

**S&P 500 Stock Buybacks Retreat 73% in the First Quarter;
Lowest Since Second Quarter of 2003**

Companies Seen Protecting Cash Flow, Slashing Buybacks and Dividends

New York, June 18, 2009 – Standard & Poor's, the world's leading index provider, announced today that preliminary results show that S&P 500 issues spent \$30.8 billion on stock repurchases during the first quarter of 2009, representing a 73% decline from the \$113.9 billion spent during the first quarter of 2008. Buybacks are off 82% from their peak during the third quarter of 2007 when S&P 500 companies spent \$172 billion on share repurchases.

“This was the fifth consecutive quarterly reduction in stock buybacks for the S&P 500 companies,” says Howard Silverblatt, Senior Index Analyst at Standard & Poor's. “However, a closer look at the data reveals two more telling stories. The first is that Exxon Mobil represented over a quarter of the buybacks that took place during the first quarter. The second is that 83 of the issues that repurchased shares during the fourth quarter of 2008 did not participate in a stock buyback program during the first quarter of 2009.”

“The need to conserve capital in the current recession, combined with the uncertainty of future cash flow, has made buybacks too high risk for most corporations,” continues Silverblatt. “Standard & Poor's expects buybacks to remain weak for the foreseeable future, even as earnings are expected to improve. Buybacks are now well behind dividends in corporate priorities, and dividends are declining.”

On a sector basis, Standard & Poor's notes that all groups significantly reduced their buyback activity during the first quarter of 2009 with utilities and telecommunications only making token purchases. Since the buyback boom began during the fourth quarter of 2004, S&P 500 issues have spent approximately \$1.8 trillion on stock buybacks compared to 2.0 trillion on Capital Expenditures, \$1.0 trillion on dividends, and earning \$2.3 trillion in As Reported Earnings,.

“The reality appears to be that buybacks as we know them are gone, at least until the return of better times,” concludes Silverblatt.

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

**STANDARD & POOR'S INDEX SERVICES
S&P 500 BUYBACKS**

PERIOD	MARKET VALUE \$ BILLIONS	OPERATING EARNINGS \$ BILLIONS	AS REPORTED EARNINGS \$ BILLIONS	DIVIDENDS \$ BILLIONS	BUYBACKS \$ BILLIONS	DIVIDEND & BUYBACK YIELD
QUARTER						
03/31/2009 prelim.	\$6,928	\$88.04	\$65.94	\$51.73	\$30.78	7.13%
12/31/2008	\$7,852	-\$0.78	-\$202.11	\$62.19	\$48.12	7.48%
09/30/2008	\$10,181	\$142.90	\$86.16	\$61.44	\$89.71	6.73%
06/30/2008	\$11,163	\$148.43	\$112.15	\$61.94	\$87.91	6.88%
03/30/2008	\$11,511	\$144.63	\$135.24	\$61.72	\$113.90	7.25%
12/31/2007	\$12,868	\$133.38	\$68.53	\$67.09	\$141.71	6.49%
09/30/2007	\$13,470	\$184.13	\$133.66	\$61.21	\$171.95	5.89%
06/30/2007	\$13,350	\$213.65	\$194.30	\$59.76	\$157.76	5.44%
03/31/2007	\$12,706	\$200.23	\$190.75	\$58.53	\$117.70	5.35%
12/31/2006	\$12,729	\$197.35	\$181.65	\$61.79	\$105.18	5.16%
09/30/2006	\$12,020	\$207.22	\$193.19	\$55.07	\$109.81	5.40%
06/30/2006	\$11,497	\$198.67	\$182.02	\$54.52	\$116.66	5.34%
03/31/2006	\$11,660	\$186.85	\$177.30	\$53.37	\$100.18	4.92%
12/31/2005	\$11,255	\$182.03	\$155.89	\$54.83	\$104.28	4.90%
09/30/2005	\$11,083	\$169.74	\$160.72	\$48.99	\$81.47	4.58%
06/30/2005	\$10,890	\$177.52	\$167.19	\$49.03	\$81.42	4.31%
03/31/2005	\$10,820	\$164.42	\$154.43	\$48.99	\$82.05	3.92%
12/31/2004	\$11,289	\$167.20	\$129.85	\$49.68	\$66.42	3.35%
09/30/2004	\$10,398	\$157.47	\$132.28	\$45.54	\$45.68	3.34%
06/30/2004	\$10,623	\$158.12	\$142.01	\$43.43	\$42.46	3.11%
03/31/2004	\$10,461	\$147.42	\$141.01	\$42.36	\$42.92	2.97%
12/31/2003	\$10,286	\$137.65	\$121.74	\$46.76	\$38.53	2.84%

S&P 500 SECTOR BUYBACKS

SECTOR \$ MILLIONS	Q1,'09	Q4,'08	Q3,'08	Q2,'08	Q1,'08	CHG:Q1,'09-Q1,'08
Consumer Discretionary	\$1,794	\$1,847	\$9,415	\$9,316	\$12,743	-85.92%
Consumer Staples	\$3,942	\$4,627	\$12,184	\$11,629	\$9,608	-58.97%
Energy	\$7,953	\$11,809	\$16,128	\$14,913	\$16,869	-52.85%
Financials	\$620	\$4,292	\$5,978	\$5,782	\$13,539	-95.42%
Healthcare	\$7,728	\$5,453	\$8,331	\$10,415	\$14,056	-45.02%
Industrials	\$2,358	\$7,524	\$12,038	\$9,795	\$13,624	-82.70%
Information Technology	\$6,103	\$10,968	\$21,996	\$23,085	\$25,254	-75.83%
Materials	\$241	\$1,433	\$2,280	\$1,059	\$2,312	-89.59%
Telecommunication Services	\$29	\$87	\$1,092	\$2,688	\$5,759	-99.49%
Utilities	\$14	\$79	\$269	\$1,262	\$685	-97.90%
TOTAL	\$30,783	\$48,117	\$89,711	\$89,944	\$114,449	-73.10%

STANDARD & POOR'S INDEX SERVICES
S&P 500 20 LARGEST Q1 2009 BUYBACKS, \$ MILLIONS

COMPANY	SECTOR	Q1,'09	Q4,'04-Q1,'09
Exxon Mobil Corp	Energy	\$7,852	\$126,903
Amgen Inc	Healthcare	\$1,997	\$16,819
Intern'l Business Machines	Information Technology	\$1,765	\$47,945
Philip Morris Int'l, Inc	Consumer Staples	\$1,376	\$6,632
Oracle Corp	Information Technology	\$1,360	\$12,531
Cisco Systems, Inc	Information Technology	\$1,204	\$36,458
Procter & Gamble Co	Consumer Staples	\$1,122	\$43,224
Wal-Mart Stores Inc	Consumer Staples	\$886	\$13,032
Johnson & Johnson	Healthcare	\$834	\$21,930
Abbott Laboratories	Healthcare	\$823	\$5,106
McDonald's Corp	Consumer Discretionary	\$813	\$12,773
Hewlett-Packard Co	Information Technology	\$801	\$33,839
Unitedhealth Group, Inc	Healthcare	\$689	\$16,222
WellPoint Inc	Healthcare	\$681	\$14,994
Baxter Int'l Inc	Healthcare	\$566	\$5,559
Lockheed Martin Corp	Industrials	\$499	\$9,251
AutoZone Inc	Consumer Discretionary	\$375	\$3,263
DIRECTV Group, Inc	Consumer Discretionary	\$346	\$6,542
Zimmer Holdings Inc	Healthcare	\$301	\$2,418
Raytheon Co	Industrials	\$300	\$4,430
Top 20		\$24,590	\$439,870

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.

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