**Paper 3: Earnings Announcement Summary**

**Final Due Date:** Wednesday, April 8 by 11:59 PM (emailed to Professor)

Select a company reporting earnings in early to mid-March, 2015. On the day of their earnings announcement, read articles on their earnings and then fully comment on the items listed below.

Paper should summarize the following items:

1. Earnings per Share
   1. Reported earnings
   2. Expected earnings
   3. Any unusual items
   4. Versus same quarter prior year
2. Top line growth: revenue growth
3. Bottom line growth (margin). This should focus on reported EPS, but might include a discussion of:
   1. Gross margin ((Revenue – COGS) / Revenue) (no need to calculate, but look for comments in the articles you read)
   2. Net margins (EBIT / Revenue) (no need to calculate, but look for comments in the articles you read)
4. Any comments about management’s expectations going forward (positive or negative for growth (top line or bottom line))
5. Discuss if the market reaction is reasonable (give the actual price % change and make sure you are comparing the correct price change based on when earnings were announced (before market open, after market open, after market close))
6. If not logical, discuss any unusual circumstances that might explain reaction