

---

**PRESS RELEASE**

## **S&P 500 Stock Buybacks Increase Slightly in First Quarter**

*Number of Companies Reducing Share Count on the Rise*

**New York, June 19, 2013** – S&P Dow Jones Indices announced today that preliminary results show that S&P 500® stock buybacks, or share repurchases, increased 0.8% to \$100.0 billion during the first quarter of 2013, up from the \$99.1 billion spent on share repurchases during the fourth quarter of 2012. Compared to the first quarter of 2012, buybacks are up 18.6%.

For the 12 month period (ending March 2013), S&P 500 issues increased their buyback expenditures by 3.8% to \$414.6 billion from the \$399.5 billion posted in the prior 12 month period. The high mark was reached in 2007, when companies spent \$589.1 billion over the 12 month period.

“Companies continued to protect their earnings from dilution due to option execution, however, actual shares repurchased were down, as the 0.8% increase in expenditures failed to keep pace with the 6.8% increase in the average share price for the quarter,” says Howard Silverblatt, Senior Index Analyst at S&P Dow Jones Indices. “Even with programs and authorizations setting record levels and receiving extensive press coverage, the number of companies starting to move back to share count reduction is only slowly rising.”

While buybacks remain the instrument of choice to prevent earnings dilution from employee options (and dividend reinvestment plans), the first quarter appeared to fall short of the needed shares. Overall shares have slightly increased, as issuance has outpaced repurchases. In the first quarter the overall share count was up, with the Information Technology sector, the leader in buybacks, slightly increasing its overall count by 0.9%. The Telecommunications sector, led by AT&T, which had reduced its share count 6.9% over the last four quarters, reduced its overall share count by 3.5%.

The breakdown, however, does show a broader participation with more companies moving towards share count reduction. In the first quarter, 328 issues reported share repurchases, up from 317 in the fourth quarter, with 212 of them reducing their share count, up significantly from 98 in Q4, and 81 issues reducing their share count by at least 1%, a general measure of share count reduction, as compared to just 36 for Q4 2012.

On a sector basis, Silverblatt notes that the Information Technology sector held its position as the largest repurchaser, spending \$17.5 billion, which was down from the \$22.7 billion spent in the fourth quarter. The Health Care sector increased to \$16.8 billion, from \$11.4 billion last quarter, with the Telecommunications sector increasing from \$4.4 billion last quarter, to the first quarter’s \$6.5 billion. On an issue basis AT&T led with a \$5.9 billion expenditure (up from \$4.4 billion in Q4), followed by Exxon Mobil with \$5.6 billion, Pfizer with \$4.6 billion, International Business Machines with \$2.6 billion, and J P Morgan with \$2.6 billion.

“Given all of the talk and authorizations, there is great expectation for the second quarter, especially from Apple, which announced a record authorization,” adds Silverblatt. “Share prices are also running 6% higher than Q1 and 19% higher than Q2 of last year. This means that companies will need to spend more just to buy back the same number of shares, much less commit the additional funds to create share count reduction. They talked the talk, now we’ll see if they walk the walk.”

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

<b>S&amp;P Dow Jones Indices</b>					
<b>S&amp;P 500, \$ U.S. BILLIONS</b>					
<b>PERIOD</b>	<b>MARKET VALUE</b>	<b>AS REPORTED EARNINGS</b>	<b>DIVIDENDS</b>	<b>BUYBACKS</b>	<b>DIVIDEND &amp; BUYBACK YIELD</b>
	<b>\$ BILLIONS</b>	<b>\$ BILLIONS</b>	<b>\$ BILLIONS</b>	<b>\$ BILLIONS</b>	
3/31/2013 Prelim.	\$13,979	\$215.14	\$70.86	\$99.97	5.02%
12/31/2012	\$12,742	\$184.50	\$79.83	\$99.15	5.33%
9/30/2012	\$12,881	\$189.64	\$69.48	\$103.72	5.08%
6/30/2012	\$12,303	\$195.27	\$67.31	\$111.75	5.35%
3/31/2012	\$12,730	\$208.15	\$64.07	\$84.29	5.09%
12/31/2011	\$11,385	\$186.85	\$65.89	\$87.59	5.67%
09/30/2011	\$10,303	\$206.08	\$59.20	\$118.41	6.14%
6/30/2011	\$12,021	\$202.44	\$59.03	\$109.24	4.88%
3/31/2011	\$12,068	\$195.15	\$56.08	\$89.84	4.52%
12/31/2010	\$11,430	\$187.67	\$54.85	\$86.36	4.42%
09/30/2010	\$10,336	\$176.80	\$51.26	\$79.56	4.45%
06/30/2010	\$9,323	\$178.00	\$50.44	\$77.64	4.41%
03/31/2010	\$10,560	\$157.85	\$49.28	\$55.26	3.36%
12/31/2009	\$9,928	\$135.14	\$49.04	\$47.82	3.36%
09/30/2009	\$9,337	\$130.37	\$47.21	\$34.85	3.71%
06/30/2009	\$8,045	\$118.22	\$47.63	\$24.20	5.17%
03/31/2009	\$6,928	\$65.29	\$51.73	\$30.78	7.13%
12/31/2008	\$7,852	-\$202.11	\$62.19	\$48.12	7.48%
09/30/2008	\$10,181	\$86.16	\$61.44	\$89.71	6.73%
06/30/2008	\$11,163	\$112.15	\$61.94	\$87.91	6.88%
03/30/2008	\$11,511	\$135.24	\$61.72	\$113.90	7.25%
12/31/2007	\$12,868	\$68.53	\$67.09	\$141.71	6.49%
09/30/2007	\$13,470	\$133.66	\$61.21	\$171.95	5.89%
06/30/2007	\$13,350	\$194.30	\$59.76	\$157.76	5.44%
03/31/2007	\$12,706	\$190.75	\$58.53	\$117.70	5.35%

<b>S&amp;P Dow Jones Indices</b>			
<b>S&amp;P 500 20 LARGEST Q1 2013 BUYBACKS, \$ MILLIONS</b>			
<b>Company</b>	<b>SECTOR</b>	<b>Q1,'13</b>	<b>BUYBACKS</b>
			<b>Q1,'13-Q4,'04</b>
AT&T	Telecommunication Services	\$5,911	\$40,099
Exxon Mobil	Energy	\$5,621	\$200,591
Pfizer	Health Care	\$4,626	\$37,525
Internat'l Business Machines	Information Technology	\$2,593	\$98,618
JPMorgan Chase	Financials	\$2,578	\$30,871
Wal-Mart Stores	Consumer Staples	\$2,246	\$47,347
The Home Depot	Consumer Discretionary	\$2,196	\$33,549
Oracle	Information Technology	\$2,132	\$29,011
Visa	Information Technology	\$1,820	\$22,963
General Electric	Industrials	\$1,733	\$47,164
DIRECTV	Consumer Discretionary	\$1,608	\$25,282
The Goldman Sachs Group	Financials	\$1,525	\$42,853
The Coca-Cola Company	Consumer Staples	\$1,523	\$22,729
Philip Morris International	Consumer Staples	\$1,453	\$29,261
CBS	Consumer Discretionary	\$1,289	\$10,250
Eli Lilly and Company	Health Care	\$1,198	\$2,427
Lowe's Companies	Consumer Discretionary	\$1,046	\$16,292
Celgene	Health Care	\$1,044	\$5,702
Microsoft	Information Technology	\$1,028	\$108,541
Chevron	Energy	\$1,027	\$29,801
<b>Top 20</b>		<b>\$44,197</b>	<b>\$880,876</b>
<b>S&amp;P 500</b>		<b>\$99,148</b>	<b>\$3,116,650</b>
<b>Top 20 issues % of S&amp;P 500</b>		<b>44.58%</b>	<b>28.26%</b>

### About S&P Dow Jones Indices

S&P Dow Jones Indices LLC, a part of McGraw Hill Financial, is the world's largest, global resource for index-based concepts, data and research. Home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average™, S&P Dow Jones Indices LLC has over 115 years of experience constructing innovative and transparent solutions that fulfill the needs of investors. More assets are invested in products based upon our indices than any other provider in the world. With over 830,000 indices covering a wide range of asset classes across the globe, S&P Dow Jones Indices LLC defines the way investors measure and trade the markets. To learn more about our company, please visit [www.spdji.com](http://www.spdji.com).

*Standard & Poor's and S&P are registered trademarks of Standard & Poor's Financial Services LLC, a part of McGraw Hill Financial. Dow Jones is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). These trademarks have been licensed to S&P Dow Jones Indices LLC. It is not possible to invest directly in an index. S&P Dow Jones Indices LLC, Dow Jones, S&P and their respective affiliates (collectively "S&P Dow Jones Indices") do not sponsor, endorse, sell, or promote any investment fund or other investment vehicle that is offered by third parties and that seeks to provide an investment return based on the performance of any index. This document does not constitute an offer of services in jurisdictions where S&P Dow Jones Indices does not have the necessary licenses. S&P Dow Jones Indices receives compensation in connection with licensing its indices to third parties.*

**For more information:**

David R. Guarino  
Communications  
S&P Dow Jones Indices  
212 438 1471  
[dave.guarino@spdji.com](mailto:dave.guarino@spdji.com)

Howard Silverblatt  
Senior Index Analyst  
S&P Dow Jones Indices  
212 438 3916  
[howard.silverblatt@spdji.com](mailto:howard.silverblatt@spdji.com)

Soogyung Cho  
Communications  
S&P Dow Jones Indices  
212 438 2297  
[soogyung.cho@spdji.com](mailto:soogyung.cho@spdji.com)