



Press Release

S&P Decreases Expected 2008 Dividend Payment for the S&P 500; Q4 Payments Expected to Decline 10% - Worst Since 1958

New York, October 21, 2008 – Standard & Poor's, the world's leading index provider, announced today that it is decreasing the expected 2008 dividend payment for the S&P 500 from \$28.85 to \$28.05. The lowered estimate still represents a 1.2% increase in S&P 500 dividend payments from the \$27.73 posted in 2007, and translates into a \$244.7 billion aggregate payment for the S&P 500 companies for 2008.

"The 1.2% expected increase in S&P 500 dividend payments for 2008 will be the lowest growth rate since 2001 when payments were down 3.3%," says Howard Silverblatt, Senior Index Analyst at Standard & Poor's. "The growth rate for dividends was negatively impacted by Financials. Year-to-date there have been 35 dividend cuts by Financial issues with an aggregate decrease of \$31.0 billion compared to just 12 cuts over the past five years reducing dividends by \$3.1 billion."

"Due to the recent events, including government actions that might limit dividend payments, Standard & Poor's has reduced the indicated dividend rate on the S&P 500 from \$28.85 to \$27.35," continues Silverblatt. "Given the current economic climate, 2009 dividend increases are expected to slow with the main issue being concern over dividend cuts."

Fourteen Financial issues have cut their dividend rate from September to October by \$14.8 billion, with most paying their full dividend through the third quarter. However, Silverblatt points out that the full impact of their cuts won't be felt until 2009.

Standard & Poor's data also shows that despite the cuts, Financials continue to contribute the lion's share of dividends. While the Financials sector makes up 15.0% of the market, it contributes 21.0% of the dividends.

"The prospects for dividends remains extremely cautious," adds Silverblatt. "While we continue to have strong concerns over deterioration within the Financials sector, Standard & Poor's Index Services believes that the majority of S&P 500 companies will continue their long history of dividend payments and increases, with over half of them expected to pay out more this year than last."

For information on S&P 500 dividends, visit: www.marketattributes.standardandpoors.com.

**STANDARD & POOR'S INDEX SERVICES
S&P 500 SECTOR DIVIDEND CHANGES YEAR-TO-DATE**

SECTOR	2008 YTD TOTAL ACTIONS	2008 YTD INCREASES	2008 YTD INITIAL	2008 YTD DECREASES	2008 YTD SUSPENSIONS
Consumer Discretionary	33	28	2	2	1
Consumer Staples	31	29	0	1	1
Energy	19	19	0	0	0
Financials	72	36	0	24	12
Health Care	8	8	0	0	0
Industrials	36	36	0	0	0
Information Technology	16	16	0	0	0
Materials	16	14	2	0	0
Telecommunication Services	5	4	0	0	1
Utilities	18	17	1	0	0
Total	254	207	5	27	15
Unique issues	225	193	5	23	15

S&P 500 QUARTER END	CASH DIVIDENDS PER SHARE	CHANGE	DIVIDENDS 12 MONTHS BILLIONS
2008 ESTIMATE	\$28.05	1.15%	\$244.70
12/31/2007	\$27.73	11.45%	\$246.58
12/31/2006	\$24.88	11.98%	\$224.76
12/31/2005	\$22.22	14.30%	\$201.84
12/31/2004	\$19.44	11.82%	\$181.02
12/31/2003	\$17.39	8.14%	\$160.65
12/31/2002	\$16.08	2.14%	\$147.81
12/31/2001	\$15.74	-3.26%	\$142.22
12/31/2000	\$16.27	-2.52%	\$141.08
12/31/1999	\$16.69	3.02%	\$137.53
12/31/1998	\$16.20	4.58%	\$128.84
12/31/1997	\$15.49	3.96%	\$119.52
12/31/1996	\$14.90	8.05%	\$112.62
12/31/1995	\$13.79	1.55%	\$101.70

S&P 500 TOP DIVIDEND PAYERS

COMPANY	ANNUAL DIVIDEND RATE	SECTOR	%	CUM %
Genl Electric	\$13,015	Industrials	5.45%	5.45%
AT&T Inc	\$9,429	Telecommunication Services	3.95%	9.40%
Pfizer, Inc	\$8,628	Health Care	3.61%	13.02%
Exxon Mobil	\$8,310	Energy	3.48%	16.50%
Bank of America	\$6,419	Financials	2.69%	19.19%
JPMorgan Chase & Co	\$5,600	Financials	2.35%	21.53%
Chevron Corp	\$5,342	Energy	2.24%	23.77%
Verizon Communications	\$5,240	Telecommunication Services	2.19%	25.96%
Johnson & Johnson	\$5,142	Health Care	2.15%	28.12%
Procter & Gamble	\$4,855	Consumer Staples	2.03%	30.15%
Wells Fargo	\$4,500	Financials	1.89%	32.04%
Philip Morris Intl	\$4,452	Consumer Staples	1.86%	33.90%
Microsoft Corp	\$4,083	Information Technology	1.71%	35.61%
Citigroup Inc	\$3,485	Financials	1.46%	37.07%
Merck & Co	\$3,257	Health Care	1.36%	38.43%
Intel Corp	\$3,148	Information Technology	1.32%	39.75%
Coca-Cola Co	\$3,022	Consumer Staples	1.27%	41.02%
U.S. Bancorp	\$2,961	Financials	1.24%	42.26%
ConocoPhillips	\$2,857	Energy	1.20%	43.46%
Intl Bus. Machines	\$2,710	Information Technology	1.14%	44.59%
PepsiCo Inc	\$2,661	Consumer Staples	1.11%	45.71%
Altria Group	\$2,636	Consumer Staples	1.10%	46.81%
Bristol-Myers Squibb	\$2,455	Health Care	1.03%	47.84%
McDonald's Corp	\$2,249	Consumer Discretionary	0.94%	48.78%
Abbott Laboratories	\$2,220	Health Care	0.93%	49.71%

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>.

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