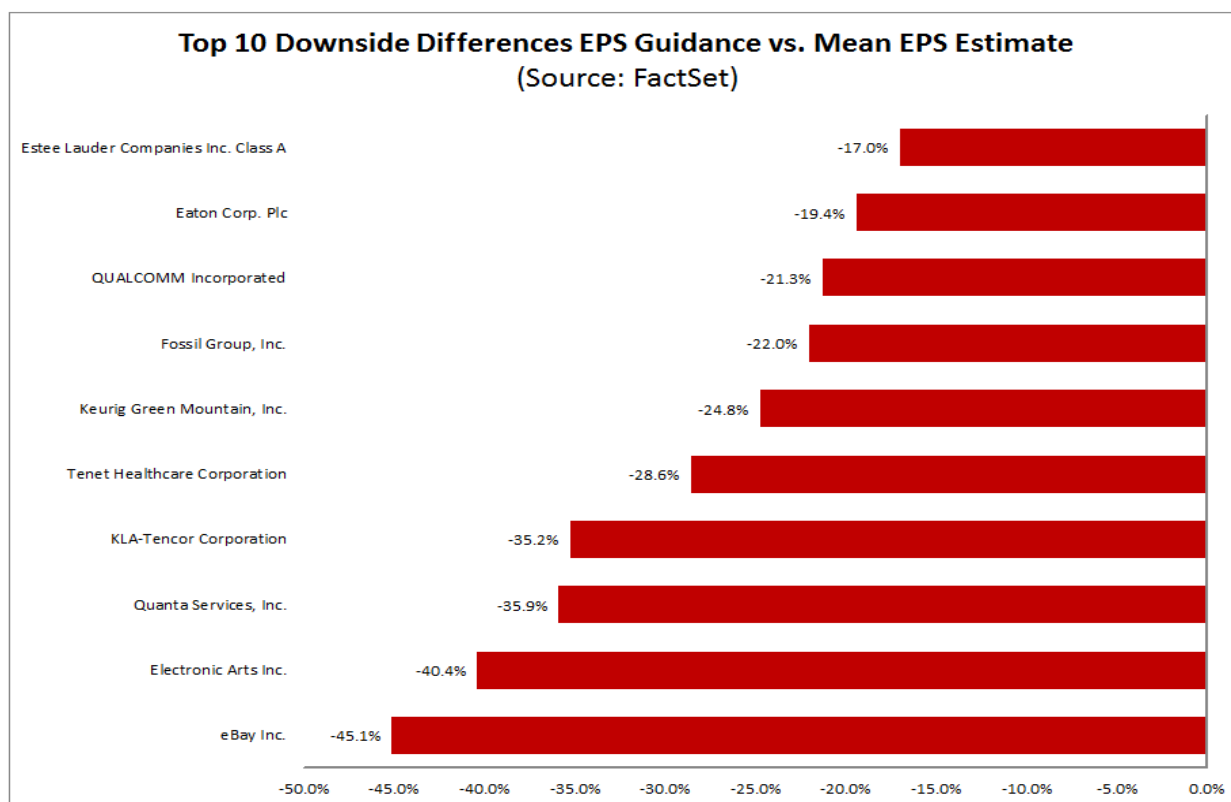
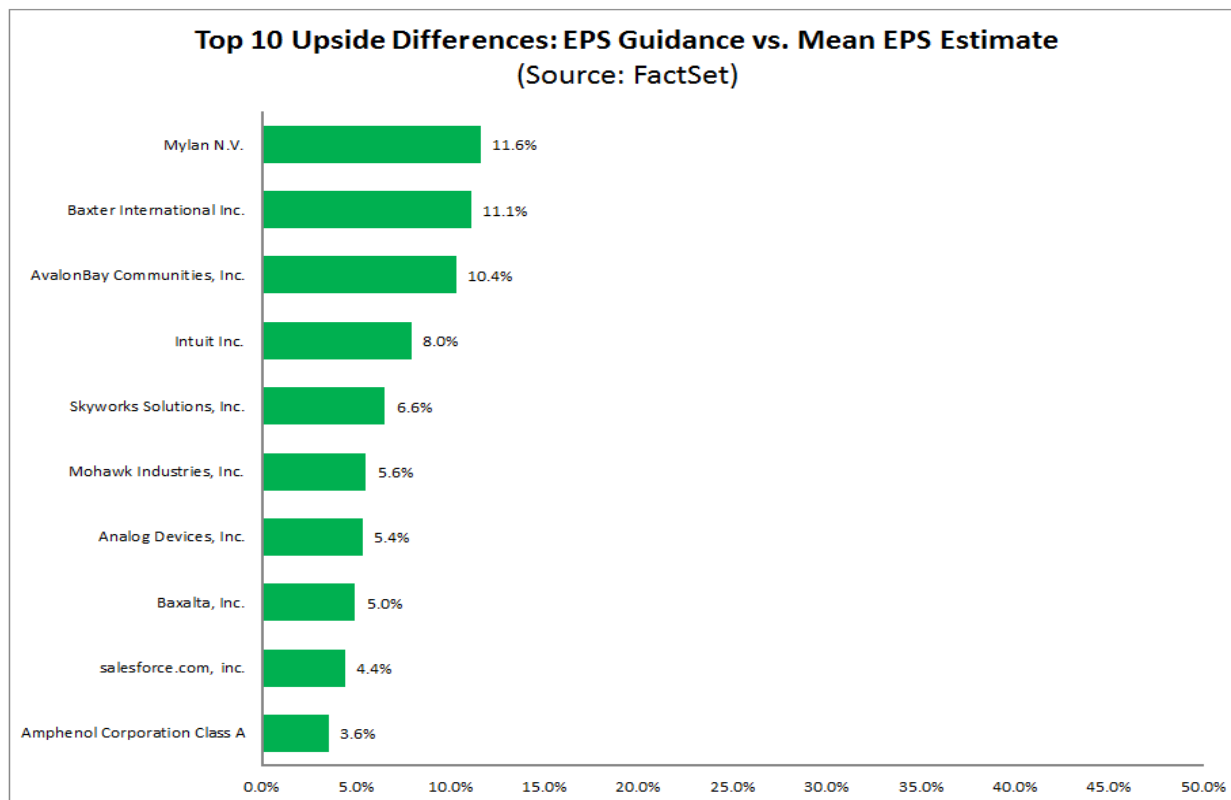
Sector	Negative (#)	Positive (#)	Negative (%)	Positive (%)
Consumer Disc.	9	2	82%	18%
Consumer Staples	1	1	50%	50%
Energy	0	0	0%	0%
Financials	0	1	0%	100%
Health Care	6	6	50%	50%
Industrials	7	3	70%	30%
Info. Technology	26	16	62%	38%
Materials	1	0	100%	0%
Telecom Services	1	0	100%	0%
Utilities	0	0	0%	0%
S&P 500	51	29	64%	36%



Q3 2015: EPS Guidance vs. Mean EPS Estimate



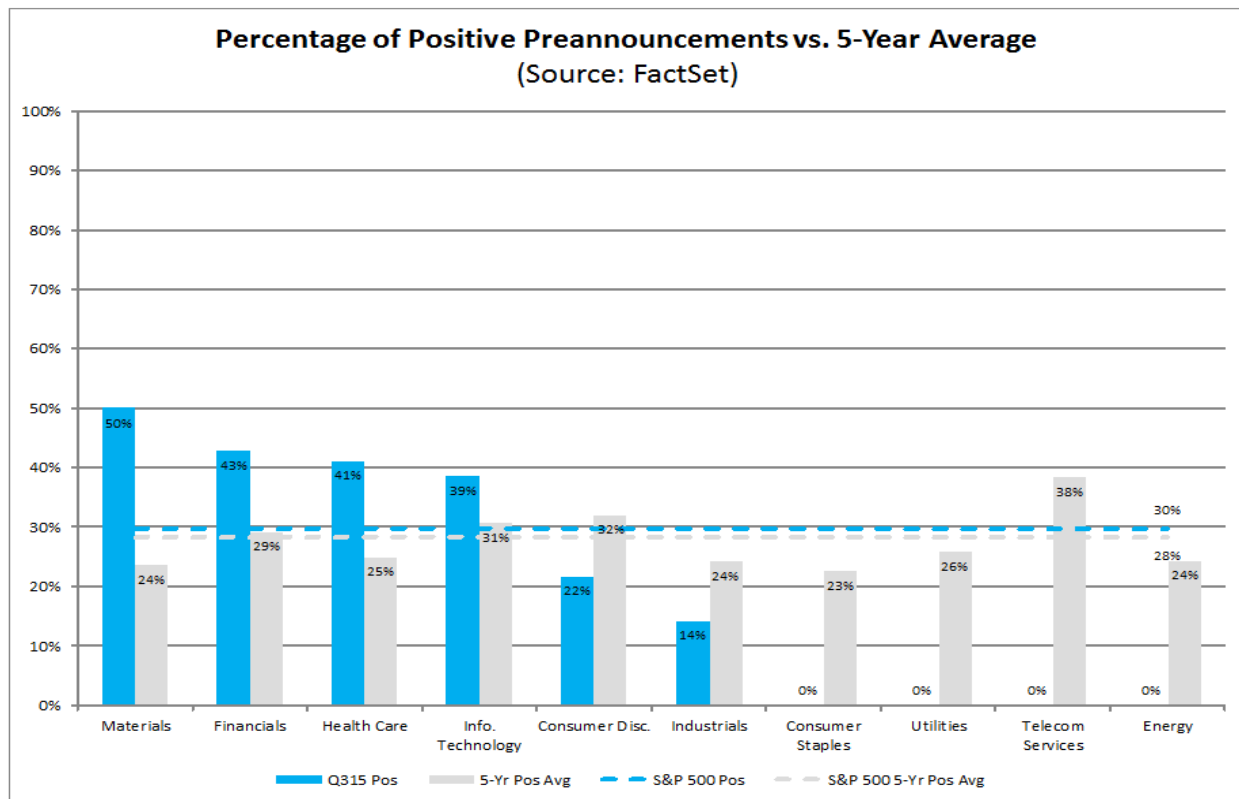
Q3 2015: EPS Guidance vs. Mean EPS Estimate



Q3 2015: Positive EPS Guidance vs. 5-Year Average

Number of Positive Preannouncements vs. 5-Year Average

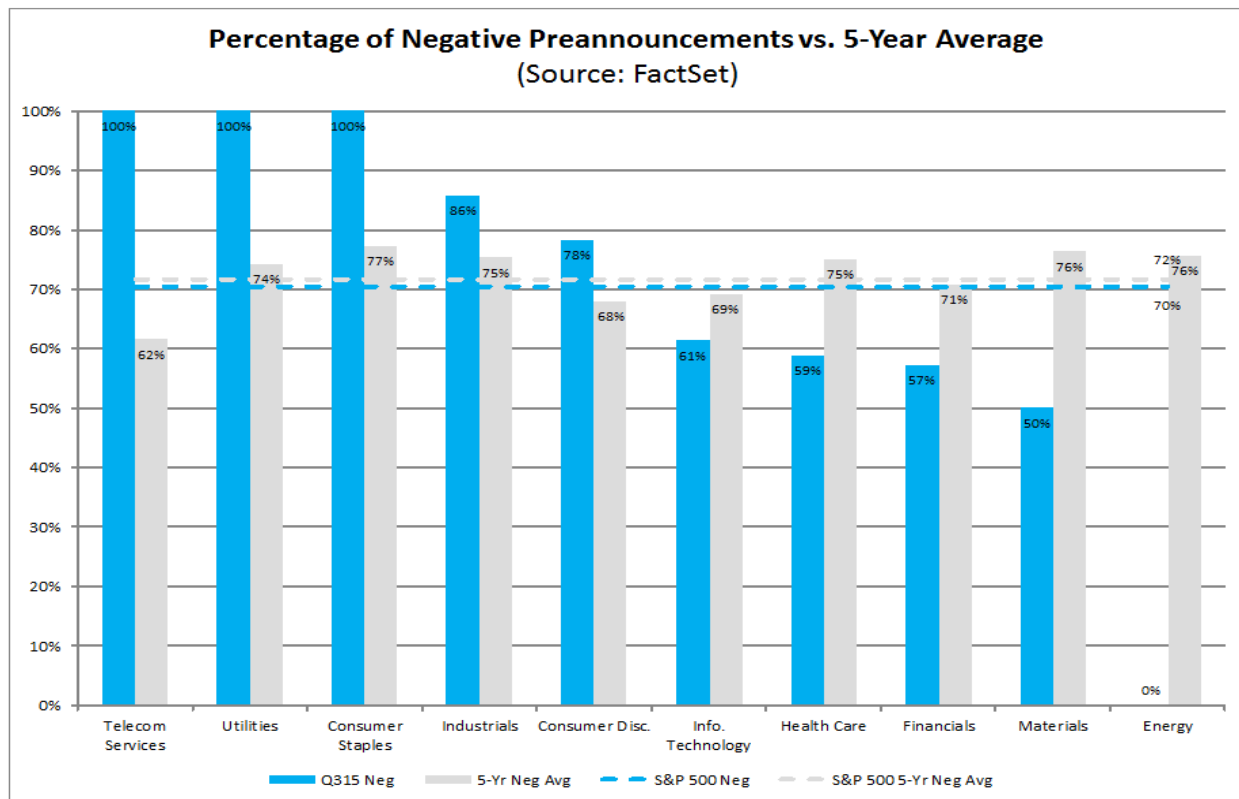
Sector	Positive (#)	5-Year Avg. #	Diff. (#)	Diff. (%)
Consumer Disc.	5.0	7.4	-2.4	-32%
Consumer Staples	0.0	1.3	-1.3	-100%
Energy	0.0	0.5	-0.5	-100%
Financials	3.0	1.8	1.2	67%
Health Care	7.0	3.6	3.4	94%
Industrials	2.0	3.4	-1.4	-40%
Info. Technology	12.0	10.3	1.8	17%
Materials	3.0	2.1	1.0	46%
Telecom Services	0.0	0.8	-0.8	-100%
Utilities	0.0	0.5	-0.5	-100%
S&P 500	32.0	31.4	0.6	2%



Q3 2015: Negative EPS Guidance vs. 5-Year Average

Number of Negative Preannouncements vs. 5-Year Averages

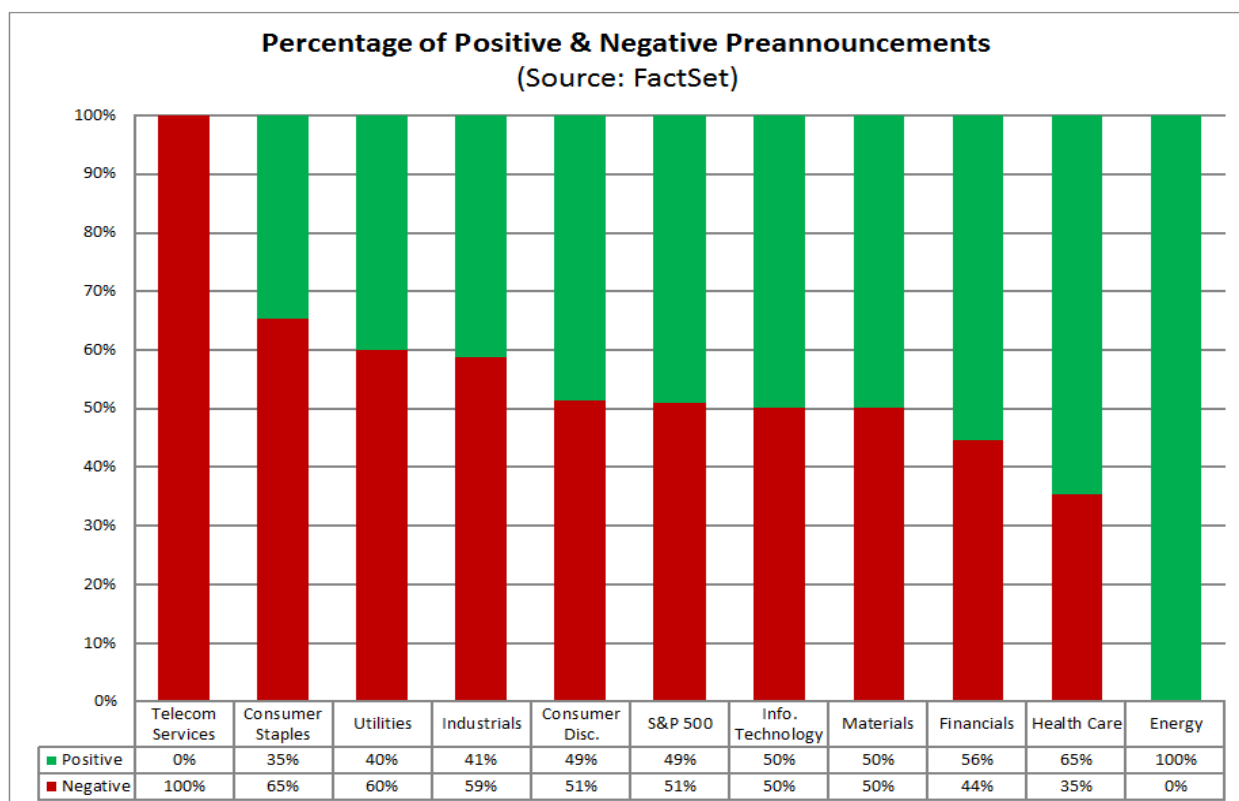
Sector	Negative (#)	5-Year Avg. #	Diff. (#)	Diff. (%)
Consumer Disc.	18.0	15.6	2.5	16%
Consumer Staples	5.0	4.3	0.8	18%
Energy	0.0	1.6	-1.6	-100%
Financials	4.0	4.4	-0.4	-8%
Health Care	10.0	10.8	-0.8	-7%
Industrials	12.0	10.4	1.7	16%
Info. Technology	19.0	23.0	-4.0	-17%
Materials	3.0	6.6	-3.6	-55%
Telecom Services	1.0	2.2	-1.2	-53%
Utilities	4.0	0.8	3.2	400%
S&P 500	76.0	79.4	-3.4	-4%



Current FY: Sector-Level EPS Guidance

Number of Positive & Negative EPS Preannouncements

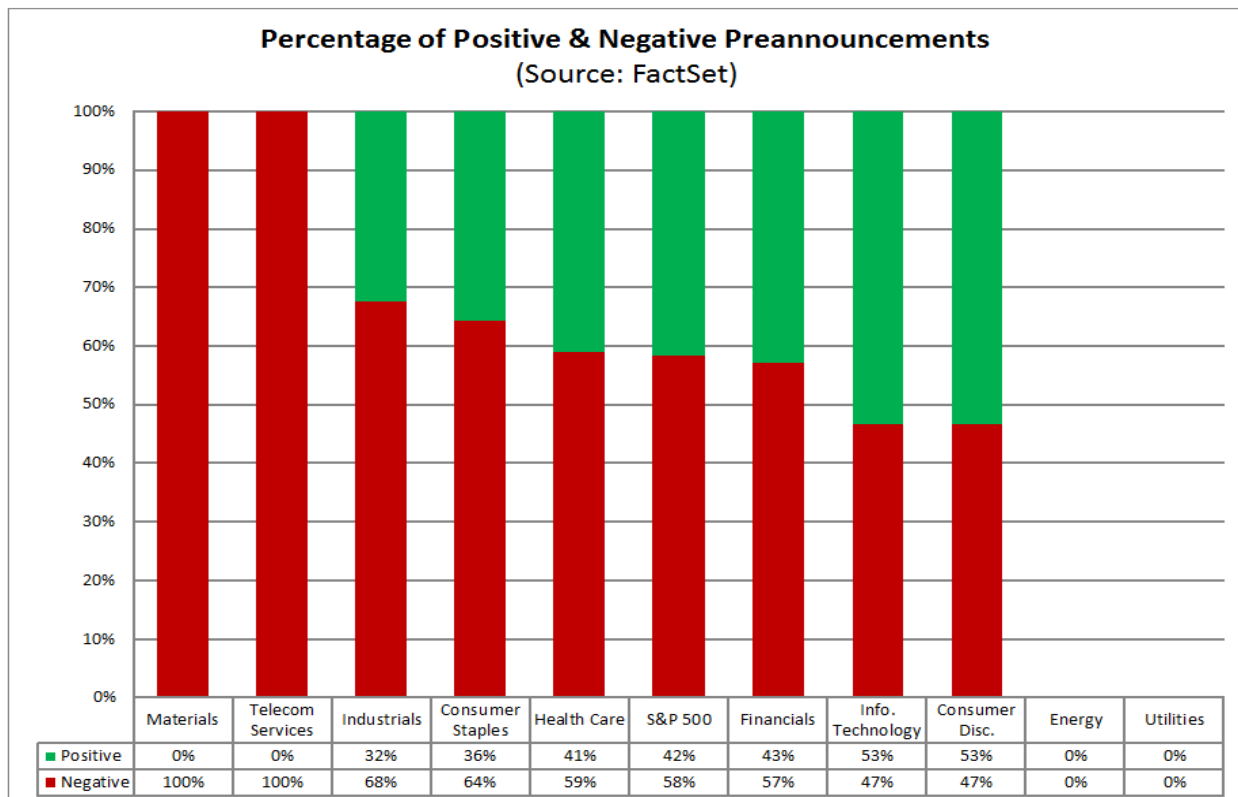
Sector	Negative (#)	Positive (#)	Negative (%)	Positive (%)
Consumer Disc.	20	19	51%	49%
Consumer Staples	15	8	65%	35%
Energy	0	1	0%	100%
Financials	12	15	44%	56%
Health Care	17	31	35%	65%
Industrials	27	19	59%	41%
Info. Technology	16	16	50%	50%
Materials	6	6	50%	50%
Telecom Services	1	0	100%	0%
Utilities	15	10	60%	40%
S&P 500	129	125	51%	49%



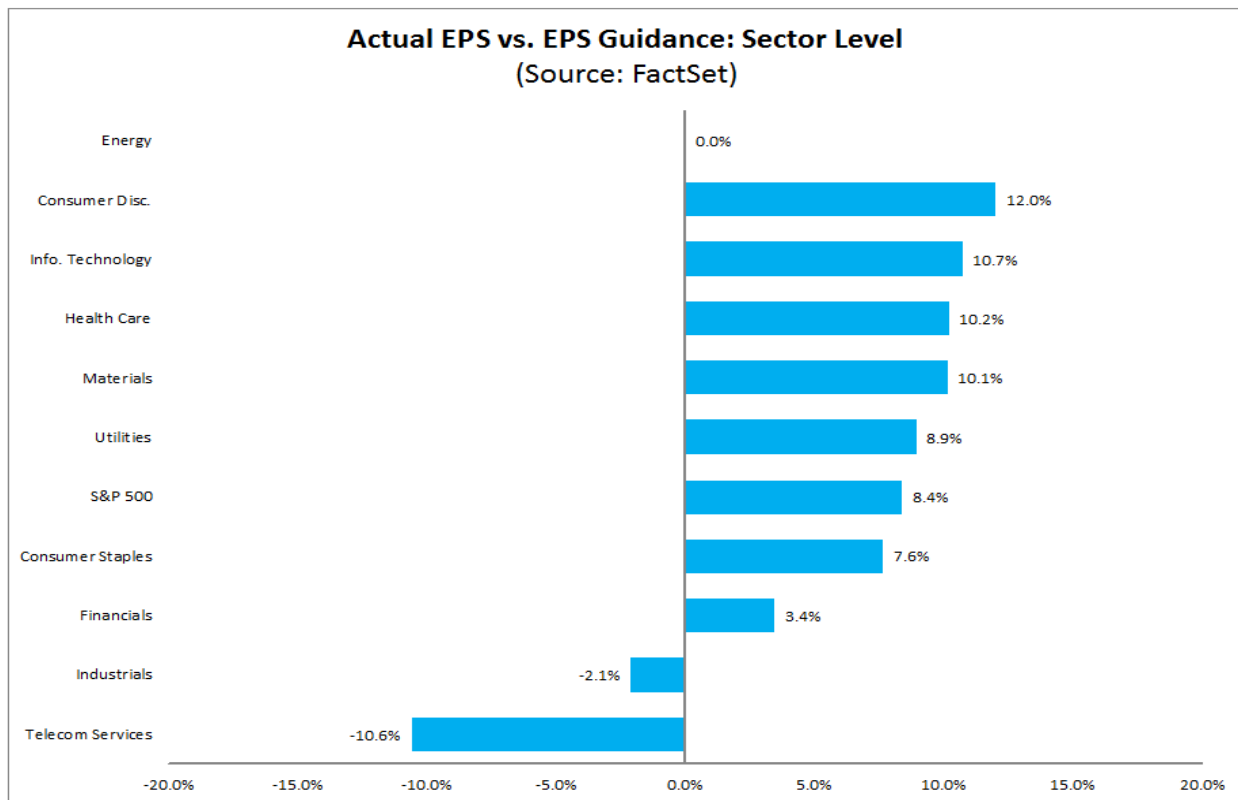
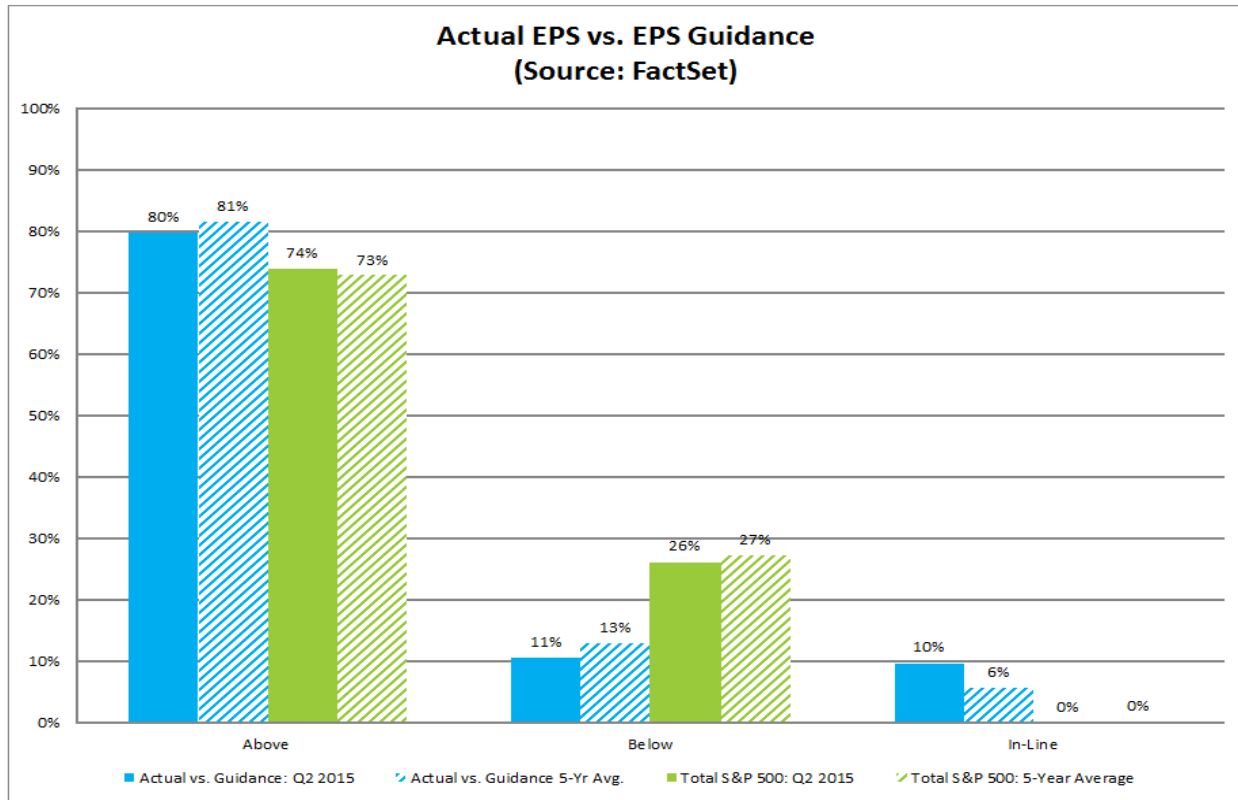
Current FY: Sector-Level Revenue Guidance

Number of Positive & Negative Revenue Preannouncements

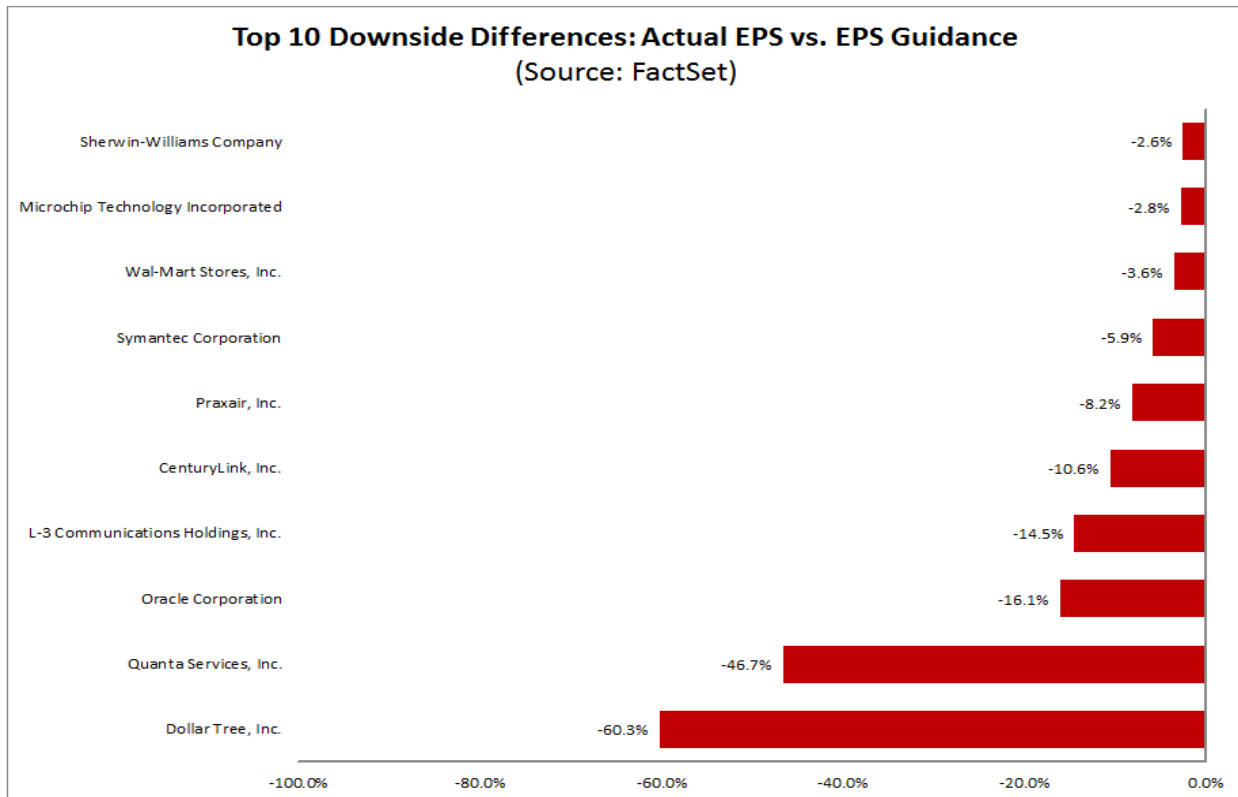
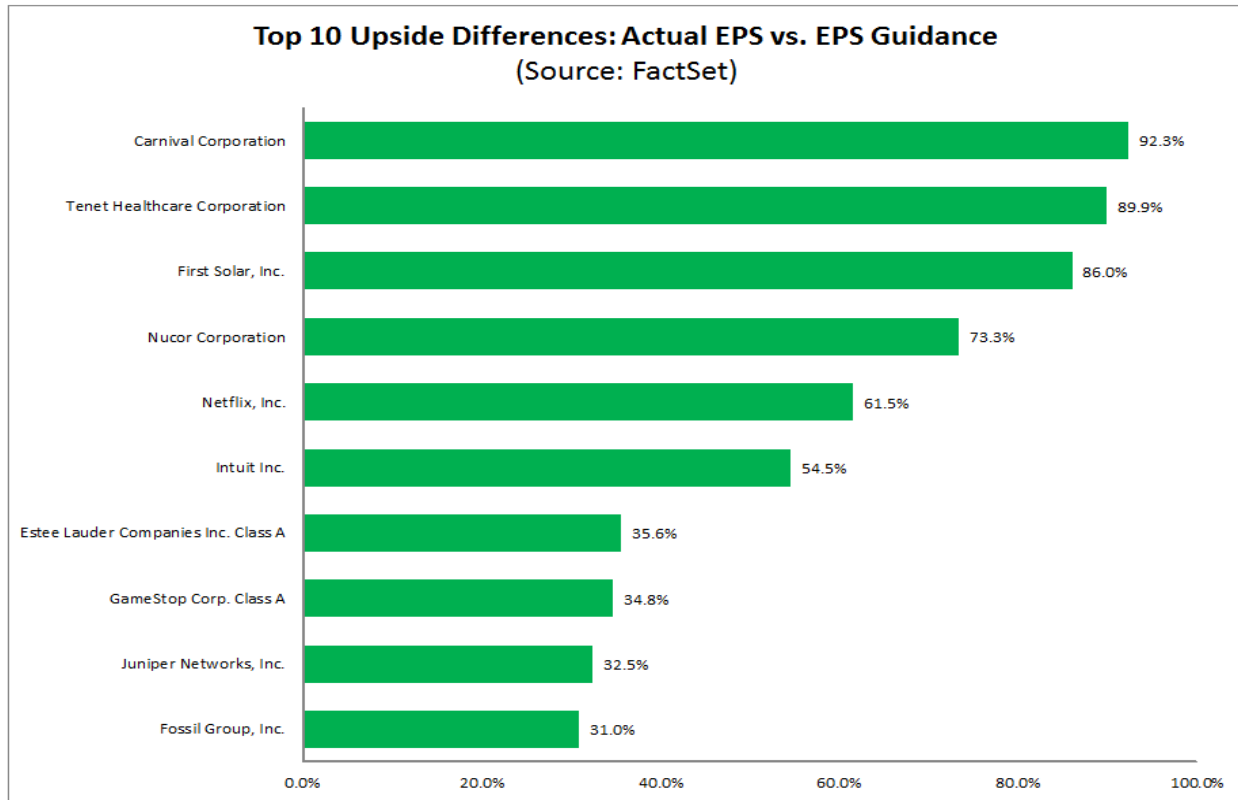
Sector	Negative (#)	Positive (#)	Negative (%)	Positive (%)
Consumer Disc.	14	16	47%	53%
Consumer Staples	9	5	64%	36%
Energy	0	0	0%	0%
Financials	4	3	57%	43%
Health Care	23	16	59%	41%
Industrials	25	12	68%	32%
Info. Technology	14	16	47%	53%
Materials	4	0	100%	0%
Telecom Services	2	0	100%	0%
Utilities	0	0	0%	0%
S&P 500	95	68	58%	42%



Q2 2015: Actual EPS vs. EPS Guidance



Q2 2015: Actual EPS vs. EPS Guidance



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.