



## Press Release

### **Double Hit: Corporate Dividend Growth Deteriorates as Decreases Surge**

#### *Large-Cap Issues with Strong Dividend History Continue Unabated*

**New York, April 3, 2008** - Standard & Poor's, the world's leading index provider, announced today that 598 of the approximately 7,000 publicly owned companies that report dividend information to Standard & Poor's Dividend Record increased their dividend during the first quarter of 2008, representing a decline of 19.2% from the 740 issues that raised their dividend during the first quarter of 2007.

"While the number of issues that raised their dividends during the first quarter fell on a year-over-year basis, the greater concern for S&P was the eighty-three companies that decreased their dividend payment in the first quarter versus the nineteen that did so this time last year," says Howard Silverblatt, Senior Index Analyst at Standard & Poor's. "The drastic decline in dividend increases reflects the uncertainty and volatility of the both the market and the economy."

Standard & Poor's Dividend Record also shows that the ratio of increases to decreases declined to its lowest level since 1992, with the numbers of issues reducing their dividend to levels not seen since 1991. Silverblatt also analyzed a sub-set of U.S. listed, common domestic paying issues and found that while Financial issues may get the majority of negative attention when it comes to dividends, non-Financial paying issues decreased their dividend rate 6.2% of the time compared to 3.4% for Financials.

Silverblatt also notes that there are two distinct stories that can be told when breaking dividend paying issues down by market size. "The first story told is that larger-cap issues (market value greater than \$10 billion) that pay dividends have increased their rate 27.2% of the time versus just 18.7% for lower-cap issues (those under \$10 billion). The second story is that of dividend history. Issues that have increased their rate for ten years straight simply cannot just stop raising it; the increase is expected and built into the price of the stock. Conversely, those companies that have increased their dividend every few years have the option of not increasing it as the expectation is not built into the company profile."

To download Standard & Poor's *Dividend Record* [click here](#).

YEAR	POSITIVE DIVIDEND ACTIONS	NEGATIVE DIVIDEND ACTIONS	DIVIDEND BREADTH
Q1 2008	598	83	7.20
Q1 2007	740	19	38.95
2007	2,513	110	22.85
2006	2,617	87	30.08
2005	2,518	84	29.98
2004	2,298	62	37.06
2003	2,162	104	20.79
2002	1,756	135	13.01
2001	1,668	205	8.14
2000	1,886	137	13.77
1999	2,125	144	14.76

#### **About Standard & Poor's Dividend Record**

Standard & Poor's *Dividend Record* offers dividend reports on more than 23,000 securities, including 12,000 equity, bond, and money-market funds and 450 closed-end funds, listed on U.S. and major Canadian exchanges, as well as NASDAQ and selected OTC and foreign issues. The reports include the current dividend payout rate, payable date, declared date, record date, and ex-dividend date. Standard & Poor's *Dividend Record* also offers information about stock split and spin-off distributions, rights distributions, tax consequences, and historical dividend information.

#### **About Standard & Poor's Index Services**

Standard & Poor's Index Services, the world's leading index provider, maintains a wide variety of investable and benchmark indices to meet an array of investor needs. Its family of indices includes the S&P 500, an index with \$1.32 trillion invested and \$4.91 trillion benchmarked, and the S&P Global 1200, a composite index comprised of seven regional and country headline indices. For more information, please visit [www.standardandpoors.com/indices](http://www.standardandpoors.com/indices).

#### **About Standard & Poor's**

Standard & Poor's, a division of The McGraw-Hill Companies (NYSE:MHP), is the world's foremost provider of financial market intelligence, including independent credit ratings, indices, risk evaluation, investment research and data. With approximately 8,500 employees, including wholly owned affiliates, located in 21 countries. Standard & Poor's is an essential part of the world's financial infrastructure and has played a leading role for more than 140 years in providing investors with the independent benchmarks they need to feel more confident about their investment and financial decisions. For more information, visit <http://www.standardandpoors.com>.

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