



Press Release

Standard & Poor's Increases Indicated Dividend Rate on the S&P 500

Paying Issues Continue to Outperform Non-Payers in '05

New York, November 7, 2005 – Standard & Poor's, the world's leading index provider, announced today that it is raising the indicated dividend rate on the S&P 500 from \$21.80 to \$22.70, and that it expects cash dividends to set another record in 2005 - paying out \$21.85 per share versus \$19.44 paid out in 2004. The 12.4% increase in dividend payments translates into a \$203 billion aggregate payment for S&P 500 companies in 2005.

"At the end of 2004, 377 issues in the S&P 500 paid a dividend," says Howard Silverblatt, market equity analyst at Standard & Poor's. "We now have 386 issues paying dividends, with additional constituents having significant ability to increase and initiate. For 2006, we expect a continuation in both dividend increases and initiations among S&P 500 constituents, resulting in a double-digit gain in dividend payments."

Standard & Poor's notes that dividend increases continue to be dominated by financial companies, which represent 63 of the 256 increases in the S&P 500 so far in 2005. Also notable is that the tendency of S&P 500 issues to pay and continue to raise dividends is much greater than that of the general market. On average, over the past 15 years, 53% of the S&P 500 issues have annually increased their dividend payments, while only 23% of the non-S&P 500 constituents have done so. For 2005, the tendency within the S&P 500 has been even stronger, as 59% of the index (256 issues) have increased dividend payments versus 23% for non-S&P 500 companies.

Standard & Poor's also points out that the propensity for index issues to pay cash dividends is much higher than that of the general market. Currently 77.2% of the S&P 500 constituents pay cash dividends versus 40.9% for the non-S&P 500 general market.

Dividend Payers Versus Non-Payers

Standard & Poor's data shows that dividend payers continue to outperform non-payers in 2005. Year-to-date, through November 7th, payers have averaged a 5.29% gain compared to a 3.81% gain for non-payers. "Dividend issues are less volatile than those that don't pay dividends," explains Silverblatt. "During bull markets, paying issues tend to rise less, and during bear markets they decline to a smaller degree. The dividend acts very similar to an anchor by stabilizing the stock during periods of market volatility."

Dividend Aristocrats

Standard & Poor's also released data on the S&P 500 Dividend Aristocrats, a list of those companies within the S&P 500 that have increased their actual dividend payments in each of the last 25 years. Year-to-date, 45 of the 58 S&P 500 Dividend Aristocrats have increased their dividend rate. For more information on the Dividend Aristocrats, as well as access to a supplementary list of 28 non-S&P 500 issues, please visit www.indices.standardandpoors.com.

YEAR END	ISSUES WITH INDICATED DIVIDEND RATES	% OF ISSUES	YEAR END	ISSUES WITH INDICATED DIVIDEND RATES	% OF ISSUES
11/07/2005	386	77.2%	1992	436	87.2%
2004	377	75.4%	1991	434	86.8%
2003	370	74.0%	1990	438	87.6%
2002	351	70.2%	1989	437	87.4%
2001	351	70.2%	1988	432	86.4%
2000	372	74.4%	1987	429	85.8%
1999	402	80.4%	1986	426	85.2%
1998	418	83.6%	1985	442	88.4%
1997	427	85.4%	1984	446	89.2%
1996	428	85.6%	1983	454	90.8%
1995	432	86.4%	1982	458	91.6%
1994	436	87.2%	1981	462	92.4%
1993	435	87.0%	1980	469	93.8%

PERIOD	FAVORABLE S&P 500	FAVORABLE Non-S&P 500 BASE
2005 Estimate	55.40%	27.80%
2004	54.20%	29.66%
2003	45.40%	27.96%
2002	39.40%	21.89%
2001	40.40%	18.85%
2000	44.40%	18.38%
1999	48.40%	19.94%
1998	54.80%	21.32%
1997	58.00%	21.45%
1996	60.00%	22.53%
1995	61.00%	23.59%
1994	56.60%	23.84%
1993	54.80%	22.09%
1992	55.00%	22.83%
1991	54.00%	20.72%
1990	63.80%	27.46%
1989	69.20%	29.42%
1988	68.00%	31.84%

About Standard & Poor's

Standard & Poor's, a division of The McGraw-Hill Companies (NYSE:MHP), is the world's foremost provider of independent credit ratings, indices, risk evaluation, investment research and data. With approximately 6,300 employees located in 20 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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