



## Press Release

### **S&P 500 Buybacks Set Record of \$589 Billion in 2007**

*Activity Expected to Continue, But Not At Record Pace and Not for Financials*

**New York, April 7, 2008** – Standard & Poor's, the world's leading index provider, announced today that preliminary S&P 500 stock buyback activity for 2007 was a record \$589 billion, easily surpassing 2007 cash dividends of \$246 billion and slightly larger than 2007 As Reported GAAP earnings of \$587 billion. The \$589 billion in share repurchases represents a 36.4% increase over the \$432 billion spent in 2006, and a 350% increase from the \$131 billion recorded five years ago in 2003.

“The record activity in 2007 was fueled by several mega-billion dollar buybacks, in particular the ten companies that spent a combined \$148 billion on stock repurchases during the year,” says Howard Silverblatt, Senior Index Analyst at Standard & Poor's. “Standard & Poor's expects buyback activity to continue at a high level for 2008, but not at a record setting pace, as corporations and investors continue to be concerned about the economic and liquidity issues.”

According to Silverblatt, fourth quarter 2007 buyback activity was strong, posting an estimated \$142 billion in share repurchases. The quarterly value represented a 34.7% increase over the fourth quarter of 2006 and ranks as the third largest expenditure of all-time, behind the \$172 billion spent during third quarter of 2007, and the \$158 billion spent during the second quarter of that same year (2007).

On a sector basis, Standard & Poor's notes the shift in sector buyback participation. “Financial issues continue to pull back on buybacks, accounting for just 13.4% of the aggregate repurchases during the fourth quarter of 2007 compared to 22.3% during the fourth quarter of 2006,” adds Silverblatt. “Information Technology remained the prime player in the buyback market, with 22.5% of the buybacks, partially due to their use of options to supplement employee salaries.”

Over the past thirteen quarters, since the buyback boom began (Q4 2004), S&P 500 issues have spent approximately \$1.44 trillion on stock buybacks compared to \$1.56 trillion on Capital Expenditures and \$721 billion on dividends.

Historical S&P 500 buyback data can be found at the conclusion of this press release. To learn more, please visit: [www.marketattributes.standardandpoors.com](http://www.marketattributes.standardandpoors.com)

**STANDARD & POOR'S INDEX SERVICES**

YEAR	MARKET	AS REPORTED			
	VALUE \$ BILLION	EARNINGS \$ BILLION	DIVIDENDS \$ BILLION	BUYBACKS \$ BILLION	DIVIDEND& BUYBACK YIELD
2007	12,867.85	587.23	245.69	589.11	6.49%
2006	12,728.86	734.16	224.25	431.83	5.15%
2005	11,254.54	638.22	201.84	349.23	4.90%
2004	11,288.60	545.14	181.02	197.47	3.35%
2003	10,285.83	450.37	160.65	131.05	2.84%
2002	8,107.41	253.52	147.81	127.25	3.39%
2001	10,463.39	222.74	142.22	132.21	2.62%
2000	11,714.55	432.73	141.08	150.58	2.49%
1999	12,314.99	397.12	137.53	141.47	2.27%

**QUARTER**

12/31/2007	12,867.85	68.53	67.09	141.71
09/30/2007	13,469.72	133.66	60.84	171.95
06/30/2007	13,349.73	194.29	59.44	157.76
03/31/2007	12,706.32	190.75	58.32	117.70
12/31/2006	12,728.86	181.65	61.76	105.18
09/30/2006	12,019.85	193.19	54.78	109.81
06/30/2006	11,496.84	182.02	54.46	116.66
03/31/2006	11,659.69	177.30	53.25	100.18
12/31/2005	11,254.54	155.89	54.83	104.28
09/30/2005	11,082.59	160.72	48.99	81.47
06/30/2005	10,890.01	167.19	49.03	81.42
03/31/2005	10,819.81	154.43	48.99	82.05
12/31/2004	11,288.60	129.85	49.68	66.42
09/30/2004	10,397.80	132.28	45.54	45.68
06/30/2004	10,623.42	142.01	43.43	42.46
03/31/2004	10,461.32	141.01	42.36	42.92
12/31/2003	10,285.83	121.74	46.76	38.53
09/30/2003	9,207.69	116.12	39.96	34.13
06/30/2003	9,001.01	102.53	37.74	28.36
03/31/2003	7,826.70	109.99	36.19	30.03

**LARGEST 2007 BUYBACK EXPENDITURES, \$ MILLIONS**

COMPANY	SECTOR	2007	2006
Exxon Mobil Corp	Energy	31,822	29,558
Microsoft Corporation	Information Technology	21,082	22,136
International Business Machines Corp	Information Technology	18,828	6,687
General Electric Co	Industrials	12,372	8,554
Hewlett-Packard Co	Information Technology	11,899	6,968
The Home Depot, Inc	Consumer Discretionary	10,814	6,684
AT&T Inc	Telecommunication Services	10,390	2,678
Transocean, Inc	Energy	10,259	2,601
Pfizer Inc	Healthcare	10,072	6,979
Cisco Systems, Inc	Information Technology	10,020	8,828
<b>TOP 10 TOTAL</b>		<b>147,558</b>	<b>101,673</b>

	% OF TOTAL S&P 500 BUYBACKS					AVERAGE 2007
	Q4 2006	Q1 2007	Q2 2007	Q3 2007	Q4 2007	MARKET VALUE % OF S&P 500
Consumer Discretionary	14.87%	11.55%	9.63%	20.30%	11.63%	9.82%
Consumer Staples	9.75%	6.20%	9.51%	9.36%	9.44%	9.56%
Energy	12.27%	9.43%	10.08%	8.56%	17.87%	10.94%
Financials	22.30%	28.68%	17.00%	16.15%	13.41%	20.38%
Healthcare	8.41%	9.57%	11.88%	10.85%	10.67%	11.92%
Industrials	6.68%	7.90%	8.80%	10.19%	9.96%	11.26%
Information Technology	20.57%	20.28%	26.82%	13.90%	22.53%	15.75%
Materials	1.66%	1.66%	1.68%	3.78%	1.75%	3.16%
Utilities	2.11%	3.48%	4.16%	2.30%	2.13%	3.67%
Utilities	1.37%	1.25%	0.45%	4.62%	0.59%	3.54%
S&P 500	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

### 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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