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Highlights

- We contend that shareholders need to more closely question the buyback activities undertaken by companies rather than blindly applaud such decisions by bidding up share prices.
- In a recent study, we found that only one out of every four S&P 500 companies that repurchased shares outperformed the Index within the study period of January 1, 2006 to June 30, 2007, while over one-third of all S&P 500 companies repurchasing shares paid a premium, on average, to their respective market prices at September 30, 2007, resulting in “paper losses”.
- The data revealed that the companies deemed to be the most aggressive in their use of buybacks often generated the weakest returns on these activities.
- Moreover, the 20 billion shares repurchased during the relevant period contributed to only a 4.4 billion share reduction in the total outstanding shares for the companies that were actively buying back stock.

Executive Summary

Share buyback activity by S&P 500 Index companies accelerated in the first half of 2007, reaching record-setting levels. The value of shares repurchased initially exceeded \$100 billion for consecutive quarters ended December 2005 and March 2006, and it has kept climbing since then. Indeed, over the 18 months ended June 30, 2007 (the “study period”), when the buyback bonanza showed signs of staying power, the S&P 500 “members” as of September 17, 2007, spent more than \$700 billion on stock repurchases.

During the six completed quarters ended June 30, 2007, 423 companies in the S&P 500 reported share repurchases, removing nearly 20 billion shares from the market. In general, taking debt leverage out of the equation, we contend that companies should engage in share repurchases only when they have generated strong cash flow and when there are an insufficient number of internal projects that would generate at least a hurdle rate of return. However, given the recent surge in buyback activity, we question whether the latter aspect is being properly taken into consideration. While these corporate actions appear to have been intended as shareholder-friendly, there may have been more appropriate uses for the cash.

The conventional wisdom is that:

- (a) Stock prices end up higher as a result of buybacks.
- (b) More buybacks are better than less buybacks.
- (c) Announced share buybacks actually reduce shares outstanding significantly.

Based on a study of buybacks completed by Standard & Poor’s Equity Research Services, we believe that all three points were not supported by the data during our study period. While analysis over a longer time frame may be warranted, we contend that shareholders need to more closely question buyback activities undertaken by corporations rather than automatically applauding these decisions by purchasing shares in those companies involved in such programs.

Addressing the first of these three points, we believe the data clearly indicate that buybacks are not universally positive. On average, study results show that the decision to use cash to buy back stock was a poor one for many, at least during the study period.

We found that the stock of only one of out every four S&P 500 companies (103 companies) that repurchased shares outperformed the Index (excluding dividends), while the remainder would have been better off putting that excess cash into an S&P 500 Index exchange-traded fund.

Among the companies that exceeded the Index's benchmark were leading performers Amazon.com, Freeport McMoRan Copper & Gold, Monsanto, Smith International, and Schlumberger.

We also found that more than one-third of all S&P 500 companies repurchasing shares paid a premium, on average, to their respective market prices at the end of September 2007, resulting in paper losses for shareholders. The stocks that dropped the most, versus the average prices paid for buybacks, were Circuit City, KB Home, Pulte Homes, Centex, and Countrywide Financial.

We believe that many other S&P 500 companies would have better rewarded shareholders by leaving the cash in short-term investments and earning the 6.6% return from interest payments over the 18-month period that an investment in 10-year Treasury bonds would have provided. In total, more than half of the companies repurchasing shares failed to buy their stock at a 6.6% discount to the price available at the end of September, while nearly six in ten failed to generate an investment return that exceeded 8.64%, our estimate of the equal-weighted weighted average cost of capital (WACC) for those in the S&P 500. Our WACC assumptions include a risk-free rate of 5.2% and an equity risk premium of 5.5%, along with the individual betas and debt/equity ratios for the individual companies. We acknowledge that a company's share buybacks presumably supported the share price during the study period, and that share price performance may have been weaker had the company eschewed buybacks. We also acknowledge that some companies with WACCs below 8.64% may have been able to generate investment returns from buybacks that exceeded their WACC, despite falling short of the 8.64% mark.

Are more buybacks better than less buybacks? More than 100 companies in the S&P 500 bought back at least \$1 billion each during the 18-month period; however, not all S&P 500 companies are created equal. To level the playing field, we determined which companies were "aggressive" repurchasers. We compared each company's total buyback spending to its market capitalization as of September 30, 2007 and the data revealed that the companies deemed to be most aggressive generally generated the weakest returns on buybacks. We defined companies as aggressive if the dollar amount spent on buybacks over the study period, as a percentage of their market

capitalization as of September 30, 2007, was in the top quintile of all such repurchasers in the S&P 500.

How much impact did these buybacks really have? Adding up all reported share repurchases over the study period, we find that, in aggregate, companies in the S&P 500 repurchased nearly 20 billion shares. However, we discovered that, between January 1, 2006, and June 30, 2007), the study period, the total number of shares outstanding for the companies that were actively repurchasing shares dropped by approximately 4.4 billion shares, or about 22% of the shares repurchased. The remaining 78% of buybacks were, apparently, mitigated by something else – most likely, in our view, the issuance of stock options to management and the issuance of new shares due to acquisitions or follow-on offerings. Within the Information Technology sector, where 29% of the buyback activity occurred, we believe the issuance of stock options was the primary reason for the disparity in the share count, while in Financials, where 16% of the buybacks occurred, we think shares were regularly issued to support acquisition activity.

In conclusion, we believe that while some S&P 500 companies have used buybacks judiciously, repurchasing at discounts to recent share prices, most companies have been too enthusiastic with their stock buyback programs but have not increased shareholder value. While our study period was relatively narrow at 18 months, the associated results have, in our view, broad implications.

Background

In general, large-cap companies have been generating more and more cash flow, creating a number of alternatives to enhance shareholder value. Some uses of cash by corporations include:

- Funding internal growth opportunities through capital spending
- Repurchasing outstanding shares
- Retiring debt
- Paying dividends
- Making cash-based acquisitions
- Funding pension and post-retirement obligations
- Earning interest income

As part of our qualitative analysis, we at Standard & Poor's Equity Research decided to review some uses of cash made by corporations to determine if the actions taken really were shareholder-friendly, because what a company does with its cash is just as important as how it generated the funds in the first place.

We believe that, historically, companies engaged in share buybacks when they generated excess cash flow and when there existed, in their opinion, an insufficient number of internal projects that would likely yield a minimum hurdle rate of return. Under such circumstances, a share repurchase program might represent a prudent use of capital; in addition, this corporate action would support EPS growth and signal that management viewed the shares as undervalued. However, with the recent onset of sizable growth in buyback spending, we thought it worthwhile to review buyback activity in greater detail. Indeed, share buyback activity by companies in the S&P 500 Index climbed in the first half of 2007, reaching a record setting level of \$275 billion. Over the six quarters from January 2006 – when the buyback surge showed signs of staying power – through June 2007, S&P 500 constituents spent more than \$700 billion on stock buybacks. In general, while announcements of share repurchase authorizations garner headlines and often lead to greater market demand and associated increases in share prices, the 59 U.S. equity analysts at Standard & Poor's that cover the constituents dug deeper to learn more about these repurchase decisions.

Standard & Poor's Equity Research Services, the largest independent equity research provider in the U.S., covering more than 1,500 stocks, conducted a study of the repurchase activity of S&P

500 Index constituents over the 18-month period ended June 2007 using the latest data available, and compared the stock prices as of the quarter ended September 2007.

Some of the specifics we considered and analyzed pertaining to the S&P 500 buyback activity included:

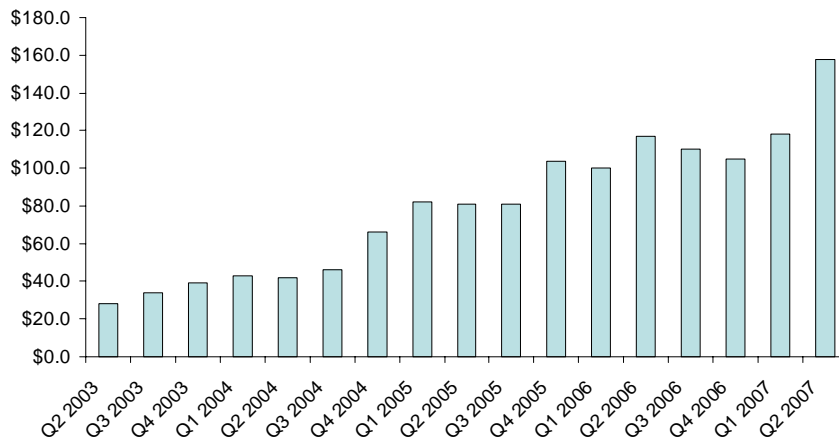
- Whether or not buybacks were employed
- The average prices and values of shares repurchased
- Repurchase values as a percentage of market capitalizations
- The impact of outstanding diluted share counts
- The return on repurchases compared with alternatives

The results revealed to us that investors should avoid the instant reaction to bid up shares after learning that a company has announced a new buyback program. In some instances, companies aggressively repurchased their shares at significant discounts and, which rewarded their investors. However, in many cases, companies made decisions to buy back large blocks of shares that, upon reflection, were not as shareholder-friendly as they initially appeared. The results may prove different over a longer and/or different time horizons.

Where Did All The Repurchases Go?

Over the 18 months ended June 30, 2007 (the “study period”), S&P 500 companies spent more than \$700 billion on stock buybacks, based on data provided by S&P Index Services. As seen in the chart below, the pick-up in shares repurchased began in late 2005, but first crossed the \$100 billion mark in consecutive quarters at the end of March 2006. In 2007, there has been increased repurchase activity.

**Chart 1: Estimated Stock Repurchase Activity (in \$billions)
Quarterly Data, Q2 2003 – Q2 2007**

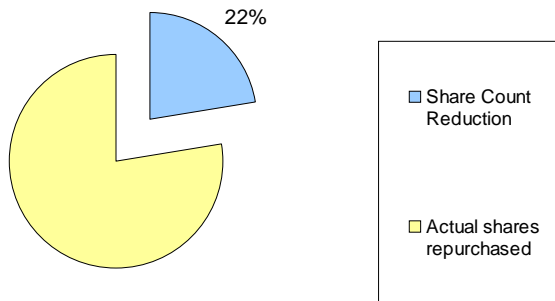


Source: S&P Index Services

Reviewing the Part II sections of individual quarterly and annual reports, where share repurchase details are often found, for all S&P 500 constituents as of September 17, 2007 over the study period, we calculate that, in aggregate, more than 20 billion shares were repurchased. To put this into some context, we decided to look at the total number of shares outstanding across the subset of S&P 500 companies that engaged in buybacks, at two points in time: just prior to the study period (on December 31, 2005) and again at the end of the last quarter in the study period (June 30, 2007). We discovered that during the study period the total number of actual shares outstanding among those S&P 500 companies that engaged in share repurchases dropped by only 4.4 billion shares, even though nearly 20 billion shares had been repurchased. Interestingly,

among the companies that did not engage in buybacks, the aggregate share count increased by about 3.6 billion shares.

Chart 2: Share Count Reduction vs. Shares Repurchased
S&P 500 Index Companies with Share Repurchase Activity,
18 Months Ended June 30, 2007



Notes: Share count reduction defined as shares outstanding as of 6/30/2007 less shares outstanding as of 12/31/2005. S&P 500 Index constituents DFS, TEL, COV, and SE did not trade publicly on 12/31/2005 but accounted for about 0.7% of shares outstanding on 6/30/2007.
Sources: S&P Equity Research Services and Capital IQ

In other words, roughly 22% of the shares repurchased actually yielded a reduced share count across that subset of companies, while the remaining 78% of buybacks were, apparently, mitigated by something else.

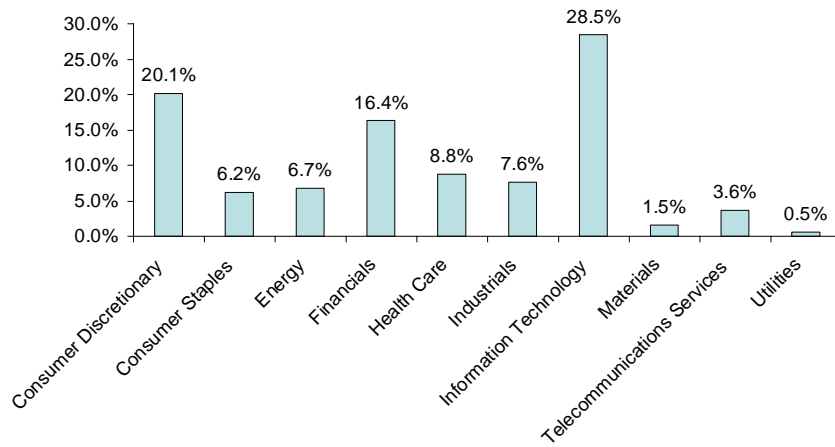
What might those factors be? We believe that the explanation probably differs depending on the GICS sector. For example, the Information Technology segment generated nearly 29%, or 5.6 billion, of those 20 billion shares, but the Technology sector's share count declined by only about 0.9 billion shares. Equity analysts on the S&P Technology team believe that issuance of stock option grants to executives and employees (and the subsequent decisions by the option holders to exercise those options) may account for a large part of the discrepancy. Technology companies that fit this category included Oracle and Texas Instruments.

In the Financials sector, companies with share repurchase activity generated about 16%, or 3.2 billion, of the 20 billion shares repurchased, but saw share counts rise by about 0.6 billion shares, or a swing of about 3.8 billion shares. Equity analysts on the S&P Financials team believe that a

combination of stock option exercises and increased merger and acquisition activity (which can often result in new shares being issued by the acquirers) probably account for much of this discrepancy. Capital One Financial and Wachovia were among those financial services companies that engaged in stock-based acquisitions that led to a rise in their respective share counts during the study period.

Below is a breakdown, by sector, of the 20 billion shares that were repurchased during the study period as a percentage of total buybacks. We found that there was only nominal activity in certain sectors such as Utilities and Materials.

Chart 3: Actual Shares Repurchased, by GICS sector
S&P 500 Index Companies, 18 Months Ended June 30, 2007

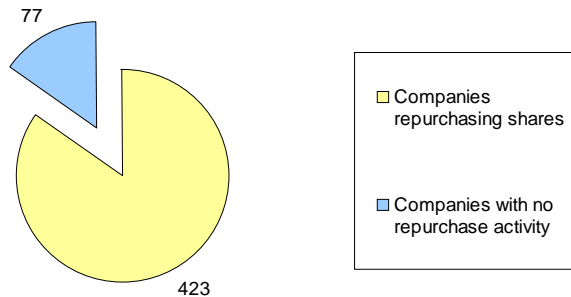


Source: S&P Equity Research Services

Zero Repurchases

There were 77 companies in the S&P 500 Index for which we did not find any repurchases during the 18-month period, including a few companies that were added to the “500” during the study period. For some, not being aggressive was a voluntary decision, while for others, it was because they were restating their financials and had not updated their quarterly filings with the SEC.

Chart 4: Incidence of Share Repurchase Activity
S&P 500 Index Companies, 18 Months Ended June 30, 2007



Source: S&P Equity Research Services

Allegheny Technologies (up 205%), Celgene (up 120%) and General Motors (up 89%) were among the constituents whose stocks gained the most ground without any share repurchases. Conversely, DR Horton (down 64%), Advanced Micro Devices (down 57%) and Tenet Healthcare (down 56%) did not buy back any of their own shares. Also on the list were a number of Real Estate Investment Trust (REITS) that have traditionally used excess cash for dividend payments.

How Successful Were the Buybacks?

For each of the 423 companies that bought back stock, we compared the average price of the shares repurchased versus the stock price at the end of September 2007 to determine whether the companies obtained a favorable average price for their investors. We acknowledge that the share price might have been different had the companies not been actively buying back stock and we did not delve into whether debt was issued to support the repurchase activity.

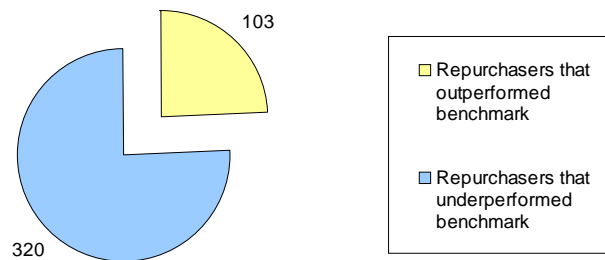
The results show that during the study period, the decision to use cash to buy back stock at the prices paid was not a wise one for many. More than one third of all companies repurchasing shares paid a premium, on average, than had they waited until the end of September 2007 to

engage in their buyback program. This failure to “reward” shareholders occurred during a bull market, with the S&P 500 up more than 22% during the study period. Meanwhile, many more companies eked out only nominal gains on their repurchases.

- On average, only one out of every four companies (103 companies) that repurchased their own stocks outperformed the S&P 500 Index, while the remainder would have been better off putting that excess cash into an S&P 500 Index exchange-traded fund.

Meanwhile, the median company that abstained from the repurchase activity rose 24.7% during the study period.

Chart 5: Companies with share repurchase activity versus Index benchmark
S&P 500 Index Companies, 18 Months Ended June 30, 2007
(n = 423)



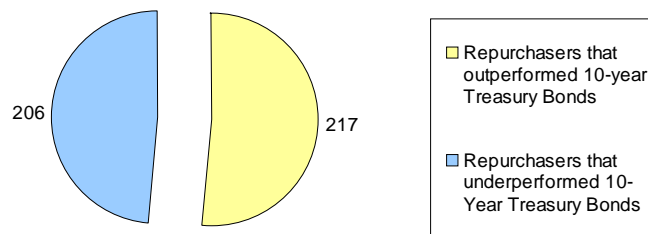
Note: companies were deemed to have outperformed the S&P 500 Index benchmark (which gained 22.3% between 12/31/2005 and 6/30/2007) if the average price paid for their buybacks, when compared to each company's respective share price as of 9/30/2007, yielded a gain in excess of 22.3%.

Sources: S&P Equity Research Services and Capital IQ

- Instead of repurchasing their own stock, companies had the option to leave the excess cash in alternative investments such as 10-year Treasury bonds. While 77 companies did not engage in buybacks, many more companies might have been better suited to have purchased T-bonds. Indeed, 206 companies (49% of those that repurchased stock) rose less than 6.6% during the period, equivalent to the value of the interest payments they would have received over the 18-month period that an investment in 10-year Treasury bonds would have provided. While the holding period for those that repurchased shares during the study period will vary across companies (including CBS Corp, Eastman

Chemical, Reynolds American, and Union Pacific, which made nearly all of their share repurchases during 2007), we contend that exceeding the returns of liquid investments should be a focal point for companies.

Chart 6: Companies with share repurchase activity versus Treasury Bonds
S&P 500 Index Companies, 18 Months Ended June 30, 2007
(n = 423)



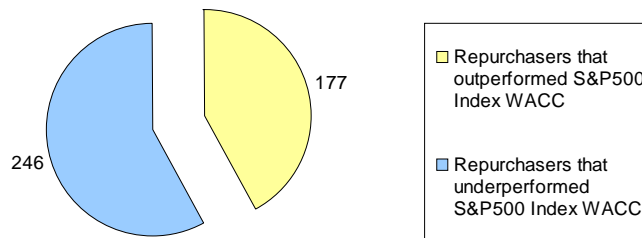
Note: companies were deemed to have outperformed Treasury Bonds (which, if purchased on 12/31/2005 and held until the end of the study period, would have yielded 6.6%) if the average price paid for their buybacks, when compared to each company's respective share price as of 9/30/2007, yielded a gain in excess of 6.6%.

Sources: S&P Equity Research Services and Capital IQ

- As an alternative view on the appropriateness of using cash to repurchase shares, we compared the investment returns from buybacks to the cost of capital. We calculated the mean equal weighted average cost of capital (WACC) for all constituents of the S&P 500 to be 8.64% as of July 2007, up modestly from 8.11% in July 2006. Our assumptions for the WACC include a risk-free rate of 5.2% and an equity risk premium of 5.5% along with the individual beta and debt/equity ratios for the individual companies. While the range of WACCs for individual companies is varied, we believe the benchmark we used is appropriate to see how many companies are exceeding a minimum rate of return. In total, only 177 companies (41% of the sample) had investment returns above the mean weighted average cost of capital, while nearly six in ten failed to enhance shareholder value with their repurchase activity as measured using this methodology. We assume companies should be able to deliver S&P 500 internal investment returns with marginal additional capital outlays. We acknowledge that S&P 500 companies with WACCs below the 8.64% mean may have been able to generate investment returns from buybacks that

exceeded their own WACCs, but fell short of the mean WACC across all S&P 500 constituents.

Chart 7: Companies with share repurchase activity versus WACC
S&P 500 Index Companies, 18 Months Ended June 30, 2007
(n = 423)



Note: companies were deemed to have outperformed the S&P500 Index weighted average cost of capital (estimated as 8.64% in July 2007) if the average price paid for their buybacks, when compared to each company's respective share price as of 9/30/2007, yielded a gain in excess of 8.64%.

Sources: S&P Equity Research Services and Capital IQ

Top performers

Let's take a closer look at those that did reward shareholders with their decisions to repurchase stock. Among the companies that exceeded the various benchmarks we set out were the following, which repurchased their shares at more than a 65% discount to the price the shares traded at as of the end of the third quarter of 2007:

- Amazon.com (170%)
- Freeport McMoRan Copper & Gold (110%)
- Monsanto (91%)
- Smith International (76%)
- Schlumberger (69%)

The top performers include those that are at the center of the increasing global demand for commodities. The rest of the top 100 performers can be found on pages 20-21. Overall, the list

was led by companies in the Industrials (18 names), Information Technology (15), Energy (13) and Healthcare (13) sectors.

Worst Performers

While some companies stood out for buying back their shares when they were at a discount, many others paid a premium while attempting to reward shareholders. More than 150 S&P 500 companies spent, on average, a higher price in the open market for their shares than where these shares traded at the end of the third quarter of 2007. For some, the purchase price was modestly above the recent price, while others fell sharply, with declines exceeding 20%.

The stocks that dropped the most included a who's who list of companies that have been hurt by operating challenges from the slowdown in the housing market, including:

- KB Home (-60%)
- Pulte Homes (-59%)
- Centex (-55%)
- Countrywide Financial (-52%).

Also among the weakest performers was Circuit City (-65%). A full list of the 100 weakest performers can be found on pages 22-23. The list is dominated by names in the Financials (32) and Consumer Discretionary (30) sectors; the Information Technology segment comes in a distant third, with 16. We question whether these companies' shareholders would have been better suited had their cash been used for other corporate purposes or remained on the balance sheet.

Most Aggressive Repurchasers

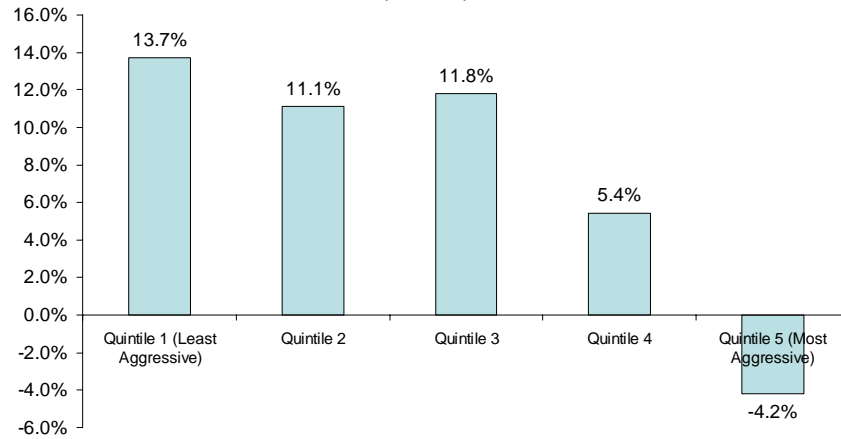
Based on data from the Part II sections of its quarterly and annual SEC filings, ExxonMobil spent \$45.6 billion on stock repurchases during the 18 months ended June 30, 2007, ranking #1 among all S&P 500 companies. By comparison, based on data from its own respective filings, the 100th ranked repurchaser, Progressive Corp. of Ohio, spent only \$1.8 billion in buybacks. (A list of top 100 repurchasers is on pages 18-19) But is that a fair comparison given that Progressive has a market cap of \$14 billion, while ExxonMobil has a market cap of more than \$500 billion? To

level the playing field, we compared each company's total dollar amount of stock repurchases against its market capitalization as of the most recent quarter end (September 30, 2007). Thus, we were able to compare buyback dollars in the context of each company's size, creating an aggressiveness index.

Toward the top of the list as seen on pages 26-27 were AutoNation, Compuware, Macy's, National Semiconductor, Lexmark International, National City Corp., and Time Warner, which each spent more than 25% of their respective market capitalizations on stock repurchases during the study period. Some of the companies with high buyback aggressiveness scores have faced shareholder activism during the study period and, in our view, may have chosen to use buybacks as a defense mechanism. Even among homebuilders, many of which have struggled to generate cash flow over the past year, we found a number of companies buying back stock.

But are aggressive repurchasers necessarily astute repurchasers? The data do not seem to bear this out. We took the 423 companies within the S&P 500 that actually did repurchase shares during the study period, sorted them on repurchase aggressiveness, and divided them into quintiles. We discovered that the most aggressive companies, those which ranked in the highest quintile, actually generated an average loss on buybacks of about 4%. In contrast, the least aggressive companies, in the lowest quintile, generated an average gain of 14% on their buybacks. In fact, the quintiles show returns on buybacks that are almost inversely related:

Chart 8: Average Buyback Gains/Losses, by Buyback Aggressiveness
 S&P 500 Index Companies, 18 Months Ended June 30, 2007
 (n=423)



Note: buyback aggressiveness defined as total buyback spending (in dollars) versus market capitalization at 9/30/07. The 423 companies in the S&P 500 Index that did engage in share repurchases were then ranked on aggressiveness, and sorted into quintiles.

Sources: S&P Equity Research Services and Capital IQ

How can we interpret this table that shows the most aggressive companies with the worst performances? One possibility is that the market is penalizing companies with high buybacks relative to their size, perhaps on the premise that the market prefers companies to do a better job of finding new opportunities to grow their businesses rather than spending cash on buybacks. A second possibility is that company management uses repurchase activity to improve investor sentiment and perhaps only did so temporarily. A third possibility is that the upside-down behavior is merely the result of companies that have seen their market value decline. In other words, companies which have seen their market values drop will, by definition, see their aggressiveness ratios rise, simply because the numerator (total dollars spent on repurchases) remained constant while the denominator (market capitalization) declined.

Summary

Following the completion of this study, we believe that investors should avoid the instant reaction to applaud a company for announcing plans to repurchase large blocks of shares. Instead, investors should question (a) if the repurchase effort will ultimately reduce the number of shares

outstanding, (b) if the cash usage is appropriate relative to other investment alternatives, such as growth of the business or increasing investment income, and (c) if an aggressive repurchase effort is likely to result in capital appreciation of the shares. We found the majority of companies failed to generate what we view as shareholder friendly rewards through buybacks, underperforming the returns they could have achieved with alternative investments.

Top 100 Repurchasers of Stock, January 2006 to June 2007

Rank	Ticker	Company Name	Stock Buybacks (\$mil.)
1	XOM	Exxon Mobil	\$45,601
2	MSFT	Microsoft Corp	\$36,141
3	IBM	Intl Bus. Machines	\$26,168
4	BAC	Bank of America	\$17,558
5	TWX	Time Warner	\$17,226
6	MER	Merrill Lynch	\$12,889
7	HPQ	Hewlett-Packard	\$12,078
8	PFE	Pfizer Inc	\$12,074
9	CSCO	Cisco Systems	\$11,832
10	TYC	Tyco Intl	\$11,489
11	PG	Procter & Gamble	\$11,392
12	GS	Goldman Sachs Group	\$11,312
13	DIS	Disney (Walt) Co	\$10,984
14	AMGN	Amgen Inc	\$10,000
15	JPM	JPMorgan Chase & Co	\$9,812
16	T	AT&T Inc	\$9,573
17	C	Citigroup Inc	\$9,429
18	CVX	Chevron Corp	\$8,445
19	TXN	Texas Instruments	\$7,023
20	HD	Home Depot	\$6,957
21	WLP	WellPoint Inc	\$6,570
22	TRB	Tribune Co.	\$6,546
23	WM	Washington Mutual	\$6,463
24	VLO	Valero Energy	\$6,201
25	AXP	Amer Express	\$5,962
26	ORCL	Oracle Corp	\$5,953
27	GE	Genl Electric	\$5,920
28	MS	Morgan Stanley	\$5,724
29	WB	Wachovia Corp	\$5,520
30	MCD	McDonald's Corp	\$5,381
31	VIA.B	Viacom Inc'B'	\$5,340
32	HON	Honeywell Intl	\$5,205
33	INTC	Intel Corp	\$5,095
34	PEP	PepsiCo Inc	\$5,052
35	CAH	Cardinal Health	\$4,795
36	UNH	UnitedHealth Group	\$4,681
37	USB	U.S. Bancorp	\$4,651
38	M	Macy's Inc	\$4,540
39	MMM	3M Co	\$4,530
40	EMC	EMC Corp	\$4,507
41	MDT	Medtronic Inc	\$4,418
42	JNJ	Johnson & Johnson	\$4,260
43	CAT	Caterpillar Inc	\$4,223
44	LEH	Lehman Br Holdings	\$4,220
45	ADP	Automatic Data Proc	\$4,199
46	PRU	Prudential Financial	\$4,102
47	WFC	Wells Fargo	\$4,061
48	NCC	Natl City Corp	\$4,043
49	ALL	Allstate Corp	\$4,022
50	UPS	United Parcel'B'	\$3,964

Note: Data in this table were obtained from the Part II sections of individual company 10-Q and 10-K filings with the SEC, and may include costs associated with such buybacks.

Source: Standard & Poor's Equity Research Services

Top 100 Repurchasers of Stock, January 2006 to June 2007

Rank	Ticker	Company Name	Stock Buybacks (\$mil.)
51	YHOO	Yahoo Inc	\$3,790
52	CI	CIGNA Corp	\$3,733
53	DTV	DIRECTV Group	\$3,717
54	CMCSA	Comcast Cl'A'	\$3,680
55	WMT	Wal-Mart Stores	\$3,537
56	SYMC	Symantec Corp	\$3,500
57	LMT	Lockheed Martin*	\$3,498
58	KFT	Kraft Foods'A'	\$3,479
59	KO	Coca-Cola Co	\$3,458
60	NOC	Northrop Grumman	\$3,206
61	LOW	Lowe's Cos	\$3,197
62	UTX	United Technologies	\$3,060
63	S	Sprint Nextel Corp	\$3,043
64	RIG	Transocean Inc	\$2,997
65	COP	ConocoPhillips	\$2,976
66	MHP	McGraw-Hill Companies	\$2,976
67	BA	Boeing Co	\$2,974
68	AT	ALLTEL Corp	\$2,956
69	AET	Aetna Inc	\$2,937
70	FRE	Federal Home Loan	\$2,755
71	CVS	CVS Caremark Corp	\$2,678
72	VZ	Verizon Communications	\$2,657
73	TRV	Travelers Cos	\$2,596
74	IP	Intl Paper	\$2,522
75	A	Agilent Technologies	\$2,521
76	MRO	Marathon Oil	\$2,520
77	COST	Costco Wholesale	\$2,445
78	CB	Chubb Corp	\$2,436
79	MAR	Marriott Intl'A'	\$2,382
80	CFC	Countrywide Financial	\$2,380
81	EBAY	eBay Inc	\$2,344
82	MOT	Motorola Inc	\$2,301
83	NSM	Natl Semiconductor	\$2,300
84	HAL	Halliburton Co	\$2,266
85	ADI	Analog Devices	\$2,230
86	ABT	Abbott Laboratories	\$2,226
87	MCO	Moody's Corp	\$2,134
88	MHS	Medco Health Solutions	\$2,101
89	DE	Deere & Co	\$2,067
90	BEN	Franklin Resources	\$2,066
91	OXY	Occidental Petroleum	\$2,030
92	BNI	Burlington Northn Santa Fe	\$2,024
93	GNW	Genworth Financial'A'	\$1,997
94	HOT	Starwood Hotels&Res Worldwide	\$1,962
95	BHI	Baker Hughes Inc	\$1,955
96	IR	Ingersoll-Rand'A'	\$1,949
97	GIS	Genl Mills	\$1,898
98	BUD	Anheuser-Busch Cos	\$1,894
99	KSS	Kohl's Corp	\$1,873
100	PGR	Progressive Corp Ohio	\$1,838

Note: Data in this table were obtained from the Part II sections of individual company 10-Q and 10-K filings with the SEC, and may include costs associated with such buybacks.

Source: Standard & Poor's Equity Research Services

Top 100 Performers on Stock Repurchases, S&P 500 Index Companies, January 2006 to June 2007*
 (avg. price paid versus share price as of 9/30/2007)

Rank	Ticker	Company Name	Stock Buybacks (\$mil.)	Avg. Purchase Price	Shr. Price 9/30/07	Buyback gain
1	AMZN	Amazon.com Inc	\$493	\$34.46	\$93.15	170.3%
2	FCX	Freeport-McMoRan Copper & Gold	\$100	\$49.94	\$104.89	110.0%
3	MON	Monsanto Co	\$216	\$44.78	\$85.74	91.4%
4	SII	Smith Intl	\$138	\$40.55	\$71.40	76.1%
5	SLB	Schlumberger Ltd	\$1,573	\$61.98	\$105.00	69.4%
6	DE	Deere & Co	\$2,067	\$87.90	\$148.42	68.9%
7	X	U.S. Steel	\$503	\$63.28	\$105.94	67.4%
8	EMC	EMC Corp	\$4,507	\$12.76	\$20.80	63.0%
9	JNPR	Juniper Networks	\$1,810	\$22.76	\$36.61	60.9%
10	XTO	XTO Energy	\$98	\$39.50	\$61.84	56.6%
11	BIIB	Biogen Idec	\$320	\$42.79	\$66.33	55.0%
12	RIG	Transocean Inc	\$2,997	\$73.33	\$113.05	54.2%
13	WFT	Weatherford Intl	\$728	\$43.74	\$67.18	53.6%
14	FLR	Fluor Corp	\$523	\$94.29	\$143.98	52.7%
15	COH	Coach Inc	\$655	\$31.04	\$47.27	52.3%
16	TMO	Thermo Fisher Scientific	\$300	\$38.07	\$57.72	51.6%
17	WAT	Waters Corp	\$284	\$44.32	\$66.92	51.0%
18	AV	Avaya Inc	\$332	\$11.34	\$16.96	49.6%
19	VRSN	VeriSign Inc	\$146	\$22.75	\$33.74	48.3%
20	TIF	Tiffany & Co	\$342	\$36.06	\$52.35	45.2%
21	MAT	Mattel Inc	\$193	\$16.33	\$23.46	43.7%
22	APD	Air Products & Chem	\$995	\$68.48	\$97.76	42.8%
23	DTV	DIRECTV Group	\$3,717	\$17.22	\$24.28	41.0%
24	PX	Praxair Inc	\$840	\$59.54	\$83.76	40.7%
25	CVX	Chevron Corp	\$8,445	\$67.04	\$93.58	39.6%
26	CSCO	Cisco Systems	\$11,832	\$23.81	\$33.13	39.2%
27	SGP	Schering-Plough	\$55	\$22.74	\$31.63	39.1%
28	MHS	Medco Health Solutions	\$2,101	\$65.14	\$90.39	38.8%
29	DVN	Devon Energy	\$269	\$60.46	\$83.20	37.6%
30	NE	Noble Corp*	\$379	\$35.76	\$49.05	37.2%
31	CI	CIGNA Corp	\$3,733	\$38.96	\$53.29	36.8%
32	HCR	Manor Care	\$333	\$47.35	\$64.40	36.0%
33	MCD	McDonald's Corp	\$5,381	\$40.13	\$54.47	35.7%
34	SNDK	SanDisk Corp	\$61	\$40.64	\$55.10	35.6%
35	NKE	NIKE Inc	\$1,317	\$43.40	\$58.66	35.2%
36	NCR	NCR Corp	\$270	\$36.87	\$49.80	35.1%
37	AET	Aetna Inc	\$2,937	\$40.18	\$54.27	35.1%
38	ORCL	Oracle Corp	\$5,953	\$16.18	\$21.65	33.8%
39	XOM	Exxon Mobil	\$45,601	\$69.22	\$92.56	33.7%
40	BIG	Big Lots	\$361	\$22.32	\$29.84	33.7%
41	JCI	Johnson Controls	\$27	\$29.55	\$39.37	33.2%
42	TROW	T.Rowe Price Group	\$278	\$41.83	\$55.69	33.1%
43	CTXS	Citrix Systems	\$209	\$30.40	\$40.32	32.6%
44	SIAL	Sigma-Aldrich	\$221	\$36.88	\$48.74	32.2%
45	MRO	Marathon Oil	\$2,520	\$43.17	\$57.02	32.1%
46	ESRX	Express Scripts	\$1,734	\$42.28	\$55.82	32.0%
47	OXY	Occidental Petroleum	\$2,030	\$48.63	\$64.08	31.8%
48	HAS	Hasbro Inc	\$551	\$21.18	\$27.88	31.7%
49	HPQ	Hewlett-Packard	\$12,078	\$38.02	\$49.79	31.0%
50	JNS	Janus Capital Group	\$970	\$21.72	\$28.28	30.2%

* Excludes ADSK which repurchased less than \$100,000 of its stock during the period.

Sources: Standard & Poor's Equity Research Services and Capital IQ

Top 100 Performers on Stock Repurchases, S&P 500 Index Companies, January 2006 to June 2007*
 (avg. price paid versus share price as of 9/30/2007)

Rank	Ticker	Company Name	Stock Buybacks (\$mil.)	Avg. Purchase Price	Shr. Price 9/30/07	Buyback gain
51	LMT	Lockheed Martin*	\$3,498	\$83.37	\$108.49	30.1%
52	GR	Goodrich Corp	\$132	\$52.47	\$68.23	30.0%
53	YUM	Yum Brands	\$1,442	\$26.05	\$33.83	29.8%
54	COP	ConocoPhillips	\$2,976	\$67.84	\$87.77	29.4%
55	APA	Apache Corp	\$174	\$69.74	\$90.06	29.1%
56	PKI	PerkinElmer Inc	\$337	\$22.63	\$29.21	29.1%
57	ETN	Eaton Corp	\$693	\$76.74	\$99.04	29.1%
58	EXC	Exelon Corp	\$284	\$58.69	\$75.36	28.4%
59	GWV	Grainger (W.W.)	\$625	\$71.11	\$91.19	28.2%
60	IFF	Intl Flavors/Fragr	\$352	\$41.25	\$52.86	28.2%
61	MRK	Merck & Co	\$1,490	\$40.48	\$51.69	27.7%
62	IR	Ingersoll-Rand'A'	\$1,949	\$42.73	\$54.47	27.5%
63	CCU	Clear Channel Commun	\$1,376	\$29.45	\$37.44	27.1%
64	INTC	Intel Corp	\$5,095	\$20.35	\$25.86	27.1%
65	EMR	Emerson Electric	\$1,459	\$41.96	\$53.22	26.8%
66	UTX	United Technologies	\$3,060	\$63.48	\$80.48	26.8%
67	RTN	Raytheon Co	\$1,721	\$50.34	\$63.82	26.8%
68	GS	Goldman Sachs Group	\$11,312	\$171.21	\$216.74	26.6%
69	COL	Rockwell Collins	\$667	\$57.93	\$73.04	26.1%
70	CMI	Cummins Inc	\$155	\$101.75	\$127.89	25.7%
71	ASD	Amer Standard	\$450	\$28.38	\$35.62	25.5%
72	TIN	Temple-Inland	\$300	\$42.02	\$52.63	25.2%
73	KO	Coca-Cola Co	\$3,458	\$45.92	\$57.47	25.1%
74	EBAY	eBay Inc	\$2,344	\$31.22	\$39.02	25.0%
75	BA	Boeing Co	\$2,974	\$84.02	\$104.99	25.0%
76	HUM	Humana Inc	\$26	\$56.03	\$69.88	24.7%
77	KR	Kroger Co	\$797	\$22.89	\$28.52	24.6%
78	BLL	Ball Corp	\$207	\$43.24	\$53.75	24.3%
79	ADBE	Adobe Systems	\$1,557	\$35.14	\$43.66	24.2%
80	BK	Bank of New York Mellon	\$916	\$35.57	\$44.14	24.1%
81	VZ	Verizon Communications	\$2,657	\$35.74	\$44.28	23.9%
82	SCHW	Schwab (Charles) Corp	\$1,511	\$17.47	\$21.60	23.7%
83	BEN	Franklin Resources	\$2,066	\$103.24	\$127.50	23.5%
84	AMP	Ameriprise Financial	\$964	\$51.15	\$63.11	23.4%
85	IBM	Intl Bus. Machines	\$26,168	\$95.58	\$117.80	23.2%
86	PCL	Plum Creek Timber	\$373	\$36.41	\$44.76	22.9%
87	ITW	Illinois Tool Works	\$934	\$48.60	\$59.64	22.7%
88	LTR	Loews Corp	\$894	\$39.50	\$48.35	22.4%
89	HON	Honeywell Intl	\$5,205	\$48.61	\$59.47	22.3%
90	K	Kellogg Co	\$999	\$45.81	\$56.00	22.2%
91	WWY	Wrigley (Wm) Jr	\$340	\$52.57	\$64.23	22.2%
92	MMM	3M Co	\$4,530	\$76.69	\$93.58	22.0%
93	NVDA	NVIDIA Corp	\$524	\$29.75	\$36.24	21.8%
94	AFL	AFLAC Inc	\$812	\$46.89	\$57.04	21.7%
95	LLL	L-3 Communications Hldgs	\$201	\$84.26	\$102.14	21.2%
96	ACAS	Amer Capital Strategies	\$117	\$35.34	\$42.73	20.9%
97	AGN	Allergan Inc	\$369	\$53.39	\$64.47	20.8%
98	FII	Federated Investors 'B'	\$222	\$32.89	\$39.70	20.7%
99	CTL	CenturyTel Inc	\$1,074	\$38.34	\$46.22	20.5%
100	PG	Procter & Gamble	\$11,392	\$58.36	\$70.34	20.5%

* Excludes ADSK which repurchased less than \$100,000 of its stock during the period.
 Sources: Standard & Poor's Equity Research Services and Capital IQ

Worst 100 Performers on Stock Repurchases, S&P 500 Index Companies, January 2006 to June 2007
(Avg. price paid for buybacks versus share price as of 9/30/2007)

Rank	Ticker	Company Name	Total Spent (\$M)	Avg. Purchase Price	Shr. Price 9/30/07	Buyback loss
1	CC	Circuit City Stores	\$322	\$22.82	\$7.91	-65.3%
2	KBH	KB HOME	\$390	\$63.27	\$25.06	-60.4%
3	PHM	Pulte Homes	\$147	\$33.01	\$13.61	-58.8%
4	CTX	Centex Corp	\$448	\$58.38	\$26.57	-54.5%
5	CFC	Countrywide Financial	\$2,380	\$39.37	\$19.01	-51.7%
6	MTG	MGIC Investment	\$458	\$62.73	\$32.31	-48.5%
7	LEN	Lennar Corp'A'	\$74	\$43.91	\$22.65	-48.4%
8	ETFC	E Trade Financial	\$219	\$23.19	\$13.05	-43.7%
9	ODP	Office Depot	\$1,192	\$36.40	\$20.62	-43.3%
10	BC	Brunswick Corp	\$283	\$34.32	\$22.86	-33.4%
11	NCC	Natl City Corp	\$4,043	\$37.20	\$25.09	-32.5%
12	FHN	First Horizon Natl	\$158	\$39.43	\$26.66	-32.4%
13	JNY	Jones Apparel Group	\$306	\$31.16	\$21.13	-32.2%
14	OMX	OfficeMax Inc	\$7	\$49.20	\$34.27	-30.3%
15	PGR	Progressive Corp Ohio	\$1,838	\$27.68	\$19.41	-29.9%
16	HBAN	Huntington Bancshares	\$379	\$23.70	\$16.98	-28.4%
17	ABK	Ambac Financial Group	\$556	\$87.53	\$62.91	-28.1%
18	MNST	Monster Worldwide	\$38	\$47.32	\$34.06	-28.0%
19	MXIM	Maxim Integrated Prod	\$88	\$40.65	\$29.35	-27.8%
20	SOV	Sovereign Bancorp	\$13	\$23.45	\$17.04	-27.3%
21	CIT	CIT Group	\$933	\$55.28	\$40.20	-27.3%
22	BJS	BJ Services	\$1,189	\$35.22	\$26.55	-24.6%
23	MCO	Moody's Corp	\$2,134	\$65.50	\$50.40	-23.1%
24	LXK	Lexmark Intl'A'	\$1,036	\$53.95	\$41.53	-23.0%
25	QLGC	QLogic Corp	\$214	\$17.38	\$13.45	-22.6%
26	NTAP	Network Appliance	\$1,086	\$34.63	\$26.91	-22.3%
27	M	Macy's Inc	\$4,540	\$41.48	\$32.32	-22.1%
28	TLAB	Tellabs Inc	\$308	\$12.15	\$9.52	-21.7%
29	MAS	Masco Corp	\$1,592	\$29.48	\$23.17	-21.4%
30	WM	Washington Mutual	\$6,463	\$44.85	\$35.31	-21.3%
31	AN	AutoNation Inc	\$1,430	\$22.50	\$17.72	-21.2%
32	GCI	Gannett Co	\$306	\$55.05	\$43.70	-20.6%
33	HOG	Harley-Davidson	\$1,551	\$57.74	\$46.21	-20.0%
34	RHI	Robert Half Intl	\$78	\$37.22	\$29.86	-19.8%
35	FRX	Forest Labs	\$385	\$46.41	\$37.29	-19.6%
36	LEG	Leggett & Platt	\$260	\$23.82	\$19.16	-19.6%
37	CVG	Convergys Corp	\$168	\$21.56	\$17.36	-19.5%
38	MOT	Motorola Inc	\$2,301	\$23.00	\$18.53	-19.4%
39	WHR	Whirlpool Corp	\$101	\$110.56	\$89.10	-19.4%
40	MU	Micron Technology	\$11	\$13.71	\$11.10	-19.0%
41	EDS	Electronic Data Systems	\$1,007	\$26.79	\$21.84	-18.5%
42	RSH	RadioShack Corp	\$47	\$25.34	\$20.66	-18.5%
43	MMC	Marsh & McLennan	\$500	\$31.21	\$25.50	-18.3%
44	TRB	Tribune Co.	\$6,546	\$33.28	\$27.32	-17.9%
45	ZION	Zions Bancorp	\$280	\$83.27	\$68.67	-17.5%
46	SBUX	Starbucks Corp	\$1,317	\$31.65	\$26.20	-17.2%
47	FITB	Fifth Third Bancorp	\$1,083	\$40.92	\$33.88	-17.2%
48	RF	Regions Financial	\$1,543	\$35.53	\$29.48	-17.0%
49	AIV	Apartment Investment & Mgmt'A'	\$247	\$54.25	\$45.13	-16.8%
50	NYT	New York Times'A'	\$53	\$23.72	\$19.76	-16.7%

Sources: Standard & Poor's Equity Research Services and Capital IQ

Worst 100 Performers on Stock Repurchases, S&P 500 Index Companies, January 2006 to June 2007
(Avg. price paid for buybacks versus share price as of 9/30/2007)

Rank	Ticker	Company Name	Total Spent (\$M)	Avg. Purchase Price	Shr. Price 9/30/07	Buyback loss
51	HD	Home Depot	\$6,957	\$38.72	\$32.44	-16.2%
52	BSC	Bear Stearns Cos	\$1,746	\$146.22	\$122.81	-16.0%
53	LEH	Lehman Br Holdings	\$4,220	\$73.43	\$61.73	-15.9%
54	LM	Legg Mason Inc	\$4	\$99.55	\$84.29	-15.3%
55	RRD	Donnelley(R.R.)& Sons	\$55	\$42.97	\$36.56	-14.9%
56	MHP	McGraw-Hill Companies	\$2,976	\$59.63	\$50.91	-14.6%
57	VAR	Varian Medical Systems Inc.	\$466	\$49.05	\$41.89	-14.6%
58	INTU	Intuit Inc	\$807	\$35.26	\$30.30	-14.1%
59	CMA	Comerica Inc	\$829	\$59.32	\$51.28	-13.6%
60	AMGN	Amgen Inc	\$10,000	\$65.40	\$56.57	-13.5%
61	SPLS	Staples Inc	\$1,133	\$24.82	\$21.49	-13.4%
62	AVY	Avery Dennison Corp	\$236	\$65.58	\$57.02	-13.1%
63	KEY	KeyCorp	\$1,170	\$37.16	\$32.33	-13.0%
64	HSY	Hershey Co	\$819	\$53.22	\$46.41	-12.8%
65	DDS	Dillard's Inc'A'	\$3	\$24.96	\$21.83	-12.5%
66	LTD	Limited Brands	\$1,067	\$26.17	\$22.89	-12.5%
67	MER	Merrill Lynch	\$12,889	\$81.16	\$71.28	-12.2%
68	MS	Morgan Stanley	\$5,724	\$71.67	\$63.00	-12.1%
69	SHLD	Sears Holdings	\$1,347	\$144.35	\$127.20	-11.9%
70	WYE	Wyeth	\$1,434	\$50.48	\$44.55	-11.8%
71	UNH	UnitedHealth Group	\$4,681	\$54.87	\$48.43	-11.7%
72	LSI	LSI Corp	\$417	\$8.40	\$7.42	-11.7%
73	NBR	Nabors Indus	\$1,403	\$34.83	\$30.77	-11.7%
74	BBBY	Bed Bath & Beyond	\$1,176	\$38.45	\$34.12	-11.3%
75	COF	Capital One Financial	\$1,799	\$74.56	\$66.43	-10.9%
76	BMS	Bemis Co	\$57	\$32.61	\$29.11	-10.7%
77	CTAS	Cintas Corp	\$408	\$41.50	\$37.10	-10.6%
78	CAH	Cardinal Health	\$4,795	\$69.70	\$62.53	-10.3%
79	LOW	Lowe's Cos	\$3,197	\$31.10	\$28.02	-9.9%
80	MTB	M&T Bank	\$813	\$114.61	\$103.45	-9.7%
81	SSP	Scripps(E.W.)'A'	\$95	\$46.52	\$42.00	-9.7%
82	GNW	Genworth Financial'A'	\$1,997	\$34.03	\$30.73	-9.7%
83	YHOO	Yahoo Inc	\$3,790	\$29.71	\$26.84	-9.7%
84	JCP	Penney (J.C.)	\$1,150	\$70.15	\$63.37	-9.7%
85	TEK	Tektronix Inc	\$328	\$30.61	\$27.74	-9.4%
86	EQR	Equity Residential	\$949	\$46.63	\$42.36	-9.2%
87	NI	NiSource Inc	\$6	\$21.03	\$19.14	-9.0%
88	WB	Wachovia Corp	\$5,520	\$55.10	\$50.15	-9.0%
89	MBI	MBIA Inc	\$662	\$66.91	\$61.05	-8.8%
90	ACS	Affiliated Computer Svcs'A'	\$1,195	\$54.82	\$50.24	-8.3%
91	CSC	Computer Sciences	\$1,000	\$60.97	\$55.90	-8.3%
92	WMT	Wal-Mart Stores	\$3,537	\$47.58	\$43.65	-8.3%
93	MOLX	Molex Inc	\$98	\$29.32	\$26.93	-8.2%
94	MI	Marshall & Ilsley	\$345	\$47.64	\$43.77	-8.1%
95	TYC	Tyco Intl	\$11,489	\$48.05	\$44.34	-7.7%
96	DF	Dean Foods	\$400	\$27.69	\$25.58	-7.6%
97	PFE	Pfizer Inc	\$12,074	\$26.20	\$24.43	-6.7%
98	MWV	MeadWestvaco Corp	\$139	\$31.63	\$29.53	-6.7%
99	STI	SunTrust Banks	\$1,827	\$80.92	\$75.67	-6.5%
100	IPG	Interpublic Group	\$14	\$11.06	\$10.38	-6.1%

Sources: Standard & Poor's Equity Research Services and Capital IQ

S&P 500 Companies with no Stock Buybacks, January 2006 - June 2007*

(by share price gain/(loss) between 9/30/07 and 12/31/05)

Rank	Ticker	Company Name	Total Spent (\$M)	Shr Price 12/31/05	Shr. Price 9/30/07	Share price gain/(loss)
1	ATI	Allegheny Technologies	0	\$36.08	\$109.95	204.7%
2	TAP	Molson Coors Brewing B'	0	\$33.50	\$99.67	197.6%
3	PCP	Precision Castparts	0	\$51.81	\$147.98	185.6%
4	NOV	Natl Oilwell Varco	0	\$31.35	\$72.25	130.5%
5	CELG	Celgene Corp	0	\$32.40	\$71.31	120.1%
6	AAPL	Apple Inc	0	\$71.89	\$153.47	113.5%
7	LUK	Leucadia National	0	\$23.73	\$48.22	103.2%
8	HLT	Hilton Hotels	0	\$24.11	\$46.49	92.8%
9	GM	Genl Motors	0	\$19.42	\$36.70	89.0%
10	HPC	Hercules Inc	0	\$11.30	\$21.02	86.0%
11	CIEN	Ciena Corp	0	\$20.79	\$38.08	83.2%
12	DJ	Dow Jones & Co	0	\$35.49	\$59.70	68.2%
13	AYE	Allegheny Energy	0	\$31.65	\$52.26	65.1%
14	HES	Hess Corp	0	\$41.42	\$66.53	60.6%
15	CME	CME Group Inc	0	\$367.49	\$587.35	59.8%
16	CTSH	Cognizant Tech Solutions A'	0	\$50.27	\$79.79	58.7%
17	SYK	Stryker Corp	0	\$44.43	\$68.76	54.8%
18	CEG	Constellation Energy Group	0	\$57.60	\$85.79	48.9%
19	WMB	Williams Cos	0	\$23.17	\$34.06	47.0%
20	AW	Allied Waste Ind	0	\$8.74	\$12.75	45.9%
21	AKAM	Akamai Technologies	0	\$20.00	\$28.73	43.7%
22	PLD	ProLogis	0	\$46.72	\$66.35	42.0%
23	CBG	CB Richard Ellis Grp A'	0	\$19.62	\$27.84	41.9%
24	KIM	Kimco Realty	0	\$32.08	\$45.21	40.9%
25	BXP	Boston Properties	0	\$74.13	\$103.90	40.2%
26	EP	El Paso Corp	0	\$12.16	\$16.97	39.6%
27	DUK	Duke Energy**	0	\$13.57	\$18.69	37.7%
28	GOOG	Google Inc A'	0	\$414.86	\$567.27	36.7%
29	PEG	Public Svc Enterprises	0	\$64.97	\$87.99	35.4%
30	AVB	AvalonBay Communities	0	\$89.25	\$118.06	32.3%
31	VNO	Vornado Realty Trust	0	\$83.47	\$109.35	31.0%
32	SPG	Simon Property Group	0	\$76.63	\$100.00	30.5%
33	MUR	Murphy Oil	0	\$53.99	\$69.89	29.4%
34	PCG	PG&E Corp	0	\$37.12	\$47.80	28.8%
35	AES	AES Corp	0	\$15.83	\$20.04	26.6%

* Excludes SLR, COV, SE, TEL, DFS and WIN, which did not have stock buybacks during this period but did not trade publicly on 12/31/2005

** Stock price on 12/31/2005 adjusted downward by \$13.88 to reflect subsequent stock dividend of \$13.88 as a result of spinoff of Spectra Energy (SE).

Sources: Standard & Poor's Equity Research Services and Capital IQ

S&P 500 Companies with no Stock Buybacks, January 2006 - June 2007*

(by share price gain/(loss) between 9/30/07 and 12/31/05)

Rank	Ticker	Company Name	Total Spent (\$M)	Shr Price 12/31/05	Shr. Price 9/30/07	Share price gain/(loss)
36	CNP	CenterPoint Energy	0	\$12.85	\$16.03	24.7%
37	AEP	Amer Electric Pwr	0	\$37.09	\$46.08	24.2%
38	HET	Harrah's Entertainment	0	\$71.29	\$86.93	21.9%
39	NWL	Newell Rubbermaid	0	\$23.78	\$28.82	21.2%
40	DDR	Developers Diversified Rlty	0	\$47.02	\$55.87	18.8%
41	HST	Host Hotels & Resorts	0	\$18.95	\$22.44	18.4%
42	PSA	Public Storage	0	\$67.72	\$78.65	16.1%
43	CMS	CMS Energy	0	\$14.51	\$16.82	15.9%
44	PDCO	Patterson Cos	0	\$33.40	\$38.61	15.6%
45	MIL	Millipore Corp	0	\$66.04	\$75.80	14.8%
46	EK	Eastman Kodak	0	\$23.40	\$26.76	14.4%
47	UIS	Unisys Corp	0	\$5.83	\$6.62	13.6%
48	MCHP	Microchip Technology	0	\$32.15	\$36.32	13.0%
49	CBH	Commerce Bancorp	0	\$34.41	\$38.78	12.7%
50	GAS	NICOR Inc	0	\$39.31	\$42.90	9.1%
51	UNM	Unum Group	0	\$22.75	\$24.47	7.6%
52	PAYX	Paychex Inc	0	\$38.12	\$41.00	7.6%
53	ERTS	Electronic Arts	0	\$52.31	\$55.99	7.0%
54	PGN	Progress Energy	0	\$43.92	\$46.85	6.7%
55	FO	Fortune Brands	0	\$78.02	\$81.49	4.4%
56	RDC	Rowan Cos	0	\$35.64	\$36.58	2.6%
57	FDX	FedEx Corp	0	\$103.35	\$104.75	1.4%
58	ED	Consolidated Edison	0	\$46.33	\$46.30	-0.1%
59	WPI	Watson Pharmaceuticals	0	\$32.51	\$32.40	-0.3%
60	PNW	Pinnacle West Capital	0	\$41.35	\$39.51	-4.4%
61	TEG	Integrus Energy Group	0	\$55.31	\$51.23	-7.4%
62	DELL	Dell Inc	0	\$29.95	\$27.60	-7.8%
63	BRL	Barr Pharmaceuticals	0	\$62.29	\$56.91	-8.6%
64	NEM	Newmont Mining	0	\$53.40	\$44.73	-16.2%
65	MYL	Mylan Labs	0	\$19.96	\$15.96	-20.0%
66	JDSU	JDS Uniphase	0	\$18.88	\$14.96	-20.8%
67	KG	King Pharmaceuticals	0	\$16.92	\$11.72	-30.7%
68	BSX	Boston Scientific	0	\$24.49	\$13.95	-43.0%
69	THC	Tenet Healthcare	0	\$7.66	\$3.36	-56.1%
70	AMD	Advanced Micro Dev	0	\$30.60	\$13.20	-56.9%
71	DHI	D.R.Horton	0	\$35.73	\$12.81	-64.1%

* Excludes SLR, COV, SE, TEL, DFS and WIN, which did not have stock buybacks during this period but did not trade publicly on 12/31/2005

** Stock price on 12/31/2005 adjusted downward by \$13.88 to reflect subsequent stock dividend of \$13.88 as a result of spinoff of Spectra Energy (SE).

Sources: Standard & Poor's Equity Research Services and Capital IQ

Top 100 Most Aggressive Repurchasers of Stock, S&P500 Index Companies, January 2006 - June 2007*

(buyback spending as a percentage of market cap as of 9/30/07)

Rank	Ticker	Company Name	Total Buyback Spending (\$mil.)	Market Cap (\$M) 9/30/07	Buyback % of Mkt Cap.	Buyback gain/(loss)
1	AN	AutoNation Inc	\$1,430	\$3,581	39.9%	-21.2%
2	CPWR	Compuware Corp	\$790	\$2,422	32.6%	-4.5%
3	M	Macy's Inc	\$4,540	\$14,012	32.4%	-22.1%
4	NSM	Natl Semiconductor	\$2,300	\$7,325	31.4%	8.1%
5	LXK	Lexmark Int'l A'	\$1,036	\$3,932	26.4%	-23.0%
6	NCC	Natl City Corp	\$4,043	\$16,059	25.2%	-32.5%
7	TWX	Time Warner	\$17,226	\$68,470	25.2%	-0.5%
8	CI	CIGNA Corp	\$3,733	\$15,074	24.8%	36.8%
9	CC	Circuit City Stores	\$322	\$1,333	24.1%	-65.3%
10	ACS	Affiliated Computer Svcs	\$1,195	\$5,002	23.9%	-8.3%
11	CFC	Countrywide Financial	\$2,380	\$10,989	21.7%	-51.7%
12	CTL	CenturyTel Inc	\$1,074	\$5,002	21.5%	20.5%
13	ODP	Office Depot	\$1,192	\$5,625	21.2%	-43.3%
14	WM	Washington Mutual	\$6,463	\$30,528	21.2%	-21.3%
15	CAH	Cardinal Health	\$4,795	\$22,794	21.0%	-10.3%
16	SAF	SAFECO Corp	\$1,320	\$6,278	21.0%	7.5%
17	MER	Merrill Lynch	\$12,889	\$61,437	21.0%	-12.2%
18	SYMC	Symantec Corp	\$3,500	\$16,762	20.9%	8.6%
19	VIA.B	Viacom Inc B'	\$5,340	\$26,757	20.0%	-0.6%
20	XLNX	Xilinx Inc	\$1,555	\$7,801	19.9%	1.2%
21	ADI	Analog Devices	\$2,230	\$11,252	19.8%	4.9%
22	JNS	Janus Capital Group	\$970	\$4,960	19.6%	30.2%
23	ABC	AmerisourceBergen Corp	\$1,531	\$8,167	18.7%	-1.9%
24	MAS	Masco Corp	\$1,592	\$8,677	18.3%	-21.4%
25	BDK	Black & Decker Corp	\$987	\$5,564	17.7%	8.8%
26	A	Agilent Technologies	\$2,521	\$14,256	17.7%	3.7%
27	KBH	KB HOME	\$390	\$2,243	17.4%	-60.4%
28	MTG	MGIC Investment	\$458	\$2,643	17.3%	-48.5%
29	ADP	Automatic Data Proc	\$4,199	\$24,240	17.3%	-1.7%
30	MHP	McGraw-Hill Companies	\$2,976	\$17,253	17.2%	-14.6%
31	ROK	Rockwell Automation	\$1,791	\$10,604	16.9%	11.8%
32	VLO	Valero Energy	\$6,201	\$37,206	16.7%	4.6%
33	DIS	Disney (Walt) Co	\$10,984	\$66,748	16.5%	8.9%
34	IP	Intl Paper	\$2,522	\$15,411	16.4%	-1.3%
35	IBM	Intl Bus. Machines	\$26,168	\$160,256	16.3%	23.2%
36	AMGN	Amgen Inc	\$10,000	\$61,477	16.3%	-13.5%
37	NBR	Nabors Indus	\$1,403	\$8,687	16.1%	-11.7%
38	MCO	Moody's Corp	\$2,134	\$13,452	15.9%	-23.1%
39	ASH	Ashland Inc	\$597	\$3,782	15.8%	-2.9%
40	TEK	Tektronix Inc	\$328	\$2,104	15.6%	-9.4%
41	HOT	Starwood Hotels&Res Worldwide	\$1,962	\$12,746	15.4%	-0.8%
42	BJS	BJ Services	\$1,189	\$7,743	15.4%	-24.6%
43	RX	IMS Health	\$904	\$5,974	15.1%	19.1%
44	IACI	IAC/InterActiveCorp*	\$1,288	\$8,551	15.1%	1.3%
45	NOVL	Novell Inc	\$401	\$2,673	15.0%	-1.2%
46	GNW	Genworth Financial A'	\$1,997	\$13,604	14.7%	-9.7%
47	MAR	Marriott Intl A'	\$2,382	\$16,342	14.6%	8.9%
48	WYN	Wyndham Worldwide	\$825	\$5,851	14.1%	-0.5%
49	BC	Brunswick Corp	\$283	\$2,024	14.0%	-33.4%
50	CTX	Centex Corp	\$448	\$3,212	13.9%	-54.5%

* Excludes Tribune Corp. (TRB), Tyco International (TYC) and Wendy's International (WEN), which had buyback aggressiveness index scores of 188%, 52% and 43%, respectively, due to significant company-specific events that made the buyback aggressiveness index scores as not meaningful in the view of S&P Equity Research analysts.

Sources: Standard & Poor's Equity Research Services and Capital IQ

Top 100 Most Aggressive Repurchasers of Stock, S&P500 Index Companies, January 2006 - June 2007*

(buyback spending as a percentage of market cap as of 9/30/07)

Rank	Ticker	Company Name	Total Buyback Spending (\$mil.)	Market Cap (\$M) 9/30/07	Buyback % of Mkt Cap.	Buyback gain/(loss)
51	WLP	WellPoint Inc	\$6,570	\$47,369	13.9%	3.2%
52	AZO	AutoZone Inc	\$1,033	\$7,661	13.5%	10.6%
53	TXN	Texas Instruments	\$7,023	\$52,290	13.4%	17.3%
54	PGR	Progressive Corp Ohio	\$1,838	\$13,688	13.4%	-29.9%
55	HOG	Harley-Davidson	\$1,551	\$11,606	13.4%	-20.0%
56	LUV	Southwest Airlines	\$1,473	\$11,060	13.3%	-5.1%
57	JNY	Jones Apparel Group	\$306	\$2,302	13.3%	-32.2%
58	MSFT	Microsoft Corp	\$36,141	\$276,976	13.0%	8.2%
59	LEH	Lehman Br Holdings	\$4,220	\$32,680	12.9%	-15.9%
60	DTV	DIRECTV Group	\$3,717	\$28,860	12.9%	41.0%
61	LTD	Limited Brands	\$1,067	\$8,293	12.9%	-12.5%
62	AOC	Aon Corp	\$1,672	\$13,119	12.7%	19.5%
63	BBBY	Bed Bath & Beyond	\$1,176	\$9,258	12.7%	-11.3%
64	HD	Home Depot	\$6,957	\$54,824	12.7%	-16.2%
65	IR	Ingersoll-Rand A'	\$1,949	\$15,614	12.5%	27.5%
66	AT	ALLTEL Corp	\$2,956	\$23,962	12.3%	19.0%
67	HAS	Hasbro Inc	\$551	\$4,494	12.3%	31.7%
68	GS	Goldman Sachs Group	\$11,312	\$92,223	12.3%	26.6%
69	CIT	CIT Group	\$933	\$7,670	12.2%	-27.3%
70	BMC	BMC Software	\$763	\$6,279	12.2%	18.6%
71	ESRX	Express Scripts	\$1,734	\$14,393	12.0%	32.0%
72	ALL	Allstate Corp	\$4,022	\$33,456	12.0%	-4.0%
73	PTV	Pactiv Corp	\$449	\$3,746	12.0%	2.0%
74	DF	Dean Foods	\$400	\$3,342	12.0%	-7.6%
75	NOC	Northrop Grumman	\$3,206	\$26,982	11.9%	17.4%
76	BIG	Big Lots	\$3,071	\$3,037	11.9%	33.7%
77	HON	Honeywell Intl	\$5,205	\$44,507	11.7%	22.3%
78	CB	Chubb Corp	\$2,436	\$21,097	11.5%	5.4%
79	STZ	Constellation Brands A'	\$600	\$5,219	11.5%	-2.0%
80	NTAP	Network Appliance*	\$1,086	\$9,575	11.3%	-22.3%
81	STJ	St. Jude Medical	\$1,700	\$15,040	11.3%	9.4%
82	QLGC	QLogic Corp	\$214	\$1,976	10.8%	-22.6%
83	TMK	Torchmark Corp	\$618	\$5,780	10.7%	1.6%
84	FISV	Fiserv Inc	\$896	\$8,391	10.7%	6.3%
85	AET	Aetna Inc	\$2,937	\$27,754	10.6%	35.1%
86	CMA	Comerica Inc	\$829	\$7,847	10.6%	-13.6%
87	CPB	Campbell Soup	\$1,500	\$14,212	10.6%	2.1%
88	SWK	Stanley Works	\$485	\$4,608	10.5%	8.4%
89	YHOO	Yahoo Inc	\$3,790	\$36,162	10.5%	-9.7%
90	EMC	EMC Corp	\$4,507	\$43,624	10.3%	63.0%
91	JWN	Nordstrom Inc	\$1,179	\$11,451	10.3%	7.8%
92	KSS	Kohl's Corp	\$1,873	\$18,219	10.3%	-5.3%
93	CSC	Computer Sciences	\$1,000	\$9,728	10.3%	-8.3%
94	GIS	Genl Mills	\$1,898	\$18,757	10.1%	4.6%
95	HCBK	Hudson City Bancorp	\$805	\$8,136	9.9%	15.6%
96	BSC	Bear Stearns Cos	\$1,746	\$17,756	9.8%	-16.0%
97	PKI	PerkinElmer Inc	\$337	\$3,459	9.7%	29.1%
98	AIZ	Assurant Inc	\$616	\$6,373	9.7%	3.1%
99	JNPR	Juniper Networks	\$1,810	\$18,821	9.6%	60.9%
100	MCK	McKesson Corp	\$1,656	\$17,389	9.5%	10.1%

* Excludes Tribune Corp. (TRB), Tyco International (TYC) and Wendy's International (WEN), which had buyback aggressiveness index scores of 188%, 52% and 43%, respectively, due to significant company-specific events that made the buyback aggressiveness index scores as not meaningful in the view of S&P Equity Research analysts.

Sources: Standard & Poor's Equity Research Services and Capital IQ

Appendix

Share repurchase data for this study were compiled by Standard & Poor's Equity Research analysts, using reported information from SEC 10-Q and 10-K filings under the Part II sections of those filings, for the six fiscal quarters ended June 2007 or July 2007. Data obtained from these filings includes total number of actual shares repurchased, as well as average repurchase prices, which may include costs associated with those repurchases. Data from Capital IQ was also utilized to obtain actual shares outstanding at the start and end of the study period, and for closing market prices for individual companies at the end of the third quarter of 2007. The number of shares repurchased and the average purchase price were also adjusted to reflect stock splits and spin-off actions taking by companies during the study period and in the third quarter of 2007.

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A+	Highest	B-	Lower
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A-	Above Average	D	In Reorganization
B+	Average	NR	Not Ranked
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5-STARs (Strong Buy): Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis.

4-STARs (Buy): Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis.

3-STARs (Hold): Total return is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis.

2-STARs (Sell): Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price is not anticipated to show a gain.

1-STARs (Strong Sell): Total return is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis.

Relevant benchmarks: In the U.S. the relevant benchmark is the S&P 500 Index, in Europe and in Asia, the relevant benchmarks are generally the S&P Europe 350 Index and the S&P Asia 50 Index.

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