



## Press Release

### **S&P 500 Stock Buybacks Continue At Lower Levels; Retreat 48% in Third Quarter**

*Cash Remains High, But Companies Are Cautious of Expenditures*

**New York, December 10, 2008** – Standard & Poor's, the world's leading index provider, announced today that preliminary results show S&P 500 stock buybacks posting \$89.7 billion in stock repurchases during the third quarter of 2008, representing a 47.8% decline over the record setting \$172.0 billion spent during the third quarter of 2007.

"Starting in the fourth quarter of last year, companies began to retreat from stock buybacks," says Howard Silverblatt, Senior Index Analyst at Standard & Poor's. "Year-to-date, Standard & Poor's data shows that stock buybacks are coming in at \$156 billion less than this time last year."

"Cash levels for the third quarter of 2008 were near an all-time high, so it's not that companies can't fulfill buyback programs," continues Silverblatt. "They are instead choosing to hold onto the cash, unsure of what the near-term may bring."

On a sector basis, Standard & Poor's notes that Energy was the only sector to increase buybacks during the third quarter of '08 versus the third quarter of '07. Information Technology continued to account for a quarter of all buybacks, with Energy now accounting for 18%.

"Given the current economic uncertainty, fewer employee options in the money, and the lack of alternative financing, Standard & Poor's expects fourth quarter buybacks to drop from the current level, with the full year posting a 35% decline," adds Silverblatt.

Since the buyback boom began during the fourth quarter of 2004, S&P 500 issues have spent approximately \$1.73 trillion on stock buybacks compared to \$1.87 trillion on Capital Expenditures and \$907 billion on dividends.

Historical S&P 500 buyback data can be found at: [www.marketattributes.standardandpoors.com](http://www.marketattributes.standardandpoors.com)



**S&P 500 10 LARGEST Q3 2008 BUYBACKS, \$ MILLIONS**

<b>COMPANY</b>	<b>SECTOR</b>	<b>Q3 2008 BUYBACKS</b>	<b>BUYBACKS Q4,'04-Q3,'08</b>
Exxon Mobil Corp	Energy	\$8,663	\$110,206
Microsoft Corp	Information Technology	\$6,493	\$73,510
Procter & Gamble Co	Consumer Staples	\$3,911	\$40,770
International Business Machines Corp	Information Technology	\$2,674	\$45,440
ConocoPhillips	Energy	\$2,495	\$17,353
Philip Morris International, Inc	Consumer Staples	\$2,440	\$4,388
Johnson & Johnson	Healthcare	\$2,156	\$20,218
Intel Corp	Information Technology	\$2,118	\$27,250
Chevron Corp	Energy	\$1,969	\$19,597
Hewlett-Packard Co	Information Technology	\$1,900	\$31,800
<b>Top 10</b>		<b>\$34,819</b>	<b>\$390,532</b>
<b>S&amp;P 500</b>		<b>\$89,711</b>	<b>\$1,730,061</b>
<b>Top 10 % of S&amp;P 500</b>		<b>38.81%</b>	<b>22.57%</b>

**S&P 500 10 LARGEST FOUR YEAR BUYBACKS, \$ MILLIONS (Q4,'04-Q3,'08)**

<b>COMPANY</b>	<b>SECTOR</b>	<b>BUYBACKS</b>
Exxon Mobil Corp	Energy	\$110,206
Microsoft Corporation	Information Technology	\$73,510
International Business Machines Corp	Information Technology	\$45,440
Procter & Gamble Co	Consumer Staples	\$40,770
Cisco Systems, Inc	Information Technology	\$34,653
Hewlett-Packard Co	Information Technology	\$31,800
General Electric Co	Industrials	\$29,593
Intel Corp	Information Technology	\$27,250
Goldman Sachs Group Inc	Financials	\$26,453
Bank of America Corp	Financials	\$25,469
<b>Top 10</b>		<b>\$445,144</b>
<b>S&amp;P 500</b>		<b>\$1,730,061</b>

**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](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 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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