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SHAREHOLDER VALUE CREATORS IN THE S&P 500:  
YEAR 2004

Pablo Fernández \*  
Alvaro Villanueva \*\*

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\* Professor of Financial Management, PricewaterhouseCoopers Chair of Finance, IESE

\*\* Research Associate, IESE

IESE Business School – Universidad de Navarra

Avda. Pearson, 21 – 08034 Barcelona. Tel.: (+34) 93 253 42 00 Fax: (+34) 93 253 43 43

Camino del Cerro del Águla, 3 (Ctra. de Castilla, km. 5,180 – 28023 Madrid. Tel.: (+34) 91 357 08 09 Fax: (+34) 91 357 29 13

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## **SHAREHOLDER VALUE CREATORS IN THE S&P 500: YEAR 2004**

### **Abstract**

During 2004, 64% of the companies included in the S&P 500 created value, while in 2003 87% of these companies did it. The market value of the 500 companies was \$11.2 trillion in 2004 and \$10.1 trillion in 2003. The top shareholder value creators in 2004 were Exxon, General Electric, Ebay, Johnson & Johnson and Qualcomm. We define created shareholder value and provide the ranking of created shareholder value for the 500 companies. We also calculate the created shareholder value of the 500 companies during the twelve-year period 1993-2004. General Electric was the top shareholder value creator and AT&T was the top shareholder value destroyer during the twelve-year period. On average, the small market capitalization companies of the S&P were more profitable. The volatility of the S&P fell since 1998 to 2004, but the volatility of his components increased on average.

JEL Classification: G12, G31, M21

Keywords: shareholder value creation, created shareholder value, equity market value, shareholder value added, shareholder return, required return to equity, EVA.

## **SHAREHOLDER VALUE CREATORS IN THE S&P 500: YEAR 2004**

In this paper, we quantify shareholder value creation for the 500 companies included in the S&P 500 in December 2004. We provide the created shareholder value for each and every company for the years 1993-2004. Only 406 companies (out of the 500) traded as of December 31, 1992.

In section 1, created shareholder value is defined and calculated for the S&P 500 as a whole. Section 2 has the ranking of created shareholder value for the 500 companies in the 12-year period 1993-2004. Section 3 shows the shareholder return of the top ten most and least profitable companies during the period 1993-2004. Section 4 shows the relation between shareholder return in successive years, and Section 5, the relation between shareholder return and size. In Section 6, we can see that the volatility of the S&P fell between 1998 and 2004, although the volatility of its components increased (on average).

**Appendix 1** contains the shareholder value creation in each year of the period 1993-2004 for the companies of the S&P 500 in December 2004. **Appendix 2** has the ranking of created shareholder value for the 500 companies in the 12-year period 1993-2004. **Appendix 3** has the ranking of shareholder return for the 500 companies in 2004.

### **1. Definition of created shareholder value**

We define created shareholder value following Fernández (2004, chapter 1). To obtain the created shareholder value, we must first define the increase in equity market value, shareholder value added, shareholder return, and required return to equity.

The equity market value of a listed company is the company's market value, that is, each share's price multiplied by the number of shares. The **increase in equity market value** in one year is the equity market value at the end of that year less the equity market value at the end of the previous year.

Shareholder value added is the term used for the difference between the wealth held by the shareholders at the end of a given year and the wealth they held at the end of the previous year.

The shareholder value added is calculated as follows:

$  \begin{aligned}  &\text{Shareholder value added} = \\  &\text{Increase in equity market value} \\  &+ \text{Dividends paid during the year} \\  &\quad - \text{Outlays for capital increases} \\  &+ \text{Other payments to shareholders (discounts on par value, share buy-backs....)} \\  &\quad - \text{Conversion of convertible debentures}  \end{aligned}  $
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The **shareholder return** is the shareholder value added in one year divided by the equity market value at the beginning of that year. Shareholder return = Shareholder value added / Equity market value.

The **required return to equity** is the sum of the interest rate of long-term Treasury bonds plus a quantity that is usually called the company's risk premium and that depends on its risk.

$$\text{Required return to equity} = \text{return of long-term Treasury bonds} + \text{risk premium}$$

A company creates value for its shareholders when the shareholder return exceeds the share cost (the required return to equity). In other words, a company creates value in one year when it outperforms expectations. The **created shareholder value** is quantified as follows:

$\text{Created shareholder value} = \text{Equity market value} \times (\text{Shareholder return} - K_e)$
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As we already saw that the shareholder return is equal to the shareholder value added divided by the equity market value, the created value can also be calculated as follows:

$$\text{Created shareholder value} = \text{Shareholder value added} - (\text{Equity market value} \times K_e)$$

Consequently, the value created is the shareholder value added above expectations, which are reflected in the required return to equity.

**Table 1** shows in simplified form the relationship between three variables that are sometimes confused: increase in equity market value, shareholder value added, and created shareholder value.

**Table 2** contains the market value, shareholder return, shareholder value added and created shareholder value of the S&P 500 for the years 1993-2004<sup>1</sup>.

**Table 1. Increase in equity market value, shareholder value added, and created shareholder value**

Increase in equity market value	Equity market value t- Equity market value t-1
Shareholder value added	Increase in equity market value - payments from shareholders + dividends + repurchases - conversions.
Created shareholder value	Shareholder value added - (Equity market value x Ke)

**Table 2. S&P 500. Market value, shareholder return, shareholder value added and created shareholder value (\$ billion)**

\$ billion	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Total
<b>Shareholder return</b>	<b>8%</b>	<b>10%</b>	<b>1%</b>	<b>38%</b>	<b>23%</b>	<b>33%</b>	<b>29%</b>	<b>21%</b>	<b>-9%</b>	<b>-12%</b>	<b>-22%</b>	<b>29%</b>	<b>11%</b>	<b>11.0%</b>
Market value		3,306	3,346	4,588	5,626	7,555	9,942	12,3	11,74	10,467	8,107	10,3	11,289	
Δ Market value		291	41	1,242	1,037	1,929	2,388	2,37	-575	-1,269	-2,359	2,18	1,003	8,274
Shareholder value added		304	44	1,257	1,054	1,877	2,159	2,09	-1,121	-1,395	-2,313	2,33	1,119	7,402
RF (10 years)		5.80%	7.84%	5.58%	6.42%	5.74%	4.65%	6.43%	5.10%	5.04%	3.79%	4.26%	4.22%	5.4%
Ke		11.7%	10.4%	12.8%	9.9%	11.0%	9.6%	8.1%	10.6%	9.1%	9.0%	7.8%	8.3%	9.9%
Risk Premium		5.0%	4.6%	5.0%	4.3%	4.6%	3.9%	3.5%	4.2%	4.0%	4.0%	4.0%	4.0%	4.3%
Shareholder value creation		-48	-300	828	600	1,257	1,431	1,28	-2,43	-2,463	-3,259	1,69	269	-1,139
Shareholder value creation (\$ 04)		-134	-752	1,839	1,214	2,289	2,377	1,97	-3,373	-3,134	-3,803	1,83	269	595

## 2. Shareholder value creators

Table 3 shows the top ten value creators and value destroyers for the years 1993-2004.

<sup>1</sup> To sum and correctly compare the shareholder value creation of several year, the shareholder value creation must be adjusted to dollars of a base year. We have adjusted the shareholder value creation of 1999 to dollars of 2004 in the following way:

$$1,969 = 1,282 \times (1+Ke_{2000}) \times (1+Ke_{2001}) \times (1+Ke_{2002}) \times (1+Ke_{2003}) \times (1+Ke_{2004}).$$

Ke is the required return to equity.

**Table 3. Top ten value creators and value destroyers for the years 1993-2004**

Top shareholder value creator. Shareholder value created in \$ million 04.										
	1	2	3	4	5	6	7	8	9	10
1993	GENERAL MOTORS 37,165	GENERAL ELECTRIC 28,529	MOTOROLA 25,320	FORD MOTOR 24,129	SEARS ROEBUCK 21,081	INTEL 16,286	HUMANA 12,913	CHEVRONTXACO 11,998	EASTMAN KODAK 11,199	ORACLE 11,170
1994	MICROSOFT 23,779	INTL.BUS.MACH. 17,645	COCA COLA 10,747	MOTOROLA 10,552	JOHNSON & JOHNSON 10,459	ORACLE 9,474	HEWLETT-PACKARD 9,045	DU PONT E I DE NEMOUR 8,057	MICRON TECH. 7,329	ARCHER-DANLS.-MIDL. 5,988
1995	MERCK & CO. 64,614	GENERAL ELECTRIC 60,318	ALTRIA GROUP 54,647	COCA COLA 47,251	EXXON MOBIL 41,553	INTEL 39,612	JOHNSON & JOHNSON 34,585	AT & T 33,461	HEWLETT-PACKARD 32,496	BELLSOUTH 31,455
1996	INTEL 118,063	MICROSOFT 83,382	GENERAL ELECTRIC 71,645	SANMINA-SCI 66,060	COCA COLA 60,783	INTL.BUS.MACH. 57,309	EXXON MOBIL 33,013	ALTRIA GROUP 30,910	CISCO SYSTEMS 25,585	PROCTER & GAMBLE 25,168
1997	GENERAL ELECTRIC 115,098	MICROSOFT 82,788	PFIZER 66,362	BRISTOL MYERS SQUIBB 63,267	ELI LILLY 58,319	WAL MART STORES 58,208	AT & T 53,795	PROCTER & GAMBLE 51,293	MERCK & CO. 42,069	COCA COLA 40,299
1998	MICROSOFT 275,722	LUCENT TECHNOLOGIES 153,222	WAL MART STORES 139,363	CISCO SYSTEMS 134,601	GENERAL ELECTRIC 122,694	INTEL 116,337	DELL 114,624	INTL.BUS.MACH. 111,783	TIME WARNER 96,982	PFIZER 92,109
1999	MICROSOFT 324,914	CISCO SYSTEMS 283,388	GENERAL ELECTRIC 228,087	ORACLE 193,154	WAL MART STORES 168,743	QUALCOMM 160,305	SUN MICROSYSTEMS 134,948	YAHOO 108,196	CITIGROUP 104,233	EMC 103,362
2000	ALTRIA GROUP 70,842	MERCK & CO. 67,676	AMERICAN INTL.GP. 61,342	PFIZER 56,305	WYETH 37,914	CITIGROUP 34,294	MEDTRONIC 33,161	SANMINA-SCI 32,933	ELI LILLY 31,237	TYCO INTL. 30,251
2001	MICROSOFT 127,634	INTL.BUS.MACH. 64,914	BANK OF AMERICA 32,333	DELL 26,536	AT & T 26,124	LOWE'S COMPANIES 21,425	BEST BUY 11,669	FIRST DATA 10,540	EBAY 10,529	COMPUTER ASSOCS.INTL. 10,474
2002	BOSTON SCIENTIFIC 7,602	BANK OF AMERICA 7,164	WACHOVIA 5,552	LOCKHEED MARTIN 3,893	PROCTER & GAMBLE 3,843	NEWMONT MINING 3,295	SLM 2,495	HALLIBURTON 2,492	UNITEDHEALTH GP. 2,485	APOLLO GP.'A' 2,264
2003	INTEL 110,442	CISCO SYSTEMS 79,576	CITIGROUP 67,327	GENERAL ELECTRIC 61,867	EXXON MOBIL 34,490	ALTRIA GROUP 32,055	P MORGAN CHASE & CO 27,343	HOME DEPOT 25,179	TEXAS INSTS. 25,001	PFIZER 21,813
2004	EXXON MOBIL 55,770	GENERAL ELECTRIC 41,209	EBAY 29,634	JOHNSON & JOHNSON 27,149	QUALCOMM 21,347	YAHOO 16,854	BANK OF AMERICA 16,779	CHEVRONTXACO 16,715	APPLE COMPUTERS 15,063	UNITEDHEALTH GP. 14,989

Top shareholder value destroyer. Shareholder value destroyed in \$ million 04.										
	1	2	3	4	5	6	7	8	9	10
1993	ALTRIA GROUP -62,833	WAL MART STORES -60,538	MERCK & CO. -36,785	HOME DEPOT -18,973	BRISTOL MYERS SQUIBB -17,928	JOHNSON & JOHNSON -16,503	APPLE COMPUTERS -14,070	LIMITED BRANDS -12,748	NOVELL -11,651	AMGEN -11,320
1994	WAL MART STORES -32,050	GENERAL MOTORS -29,770	GENERAL ELECTRIC -19,271	AT & T -19,205	EXXON MOBIL -15,675	FORD MOTOR -14,653	PEPSICO -14,421	VERIZON COMMS. -12,674	PG & E -12,491	TOYS R US HOLDINGS -10,530
1995	MOTOROLA -10,057	TOYS R US HOLDINGS -7,942	WAL MART STORES -6,571	NOVELL -5,231	EMC -4,803	ARCHER-DANLS.-MIDL. -4,357	APPLE COMPUTERS -3,640	HOME DEPOT -3,404	ADVD.MICRO DEVC. -3,195	REEBOK INTL. -3,082
1996	AT & T -26,804	ELECTRONIC DATA SYSTEMS -11,428	BELLSOUTH -10,291	SBC COMMUNICATIONS -10,194	VIACOM 'B' -9,754	UNITEDHEALTH GP. -9,388	MICRON TECH. -7,606	KELLOGG -7,084	PG & E -6,742	INTUIT -5,804
1997	HCA -18,281	ORACLE -17,220	EASTMAN KODAK -15,272	MOTOROLA -11,145	BOEING -11,085	NIKE 'B' -9,092	FIRST DATA -8,461	INTEL -8,119	BOSTON SCIENTIFIC -7,038	3M -5,344
1998	SCHLUMBERGER -32,464	BOEING -32,200	CENDANT -26,067	DU PONT E I DE NEMOURS -20,129	COCA COLA -19,768	WALT DISNEY -18,542	CITIGROUP -16,087	COMPUTER ASSOCS.INTL. -16,062	ALLSTATE -14,004	KELLOGG -12,436
1999	ALTRIA GROUP -120,438	PFIZER -69,499	COCA COLA -47,948	ELI LILLY -46,159	WACHOVIA -45,470	XEROX -43,779	WYETH -40,311	MERCK & CO. -38,790	SCHERING-PLOUGH -36,118	ABBOTT LABS. -35,473
2000	MICROSOFT -622,982	LUCENT TECHNOLOGIES -323,380	CISCO SYSTEMS -204,027	YAHOO -183,721	AT & T -168,767	TIME WARNER -165,773	INTEL -147,919	DELL -146,229	WAL MART STORES -135,216	QUALCOMM -118,876
2001	CISCO SYSTEMS -217,600	EMC -173,108	GENERAL ELECTRIC -138,154	ORACLE -137,802	MERCK & CO. -118,862	SUN MICROSYSTEMS -79,086	AMERICAN INTL.GP. -78,363	PFIZER -75,085	QWEST COMMS.INTL. -73,023	BRISTOL MYERS SQUIBB -61,857
2002	GENERAL ELECTRIC -210,190	INTEL -150,189	MICROSOFT -130,729	TIME WARNER -113,677	TYCO INTL. -111,304	INTL.BUS.MACH. -106,124	CITIGROUP -96,267	PFIZER -85,823	AMERICAN INTL.GP. -84,182	HOME DEPOT -83,809
2003	MERCK & CO. -24,893	JOHNSON & JOHNSON -15,608	VERIZON COMMS. -14,442	SCHERING-PLOUGH -9,127	AT & T -5,765	KOHL'S -5,405	SBC COMMUNICATIONS -5,172	LOCKHEED MARTIN -4,769	MICROSOFT -3,532	EASTMAN KODAK -3,355
2004	PFIZER -80,264	INTEL -74,808	CISCO SYSTEMS -49,017	MERCK & CO. -36,191	COCA COLA -29,334	ELI LILLY -19,932	VIACOM 'B' -17,877	WAL MART STORES -15,964	AMERICAN INTL.GP. -13,808	TEXAS INSTS. -12,834

The top shareholder value creators in 2004 were Exxon (\$55,770 million), General Electric (\$41,209 million), eBay (\$29,634 million), Johnson & Johnson (\$27,149 million), Qualcomm (\$21,347 million), Yahoo (\$16,854 million), Bank of America (\$16,779 million), ChevronTexaco (\$16,715 million), Apple (\$15,063 million) and UnitedHealth GP (\$14,989 million). Microsoft was the top shareholder value creator on five occasions in the last eleven years (1994, 1998, 1999, 2001) and reached the second position twice during that period (1996 and 1997), but was also the top value destroyer during 2000.

**Appendix 1** contains the ranking of created shareholder value for the period 1993-2004. In 2004, 64% (317 of the 497 companies) created value, while in 2003 the percentage was 87%. The percentage of value creators was 17%, 37%, 57%, 48%, 55%, 80%, 70%, 82%, 32% and 54% in 2002, 2001, 2000, 1999, 1998, 1997, 1996, 1995, 1994 and 1993, respectively.

**Table 4** contains the ranking of created shareholder value for the biggest companies. As seen in this table, the top value creators and destroyers are always the big market capitalization companies.



**Table 4. Ranking of created shareholder value for the biggest companies in each year of the period 1993-2004 (\$ millions)**

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
General Electric	11,217	-8,295	29,035	37,597	66,498	77,166	154,1	-80,07	-111,02	-182,82	57,57	41,209
Ranking	2	-3	2	3	1	5	3	-10	-3	-1	4	2
Microsoft	-4,011	9,51	11,043	41,041	45,123	164,25	208,9	-444,3	99,76	-111,74	-3,26	1,714
Ranking	-10	1	16	2	2	1	1	-1	1	-3	-9	129
Exxon Mobil	-2,022	-6,747	20,002	17,324	22,311	20,431	9,081	1,231	-48,035	-46,458	32,095	55,77
Ranking	-29	-5	5	7	12	22	44	168	-11	-15	5	1
Pfizer	-3,203	1,159	13,24	9,998	38,341	57,93	-46,97	41,776	-60,336	-74,647	20,298	-80,264
Ranking	-17	20	11	14	3	9	-2	4	-7	-8	10	-1
Citigroup	2,725	-2,432	8,826	7,285	20,06	-10,05	70,24	25,411	-19,165	-83,731	62,651	-11,863
Ranking	13	-25	25	17	15	-7	8	6	-35	-7	3	-12
Wal Mart Stores	-23,69	-13,73	-3,153	-3,018	33,595	87,631	114	-100,3	1,511	-51,305	-2,807	-15,964
Ranking	-2	-1	-3	-10	5	2	5	-9	55	-12	-12	-7
Intel	5,637	-1,879	17,182	56,435	-4,326	68,025	60,99	-103,8	-9,596	-126,74	101,162	-74,808
Ranking	6	-41	6	1	-8	7	10	-7	-66	-2	1	-2
American Intl.Gp.	0.805	0.761	9.393	3.702	20.858	18.878	33.187	45.513	-62.970	-73.220	12.133	-13.808
Ranking	56	28	20	41	13	23	19	3	-6	-9	37	-9
Cisco Systems	2,466	-223	8,921	12,298	8,234	79,174	180	-143,2	-167,58	-49,707	72,979	-49,017
Ranking	16	210	23	10	39	4	2	-3	-1	-13	2	-3
IBM	1,423	7,346	5,704	29,486	22,421	69,501	16,86	-59,67	51,705	-91,775	17,338	-981
Ranking	31	2	32	5	11	6	29	-14	2	-6	14	-101
Johnson & Johnson	-6,489	4,502	16,648	5,038	16,039	17,817	5,662	5,767	8,33	-29,033	-14,524	27,149
Ranking	-6	4	7	30	21	26	73	57	9	-21	-2	4
Procter & Gamble	-693	719	10,607	13,207	29,634	7,531	17,09	-53,11	-5,301	3,343	12,135	6,347
Ranking	-74	34	18	9	8	51	28	-15	-95	5	36	30
Coca Cola	223	172	876	2,472	6,685	-1,2	-7,242	-1,338	-683	567	-554	-1,176
Ranking	135	94	157	59	48	-88	-32	-156	-242	40	-35	-90
Bank of America	-1,709	-2,002	5,917	6,677	5,014	-3,341	-22,39	-12,33	25,982	6,232	13,746	16,779
Ranking	-36	-37	31	22	60	-33	-11	-43	3	2	26	7
Altria Gp.	-24,21	-289	25,941	16,058	12,942	15,359	-80,98	52,31	780	-14,923	29,758	11,779
Ranking	-1	-198	3	8	26	32	-1	1	100	-47	6	16
Merck	-14,44	2,355	31,061	12,082	24,31	41,234	-26,22	50,223	-95,533	-12,701	-23,169	-36,191
Ranking	-3	10	1	11	9	13	-8	2	-5	-58	-1	-4
General Motors	14,17	-12,49	5,101	-386	3,759	5,348	8,567	-17,54	-2,706	-7,995	9,399	-8,822
Ranking	1	-2	36	-75	81	60	47	-29	-143	-83	50	-16
AT& T	-3,674	-8,047	15,679	-13,69	30,254	17,114	-6,896	-122,4	20,621	-19,239	-5,325	-1,424
Ranking	-13	-4	8	-1	7	28	-37	-4	4	-33	-5	-80

Table 5 contains the top ten value creators and destroyers during the twelve-year period 1993-2004. General Electric was the top shareholder value creator (\$253,911 million) and AT&T, the top shareholder value destroyer (-\$123,131 million). **Appendix 2** contains the created shareholder value of the companies of the S&P 500 during this period<sup>2</sup>.

**Table 5. The top ten value creators and destroyers during the period 1993-2004 (\$ millions 2004)**

Top ten shareholder value creators						
		Shareholder value creation		Shareholder return	Market Value (MV)	
		93-04			93-2004	1992
		93-04	% of MV. 04			
1	GENERAL ELECTRIC	<b>253,911</b>	65.80%	17.02%	73,020	385,883
2	MICROSOFT	<b>176,187</b>	60.65%	22.37%	23,483	290,489
3	IBM	<b>162,567</b>	99.06%	19.93%	28,77	164,106
4	CITIGROUP	<b>127,192</b>	50.87%	25.67%	5,313	250,042
5	EXXON MOBIL	<b>117,018</b>	35.39%	14.03%	75,917	330,693
6	DELL	<b>109,407</b>	104.51%	39.90%	1,756	104,689
7	JOHNSON & JOHNSON	<b>98,911</b>	52.55%	16.31%	33,063	188,213
8	INTEL	<b>98,722</b>	66.75%	19.99%	18,109	147,895
9	PROCTER & GAMBLE	<b>80,719</b>	57.77%	14.65%	36,449	139,720
10	ORACLE	<b>70,173</b>	97.89%	28.13%	3,983	71,685

Top ten shareholder value destroyers						
1	AT & T	<b>123,131</b>	-811.71%	-1.86%	68,116	15,169
2	CORNING	<b>-24,673</b>	-149.49%	2.14%	7,298	16,504
3	ELECTRONIC DATA SYSTEMS	<b>-31,829</b>	-268.15%	-1.40%	6,779	11,87
4	NOVELL	<b>-32,834</b>	-1284.44%	-11.31%	8,505	2,556
5	PFIZER	<b>-32,972</b>	-16.28%	15.11%	23,901	202,508
6	SBC COMMUNICATIONS	<b>-89,022</b>	-104.20%	6.30%	22,174	85,438
7	TIME WARNER	<b>-72,291</b>	-84.45%	44.83%	164	85,605
8	TOYS R US HOLDINGS	<b>-29,036</b>	-659.59%	-5.45%	11,681	4,402
9	VERIZON COMMS.	<b>-41,628</b>	-37.11%	8.06%	22,187	112,17
10	VIACOM 'B'	<b>-35,171</b>	-61.42%	4.80%	2,799	57,261

<sup>2</sup> Only 406 companies (out of the 500) traded as of December 31, 1992.

Table 6 contains the ranking of shareholder value creators and destroyers as a percentage of their market value in 200.

**Table 6. The top ten value creators and destroyers as a percentage of their market value during the period 1993-2004 (\$ millions 2004)**

<b>Top ten shareholder value creators</b>						
		Shareholder value creation		Shareholder return	Market Value (MV)	
		93-04			93-2004	1992
		93-04	% of MV. 04			
1	SEARS ROEBUCK	24,709	<b>234.12%</b>	12.29%	15,711	10,554
2	HUMANA	9,286	<b>196.21%</b>	12.56%	3,249	4,733
3	FORD MOTOR	47,961	<b>186.26%</b>	9.27%	20,928	25,749
4	ITT INDUSTRIES	13,516	<b>173.37%</b>	18.86%	8,59	7,796
5	ROCKWELL AUTOMATION	13,176	<b>144.37%</b>	20.32%	6,416	9,127
6	CIGNA	15,108	<b>137.96%</b>	15.37%	4,206	10,951
7	DELL	109,407	<b>104.51%</b>	39.90%	1,756	104,689
8	MEREDITH	2,176	<b>99.49%</b>	20.25%	420	2,187
9	INTL.BUS.MACH.	162,567	<b>99.06%</b>	19.93%	28,77	164,106
10	ORACLE	70,173	<b>97.89%</b>	28.13%	3,983	71,685

<b>Top ten shareholder value destroyers</b>						
		Shareholder value creation		Shareholder return	Market Value (MV)	
		93-04			93-2004	1992
		93-04	% of MV. 04			
1	NOVELL	-32,834	<b>-1284.44%</b>	-11.31%	8,505	2,556
2	DELTA AIR LINES	-7,916	<b>-817.74%</b>	-9.44%	2,528	968
3	DYNEGY 'A'	-10,628	<b>-812.51%</b>	-4.46%	1,674	1,308
4	AT & T	-123,131	<b>-811.71%</b>	-1.86%	68,116	15,169
5	GT.LAKES CHM.	-9,734	<b>-669.10%</b>	-5.14%	4,937	1,455
6	TOYS R US HOLDINGS	-29,036	<b>-659.59%</b>	-5.45%	11,681	4,402
7	DILLARDS 'A'	-12,881	<b>-613.67%</b>	-4.37%	5,149	2,099
8	GOODYEAR TIRE	-11,396	<b>-443.24%</b>	-4.66%	4,899	2,571
9	COOPER TIRE RUB.	-6,028	<b>-373.64%</b>	-1.84%	2,838	1,613
10	ADC TELECOM.	-8,036	<b>-370.70%</b>	5.28%	628	2,168

As seen in Table 6, the shareholder value creation of seven companies was higher than their market value, due to dividend payments and share repurchases. Table 7 shows Sears' evolution each year of the period. This company reduced the number of shares outstanding during 1998, 1999, 2000, 2001, 2003 and 2004.

**Table 7. Sears: Market value, shareholder return, shareholder value added and shareholder value creation (\$ millions)**

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Total
Market value	18,542	16,176	15,204	18,01	17,738	16,282	11,48	11,613	15,052	7,567	11,546	10,554	
Δ Market value	2,832	-2,367	-971	2,806	-272	-1,456	-4,801	132	3,439	-7,485	3,979	-992	-5,156
Δ Shareholder value added	9,686	-1,865	11,806	3,079	23.329	-791.67	-4,368	2,045	4,658	-7,315	7,21	1,68	25,848
Shareholder value creation:													
current dollars	8,008	-3,645	9,843	1,655	-1,922	-2,426	-5,632	916.65	3,687	-8,562	6,645	703	9,272
constant dollars (2004)	21,081	-8,755	21,085	3,241	-3,397	-3,926	-8,459	1,254	4,653	-9,979	7,207	703	24,709
Shareholder return	61.66%	-10.06%	72.99%	20.25%	0.13%	-4.46%	26.83%	17.81%	40.11%	48.60%	95.28%	14.55%	12.29%
Shares (millions)	350.7	351.6	389.9	391.5	392	383.1	378	334.2	316	316	253.8	206.82	
Δ shares (millions)	5.4	1	38.2	1.7	0.5	-8.9	-5.1	-43.8	-18.2	0	-62.1	-46.985	-138.29

Table 8 contains the ranking of increase and decrease in equity market value (in absolute value) during the period 1992-2004. General Electric had the highest increase and AT&T, the highest decrease.

**Table 8. Top ten companies with highest increase and decrease of equity market value during the period 1992-2004 (\$ millions 2004)**

Companies with highest increase in equity market value						
		Shareholder value creation		Shareholder return	Market Value (MV)	
		93-04			1992	2004
		93-04	% of MV. 04	93-2004		
1	GENERAL ELECTRIC	253,911	65.80%	17.02%	<b>73,02</b>	<b>385,883</b>
2	MICROSOFT	176,187	60.65%	22.37%	<b>23,483</b>	<b>290,489</b>
3	EXXON MOBIL	117,018	35.39%	14.03%	<b>75,917</b>	<b>330,693</b>
4	CITIGROUP	127,192	50.87%	25.67%	<b>5,313</b>	<b>250,042</b>
5	PFIZER	-32,972	-16.28%	15.11%	<b>23,901</b>	<b>202,508</b>
6	BANK OF AMERICA	40,656	21.42%	15.29%	<b>12,536</b>	<b>189,801</b>
7	JOHNSON & JOHNSON	98,911	52.55%	16.31%	<b>33,063</b>	<b>188,213</b>
8	WAL MART STORES	50,083	22.39%	11.17%	<b>73,56</b>	<b>223,686</b>
9	AMERICAN INTL.GP.	43,64	25.51%	15.41%	<b>24,541</b>	<b>171,042</b>
10	INTL.BUS.MACH.	162,567	99.06%	19.93%	<b>28,77</b>	<b>164,106</b>

Companies with highest decrease in equity market value						
1	AT&T	-123,131	-811.71%	-1.86%	<b>68,116</b>	<b>15,169</b>
2	TOYS R US HOLDINGS	-29,036	-659.59%	-5.45%	<b>11,681</b>	<b>4,402</b>
3	NOVELL	-32,834	-1284.44%	-11.31%	<b>8,505</b>	<b>2,556</b>
4	SEARS ROEBUCK	24,709	234.12%	12.29%	<b>15,711</b>	<b>10,554</b>
5	EASTMAN KODAK	-5,447	-58.92%	3.27%	<b>13,171</b>	<b>9,245</b>
6	GT.LAKES CHM.	-9,734	-669.10%	-5.14%	<b>4,937</b>	<b>1,455</b>
7	DILLARDS 'A'	-12,881	-613.67%	-4.37%	<b>5,149</b>	<b>2,099</b>
8	CENTERPOINT EN.	-6,828	-196.28%	1.67%	<b>5,941</b>	<b>3,478</b>
9	GOODYEAR TIRE	-11,396	-443.24%	-4.66%	<b>4,899</b>	<b>2,571</b>
10	DELTA AIR LINES	-7,916	-817.74%	-9.44%	<b>2,528</b>	<b>968</b>

Table 9 contains the ranking of the percentage increase and decrease in equity market value during the period 1992-2004. Starwood had the highest increase and AT&T, the highest decrease.

**Table 9. Top ten companies with highest percentage increase and decrease in equity market value during the period 1992-2004 (\$ millions 2004)**

Companies with highest percentage increase in market value 1992-2004						
	Shareholder value creation		Shareholder return	Market Value (MV)		
	93-04			93-2004	1992	2004
	93-04	% of MV. 04				
1 STARWOOD	34,212,241	28.26%	28.37%	12.13	12,105	99694%
2 TIME WARNER	-72,291	-84.45%	44.83%	163.51	85,605	52254%
3 BIOGEN IDEC	11,099	49.95%	37.50%	79.86	22,218	27721%
4 NORTH FORK BANCORP.	4,148	30.55%	29.29%	88.38	13,578	15263%
5 QUALCOMM	15,856	22.82%	40.27%	502.58	69,497	13728%
6 WASTE MAN.	-22,673	-132.36%	6.48%	153.69	17,13	11046%
7 CLEAR CHL.COMMS.	-17,671	-92.00%	28.83%	186.84	19,208	10180%
8 EXPRESS SCRIPTS 'A'	2,588	44.56%	27.66%	65.25	5,808	8801%
9 TYCO INTL.	-24,289	-33.78%	20.11%	849.77	71,895	8360%
10 SOVEREIGN BANC.	1,369	17.59%	15.79%	114.97	7,784	6671%

Companies with highest percentage decrease in market value 1992-2004						
1 AT&T	-123,131	-811.71%	-1.86%	68,116	15,169	-77.73%
2 GT.LAKES CHM.	-9,734	-669.10%	-5.14%	4,937	1,455	-70.53%
3 NOVELL	-32,834	-1284.44%	-11.31%	8,505	2,556	-69.94%
4 TOYS R US HOLDINGS	-29,036	-659.59%	-5.45%	11,681	4,402	-62.31%
5 DELTA AIR LINES	-7,916	-817.74%	-9.44%	2,528	968	-61.72%
6 DILLARDS 'A'	-12,881	-613.67%	-4.37%	5,149	2,099	-59.23%
7 GOODYEAR TIRE	-11,396	-443.24%	-4.66%	4,899	2,571	-47.52%
8 COOPER TIRE RUB.	-6,028	-373.64%	-1.84%	2,838	1,613	-43.16%
9 CENTERPOINT EN.	-6,828	-196.28%	1.67%	5,941	3,478	-41.46%
10 HERCULES	-2,123	-127.67%	-1.22%	2,766	1,663	-39.90%

### 3. Shareholder return

Table 10 contains the shareholder return of the top ten most and least profitable companies during the period 1993-2004. It can be seen that Time Warner was the most profitable company (44.8%), and that Novell was the least profitable company (-11.3%) in this period.

**Table 10. Top ten most and least profitable companies during the period 1993-2004**

<b>The top ten most profitable companies during 1993-2004</b>						
	Shareholder value creation 93-04		Shareholder return	Market Value (MV)		
	93-04	% of MV. 04	93-2004	1992	2004	
1	TIME WARNER	-72,291	-84.45%	<b>44.83%</b>	163.51	85,605
2	QUALCOMM	15,856	22.82%	<b>40.27%</b>	503	69,497
3	DELL	109,407	104.51%	<b>39.90%</b>	1755.65	104,689
4	BIOGEN IDEC	11,099	49.95%	<b>37.50%</b>	79.86	22,218
5	BEST BUY	14,145	72.56%	<b>31.92%</b>	437.81	19,494
6	STARBUCKS	20,033	80.32%	<b>31.59%</b>	483.66	24,943
7	ROBERT HALF INTL.	4,273	83.74%	<b>31.54%</b>	155.04	5,103
8	ALTERA	5,638	73.16%	<b>31.08%</b>	258.61	7,706
9	MAXIM INTEGRATED PRDS.	7,189	52.14%	<b>30.00%</b>	398	13,787
10	NORTH FORK BANCORP.	4,148	30.55%	<b>29.29%</b>	88	13,578

<b>The top ten least profitable companies during 1993-2004</b>						
1	NOVELL	-32,834	-1284.44%	<b>-11.31%</b>	8,505	2,556
2	DELTA AIR LINES	-7,916	-817.74%	<b>-9.44%</b>	2,528	968
3	TOYS R US HOLDINGS	-29,036	-659.59%	<b>-5.45%</b>	11,681	4,402
4	GT.LAKES CHM.	-9,734	-669.10%	<b>-5.14%</b>	4,937	1,455
5	GOODYEAR TIRE	-11,396	-443.24%	<b>-4.66%</b>	4,899	2,571
6	DYNEGY 'A'	-10,628	-812.51%	<b>-4.46%</b>	1,674	1,308
7	DILLARDS 'A'	-12,881	-613.67%	<b>-4.37%</b>	5,149	2,099
8	AT&T	-123,131	-811.71%	<b>-1.86%</b>	68,116	15,169
9	COOPER TIRE RUB.	-6,028	-373.64%	<b>-1.84%</b>	2,838	1,613
10	ELECTRONIC DATA SYSTEMS	-31,829	-268.15%	<b>-1.40%</b>	6,779	11,87

#### 4. Shareholder return in successive years

Table 11 contains the most and least profitable companies during 2004. It can be seen that Autodesk was the most profitable company and Ciena (-49.01%), the least profitable. But the most profitable companies in 2004 had a very low profitability in 2002. Appendix 3 shows that 386 companies had positive return and 111 had negative return in that year.

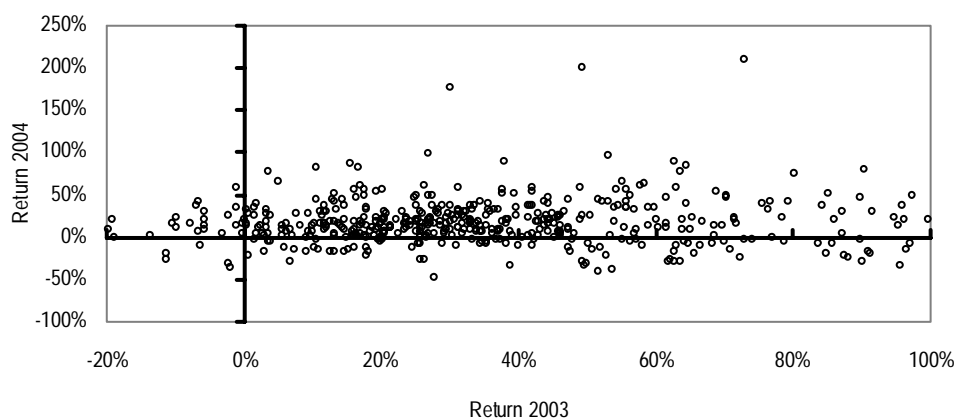
Table 12 contains the correlation of the companies' return in one year and their return in the previous year (with and without five extreme values). It can be seen that the correlation is not constant. Only in 1998, 2001, 2002 and 2003 was the correlation significant.

**Figure 1** shows shareholder return in 2003 and 2004. The correlation was negative.

**Table 12. Companies in the S&P 500. Correlation of the companies' return in one year and their return in the previous year**

Correlation ( $R_t ; R_{t-1}$ )	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
All companies	0.15	-0.04	0.11	0.17	0.46	0.15	-0.09	-0.21	0.20	-0.35	0.03
Without 5 extreme values	0.04	0.10	0.06	0.20	0.21	0.21	-0.18	-0.26	0.30	-0.30	0.05

**Figure 1. Relation of the return in 2004 and the return in 2003**



## 5. Shareholder return and size

Table 13 shows the companies with the highest and lowest market value in 1992. It can be seen that their market value in 2004, the shareholder return and the shareholder value creation during the period 1993-2004. On average, the small market capitalization companies were more profitable.

Companies with highest market value in 1992						
		Shareholder value creation 93-04		Shareholder return 93-2004	Market Value (MV)	
		93-04	% of MV. 04		1992	2004
1	EXXON MOBIL	117,018	35.39%	14.03%	75,917	330,693
2	WAL MART STORES	50,083	22.39%	11.17%	73,56	223,686
3	GENERAL ELECTRIC	253,911	65.80%	17.02%	73,02	385,883
4	ALTRIA GROUP	47,1	37.56%	13.09%	68,854	125,413
5	AT&T	-123,131	-811.71%	-1.86%	68,116	15,169
6	COCA COLA	-10,177	-10.10%	7.43%	54,852	100,745
7	MERCK & CO.	-1,679	-2.36%	6.34%	49,751	71,276
8	PROCTER & GAMBLE	80,719	57.77%	14.65%	36,449	139,72
9	BRISTOL MYERS SQUIBB	2,739	5.49%	7.42%	34,968	49,846
10	JOHNSON & JOHNSON	98,911	52.55%	16.31%	33,063	188,213

Companies with lowest market value in 1992						
1	STARWOOD	34,212,241	28.26%	28.37%	12.13	12,105
2	ALLIED WASTE INDS.	-5,086	-172.21%	5.76%	44.71	2,953
3	EXPRESS SCRIPTS 'A'	2,588	44.56%	27.66%	65.25	5,808
4	BIOGEN IDEC	11,099	49.95%	37.50%	79.86	22,218
5	NORTH FORK BANCORP.	4,148	30.55%	29.29%	88.38	13,578
6	SOVEREIGN BANC.	1,369	17.59%	15.79%	114.97	7,784
7	AUTONATION	-12,624	-248.38%	19.03%	140.78	5,082
8	PMC-SIERRA	-4,5	-224.47%	17.12%	142.49	2,005
9	NOBLE	3,052	45.86%	22.31%	152.15	6,655
10	WASTE MAN.	-22,673	-132.36%	6.48%	153.69	17,13

Figure 2 shows the relation of shareholder return in the twelve-year period 1993-2004 and size (measured as the log of the market capitalization at the beginning of the period, in 1992). There is some relation. The correlation is -0.39 and the R-squared 0.15 because the small companies were more profitable (on average).

**Figure 2. Relation of shareholder return and size of the companies in the S&P 500 in the period 1993-2004**

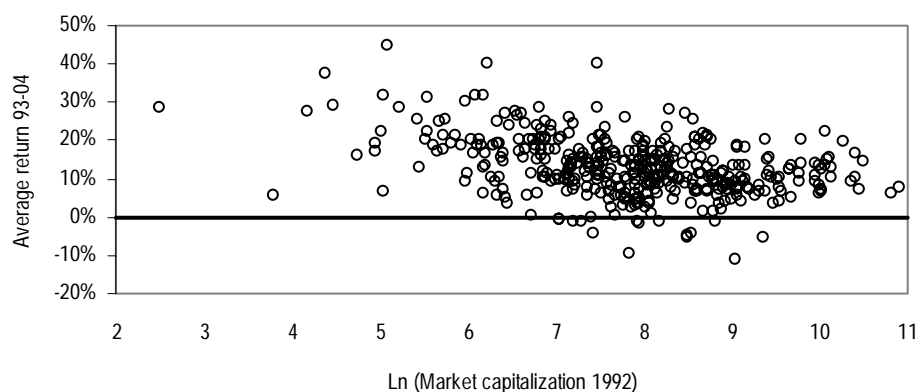
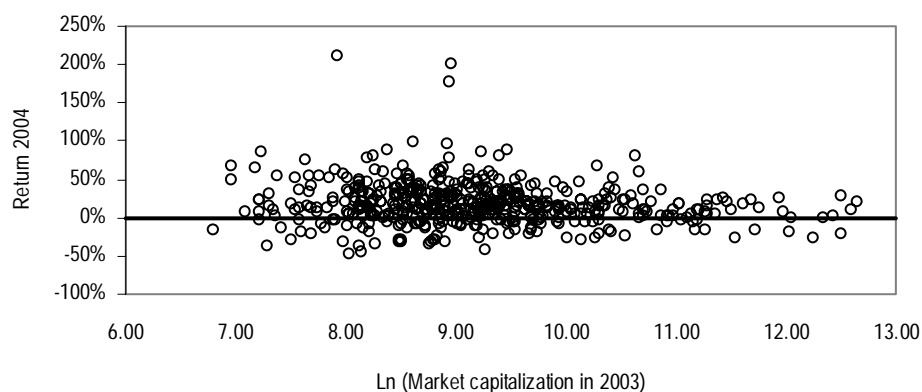
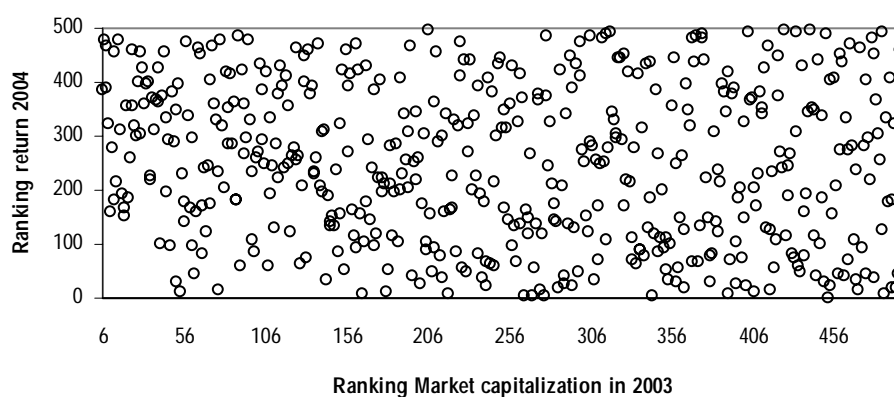


Figure 3 shows the relation of shareholder return in 2004 and size (measured as the log of the market capitalization) in 2003. The slope of the regression is -0.038 and the R-squared is 0.022 (that is, the difference in size explained only 2.2% of the return). Figure 4 plots the relation of the ranking of shareholder return and the ranking of size. The slope of the regression is -0.13 and the R-squared 0.017.



**Figure 3. Relation of shareholder return and size of the companies in the S&P 500 in 2004****Figure 4. Relation of shareholder return and size of the companies in the S&P 500 in 2004**

## 6. Volatility of the S&P 500 and its components

As seen in Table 14, the volatility of the S&P fell between 1998 and 2004, but the volatility of its components increased. The reason was that the correlation between the companies decreased.

**Table 14. Annual volatility of the S&P 500 and its components**

<b>500 companies:</b>	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Average	32%	31%	29%	28%	29%	33%	36%	41%	43%	44%	42%	39%
Median	28%	28%	25%	23%	24%	28%	31%	36%	38%	38%	37%	34%
Maximum	103%	93%	141%	142%	143%	201%	153%	128%	120%	118%	114%	108%
Minimum	10%	13%	12%	2%	10%	14%	16%	17%	6%	17%	16%	16%
<b>S&amp;P 500:</b>												
monthly data	6%	11%	5%	11%	16%	21%	13%	17%	20%	21%	11%	7%
daily data	8%	10%	8%	12%	18%	20%	18%	22%	21%	25%	17%	11%





















## Appendix 1 (cont.). Shareholder value creation of the companies in the S&amp;P 500 in December 2004 (\$ millions 04)

	2004		2003		2002		2001		2000		1999		1998		1997		1996		1995		1994		1993	
	\$ mill. 04	rank	\$ mill. 04	rank	\$ mill. 04	rank	\$ mill. 04	rank	\$ mill. 04	rank	\$ mill. 04	rank	\$ mill. 04	rank	\$ mill. 04	rank	\$ mill. 04	rank	\$ mill. 04	rank	\$ mill. 04	rank	\$ mill. 04	rank
ALCOA	-7,795	478	13,108	35	-15,226	442	-3,338	214	-11,831	428	24,475	31	-146	269	345	338	2,634	110	2,089	147	2,637	22	-1,862	335
FOREST LABS.	-7,901	479	3,580	139	1,958	12	2,165	50	7,345	64	482	195	3,397	117	1,016	255	-1,493	405	-687	396	-616	219	299	176
BRISTOLMYERS SQUIBB	-8,173	480	10,620	49	-68,751	485	-61,857	481	12,549	31	-20,194	456	50,999	16	63,267	4	19,123	13	25,439	16	-2,355	339	-17,928	402
FIFTH THIRD BANCORP	-8,526	481	-1,468	478	-4,895	352	-1,453	285	4,286	100	-940	283	4,682	92	10,131	56	2,070	126	2,866	121	-1,051	263	-1,073	307
GENERAL MOTORS	-8,822	482	10,143	50	-9,262	412	-3,402	348	-23,907	453	12,828	52	8,604	61	6,584	82	-746	371	10,798	38	-29,770	422	37,165	1
MARSH & MCLENNAN	-9,550	483	-35	435	-6,906	389	-5,760	386	5,066	88	13,454	46	2,420	136	4,874	106	1,543	166	522	291	-1,198	282	-3,227	358
CLEAR CHL.COMMS	-10,371	484	4,568	97	-12,671	432	-1,249	271	-23,213	452	12,251	55	3,523	115	5,401	96	1,626	163	1,169	227	425	94	870	117
HEWLETT-PACKARD	-11,197	485	15,055	25	-10,996	422	-34,963	468	-64,589	466	66,030	16	1,396	177	13,672	42	9,872	29	32,496	9	9,045	7	1,448	83
CITIGROUP	-11,863	486	67,327	3	-96,267	489	-23,863	456	34,294	6	104,233	9	-16,087	455	35,150	16	14,132	18	18,755	24	-5,821	398	7,203	14
APPLIED MATS.	-12,452	487	14,831	27	-17,708	451	-2,213	321	-36,072	463	47,804	21	6,029	78	7,034	79	-3,079	422	6,359	65	-212	174	4,737	27
TEXAS INSTR.	-12,834	488	25,001	9	-32,390	473	-54,481	477	-14,628	435	63,008	17	24,723	31	7,072	77	3,123	93	4,290	85	1,361	44	2,936	44
AMERICAN INTL.GP.	-13,808	489	13,038	37	-84,182	487	-78,363	484	61,342	3	49,110	19	30,016	26	36,102	15	7,054	42	19,513	21	1,769	31	2,049	59
WALMART STORES	-15,964	490	-3,017	485	-58,985	484	1,880	56	-135,216	474	168,743	5	139,363	3	58,208	6	-5,769	434	-6,571	432	-32,050	423	-60,538	405
VIACOM B'	-17,877	491	1,603	252	-13,233	434	-11,294	418	-14,642	436	16,937	40	12,951	50	1,282	234	-9,754	441	783	268	-1,516	298	-412	267
ELI LILLY	-19,932	492	4,696	95	-26,201	468	-29,931	463	31,237	9	-46,159	470	24,669	32	58,319	5	13,947	19	26,521	14	2,518	23	-3,770	368
COCA-COLA	-29,334	493	12,992	38	-18,524	455	-55,962	478	-7,394	404	-47,948	471	-19,768	457	40,299	10	60,783	5	47,251	4	10,747	3	-3,320	361
MERCK & CO.	-36,191	494	-24,893	496	-14,599	438	-118,862	486	67,676	2	-38,790	466	65,550	13	42,069	9	23,054	11	64,614	1	5,478	11	-36,785	404
CISCO SYSTEMS	-49,017	495	79,576	2	-58,808	483	-217,600	490	-204,027	480	283,388	2	134,601	4	15,365	35	25,585	9	20,471	20	-582	217	7,187	15
INTEL	-74,808	496	110,442	1	-150,189	494	-12,478	423	-147,919	476	96,399	12	116,337	6	-8,119	448	118,063	1	39,612	6	-4,905	388	16,286	6
PFIZER	-80,264	497	21,813	10	-85,823	488	-75,085	483	56,305	4	-69,499	472	92,109	10	66,362	3	19,081	14	27,547	11	2,706	21	-8,223	390

**Appendix 2. Created shareholder value (CSV) in the 12-year period 1993-2004 of the companies  
in the S&P 500 as of December 2004 (\$ millions 04)**

		1993-2003				1993-2003				1993-2003	
rank	Company	CSV	Return	rank	Company	CSV	Return	rank	Company	CSV	Return
1	EXXON MOBIL	117,018	14%	79	AUTOMATIC DATA PROC.	6,400	12%	157	UNUMPROVIDENT	-9,841	-1%
2	WAL MART STORES	50,083	11%	80	DUKE ENERGY	-5,573	7%	158	FIRSTENERGY	1,305	11%
3	GENERAL ELECTRIC	253,911	17%	81	GANNETT	7,486	12%	159	AON	-2,870	6%
4	ALTRIA GROUP	47,100	13%	82	CORNING	-24,673	2%	160	HERSHEY FOODS	7,874	16%
5	AT & T	-123,131	-2%	83	PUB.SER. ENTER.GP.	2,357	11%	161	LIZ CLAIBORNE	-3,622	7%
6	COCA COLA	-10,177	7%	84	CSX	-8,660	4%	162	SUN MICROSYSTEMS	-4,410	15%
7	MERCK & CO.	-1,679	6%	85	APPLE COMPUTERS	-7,569	7%	163	PHELPS DODGE	49	9%
8	PROCTER & GAMBLE	80,719	15%	86	PPG INDUSTRIES	1,213	9%	164	PROVIDIAN FINL.	4,453	11%
9	BRISTOL MYERS SQUIBB	2,739	7%	87	RAYTHEON 'B'	-3,618	6%	165	NUCOR	-579	10%
10	JOHNSON & JOHNSON	98,911	16%	88	ELECTRONIC DATA SYSTEMS	-31,829	-1%	166	COMPUTER ASSOCS.INTL.	6,896	15%
11	PEPSICO	12,957	10%	89	ALBERTSONS	-11,897	2%	167	CONSTELLATION EN.	1,428	10%
12	DU PONT E I DE NEMOURS	13,327	9%	90	UST	-2,592	9%	168	DEERE	12,130	17%
13	IBM	162,567	20%	91	MARSH & MCLENNAN	1,203	10%	169	STATE STREET	7,428	15%
14	ABBOTT LABS.	31,191	13%	92	FPL GROUP	3,311	11%	170	LOUISIANA PACIFIC	-6,342	1%
15	BELLSOUTH	19,652	10%	93	CONOCOPHILLIPS	23,953	14%	171	HUMANA	9,286	13%
16	AMERICAN INTL.GP.	43,640	15%	94	DOMINION RES.	1,881	11%	172	ST.PAUL TRAVELERS	13	9%
17	Pfizer	-32,972	15%	95	ROCKWELL AUTOMATION	13,176	20%	173	FIFTH THRD BANCORP	4,927	15%
18	CHEVRONTXACO	37,183	14%	96	PITNEY-BOWES	2,967	10%	174	BAUSCH & LOMB	-4,716	4%
19	MICROSOFT	176,187	22%	97	SLM	17,071	21%	175	KNIGHT-RIDDER	201	9%
20	GENERAL MOTORS	10,215	7%	98	ALCOA	8,091	13%	176	NEWELL RUBBERMAID	-5,281	4%
21	WALT DISNEY	-22,430	7%	99	UNOCAL	-2,971	7%	177	NORDSTROM	-1,307	9%
22	HOME DEPOT	27,714	12%	100	MERRILL LYNCH & CO.	29,916	21%	178	GRAINGER W W	-749	8%
23	VERIZON COMMS.	-41,628	8%	101	AMER.ELEC.PWR.	-4,359	7%	179	V F	-371	9%
24	SBC COMMUNICATIONS	-89,022	6%	102	WELLS FARGO & CO	40,516	19%	180	TRIBUNE	2,833	12%
25	3M	29,218	14%	103	UNITED TECHNOLOGIES	40,479	22%	181	WHIRLPOOL	-2,256	6%
26	WYETH	13,310	11%	104	CENTERPOINT EN.	-6,828	2%	182	LINCOLN NAT.	3,094	12%
27	FORD MOTOR	47,961	9%	105	ENERGY	3,815	11%	183	HALLIBURTON	-472	11%
28	FANNIE MAE	43,408	14%	106	EXELON	9,490	16%	184	GEN.DYNAMICS	13,761	20%
29	INTEL	98,722	20%	107	WACHOVIA	1,506	12%	185	REEBOK INTL.	-4,382	3%
30	ELI LILLY	35,914	14%	108	MEDTRONIC	31,755	20%	186	CINCINNATI FIN.	1,256	10%
31	MCDONALDS	3,482	9%	109	SPRINT	1,458	11%	187	INGERSOLL-RAND	6,040	14%
32	HEWLETT-PACKARD	27,267	11%	110	CVS	-6,101	7%	188	MCGRAW-HILL	12,818	19%
33	ANHEUSER-BUSCH COS.	20,832	13%	111	GEORGIA PACIFIC	-3,105	7%	189	BECTON DICKINSON	9,190	17%
34	KELLOGG	-14,253	5%	112	SUNTRUST BANKS	6,711	13%	190	SUNOCO	1,637	13%
35	SEARS ROEBUCK	24,709	12%	113	CATERPILLAR	29,146	21%	191	INTL GAME TECH.	3,224	16%
36	DOW CHEMICALS	16,533	12%	114	TARGET	33,452	21%	192	FEDEX	15,234	18%
37	SARA LEE	-6,657	7%	115	COOPER INDS.	-4,853	6%	193	SIGMA ALDRICH	-1,787	7%
38	PG & E	-15,384	4%	116	WALGREEN	25,101	19%	194	MELLON FINL.	12,575	14%
39	MOTOROLA	-14,509	8%	117	CITIGROUP	127,192	26%	195	TEMPLE INLAND	-2,842	5%
40	SCHLUMBERGER	4,494	10%	118	AIR PRDS.& CHEMS.	1,103	10%	196	COOPER TIRE RUB.	-6,028	-2%
41	BOEING	-2,413	10%	119	BURLINGTON RES.	-596	8%	197	HASBRO	-4,072	3%
42	EASTMAN KODAK	-5,447	3%	120	DILLARDS 'A'	-12,881	-4%	198	AFLAC	16,228	21%
43	SCHERING-PLOUGH	10,573	11%	121	OCCIDENTAL PTL.	11,538	15%	199	EATON	5,680	15%
44	BANK OF AMERICA	40,656	15%	122	DONNELLY R R	-5,988	3%	200	NEWMONT MINING	-1,958	3%
45	GILLETTE	4,106	12%	123	SYSCO	16,009	17%	201	VIACOM 'B'	-35,171	5%
46	EMERSON ELECTRIC	7,752	11%	124	MARATHON OIL	948	10%	202	HERCULES	-2,123	-1%
47	SOUTHERN	18,740	15%	125	GT.LAKES CHM.	-9,734	-5%	203	GOLDEN WEST FINL.	13,388	20%
48	UNION PACIFIC	-5,006	7%	126	GOODYEAR TIRE	-11,396	-5%	204	SEMPRA EN.	10	10%
49	AMERICAN EXPRESS	61,966	20%	127	DTE ENERGY	-1,084	9%	205	AUTOZONE	2,802	14%
50	TOYS R US HOLDINGS	-29,036	-5%	128	CISCO SYSTEMS	36,139	27%	206	DOW JONES & CO	-17	6%
51	GENERAL MILLS	-4,706	8%	129	GAP	8,980	14%	207	BAKER HUGHES	905	8%
52	HEINZ HJ	-5,536	7%	130	MASCO	1,848	10%	208	FRANK.RES.	9,155	17%
53	CAMPBELL SOUP	-2,621	6%	131	PROGRESS ENERGY	714	10%	209	SOUTHWEST AIRLINES	3,502	13%
54	EDISON INTL.	-5,307	7%	132	BANK OF NEW YORK	19,714	17%	210	ALLEGHENY EN.	-2,445	3%
55	LIMITED BRANDS	-8,347	8%	133	AMERADA HESS	-2,996	6%	211	XCEL ENERGY	-5,438	4%
56	AMGEN	39,182	18%	134	ALLTEL	-1,452	11%	212	SHERWIN-WILLIAMS	1,410	11%
57	JP MORGAN CHASE & CO.	9,229	13%	135	H & R BLOCK	221	10%	213	MBIA	1,662	11%
58	KIMBERLY-CLARK	1,643	10%	136	CIGNA	15,108	15%	214	DOVER	4,757	13%
59	TXU	620	9%	137	INTL.FLAV.& FRAG.	-4,035	4%	215	INTERPUBLIC GP.	-8,286	2%
60	PENNEY JC	-10,977	4%	138	TORCHMARK	-2,402	8%	216	CLOROX	7,859	17%
61	BAXTER INTL.	3,249	10%	139	PPL	1,284	12%	217	DELTA AIR LINES	-7,916	-9%
62	COLGATE-PALM.	14,762	13%	140	NIKE 'B'	6,194	14%	218	FEDERATED DEPT.STRS.	-153	10%
63	MAY DEPT.STORES	-4,174	6%	141	ORACLE	70,173	28%	219	MBNA	28,861	26%
64	FREDDIE MAC	35,799	18%	142	AVON PRODUCTS	12,486	18%	220	CIRCUIT CITY STORES	-4,963	5%
65	ARCHER-DANLS.-MIDL.	-4,928	7%	143	UNITEDHEALTH GP.	40,241	23%	221	JEFFERSON PILOT	4,582	14%
66	NORFOLK SOUTHERN	-3,368	8%	144	NAT.CITY	4,409	14%	222	MATTEL	-4,331	5%
67	ITT INDUSTRIES	13,516	19%	145	GENUINE PARTS	-152	9%	223	MCCORMICK & CO NV.	-407	10%
68	HONEYWELL INTL.	-10,143	9%	146	TEXTRON	5,652	13%	224	MYLAN LABORATORIES	-2,706	6%
69	NOVELL	-32,834	-11%	147	TEXAS INSTS.	17,180	20%	225	TECO ENERGY	-2,711	3%
70	FORTUNE BRANDS	4,389	13%	148	BURL.MTHN.SANTA FE C	2,637	12%	226	EOG RES.	2,745	15%
71	INTL.PAPER	-14,119	4%	149	WRIGLEY WILLIAM JR.	7,855	15%	227	PALL	-2,211	5%
72	CONAGRA	-1,785	8%	150	FIRST DATA	11,492	14%	228	ENGELHARD	-1,111	8%
73	PNC FINL.SVS.GP.	3,477	10%	151	KEYCORP	7,035	11%	229	MEADWESTVACO	1	7%
74	LOEWS	-2,579	9%	152	CARNIVAL	20,092	19%	230	SUPERVALU	42	10%
75	CHUBB	-3,790	7%	153	ILLINOIS TOOL WKS.	13,841	17%	231	NORTHERN TRUST	6,280	15%
76	CONS.EDISON	-1,087	9%	154	COMERICA	4,627	13%	232	PRAXAIR	7,302	16%
77	XEROX	-10,777	4%	155	ROHM & HAAS	789	10%	233	KERR-MCGEE	-2,678	6%
78	WEYERHAEUSER	-2,520	8%	156	SAFECO	-1,204	9%	234	DANA	-6,716	0%

**Appendix 2 (cont.). Created shareholder value (CSV) in the eleven-year period 1993-2004 of the companies in the S&P 500 as of December 2004 (\$ millions 04)**

		1993-2003				1993-2003				1993-2003	
rank	Company	CSV	Return	rank	Company	CSV	Return	rank	Company	CSV	Return
235	BOSTON SCIENTIFIC	10,483	17%	313	KOHL'S	11,182	24%	391	NOVELLUS SYSTEMS	-83	20%
236	HILTON HOTELS	676	12%	314	US BANCORP	12,865	22%	392	COMVERSE TECH.	-4,254	13%
237	RYDER SYSTEM	-842	8%	315	PEOPLES ENERGY	-33	9%	393	KLA TENCOR	3,094	25%
238	TENET HLTHCR.	-9,280	3%	316	FIRST HORIZON NATIONAL	4,352	17%	394	CLEAR CHL.COMMS.	-17,671	29%
239	NEW YORK TIMES 'A'	2,897	12%	317	MILLIPORE	584	11%	395	TIME WARNER	-72,291	45%
240	US STEEL	-2,516	6%	318	GENZYME	3,900	15%	396	ROBERT HALF INTL.	4,273	32%
241	OFFICE DEPOT	-7,531	5%	319	CHARLES SCHWAB	6,372	25%	397	WASTE MAN.	-22,673	6%
242	ST JUDE MED.	7,376	16%	320	NEXTEL COMMS A	-3,155	10%	398	NOBLE	3,052	22%
243	TJX COS.	9,247	19%	321	VALERO EN.	7,262	21%	399	PMC-SIERRA	-4,500	17%
244	CENDANT	-20,349	9%	322	CENTEX	5,223	20%	400	AUTONATION	-12,624	19%
245	PROGRESSIVE OHIO	12,232	20%	323	KEYSPAN	450	10%	401	SOVEREIGN BANC.	1,369	16%
246	PACCAR	11,644	23%	324	JONES APPAREL GROUP	659	12%	402	NORTH FORK BANCORP.	4,148	29%
247	STANLEY WORKS	396	10%	325	WASHINGTON MUTUAL	8,140	16%	403	BIOGEN IDEC	11,099	38%
248	RADIOSHACK	3,602	14%	326	STAPLES	6,865	21%	404	EXPRESS SCRIPTS 'A'	2,588	28%
249	STRYKER	13,233	21%	327	BALL	2,907	18%	405	ALLIED WASTE INDS.	-5,086	6%
250	BMC SOFTWARE	-6,875	6%	328	ELECTRONIC ARTS	12,001	23%	406	STARWOOD	3,421	28%
251	BIOMET	5,731	16%	329	EMC	7,488	29%				
252	HARRAHS ENTM.	3,948	15%	330	M&T BK.	6,628	20%				
253	VULCAN MATERIALS	2,394	13%	331	COMPUWARE	-3,071	6%				
254	BEAR STEARNS	9,096	21%	332	SCIENTIFIC ATLANTA	1,355	15%				
255	WILLIAMS COS.	-3,506	11%	333	LINEAR TECH.	8,711	24%				
256	JOHNSON CONTROLS	7,237	18%	334	APACHE	7,804	17%				
257	AVERY DENNISON	4,056	15%	335	SYNOVUS FINL.	5,529	19%				
258	PINNACLE WEST CAP.	792	11%	336	TYCO INTL.	-24,289	20%				
259	NISOURCE	-209	10%	337	MOLEX	414	11%				
260	LOWE'S COMPANIES	34,555	28%	338	BIG LOTS	-3,145	0%				
261	HUNTINGTON BC SH.	1,160	12%	339	PULTE HOMES	4,784	20%				
262	DELL	109,407	40%	340	OFFICEMAX	-1,206	5%				
263	BARD C R	2,538	14%	341	ANALOG DEVICES	6,846	24%				
264	ALLERGAN	7,151	18%	342	COMPASS BANCSHARES	3,620	18%				
265	CHIRON CORP	-2,941	7%	343	COMCAST 'A'	10,898	15%				
266	FOREST LABS.	9,543	20%	344	DANAHER	12,608	27%				
267	DYNEGY 'A'	-10,628	-4%	345	DOLLAR GENERAL	4,361	20%				
268	UNISYS	-11,352	0%	346	MICRON TECH.	-5,337	17%				
269	ANADARKO PETROLEUM	-773	14%	347	ADOBE SYSTEMS	11,220	27%				
270	NORTHROP GRUMMAN	1,063	13%	348	PAYCHEX	11,144	27%				
271	ADV.MICRO DEVC.	-3,372	8%	349	T ROWE PRICE GP.	6,153	24%				
272	MAYTAG	10	6%	350	CITIZENS COMMS.	-427	4%				
273	COCA COLA ENTS.	3,166	15%	351	ADC TELECOM.	-8,036	5%				
274	ASHLAND	188	10%	352	BED BATH & BEYOND	8,929	27%				
275	EQUIFAX	2,969	14%	353	SOLECTRON	-15,405	7%				
276	BRUNSWICK	804	12%	354	TEKTRONIX	991	15%				
277	BLACK & DECKER	3,632	16%	355	PLUM CREEK TIMBER	2,784	17%				
278	AMBAC FINANCIAL	4,943	17%	356	ADOLPH COORS 'B'	1,526	16%				
279	MGIC INVT	3,974	15%	357	ROWAN COS.	-244	11%				
280	CMS ENERGY	-3,739	-1%	358	CARDINAL HEALTH	5,631	19%				
281	PARKER-HANNIFIN	5,603	18%	359	NAVISTAR INTL.	-2,072	6%				
282	BROWN-FORMAN 'B'	1,769	14%	360	XILINX	4,225	25%				
283	NICOR	-106	8%	361	FISERV	4,105	19%				
284	CENTURYTEL	361	10%	362	HCA	-11,594	9%				
285	PARAMETRIC TECH.	-5,780	-1%	363	TIFFANY & CO	2,531	19%				
286	MARSHALL & ILSLEY	4,704	15%	364	MANOR CARE	-965	11%				
287	HARLEY-DAVIDSON	14,819	24%	365	QUALCOMM	15,856	40%				
288	CUMMINS	-711	9%	366	TERADYNE	-878	13%				
289	SNAP-ON	-399	7%	367	BB & T	6,091	16%				
290	KROGER	-142	14%	368	LSI LOGIC	-5,303	6%				
291	FAMILY DOLLAR STORES	1,983	14%	369	STARBUCKS	20,033	32%				
292	AMSOUTH BANC.	2,892	13%	370	SEALED AIR	-1,099	13%				
293	APPLIED MATS.	15,057	26%	371	KB HOME	3,211	18%				
294	LEGGETT&PLATT	1,606	13%	372	ZIONS BANCORP.	2,628	20%				
295	COUNTRYWIDE FINL.	13,660	22%	373	SUNGARD DATA SYSTEMS	2,944	18%				
296	COMPUTER SCIS.	-57	13%	374	BEST BUY	14,145	32%				
297	BEMIS	200	10%	375	ALBERTO CULVER	1,524	17%				
298	SAFEWAY	3,957	16%	376	MEREDITH	2,176	20%				
299	THERMO ELECTRON	477	11%	377	REGIONS FINL.NEW	-207	11%				
300	GOODRICH	-1,364	6%	378	MAXIM INTEGRATED PRDS.	7,189	30%				
301	CINTAS	2,397	15%	379	ANDREW	-256	9%				
302	WENDY'S INTL.	850	11%	380	NABORS INDS.	2,158	19%				
303	AES	-8,579	10%	381	HEALTH MANAS A	3,186	21%				
304	AMER.POWER CONV.	-763	10%	382	TELLABS	-2,148	19%				
305	OMNICOM GP.	9,667	21%	383	SYMANTEC	11,323	25%				
306	EL PASO	-21,368	0%	384	MEDIMMUNE	-808	18%				
307	ECOLAB	6,803	20%	385	SYMBOL TECHS.	1,793	21%				
308	APPLERA APPD.BIOS.	27	10%	386	GILEAD SCIENCES	9,830	25%				
309	ALLEGHENY TECHS.	-6,002	-1%	387	ARCHSTONE SMITH TST.	3,941	17%				
310	NATIONAL SEMICON.	-1,566	11%	388	KINDER MORGAN KANS	5,352	19%				
311	AUTODESK	4,619	18%	389	ALTERA	5,638	31%				
312	PERKINELMER	-1,050	10%	390	BJ SVS.	3,945	23%				

## Appendix 3. Shareholder return in 2004 of the 500 companies in the S&amp;P 500

Company	Return 2004	Company	Return 2004	Company	Return 2004
1 AUTODESK	209.62%	61 KB HOME	46.05%	121 MCDONALDS	31.48%
2 APPLE COMPUTERS	201.32%	62 AES	44.84%	122 COSTCO WHOLESALE	31.14%
3 TXU	177.68%	63 SLM	44.21%	123 V F	30.84%
4 VALERO EN.	97.64%	64 MOODYS	44.10%	124 PHELPS DODGE	30.79%
5 MONSANTO	96.13%	65 LOEWS	43.59%	125 SHERWIN-WILLIAMS	30.70%
6 NUCOR	89.07%	66 L3 COMMUNICATIONS	43.56%	126 GATEWAY	30.65%
7 STARBUCKS	88.06%	67 REYNOLDS AMERICAN	43.13%	127 MCCORMICK & CO NV.	30.37%
8 GOODYEAR TIRE	86.53%	68 CIGNA	42.87%	128 DUKE ENERGY	30.21%
9 AETNA	84.69%	69 GRAINGER W W	42.70%	129 BJ SYS.	30.07%
10 BIOGEN IDEC	81.49%	70 UST	42.17%	130 HUMANA	29.93%
11 BLACK & DECKER	81.39%	71 RYDER SYSTEM	41.95%	131 ECOLAB	29.71%
12 EBAY	80.07%	72 ROCKWELL AUTOMATION	41.75%	132 ALLTEL	29.71%
13 NCR	78.40%	73 PROVIDIAN FINL.	41.49%	133 EL PASO	29.52%
14 TRANSOCEAN	76.52%	74 OCCIDENTAL PTL.	41.27%	134 EQUITY RESD.TST.PROPS.	29.48%
15 CUMMINS	74.60%	75 WATERS	41.09%	135 ELECTRONIC ARTS	29.36%
16 YAHOO	67.35%	76 PROLOGIS	41.02%	136 BEAR STEARNS	29.25%
17 WILLIAMS COS.	66.90%	77 BECTON DICKINSON	39.74%	137 CIT GP.	29.24%
18 ALLEGHENY TECHS.	66.38%	78 FLUOR	39.55%	138 PARKER-HANNIFIN	28.94%
19 STARWOOD	64.72%	79 NOBLE	39.01%	139 FREDDIE MAC	28.75%
20 DILLARDS 'A'	64.46%	80 COMVERSE TECH.	39.00%	140 HARLEY-DAVIDSON	28.70%
21 SUNOCO	62.69%	81 MOTOROLA	38.54%	141 KERR-MCGEE	28.54%
22 NETWORK APPLIANCE	62.53%	82 LIMITED BRANDS	37.88%	142 KINDER MORGAN KANS	28.39%
23 TOYS R US HOLDINGS	61.95%	83 NORDSTROM	37.87%	143 ANADARKO PETROLEUM	28.27%
24 ADOBE SYSTEMS	60.76%	84 YUM! BRANDS	37.85%	144 EXXON MOBIL	28.04%
25 PENNEY JC	59.93%	85 HARRAHS ENTM.	37.74%	145 EASTMAN KODAK	27.90%
26 BARD C R	58.94%	86 CAPITAL ONE FINL.	37.61%	146 COMPUTER SCIS.	27.45%
27 BURLINGTON RES.	58.53%	87 EXELON	37.56%	147 COMPASS BANCSHARES	27.30%
28 QUALCOMM	58.20%	88 MARRIOTT INTL. 'A'	37.25%	148 ROBERT HALF INTL.	26.95%
29 BRUNSWICK	57.47%	89 GENUINE PARTS	36.90%	149 TORCHMARK	26.54%
30 AMERADA HESS	57.46%	90 PULTE HOMES	36.77%	150 PPL	26.14%
31 XTO EN.	56.85%	91 DEVON ENERGY	36.76%	151 CVS	25.61%
32 CAREMARK RX	55.68%	92 STJUDE MED.	36.69%	152 SEMPRA EN.	25.57%
33 SPRINT	55.23%	93 SAFECO	36.61%	153 CHEVRONTEXACO	25.57%
34 EOG RES.	55.22%	94 ADOLPH COORS 'B'	36.53%	154 PRINCIPAL FINL.GP.	25.56%
35 CIRCUIT CITY STORES	55.20%	95 EATON	36.38%	155 APACHE	25.41%
36 NORFOLK SOUTHERN	55.12%	96 MASCO	36.22%	156 DANAHER	25.29%
37 ALLEGHENY EN.	54.47%	97 TARGET	36.14%	157 BAUSCH & LOMB	25.25%
38 WELLPOINT	53.33%	98 CONOCOPHILLIPS	35.60%	158 JOHNSON & JOHNSON	25.17%
39 HALLIBURTON	53.26%	99 ASHLAND	35.45%	159 WRIGLEY WILLIAM JR.	25.00%
40 MONSTER WORLDWIDE	53.20%	100 TYCO INTL.	35.40%	160 INTL.FLAV.& FRAG.	24.88%
41 EDISON INTL.	52.08%	101 LABORATORY CORP AMER.	34.78%	161 BOEING	24.86%
42 EASTMAN CHEMICALS	51.79%	102 FRANK.RES.	34.62%	162 STAPLES	24.38%
43 LOUISIANA PACIFIC	51.48%	103 LEGGETT&PLATT	34.38%	163 PUB.SER.ENTER.GP.	24.38%
44 UNITEDHEALTH GP.	51.38%	104 BAKER HUGHES	34.25%	164 GEORGIA PACIFIC	24.12%
45 FISHER SCIEN.INTL.	50.76%	105 NIKE 'B'	33.93%	165 DELL	24.01%
46 PARAMETRIC TECH.	49.49%	106 PERKINELMER	33.79%	166 FEDERATED DEPT.STRS.	23.94%
47 COACH	49.39%	107 CITIZENS COMMS.	33.71%	167 GILLETTE	23.94%
48 SYMANTEC	49.33%	108 HILTON HOTELS	33.34%	168 CLOROX	23.93%
49 ARCHER-DANLS.-MIDL.	49.11%	109 PRUDENTIAL FINL.	33.33%	169 SCHLUMBERGER	23.84%
50 BALL	49.08%	110 T ROWE PRICE GP.	33.16%	170 NABORS INDS.	23.59%
51 BURL.NTHN.SANTA FE C	48.84%	111 ROCKWELL COLLINS	32.98%	171 CENTEX	23.42%
52 ARCHSTONE SMITH TST.	48.79%	112 AVAYA	32.96%	172 SUPERVALU	23.24%
53 COUNTRYWIDE FINL.	48.15%	113 MCGRAW-HILL	32.94%	173 XEROX	23.24%
54 ADV.D.MICRO DEVC.	47.78%	114 STANLEY WORKS	32.66%	174 ALLSTATE	23.12%
55 PACCAR	47.28%	115 LUCENT TECHNOLOGIES	32.45%	175 AMER.STANDARD	23.09%
56 US.STEEL	47.15%	116 DARDEN RESTAURANTS	32.29%	176 DOW CHEMICALS	22.83%
57 HERSHEY FOODS	46.90%	117 RAYTHEON 'B'	32.20%	177 CMS ENERGY	22.67%
58 CARNIVAL	46.74%	118 TEXTRON	32.17%	178 MEDCO HEALTH SLTN.	22.38%
59 SIMON PR.GP.	46.67%	119 PLUM CREEK TIMBER	31.97%	179 ENTERGY	22.13%
60 FEDEX	46.40%	120 QUEST DIAGNOSTICS	31.66%	180 HERCULES	21.73%

## Appendix 3 (cont.). Shareholder return in 2004 of the 500 companies in the S&amp;P 500

Company	Return 2004	Company	Return 2004	Company	Return 2004			
181	METLIFE	21.72%	241	MBNA	15.53%	301	FORTUNE BRANDS	9.86%
182	SCHERING-PLOUGH	21.56%	242	CHUBB	15.43%	302	PEOPLES ENERGY	9.82%
183	BANK OF AMERICA	21.50%	243	BAXTER INTL.	15.22%	303	ABBOTT LABS.	9.71%
184	HOME DEPOT	21.47%	244	EQUIFAX	15.19%	304	AVERY DENNISON	9.70%
185	MGIC INVT	21.43%	245	AMEREN	15.15%	305	PPG INDUSTRIES	9.67%
186	SCIENTIFIC ATLANTA	21.07%	246	EMC	15.09%	306	CENTURYTEL	9.54%
187	CENTERPOINT EN.	21.03%	247	EXPRESS SCRIPTS 'A'	15.07%	307	PALL	9.51%
188	DONNELLEY R R	21.03%	248	DTE ENERGY	14.99%	308	KOHL'S	9.41%
189	GENERAL ELECTRIC	20.68%	249	SARA LEE	14.98%	309	EQUITY OFFE.PROPS.TST.	9.09%
190	SUN MICROSYSTEMS	20.58%	250	NAT.CITY	14.90%	310	WELLS FARGO & CO	8.97%
191	GUIDANT	20.55%	251	TJX COS.	14.80%	311	US BANCORP	8.94%
192	BIOMET	20.31%	252	CONSTELLATION EN.	14.80%	312	PNC FINL.SVS.GP.	8.92%
193	APARTMENT INV.MAN.'A'	20.30%	253	ITT INDUSTRIES	14.80%	313	MICROSOFT	8.92%
194	VERIZON COMMS.	20.25%	254	BEST BUY	14.64%	314	ALBERTSONS	8.87%
195	WALT DISNEY	20.21%	255	SEARS ROEBUCK	14.55%	315	MBIA	8.56%
196	KEYCORP	20.15%	256	NICOR	14.32%	316	NISOURCE	8.45%
197	KELLOGG	20.12%	257	CINCINNATI FIN.	14.24%	317	HONEYWELL INTL.	8.21%
198	GILEAD SCIENCES	20.07%	258	LEHMAN BROS.HDG.	14.22%	318	TIME WARNER	8.12%
199	COOPER INDS.	20.03%	259	CAMPBELL SOUP	14.22%	319	LEXMARK INTL.GP.A	8.08%
200	INGERSOLL-RAND	19.88%	260	COMPUTER ASSOCS.INTL.	13.92%	320	RADIOSHACK	7.97%
201	UNOCAL	19.86%	261	PEPSICO	13.82%	321	DYNEGY 'A'	7.92%
202	PG & E	19.84%	262	ZIMMER HDG.	13.78%	322	WEYERHAEUSER	7.78%
203	THERMO ELECTRON	19.80%	263	STRYKER	13.73%	323	CONS.EDISON	7.35%
204	LIZ CLAIBORNE	19.76%	264	HUNTINGTON BCSH.	13.55%	324	IBM	7.20%
205	CATERPILLAR	19.75%	265	TEMPLE INLAND	13.47%	325	DOVER	7.18%
206	HARTFORD FINL.SVS.GP.	19.50%	266	AUTOMATIC DATA PROC.	13.46%	326	AUTOZONE	7.16%
207	GOLDEN WEST FINL.	19.45%	267	ZIONS BANCORP.	13.28%	327	SIGMA ALDRICH	6.99%
208	BEMIS	19.23%	268	CSX	12.91%	328	NEXTEL COMMS.A	6.94%
209	LINCOLN NAT.	19.20%	269	COMERICA	12.87%	329	MEDIMMUNE	6.81%
210	AMBAC FINANCIAL	19.13%	270	GOODRICH	12.87%	330	NORTHERN TRUST	6.77%
211	APOLLO GP.'A'	19.02%	271	BB & T	12.86%	331	CENDANT	6.52%
212	FPL GROUP	18.73%	272	CORNING	12.84%	332	GOLDMAN SACHS GP.	6.51%
213	ALTRIA GROUP	18.38%	273	REEBOK INTL.	12.84%	333	SUNTRUST BANKS	6.36%
214	E TRADE FINL.	18.19%	274	TECO ENERGY	12.72%	334	GT.LAKES CHM.	6.33%
215	REGIONS FINL.NEW	18.06%	275	CINERGY	12.61%	335	COMPUWARE	6.15%
216	MARSHALL & ILSLEY	17.88%	276	GENERAL MILLS	12.56%	336	ROHM & HAAS	6.13%
217	GENZYME	17.81%	277	KEYSPAN	12.47%	337	BROWN-FORMAN 'B'	6.09%
218	MEADWESTVACO	17.66%	278	PEPSI BOTTLING GP.	12.46%	338	WALGREEN	6.03%
219	ANDREW	17.60%	279	PROCTER & GAMBLE	12.38%	339	ALLERGAN	6.02%
220	AMERICAN EXPRESS	17.59%	280	XCEL ENERGY	12.24%	340	PACTIV	5.81%
221	AMER.ELEC.PWR.	17.50%	281	MEREDITH	12.08%	341	JEFFERSON PILOT	5.64%
222	GEN.DYNAMICS	17.40%	282	AIR PRDS.& CHEMS.	11.99%	342	ACE	5.32%
223	VULCAN MATERIALS	17.34%	283	ROWAN COS.	11.78%	343	PROGRESS ENERGY	5.30%
224	PRAXAIR	17.32%	284	ILLINOIS TOOL WKS.	11.75%	344	FEDERATED INVRS.'B'	5.03%
225	PITNEY-BOWES	17.24%	285	M&T BK.	11.55%	345	JONES APPAREL GROUP	4.84%
226	MARATHON OIL	17.04%	286	AFLAC	11.20%	346	AMERISOURCEBERGEN	4.70%
227	WACHOVIA	16.80%	287	EMERSON ELECTRIC	11.08%	347	MAY DEPT.STORES	4.59%
228	FIRSTENERGY	16.62%	288	JOHNSON CONTROLS	11.03%	348	AUTONATION	4.58%
229	ALBERTO CULVER	16.43%	289	UNITED TECHNOLOGIES	10.72%	349	LOWE'S COMPANIES	4.25%
230	UNITED PARCEL SER.	16.41%	290	AFFILIATED CMP.SVS.'A'	10.52%	350	MANOR CARE	4.21%
231	DEERE	16.25%	291	DOMINION RES.	10.50%	351	COLGATE-PALM.	4.14%
232	SOUTHERN	16.17%	292	DU PONT E I DE NEMOURS	10.42%	352	ENGELHARD	3.98%
233	AVON PRODUCTS	16.11%	293	HEINZ HJ	10.27%	353	SABRE HDG.	3.95%
234	PINNACLE WEST CAP.	16.10%	294	NORTH FORK BANCORP.	10.24%	354	OFFICE DEPOT	3.89%
235	KIMBERLY-CLARK	16.09%	295	NEWELL RUBBERMAID	10.16%	355	AMGEN	3.82%
236	UNUMPROVIDENT	16.06%	296	WASHINGTON MUTUAL	10.05%	356	WASTE MAN.	3.82%
237	CONAGRA	16.05%	297	LOCKHEED MARTIN	10.00%	357	SBC COMMUNICATIONS	3.7%
238	MILLIPORE	15.70%	298	SNAP-ON	9.99%	358	FIRST DATA	3.72%
239	NORTHROP GRUMMAN	15.68%	299	JP MORGAN CHASE & CO.	9.97%	359	ORACLE	3.70%
240	CITRIX SYS.	15.60%	300	AMSOUTH BANC.	9.89%	360	SYSCO	3.69%

## Appendix 3 (cont.). Shareholder return in 2004 of the 500 companies in the S&amp;P 500

Company	Return 2004	Company	Return 2004	Company	Return 2004
361	MATTEL	3.55%	421	FREEMPORT-MCMOR.	-6.51%
362	BANK OF NEW YORK	3.52%	422	PAYCHEX	-7.06%
363	MERRILL LYNCH & CO.	3.12%	423	LINEAR TECH.	-7.10%
364	XL CAP.'A'	2.85%	424	GANNETT	-7.23%
365	COOPER TIRE RUB.	2.81%	425	BRISTOL MYERS SQUIBB	-7.27%
366	JANUS CAPITAL GP.	2.79%	426	HEWLETT-PACKARD	-7.28%
367	QWEST COMMS.INTL.	2.75%	427	HASBRO	-7.89%
368	WYETH	2.72%	428	NEWMONT MINING	-8.02%
369	CITIGROUP	2.72%	429	BED BATH & BEYOND	-8.12%
370	MEDTRONIC	2.68%	430	NAVISTAR INTL.	-8.29%
371	SYMBOL TECHS.	2.58%	431	MICRON TECH.	-8.32%
372	SUNGARD DATA SYSTEMS	2.24%	432	ALTERA	-8.61%
373	AON	2.17%	433	GAP	-8.63%
374	TELLABS	2.14%	434	NATIONAL SEMICON.	-8.78%
375	BELLSOUTH	1.94%	435	DELPHI AUTV.SYS.	-8.99%
376	APPLERA APPD.BIOS.	1.81%	436	JABIL CIRCUIT	-9.61%
377	CHARLES SCHWAB	1.77%	437	ADC TELECOM.	-9.76%
378	FISERV	1.64%	438	SOLECTRON	-9.81%
379	PROGRESSIVE OHIO	1.63%	439	SAFeway	-9.90%
380	NVIDIA	1.55%	440	H & R BLOCK	-9.99%
381	SYNOVUS FINL.	1.55%	441	AMER.POWER CONV.	-10.99%
382	COMCAST 'A'	1.49%	442	DOW JONES & CO	-11.70%
383	WENDY'S INTL.	1.37%	443	KNIGHT-RIDDER	-11.83%
384	FIRST HORIZON NATIONAL	1.37%	444	CINTAS	-11.91%
385	SOUTHWEST AIRLINES	0.99%	445	FAMILY DOLLAR STORES	-12.00%
386	WAL MART STORES	0.51%	446	JDS UNIPHASE	-12.91%
387	INTL.PAPER	-0.20%	447	NEW YORK TIMES 'A'	-13.42%
388	DOLLAR GENERAL	-0.24%	448	MOLEX	-13.65%
389	BMC SOFTWARE	-0.27%	449	MAXIM INTEGRATED PRDS.	-13.86%
390	AMERICAN INTL.GP.	-0.52%	450	INTERPUBLIC GP.	-14.10%
391	AT & T	-0.62%	451	CONVERGYS	-14.19%
392	MELLON FINL.	-0.78%	452	BIG LOTS	-14.63%
393	UNION PACIFIC	-1.28%	453	ALCOA	-15.75%
394	MCKESSON	-1.38%	454	TEXAS INSTS.	-15.90%
395	SEALED AIR	-1.61%	455	COCA COLA	-16.11%
396	3M	-1.75%	456	INTUIT	-16.74%
397	ANHEUSER-BUSCH COS.	-1.94%	457	VIACOM 'B'	-17.45%
398	WHIRLPOOL	-2.17%	458	TRIBUNE	-17.48%
399	MORGAN STANLEY	-2.24%	459	AGILENT TECHS.	-17.54%
400	OMNICOM GP.	-2.33%	460	ELI LILLY	-17.55%
401	FANNIE MAE	-2.33%	461	POWER-ONE	-17.64%
402	INTL.GAME TECH.	-2.49%	462	FIFTH THIRD BANCORP	-17.89%
403	OFFICEMAX	-2.80%	463	CALPINE	-18.06%
404	DANA	-3.11%	464	ANALOG DEVICES	-18.69%
405	BOSTON SCIENTIFIC	-3.30%	465	KING PHARMS.	-18.75%
406	ST.PAUL TRAVELERS	-3.66%	466	CISCO SYSTEMS	-20.26%
407	ELECTRONIC DATA SYSTEMS	-3.81%	467	KLA TENCOR	-20.43%
408	VISTEON	-3.81%	468	GENERAL MOTORS	-21.48%
409	TEKTRONIX	-3.86%	469	MAYTAG	-21.85%
410	COCA COLA ENTS.	-3.98%	470	PFIZER	-22.31%
411	STATE STREET	-4.41%	471	XILINX	-22.82%
412	SOVEREIGN BANC.	-4.54%	472	VERITAS SOFTWARE	-22.88%
413	CARDINAL HEALTH	-4.72%	473	APPLIED MATS.	-23.80%
414	HEALTH MAN.AS.A	-4.89%	474	SIEBEL SYS.	-24.64%
415	BROADCOM 'A'	-5.12%	475	UNIVISION COMMS.'A'	-26.25%
416	KROGER	-5.24%	476	INTEL	-26.56%
417	FORD MOTOR	-6.00%	477	FOREST LABS.	-27.41%
418	HCA	-6.01%	478	CLEAR CHL.COMMS.	-27.57%
419	MERCURY INTERACTIVE	-6.35%	479	MERCK & CO.	-27.77%
420	IMS HEALTH	-6.35%	480	WATSON PHARMS.	-28.67%
481	QLOGIC	-28.78%			
482	TIFFANY & CO	-28.79%			
483	APPLIED MICRO CIRCUITS	-29.50%			
484	MYLAN LABORATORIES	-29.58%			
485	MARSH & MCLENNAN	-29.80%			
486	UNISYS	-31.38%			
487	TENET HLTHCR.	-31.59%			
488	SANMINA-SCI	-32.77%			
489	TERADYNE	-32.93%			
490	ALLIED WASTE INDS.	-33.10%			
491	NOVELLUS SYSTEMS	-33.60%			
492	NOVELL	-35.90%			
493	DELTA AIR LINES	-36.66%			
494	LSI LOGIC	-38.23%			
495	CHIRON CORP	-41.50%			
496	PMC-SIERRA	-44.03%			
497	CIENA	-49.01%			



***References***

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