



Press Release

S&P 500 Stock Buybacks Retreat in Q1 But Remain Strong

Financials Add Shares as Liquidity Concerns Continue

New York, June 18, 2008 – Standard & Poor's, the world's leading index provider, announced today that preliminary results show S&P 500 stock buyback activity slowing considerably during the first quarter of 2008, posting its first year-over-year quarterly drop since the third quarter of 2003. According to Standard & Poor's data, S&P 500 buybacks are set to record \$113.9 billion in stock buybacks during the first quarter, representing a 3.23% decline over the \$117.7 billion spent during the first quarter of 2007.

“Despite the slowdown, the first quarter results marked the tenth straight quarter of \$100 billion plus buybacks for the S&P 500 companies,” says Howard Silverblatt, Senior Index Analyst at Standard & Poor's. “Standard & Poor's expects buyback activity to continue at the \$100 billion plus rate throughout 2008, but not at the record setting pace set in the third quarter of 2007 when \$172 billion was spent on stock repurchases.”

On a sector basis, Standard & Poor's notes the continuing shift in sector buyback participation. Financial issues continue to shy away from buybacks, accounting for just 12.3% of the aggregate repurchases during the first quarter of 2008 - less than half of the 28.7% they spent during the first quarter of 2007. Conversely, Information Technology spent over six times the amount on stock buybacks than it did on cash dividends.

“The market is now seeing a substantial increase in Financial companies issuing common and convertible instruments in an effort to shore up liquidity,” add Silverblatt. “The additional financing gives them immediate breathing room, with the payback being longer term dilution.”

Over the past fourteen quarters, since the buyback boom began during the fourth quarter of 2004, S&P 500 issues have spent approximately \$1.55 trillion on stock buybacks compared to \$1.68 trillion on Capital Expenditures and \$783 billion on dividends.

The S&P 500 is the world's most followed stock market index with \$1.5 trillion directly indexed via ETF's, index funds and other investment vehicles. Over \$4.85 trillion is benchmarked to the S&P 500.

Historical S&P 500 buyback data can be found at: www.marketattributes.standardandpoors.com

LARGEST Q1 2008 BUYBACK EXPENDITURES, \$ MILLIONS

COMPANY	SECTOR	Q1 2008	Q1 2007	Change	From Q4 2004
Exxon Mobil (4th largest in S&P history)	Energy	\$9,465	\$7,960	18.9%	\$92,954
AT&T	Telecommunication Services	\$4,071	\$3,005	35.5%	\$19,430
Hewlett-Packard	Information Technology	\$2,845	\$4,024	-29.3%	\$28,349
Procter & Gamble	Consumer Staples	\$2,554	\$1,348	89.5%	\$34,847
Intel Corp	Information Technology	\$2,501	\$400	525.3%	\$22,519
ConocoPhillips	Energy	\$2,496	\$1,000	149.6%	\$12,346
International Business Machines	Information Technology	\$2,427	\$3,398	-28.6%	\$37,532
McDonald's Corp	Consumer Discretionary	\$2,011	\$968	107.7%	\$8,514
WellPoint Inc	Healthcare	\$2,009	\$635	216.4%	\$13,045
Chevron Corp	Energy	\$1,899	\$1,147	65.6%	\$15,966
TOP 10 TOTAL		\$32,278	\$23,885	35.1%	\$285,501

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 \$1.5 trillion invested and \$4.85 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.

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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