

Share Repurchase, Dividend, and Stock Split History

**ADVANCING TOTAL SHAREHOLDER VALUE**

The combination of an expanded share repurchase program and a record of increased dividends every year since 1974 demonstrates The McGraw-Hill Companies' commitment to advancing total shareholder value. Since 1996, MHP has returned more than \$5.0 billion to shareholders – including approximately \$924 million in 2005 and more than \$1.0 billion in the first quarter of 2006 – through share repurchases and increased dividends.

In January 2006, the MHP Board of Directors authorized a new stock repurchase program that will enable MHP to acquire up to 45.0 million shares, or approximately 12.1% of the Corporation's outstanding shares as of December 31, 2005. The Corporation repurchased 18.4 million shares in the first quarter of 2006 – 15.0 million shares from the 2006 program and 3.4 million shares remaining from the 2003 program. In April 2006 the Board authorized the repurchase of up to an additional 10.0 million shares in 2006.

The Board also approved a 10% increase in the regular quarterly cash dividend on the Corporation's common stock in January 2006. The 2006 annualized rate of \$0.726 per share represents an average compound annual dividend growth rate of 10.3% since 1974. MHP is one of fewer than 32 companies in the S&P 500 that has increased its dividend annually for the last 33 consecutive years.

**Share Repurchase Programs<sup>1</sup>**

Year	\$ in millions	Shares Purchased	Average Price	Diluted Weighted Average Year-End Shares Outstanding
2005	\$ 671.9	14,343,900	\$ 46.84	382,569,750
2004	\$ 400.6	10,000,000	\$ 40.06	385,823,700 <sup>2</sup>
2003	\$ 212.6	6,935,400	\$ 30.65	384,009,014
2002	\$ 195.6	6,409,200	\$ 30.52	389,146,638
2001	\$ 182.1	6,203,400	\$ 29.35	391,745,196
2000	\$ 167.7	6,235,200	\$ 26.90	392,143,250
1999	\$ 173.8	6,463,400	\$ 26.89	397,114,618
1998	\$ 105.6	5,348,000	\$ 19.75	398,208,132
1997	\$ 79.9	5,200,400	\$ 15.36	399,008,728
1996	\$ 63.3	5,451,600	\$ 11.61	399,483,608
1987	\$ 135.0	19,960,000	\$ 6.76	

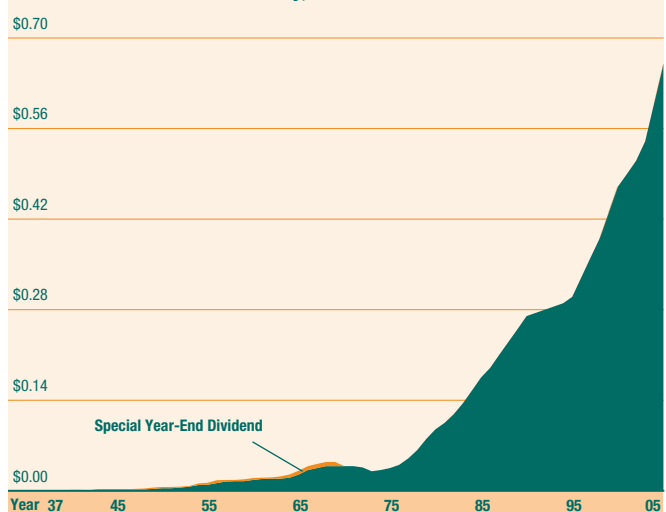
Note:

Shares repurchased are reported on a trade-date basis

<sup>1</sup> Adjusted for all stock splits through 2005. Approximately sixty percent of repurchases during the period shown offset the issuance of shares for stock option and restricted share programs; the remaining forty percent reduce the net number of shares outstanding

<sup>2</sup> Increase primarily due to impact of 30% increase in MHP stock price in 2004. Under the treasury-stock method, an increase in share price results in more shares assumed to be issued since more options are considered in-the-money

**Common Stock Dividend History, 1937-2005**



Notes:

Represents nominal dividend rates

Dividend increases effective for first quarter of 1974 and forward

No special year-end dividends after 1969

Adjusted for all stock splits through 2005

**STOCK SPLIT HISTORY**

Record Date	Payment Date	Distribution
May 6, 2005	May 17, 2005	2 for 1
February 24, 1999	March 8, 1999	2 for 1
March 28, 1996	April 26, 1996	2 for 1
May 9, 1983	June 1, 1983	2 for 1
June 30, 1967	July 17, 1967	2 for 1
March 10, 1961	March 17, 1961	3 for 1
July 25, 1956	August 8, 1956	3 for 1
July 24, 1953	August 3, 1953	2 for 1

**MHP RATINGS HISTORY**

The McGraw-Hill Companies continues to maintain a strong financial position even as it invests in new opportunities.

**Long-Term Notes**

	2005	2004	2003	2002	2001
Moody's	A1	A1	A1	A1	A1
Fitch	A+	A+	A+	A+	A+
S&P	NA*	NA*	NA*	NA*	NA*

\* Standard & Poor's does not assign a long-term debt rating to The McGraw-Hill Companies

**Commercial Paper Ratings**

	2005	2004	2003	2002	2001
Moody's	P1	P1	P1	P1	P1
Fitch	F1	F1	F1	F1	F1
S&P	A1	A1	A1	A1	A1

### QUARTERLY STOCK VALUATION DATA

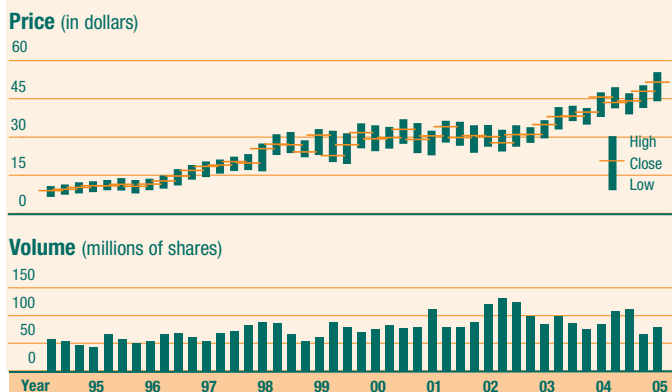
Year	Quarter	Prices*			MHP Volume	MHP – Price to Earnings**			S&P 500 – Price to Earnings			P/E Relative to S&P 500		
		High	Low	Close		High	Low	Close	High	Low	Close	High	Low	Close
2005	4	53.970	45.600	51.630	78,045,900	23.26	19.66	22.25	16.69	15.28	16.33	1.39	1.29	1.36
	3	48.750	43.010	48.040	66,287,000	21.86	19.29	21.54	16.79	15.95	16.56	1.30	1.21	1.30
	2	45.675	40.510	44.250	111,714,000	21.91	19.43	21.22	16.88	15.73	16.49	1.30	1.24	1.29
	1	47.995	42.810	43.625	106,768,000	24.00	21.41	21.81	17.61	16.67	16.91	1.36	1.28	1.29
2004	4	46.055	39.425	45.770	83,969,000	23.74	20.32	23.59	17.94	16.11	17.91	1.32	1.26	1.32
	3	39.885	36.415	39.845	74,212,200	21.50	19.63	21.48	17.66	16.44	17.25	1.22	1.19	1.25
	2	40.670	37.825	38.285	85,443,000	23.11	21.49	21.75	18.52	17.32	18.36	1.25	1.24	1.18
	1	40.185	34.550	38.070	97,652,000	23.64	20.32	22.39	19.95	18.98	19.39	1.18	1.07	1.15
2003	4	35.000	30.995	34.960	84,799,800	21.21	18.78	21.19	20.34	18.21	20.33	1.04	1.03	1.04
	3	32.255	29.300	31.065	97,932,400	20.35	18.49	19.60	20.10	18.57	19.25	1.01	1.00	1.02
	2	33.075	27.730	31.000	124,260,600	21.62	18.12	20.26	20.74	17.32	19.91	1.04	1.05	1.02
	1	31.290	25.870	27.795	131,153,800	20.79	17.19	18.47	19.62	16.55	17.79	1.06	1.04	1.04
2002	4	33.150	27.755	30.220	120,239,200	22.25	18.63	20.28	20.73	16.70	19.11	1.07	1.12	1.06
	3	32.990	25.355	30.610	87,467,400	23.15	17.79	21.48	22.58	17.62	18.52	1.03	1.01	1.16
	2	34.365	28.150	29.850	78,497,800	25.74	21.09	22.36	27.60	22.92	23.80	0.93	0.92	0.94
	1	34.850	29.440	34.125	78,760,600	27.23	23.00	26.66	30.20	27.57	29.44	0.90	0.83	0.91
2001	4	30.900	24.350	30.490	110,203,800	24.92	19.64	24.59	30.21	26.43	29.55	0.82	0.74	0.83
	3	33.975	25.275	29.100	77,876,200	27.51	20.47	23.56	29.50	22.48	24.77	0.93	0.91	0.95
	2	35.435	28.920	33.075	76,444,200	30.29	24.72	28.27	27.98	23.22	26.03	1.08	1.06	1.09
	1	32.370	27.045	29.825	82,145,400	28.27	23.62	26.05	26.16	20.44	21.94	1.08	1.16	1.19
2000	4	33.000	26.000	29.313	75,829,400	27.73	21.85	24.63	25.92	22.34	23.52	1.07	0.98	1.05
	3	33.844	27.125	31.781	68,728,000	29.18	23.38	27.40	26.94	25.00	25.30	1.08	0.94	1.08
	2	29.938	20.938	27.000	77,756,800	26.49	18.53	23.89	27.47	24.09	26.17	0.96	0.77	0.91
	1	30.844	21.750	22.750	87,262,600	28.56	20.14	21.06	28.80	24.57	27.79	0.99	0.82	0.76
1999	4	31.563	24.500	30.813	59,725,800	30.94	24.02	30.21	28.37	23.87	28.43	1.09	1.01	1.06
	3	27.063	23.563	24.188	52,501,000	28.04	24.42	25.06	28.76	25.44	25.98	0.98	0.96	0.96
	2	30.375	25.219	26.969	66,502,200	33.94	28.18	30.13	29.36	27.28	29.29	1.16	1.03	1.03
	1	29.563	24.438	27.250	85,734,200	34.28	28.33	31.59	29.37	26.74	28.54	1.17	1.06	1.11
1998	4	25.828	18.063	25.469	87,647,200	30.30	21.19	29.88	28.12	20.86	27.77	1.08	1.02	1.08
	3	21.750	18.516	19.813	82,613,200	26.13	22.24	23.80	27.00	21.32	23.07	0.97	1.04	1.03
	2	20.750	18.188	20.375	71,664,398	26.60	23.32	26.12	25.40	24.05	25.38	1.05	0.97	1.03
	1	19.500	17.125	19.015	67,188,390	26.09	22.91	25.44	25.09	20.57	24.83	1.04	1.11	1.02
1997	4	18.844	15.781	18.500	52,370,784	25.64	21.47	25.17	22.41	19.43	22.05	1.14	1.11	1.14
	3	17.406	14.750	16.922	60,297,190	24.18	20.49	23.50	22.05	20.43	21.66	1.10	1.00	1.09
	2	15.719	12.469	14.703	67,458,780	24.37	19.33	22.80	21.17	17.21	20.77	1.15	1.12	1.10
	1	13.281	11.219	12.781	65,728,781	21.34	18.02	20.53	19.56	17.45	18.11	1.09	1.03	1.13
1996	4	12.063	10.625	11.531	53,179,585	19.30	17.00	18.45	18.76	16.85	18.23	1.03	1.01	1.01
	3	11.469	9.313	10.656	49,273,985	20.17	16.37	18.74	17.54	15.38	17.44	1.15	1.06	1.07
	2	12.313	10.515	11.438	56,819,585	22.54	19.25	20.94	17.35	15.90	17.08	1.30	1.21	1.23
	1	11.547	10.672	10.844	64,942,368	21.53	19.90	20.22	17.28	15.53	16.79	1.25	1.28	1.20
1995	4	10.953	9.875	10.891	42,547,200	20.62	18.59	20.50	16.52	15.16	16.34	1.25	1.23	1.25
	3	10.594	9.422	10.219	45,867,200	18.96	16.86	18.29	15.98	14.77	15.92	1.19	1.14	1.15
	2	9.703	8.906	9.484	52,342,376	18.61	17.09	18.20	15.76	14.30	15.58	1.18	1.20	1.17
	1	9.172	7.953	8.969	56,463,984	17.98	15.59	17.59	15.30	13.76	15.07	1.18	1.13	1.17

\* Data reflects the 2-for-1 stock split completed on May 17, 2005. All prior periods have been restated to reflect the 2005 split

\*\* Based on 12-month moving operating earnings per share, which excludes one-time items

Source: Standard & Poor's Compustat

### MHP STOCK PRICE AND VOLUME HISTORY, 1995-2005\*



Source: Standard & Poor's Compustat