

STANDARD & POOR'S

Press Release

S&P: Dividend Cuts Hit \$22.5 Billion in 3rd Quarter

Over Two-Thirds of Cuts are from Financials

New York, October 3, 2008 - Standard & Poor's, the world's leading index provider, announced today that 138 of the approximately 7,000 publicly owned companies that report dividend information to Standard & Poor's Dividend Record decreased their dividend during the third quarter of 2008, representing a 557% increase from the 21 issues that decreased their dividend during the third quarter of 2007. Reported dividend increases fell 21.2% to 346 from 439 reported in the third quarter of 2007.

"It was the worst September for dividends since we started keeping dividend records in 1956," says Howard Silverblatt, Senior Index Analyst at Standard & Poor's. "During the second quarter, companies were nervous and cautious. The third quarter, however, saw many companies deciding to take action, and that action took \$22.5 billion out of the pockets of investors."

"Financial issues accounted for about two-thirds of the dividend cuts and 93% of the dollar damage during the third quarter," continues Silverblatt. "Also, no longer is it just blue chip companies cutting dividends. Many of the issues are now much smaller, and more regional. The problem has trickled down."

Silverblatt concludes by noting that many issues are still increasing their dividend rate despite the massive number of dividend cuts. "However, given the uncertainty of the markets and the economy, these companies have to be extremely confident of their future earnings and cash flow."

[Click here](#) for the Standard & Poor's *Dividend Record*.

YEAR	POSITIVE DIVIDEND ACTIONS	NEGATIVE DIVIDEND ACTIONS	DIVIDEND BREADTH
Q3 2008	346	138	2.51
Q3 2007	439	21	20.90
YTD 2008	1,399	318	4.40
YTD 2007	1,721	58	29.67
12 mo Sep,'08	2,191	370	5.92
12 mo Sep,'07	2,552	89	28.67
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 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 23 countries and markets, 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>.

For more information contact:

David R. Guarino
Standard & Poor's
Communications
212 438 1471
dave_guarino@standardandpoors.com

Howard Silverblatt
Standard & Poor's
Senior Index Analyst
212 438 3916
howard_silverblatt@standardandpoors.com