# Table Of Contents

World Communications Equipment Industry MSCI

<table>
<thead>
<tr>
<th>Stock Price Index</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings</td>
<td>2</td>
</tr>
<tr>
<td>Revenues &amp; Margins</td>
<td>3</td>
</tr>
<tr>
<td>Valuation</td>
<td>4</td>
</tr>
</tbody>
</table>
**Figure 1.**

WORLD COMMUNICATIONS EQUIPMENT INDUSTRY MSCI INDEX
(ratio scale)

200-day moving average.
Source: MSCI.

**Figure 2.**

WORLD COMMUNICATIONS EQUIPMENT INDUSTRY MSCI FORWARD EARNINGS, & VALUATION

* Implied price index calculated using forward earnings times forward P/Es. Monthly through December 2005, weekly thereafter.
Source: Standard & Poor’s and I/B/E/S data by Refinitiv.
Earnings

Figure 3.

WORLD COMMUNICATIONS EQUIPMENT INDUSTRY MSCI EARNINGS PER SHARE
(analysts’ average forecasts, ratio scale)

Consensus Forecasts
- Red: Annual estimates
- Blue: Forward earnings*

* Time-weighted average of consensus estimates for current year and next year. Monthly through December 2005, then weekly.
Source: I/B/E/S data by Refinitiv.

Figure 4.

WORLD COMMUNICATIONS EQUIPMENT INDUSTRY MSCI INDEX NET EARNINGS REVISIONS*

* Three-month moving average of the number of forward earnings estimates up less number of estimates down, expressed as a percentage of the total number of forward earnings estimates.
Source: I/B/E/S data by Refinitiv.
Revenues & Margins

Figure 5.

WORLD COMMUNICATIONS EQUIPMENT INDUSTRY MSCI REVENUES
(analysts' average forecasts, ratio scale)

Consensus Forecasts
- Annual estimates
- Forward revenues*

* Time-weighted average of consensus estimates for current year and next year. Monthly through December 2005, then weekly.
Source: I/B/E/S data by Refinitiv.

Figure 6.

WORLD COMMUNICATIONS EQUIPMENT INDUSTRY MSCI PROFIT MARGIN
(using analysts' average earnings and revenues forecasts)

Consensus Forecasts
- Annual estimates
- Forward profit margin* (14.8)

* Time-weighted average of the consensus estimates for current year and next year. Monthly through December 2005, weekly thereafter.
Source: I/B/E/S data by Refinitiv.
* Price divided by forward consensus expected earnings per share. Monthly data through December 2005, weekly thereafter.
Source: I/B/E/S data by Refinitiv.

Figure 7.
WORLD COMMUNICATIONS EQUIPMENT INDUSTRY MSCI VALUATION MULTIPLE*

Forward P/E (16.2)

P/E capped at 50 due to extreme values.

Figure 8.
WORLD COMMUNICATIONS EQUIPMENT INDUSTRY MSCI RELATIVE VALUATION*

Relative P/E (0.85)

Relative valuation capped at 2.25 due to extreme values.

* Forward P/E of index relative to All Country World MSCI forward P/E. Monthly data through December 2005, weekly thereafter.
Source: I/B/E/S data by Refinitiv.