



## Press Release

### **S&P: A Record Low 233 Companies Increase Dividend Payments in Q2**

**New York, July 1, 2009** - Standard & Poor's, the world's leading index provider, announced today that a record low 233 of the approximately 7,000 publicly owned companies that report dividend information to Standard & Poor's Dividend Record increased their dividend payment during the second quarter of 2009. This represents a 48.8% drop from the 455 issues that increased their dividend during the second quarter of 2008.

Additionally, dividend decreases were posted by 250 issues during the second quarter of 2009, the highest number since the second quarter of 1957, over 50 years ago.

"It's not a good time for dividend investors," says Howard Silverblatt, Senior Index Analyst at Standard & Poor's. "The current trend to conserve cash and cut dividends has become defensive, with even relatively healthy companies choosing to reduce payouts. Until we see the economy better, and not just for one quarter, many companies will remain gun shy about parting with their cash."

According to Silverblatt, dividend increases have out numbered dividend decreases every year for as far back as Standard & Poor's dividend data dates – 1955. "Dividend decreases are at a record high for both the year-to-date and the 12-month period, with the number of increases also setting a new record low. Since 1955, the average has been 15 increases for every decrease. Now, it's five increases for every six decreases."

Silverblatt concludes by noting that many issues are still increasing their dividend rate, but that finding them is getting harder with risk levels higher than dividend investors are typically used to. "Standard & Poor's Index Services believes that the next test for dividends will come in August and September when companies start to review their 2010 budget and expenses. If they don't feel comfortable about a stronger 2010, we might be in for another round of cuts."

To download Standard & Poor's *Dividend Record*, please visit the following web address: [www.marketattributes.standardandpoors.com](http://www.marketattributes.standardandpoors.com) and click on "Dividends".

YEAR	POSITIVE DIVIDEND ACTIONS	NEGATIVE DIVIDEND ACTIONS	DIVIDEND BREADTH
Q2 2009	233	250	0.93
Q2 2008	455	97	4.69
Q2 2007	542	18	30.11
6 Mo Jun,'09	516	617	0.84
6 Mo Jun,'08	1,053	180	5.85
6 Mo Jun,'07	1,282	37	34.65
12 Mo Jun,'09	1,337	1,043	1.28
12 Mo Jun,'08	2,284	253	9.03
12 Mo Jun,'07	2,588	93	27.83
2008	1,874	606	3.09
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

\* Source: Standard & Poor's Index Services

#### 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 subsidiary 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 offices 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 nearly 150 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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