

Shareholder value creators and shareholder value destroyers in USA.**Year 2000¹****Pablo Fernández****IESE Business School**

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ABSTRACT

In this paper, we quantify shareholder value creation for 274 American companies. We provide the created shareholder value for each and every company for years 1998, 1999, 2000 as well as for 1993-2000. The market value of the 274 companies was 9,680 billion dollars.

We define created shareholder value and provide the ranking of created shareholder value for the 274 companies. In 2000 Phillip Morris was the leading shareholder value creator and, on the other end of the spectrum, Microsoft was the top shareholder value destroyer.

We also calculate the cumulative created shareholder value of selected American companies during the three-year period 1998-2000 and during the eight-year period 1993-200. General Electric was the first company in both, created shareholder value and equity market value in 2000.

We claim that EVA does not properly measure Wealth Creation. We have compared EVA calculated by Stern Stewart and Co with created shareholder value of 269 companies. The correlation of EVA with created shareholder value was only 17.66%. 60 companies had negative EVA and positive created shareholder value. 64 companies had positive EVA and negative created shareholder value. On average, the difference of shareholder value creation minus EVA was -434% of EVA. The absolute value of the difference of shareholder value creation minus EVA was 8972% of EVA. With this evidence, we conclude that EVA does not properly measure Wealth Creation.

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.

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Shareholder value creators and shareholder value destroyers in USA. Year 2000

In this paper, we quantify shareholder value creation for 274 american companies. We provide the created shareholder value by every company for years 2000, 1999, 1998 and 1993-2000. The market value of the 274 companies was 9,680 billion dollars.

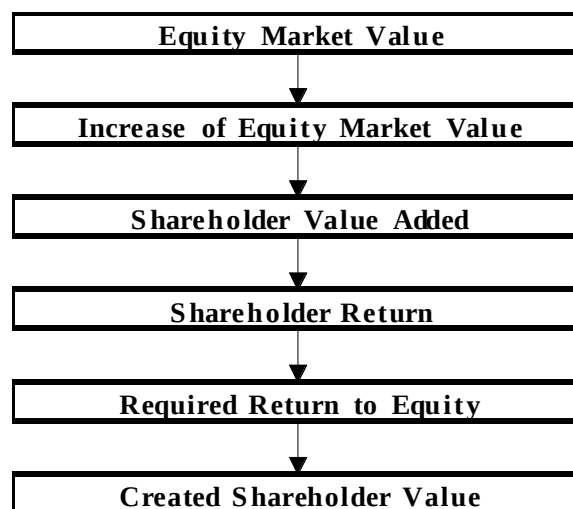
In section 1 created shareholder value is defined. Section 2 has the ranking of created shareholder value for the 274 companies. In section 3 we claim that EVA does not properly measure Wealth Creation.

We have compared EVA calculated by Stern Stewart and Co with created shareholder value of 269 companies. The correlation of EVA with created shareholder value was only 17.66%. 60 companies had negative EVA and positive created shareholder value. 64 companies had positive EVA and negative created shareholder value. On average, the difference of shareholder value creation minus EVA was -434% of EVA. The absolute value of the difference of shareholder value creation minus EVA was 8972% of EVA. With this evidence, we conclude that EVA does not properly measure Wealth Creation.

1. Definition of created shareholder value

We define shareholder value created following Fernandez (2001).

To obtain the created shareholder value, we must first define the increase of equity market value, the shareholder value added, the shareholder return, and the 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 of 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 the previous year.

The shareholder value added is calculated as follows:

Shareholder value added = Increase of equity market value + Dividends paid during the year - Outlays for capital increases + Other payments to shareholders (discounts on par value, share buy-backs....) - Conversion of convertible debentures

The **shareholder return** is the shareholder value added in one year, divided by the equity market value at the beginning of the year.

Shareholder return = Shareholder value added / Equity market value
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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 which depends on its risk.

required return to equity	=	return of long-term treasury bonds	+	risk premium
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A company creates value for the 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:

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

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, which are sometimes confused: increase of equity market value, shareholder value added, and created shareholder value.

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

<i>Increase of equity market value</i>	Equity market value _t - Equity market value _{t-1}
	↓
<i>Shareholder value added</i>	<i>Increase of equity market value</i> - payments from shareholders + dividends + repurchases - conversions.
	↓
<i>Created shareholder value</i>	Shareholder value added - (Equity market value × K _e)

2. Shareholder value creators

Exhibit 1 has the ranking of created shareholder value in 2000, 1999 and 1998. In 2000 Phillip Morris was the top shareholder value creator and Microsoft was the top shareholder value destroyer.

Table 2 shows the top ten value creators and value destroyers in 2000, 1999 and 1998.

Table 2. Top ten value creators and value destroyers in 2000, 1999 and 1998. (billion dollars)

Top value shareholder creators. Shareholder value created in \$billion			
	2000	1999	1998
1	Philip Morris 52.8	Microsoft 192.8	Microsoft 159.1
2	Merck 49.3	Cisco Systems 172.6	Wal-Mart Stores 85.2
3	American International Group, 44.8	General Electric 151.8	Lucent Technologies 82.3
4	PMC-Sierra 42.8	Oracle 114.8	Cisco Systems 77.3
5	Pfizer 41.8	Wal-Mart Stores 106.4	General Electric 77.1
6	American Home Products 28.4	QUALCOMM 92.6	IBM 65.5
7	Solelectron 25.8	Sun Microsystems 81.0	Intel 65.2
8	Enron 25.2	Citigroup 63.4	Dell Computer 64.0
9	Medtronic 24.5	EMC 61.5	Pfizer 56.1
10	Eli Lilly 23.9	Yahoo! 58.1	America Online 53.1

Top value shareholder destroyers. Shareholder value created in \$billion			
	2000	1999	1998
1	Microsoft -448.6	Philip Morris -84.1	Boeing -22.1
2	Lucent Technologies -224.5	Pfizer -52.3	Schlumberger -20.7
3	Cisco Systems -148.9	Coca-Cola -39.3	Coca-Cola -17.0
4	WorldCom -128.1	Compaq Computer -33.7	Cendant -15.2
5	AT&T -123.8	Eli Lilly -33.4	E.I. Du Pont -13.4
6	America Online -116.6	First Union Corp. -33.4	Walt Disney -12.9
7	Yahoo! -116.0	Merck -33.1	Citigroup -12.8
8	Intel -104.6	Banc One Corp. -30.9	Allstate Corporation -9.8
9	Dell Computer -104.5	BankAmerica Corp. -29.7	Computer Associates -9.5
10	Wal-Mart Stores -103.1	American Home -29.3	Gillette -8.9

Table 3 shows the created shareholder value of selected American companies during the three-year period 1998-2000 and during the eight-year period 1993-2000. General Electric was the first company in both, created shareholder value and equity market value in 2000.

Table 3. Created shareholder value and market capitalization of 142 selected American companies (billion dollars)

(billion dollars) Company Name	Created shareholder value		Capitalization (year end)	
	1998-00	1993-00	2000	1992
1 General Electric	146.6	277.4	476.1	73.0
2 Oracle	120.0	126.8	162.7	4.0
3 Cisco Systems	101.0	129.4	268.7	4.8
4 EMC	99.4	106.8	145.0	0.9
5 American International G.	91.2	119.9	228.2	24.5
6 Wal-Mart Stores	88.5	66.7	237.3	73.6
7 Citigroup	70.6	102.7	229.4	5.3
8 Merck	54.3	97.3	215.9	49.8
9 Sun Microsystems	47.3	54.7	89.7	3.4
10 Pfizer	45.6	100.2	290.2	23.9
11 Amgen	41.5	39.3	65.7	9.6
12 Solectron	40.0	41.9	21.8	0.6
13 Morgan Stanley, Dean W	38.7		89.7	
14 Texas Instruments	38.4	44.4	82.0	3.8
15 Enron	37.8	38.0	61.4	5.4
16 Tyco International	31.5	35.2	97.1	0.9
17 Home Depot	29.5	33.7	106.1	22.3
18 Exxon-Mobil	28.6	69.1	302.2	75.9
19 Medtronic	27.5	40.6	72.4	5.7
20 Corning	23.6	20.8	46.7	7.3
21 Johnson & Johnson	23.1	51.1	146.1	33.1
22 Bristol-Myers Squibb	22.6	67.5	144.6	35.0
23 Network Appliance	20.6		20.3	
24 Siebel Systems	19.2		29.1	
25 American Home Products	18.9	34.3	83.3	21.1
26 Schering-Plough	18.5	43.5	83.0	12.7
27 Walgreen	18.4	24.4	42.2	5.4
28 American Express Comp	17.5	40.5	73.1	11.9
29 Anheuser-Busch Compar	17.1	18.0	41.2	16.2
30 QUALCOMM	16.4	17.0	61.5	0.5
31 Merrill Lynch & Co., Inc.	16.2	31.3	54.9	6.1
32 Bea Systems	14.5		25.6	
33 Immunex Corporation	13.7		21.8	
34 Ford Motor	13.7	30.3	42.8	20.9
35 Intel	13.7	79.2	202.3	18.1
36 Automatic Data Processii	13.3	18.1	40.0	7.5
37 Charles Schwab Corpora	13.3	20.9	39.3	1.0
38 BellSouth	12.1	32.4	76.4	25.4
39 Bank of New York Comp	12.1	25.6	40.9	4.3
40 Kohl's	11.2	13.8	20.2	1.1
41 United Technologies	11.1	16.3	36.8	6.0
42 Comverse Technology	10.9	11.1	18.0	0.2
43 CIGNA Corporation	10.8	16.1	20.3	4.2
44 12 Technologies	10.8		22.0	
45 Comcast	10.5	12.2	36.4	1.6
46 Safeway	10.4	19.7	31.3	1.3
47 Qwest Communications	10.3		67.9	
48 Veritas Software	10.3		35.8	
49 Sysco	10.1	10.7	20.0	4.9
50 Abbott Laboratories	10.0	22.8	74.9	25.4
51 3M	9.4	12.9	47.5	22.1
52 IBM	9.3	64.2	149.1	28.8
53 MBNA Corporation	9.2	17.7	31.5	2.5
54 Wells Fargo & Company	9.0	22.6	95.2	6.0
55 Provident Financial Corp	8.9	12.4	16.4	3.4
56 Cardinal Health	8.9	11.4	27.8	0.6
57 Analog Devices	8.8	10.5	18.3	0.8
58 Baxter International	8.2	9.7	25.8	9.0
59 Xilinx	8.0	8.5	15.2	0.6
60 State Street Corporation	7.4	11.1	20.0	3.3
61 Viacom	6.9	1.0	64.5	2.8
62 Cox Communications	6.9		26.6	
63 Alcoa	6.8	8.2	29.0	6.1
64 Linear Technology	6.5	8.0	14.7	0.9
65 Colgate-Palmolive	6.1	12.7	37.1	8.9
66 Target	5.6	11.1	28.9	5.4
67 Mellon Bank Corporation	5.6	15.1	24.0	2.9
68 Applied Materials	5.4	10.3	31.0	1.3
69 Micron Technology	5.3	6.2	20.2	0.7
70 Eli Lilly	5.2	55.2	105.1	17.8
71 J.P. Morgan & Company,	4.8	7.0	26.6	12.6

(billion dollars) Company Name	Created shareholder value		Capitalization (year end)	
	1998-00	1993-00	2000	1992
72 CVS Corp	4.5	3.9	23.4	5.6
73 Fifth Third Bancorp	4.3	10.8	27.8	3.2
74 Emerson Electric	4.2	9.2	33.8	12.3
75 First Data Corp	4.1	-1.4	20.8	3.8
76 Tellabs	4.0	10.4	23.2	0.3
77 Omnicom	3.4	7.1	14.7	1.2
78 Kimberly-Clark	3.2	3.1	38.0	9.5
79 American General Corpor	3.1	5.4	20.5	6.2
80 Kroger	3.1	7.9	22.2	1.3
81 Bestfoods	2.7	6.5	20.2	7.6
82 Boeing	2.3	7.4	58.6	13.6
83 HCA Healthcare	2.0	-4.8	23.4	0.6
84 U.S. Bancorp	1.7	12.2	21.9	2.4
85 McDonald's	1.5	3.4	44.6	17.7
86 PNC Bank Corp.	0.9	5.9	21.2	8.0
87 Texaco	0.8	8.4	34.3	15.5
88 TENET Healthcare	0.6	2.4	14.1	2.1
89 Alltel Corporation	0.5	1.6	19.5	4.2
90 Phillips Petroleum	0.3	3.4	14.5	6.5
91 PepsiCo	0.3	2.6	71.5	33.1
92 Household International,	0.1	6.3	25.9	2.4
93 JDS Uniphase	0.1		40.1	
94 Electronic Data Systems	-0.3	-7.2	26.9	6.8
95 The Gap	-0.5	5.9	21.7	4.8
96 Time Warner	-1.1	5.1	63.4	10.9
97 Chubb Corporation	-1.6	-1.7	15.1	7.8
98 Dow Chemical	-2.8	1.2	24.8	15.6
99 Chevron	-3.9	12.6	55.1	23.7
100 Nextel Communications	-4.1	-3.8	18.0	1.0
101 Gannett Co	-4.3	1.7	16.6	7.3
102 H.J. Heinz	-4.3	-0.9	16.5	11.2
103 Caterpillar	-4.7	3.0	16.3	5.4
104 Chase Manhattan Corpor	-5.4	6.5	59.2	9.5
105 Schlumberger	-5.6	11.2	45.5	13.8
106 General Motors	-5.8	-1.0	28.8	22.7
107 Illinois Tool Works	-6.2	0.1	18.0	3.7
108 ConAgra	-6.4	-2.9	13.9	8.1
109 America Online	-6.7	-1.0	80.9	0.2
110 International Paper	-7.1	-10.3	19.7	8.2
111 FleetBoston	-7.3	-1.6	33.9	4.0
112 SunTrust Banks, Inc.	-7.3	-0.2	18.7	5.5
113 Clear Channel Communic	-7.4	-2.7	28.3	0.2
114 Verizon Communications	-7.4	1.6	135.3	22.2
115 Hewlett-Packard	-7.5	17.2	62.4	17.6
116 Honeywell	-7.7	-2.8	38.1	8.6
117 Halliburton	-8.5	-2.5	16.2	3.1
118 National City Corporation	-8.5	-3.7	17.5	3.9
119 Sara Lee	-9.6	-4.8	20.5	14.4
120 Lockheed Martin	-10.2		14.6	
121 Allstate Corporation	-10.3		31.9	
122 SBC Communications	-11.7	-4.0	161.6	22.2
123 Sprint	-14.0	-3.3	16.2	5.6
124 Campbell Soup	-14.2	-2.2	14.6	10.6
125 Waste Management	-14.6	986.4	17.3	0.2
126 Motorola	-17.2	-21.5	44.2	14.0
127 Philip Morris	-17.2	6.3	97.8	68.9
128 Dell Computer	-18.0	7.3	45.8	1.8
129 E.I. Du Pont De Nemours	-26.2	-0.2	50.4	31.8
130 Walt Disney	-26.6	-11.2	60.3	22.5
131 Gillette	-31.6	-12.7	38.1	12.5
132 Banc One Corporation	-33.0	-35.0	42.3	12.3
133 Procter & Gamble	-33.3	12.8	102.3	36.5
134 First Union Corporation	-36.9	-27.4	27.3	5.8
135 Yahoo!	-41.0		16.5	
136 Compaq Computer	-43.1	-17.8	25.6	3.8
137 BankAmerica Corporation	-50.9	-42.6	75.4	12.5
138 Coca-Cola	-62.9	1.8	151.1	54.9
139 WorldCom	-96.1		40.5	
140 Microsoft	-96.8	-4.3	231.3	23.5
141 Lucent Technologies	-112.0		45.1	
142 AT&T	-122.2	-120.9	64.8	68.1

3. EVA does not properly measure Wealth Creation

We have compared EVA calculated by Stern Stewart and Co² with created shareholder value. Figure 1 shows EVA and created shareholder value for 269 companies in 1999. Exhibit 2 contains the data for every company³.

The correlation of EVA with created shareholder value was only 17.66%. 60 companies had negative EVA and positive created shareholder value. 64 companies had positive EVA and negative created shareholder value.

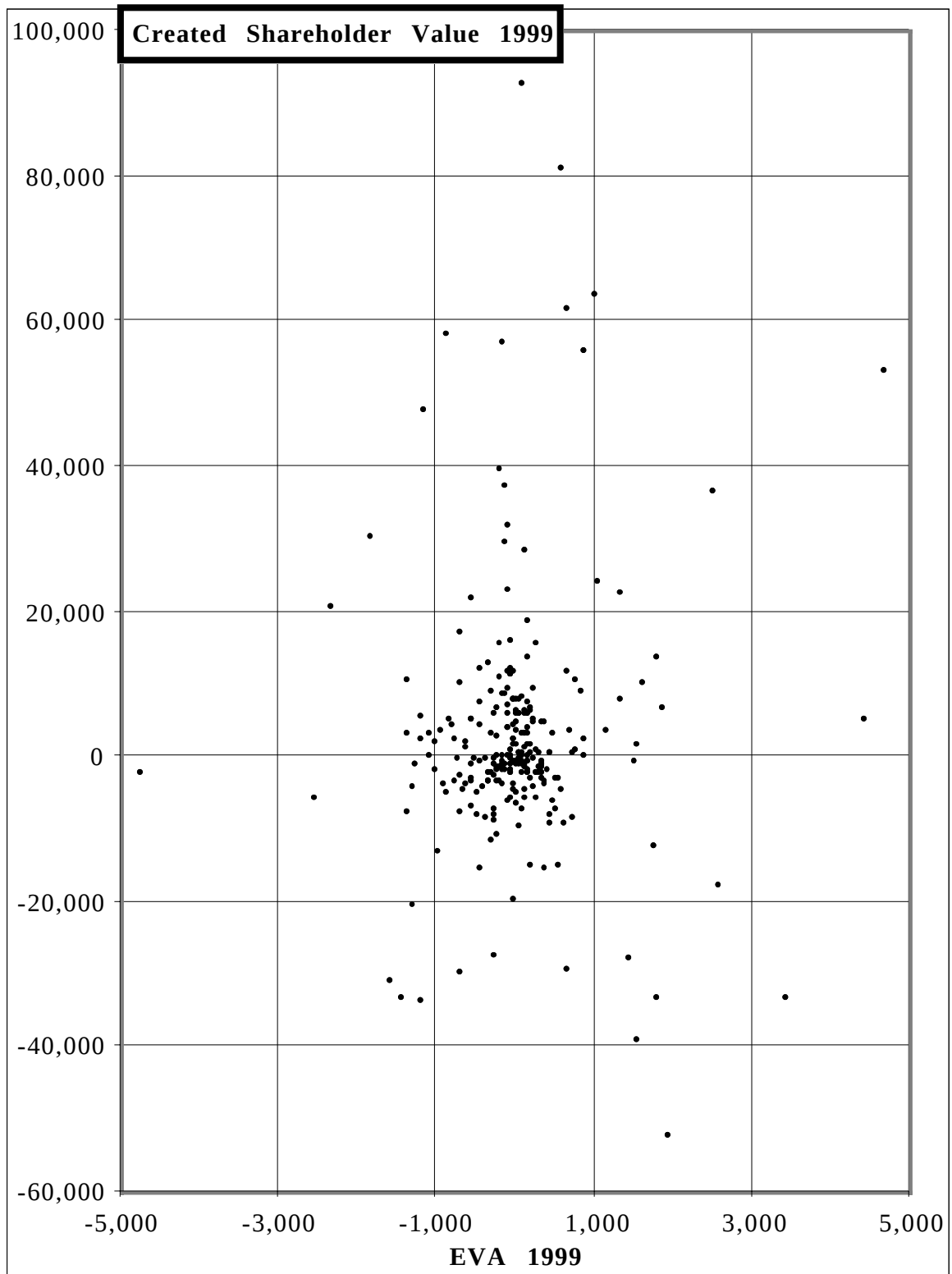
Exhibit 2 shows that, on average, the difference of shareholder value creation minus EVA was -434% of EVA. The absolute value of the difference of shareholder value creation minus EVA was 8972% of EVA.

With this evidence, we conclude that EVA does not properly measure Wealth Creation.

² See Fortune (December 18, 2000), "America's Best and Worst Wealth Creators", pp. 207-216. The article contains EVA (Economic Value Added), calculated by Stern Stewart and Co, of several American companies for 1999.

³ We only use data for 1999 because the mentioned Fortune article only provides 1999 data. For a comparison of several years see Fernandez (2001b).

Figure 1. EVA (according to Stern Stewart and Co) and created shareholder value for 269 companies in 1999 (million dollars)



4. Shareholder return

Table 4 shows the average shareholder return of listed American companies in the three-year period 1990-2000 and in the eight-year period 1993-2000. It can be seen that General Electric was the forty-eighth most profitable company during the period 1998-2000. Bea Systems and Network Appliance were the most profitable.

Table 4. Shareholder return of selected companies (average annual return)

	Company Name	Average Shareholder return	
		1998-00	1993-00
1	Bea Systems	149.6%	
2	Network Appliance	143.7%	
3	QUALCOMM	139.0%	65.7%
4	Siebel Systems	134.8%	
5	Veritas Software	126.3%	
6	EMC	113.2%	75.4%
7	Immunex Corp.	108.2%	
8	Comverse Tech.	102.9%	44.5%
9	12 Technologies	102.0%	
10	JDS Uniphase	100.5%	
11	Oracle	98.4%	59.3%
12	Sollectron	92.5%	60.4%
13	America Online	83.2%	87.4%
14	Sun Microsystems	77.5%	50.7%
15	Xilinx	73.9%	47.1%
16	Amgen	67.8%	28.1%
17	Coming	64.1%	24.5%
18	Texas Instruments	61.9%	42.8%
19	Enron	60.9%	30.4%
20	Cisco Systems	60.3%	56.0%
21	Providian Financial	56.7%	35.8%
22	Analog Devices	54.6%	44.4%
23	Kohl's	53.0%	41.7%
24	Yahoo!	51.4%	
25	Linear Technology	48.0%	40.3%
26	Charles Schwab	45.3%	55.7%
27	Morgan Stanley, DW	40.4%	
28	Qwest Comm.	40.1%	
29	Micron Technology	39.9%	44.5%
30	Wal-Mart Stores	39.8%	16.9%
31	Sysco	39.8%	22.6%
32	Walgreen	39.4%	30.4%
33	Comcast	38.4%	27.7%
34	American Int. G.	36.9%	30.2%
35	Applied Materials	36.4%	43.6%
36	Tyco International	35.2%	38.9%
37	CIGNA Corporation	34.1%	30.6%
38	Home Depot	32.9%	19.6%
39	Medtronic	32.5%	34.4%
40	Cox Communications	32.5%	
41	Viacom	31.2%	10.6%
42	United Technologies	31.0%	29.1%
43	Anheuser-Busch	29.7%	18.3%
44	State Street Corp.	29.7%	25.7%
45	Tellabs	28.8%	65.5%
46	Automatic Data Proc.	28.2%	22.6%
47	MBNA Corporation	28.0%	38.0%
48	General Electric	26.7%	29.5%
49	Omnicom	26.2%	31.9%
50	Bank of New York	26.1%	33.5%
51	Alcoa	26.0%	20.2%
52	Cardinal Health	26.0%	32.4%
53	Safeway	25.5%	44.7%
54	Citigroup	25.1%	39.1%
55	Target	25.0%	24.5%
56	Merrill Lynch & Co	24.7%	34.1%
57	Baxter International	24.5%	18.1%
58	Nextel Comm.	23.9%	13.1%
59	CVS Corp	23.9%	15.0%
60	Pfizer	23.8%	31.0%
61	Schering-Plough	23.5%	30.3%
62	American Express	23.5%	31.2%
63	Merck	22.8%	22.8%
64	Colgate-Palmolive	22.1%	23.5%
65	First Data Corp	21.9%	15.3%
66	American Home Pr.	20.5%	21.6%
67	Mellon Bank	20.2%	28.0%
68	Intel	19.8%	35.4%
69	Fifth Third Bancorp	19.6%	26.2%
70	Time Warner	19.4%	18.0%
71	Dell Computer	18.6%	48.3%
72	Johnson & Johnson	18.3%	21.5%
73	IBM	18.2%	28.5%
74	The Gap	17.8%	23.9%
75	Bristol-Myers Squibb	17.6%	24.0%
76	Alltel Corporation	17.5%	16.1%
77	American General	17.5%	17.8%
78	J.P. Morgan	17.0%	16.2%
79	3M	16.6%	15.2%
80	Abbott Laboratories	15.8%	17.9%
81	BellSouth	15.4%	19.5%
82	Bestfoods	15.2%	17.6%
83	Wells Fargo	15.1%	25.9%
84	Kimberly-Clark	15.0%	14.7%
85	Exxon-Mobil	14.9%	17.8%
86	HCA Healthcare	14.5%	15.5%
87	Emerson Electric	14.2%	16.7%
88	Ford Motor	13.8%	19.1%
89	Kroger	13.8%	28.4%
90	McDonald's	13.1%	14.4%
91	PepsiCo	12.6%	14.4%
92	PNC Bank Corp.	12.3%	17.1%
93	Boeing	11.9%	17.9%
94	Eli Lilly	11.6%	28.6%
95	SBC Comm.	11.5%	16.0%
96	Electronic Data Syste	10.9%	8.7%
97	Household Int.	10.6%	26.7%
98	TENET Healthcare	10.3%	17.9%
99	Microsoft	10.3%	29.9%
100	Chase Manhattan	10.1%	20.5%
101	Hewlett-Packard	9.8%	22.3%
102	U.S. Bancorp	8.9%	27.8%
103	Phillips Petroleum	8.5%	14.4%
104	Honeywell	8.4%	17.1%
105	Texaco	8.0%	14.0%
106	Clear Channel Comm.	6.8%	52.8%
107	Chubb Corporation	6.6%	11.0%
108	Dow Chemical	6.3%	12.7%
109	Verizon Comm.	6.2%	13.2%
110	Chevron	6.2%	15.7%
111	Philip Morris	4.7%	12.4%
112	General Motors	3.4%	12.1%
113	FleetBoston	3.0%	14.8%
114	Motorola	2.7%	11.9%
115	Schlumberger	2.2%	16.1%
116	Gannett Co	2.0%	14.2%
117	Caterpillar	1.9%	19.4%
118	Procter & Gamble	0.9%	16.5%
119	H.J. Heinz	0.8%	9.7%
120	Illinois Tool Works	0.8%	19.0%
121	Allstate Corporation	0.6%	
122	International Paper	0.4%	5.0%
123	National City	-0.7%	15.6%
124	Coca-Cola	-1.9%	15.7%
125	SunTrust Banks	-2.0%	16.7%
126	Sara Lee	-2.4%	8.8%
127	Walt Disney	-3.6%	9.9%
128	E.I. Du Pont	-4.8%	12.4%
129	ConAgra	-4.9%	8.6%
130	BankAmerica	-6.0%	11.1%
131	Banc One	-6.1%	5.4%
132	Sprint	-6.7%	13.9%
133	Gillette	-9.2%	13.8%
134	Lockheed Martin	-9.8%	
135	Halliburton	-10.1%	15.1%
136	Lucent Technologies	-10.2%	
137	Waste Management	-10.9%	8.5%
138	WorldCom	-11.3%	
139	Campbell Soup	-12.9%	9.4%
140	First Union	-14.6%	7.2%
141	Compaq Computer	-18.7%	21.3%
142	AT&T	-23.5%	-1.6%

Exhibit 1. Shareholder value creation for 274 American companies

TIC	Company Name	Shareholder value created					
		2000		1999		1998	
		(\$ million)	ranking	(\$ million)	ranking	(\$ million)	ranking
MO	Philip Morris	52,786	1	-84,138	272	14,174	34
MRK	Merck	49,324	2	-33,105	266	38,050	14
AIG	American International Group, Inc.	44,767	3	29,339	20	17,061	26
PMCS	PMC-Sierra	42,828	4	1,703	118	830	121
PFE	Pfizer	41,835	5	-52,319	271	56,108	9
AHP	American Home Products	28,389	6	-29,287	263	19,810	22
SLR	Soletron	25,794	7	12,174	36	2,036	95
ENE	Enron	25,163	8	8,922	50	3,683	70
MDT	Medtronic	24,456	9	-4,594	220	7,621	49
LLY	Eli Lilly	23,900	10	-33,434	268	14,767	32
TYC	Tyco International	21,514	11	-3,657	210	13,612	37
C	Citigroup	19,993	12	63,396	8	-12,791	257
BA	Boeing	19,189	13	5,222	80	-22,114	263
WFC	Wells Fargo & Company	18,460	14	-6,877	232	-2,594	216
MER	Merrill Lynch & Co., Inc.	16,945	15	3,692	97	-4,460	238
SGP	Schering-Plough	15,460	16	-27,837	262	30,886	16
PEP	PepsiCo	15,427	17	-15,605	256	432	138
ABT	Abbott Laboratories	14,956	18	-25,870	260	20,956	21
ALL	Allstate Corporation	14,591	19	-15,083	253	-9,779	256
CAH	Cardinal Health	13,072	20	-7,431	234	3,262	75
SWY	Safeway	11,913	21	-15,305	255	13,816	35
EMC	EMC	11,106	22	61,510	9	26,797	19
NTAP	Network Appliance	11,039	23	7,924	55	1,659	103
SLB	Schlumberger	10,768	24	4,363	90	-20,687	262
WAG	Walgreen	9,756	25	-3,212	200	11,865	41
BMJ	Bristol-Myers Squibb	9,709	26	-17,681	257	30,547	17
BK	Bank of New York Company, Inc.	8,714	27	-3,214	201	6,593	55
CI	CIGNA Corporation	8,431	28	-893	156	3,258	76
EMR	Emerson Electric	7,866	29	-3,470	207	-182	158
PNC	PNC Bank Corp.	7,785	30	-4,374	217	-2,526	212
BUD	Anheuser-Busch Companies	7,466	31	281	133	9,394	46
BAX	Baxter International	7,316	32	-1,975	180	2,815	86
SEBL	Siebel Systems	7,145	33	11,411	40	668	129
STT	State Street Corporation	7,101	34	-706	152	953	118
MMM	3M	7,096	35	9,117	49	-6,782	250
KSS	Kohl's	6,911	36	604	126	3,711	69
MEL	Mellon Bank Corporation	6,600	37	-1,756	177	742	125
BEAS	Bea Systems	6,518	38	8,460	52	-511	177
HI	Household International, Inc.	6,428	39	-3,591	209	-2,715	219
CVS	CVS Corp	6,261	40	-8,415	241	6,686	54
HCA	HCA Healthcare	6,242	41	1,030	122	-5,273	244
NGH	Nabisco	6,190	42	-5,161	223	-3,034	222
SYN	Sysco	5,828	43	3,289	102	968	117
KRB	MBNA Corporation	5,751	44	-121	139	3,573	72
THC	TENET Healthcare	5,721	45	-1,829	179	-3,312	227
JNJ	Johnson & Johnson	5,507	46	1,661	119	15,926	29
KR	Kroger	5,374	47	-7,403	233	5,102	62
WMX	Waste Management	5,276	48	-20,384	259	497	135
JPM	J.P. Morgan & Company	5,220	49	2,466	109	-2,907	221
ACL	ACE Limited	4,751	50	-4,234	216	-246	161
BFO	Bestfoods	4,586	51	-1,465	172	-396	171
CB	Chubb Corporation	4,372	52	-2,607	196	-3,408	230
XOM	Exxon-Mobil	4,310	53	5,093	82	19,176	23
DNA	Genentech	4,216	54				
SPC	St. Paul Companies	4,180	55	-987	158	-1,713	199
CMVT	Comverse Technology	4,166	56	6,102	69	675	128
LMT	Lockheed Martin	4,116	57	-9,707	246	-4,604	239
HIG	Hartford Financial Services Group	4,102	58	-3,247	202	605	132

TIC	Company Name	Shareholder value created					
		2000		1999		1998	
		(\$ million)	ranking	(\$ million)	ranking	(\$ million)	ranking
GLW	Corning	3,992	59	18,528	27	1,033	115
HRC	HEALTHSOUTH	3,954	60	-5,171	224	-6,376	249
LTR	Loews Corporation	3,917	61	-5,736	226	-2,431	209
XL	XL Capital Limited	3,694	62	-3,802	214		
PSFT	PeopleSoft	3,658	63	117	134	-5,454	246
TX	Texaco	3,511	64	-569	148	-2,141	205
AUD	Automatic Data Processing	3,205	65	6,201	67	3,911	68
BR	Burlington Resources	3,058	66	-1,258	168	-2,561	214
FITB	Fifth Third Bancorp	3,032	67	-1,385	170	2,633	89
UTX	United Technologies	2,978	68	1,705	117	6,377	56
GIS	General Mills	2,394	69	-1,537	174	494	136
NCC	National City Corporation	2,381	70	-10,976	247	53	148
HNZ	H.J. Heinz	2,227	71	-7,479	235	941	119
ORI	Old Republic International	2,202	72	-1,614	175	-790	188
KEY	KeyCorp	2,156	73	-5,858	228	-3,133	224
P	Phillips Petroleum	2,046	74	570	127	-2,290	207
PVN	Provident Financial Corpora	1,995	75	1,013	123	5,912	59
MAR	Marriott International	1,992	76	-39	136		
ADM	Archer-Daniels-Midland	1,790	77	-3,426	206	-3,061	223
NOC	Northrop	1,737	78	-1,824	178	-3,631	232
LLTC	Linear Technology	1,688	79	3,028	107	1,800	99
HSY	Hershey Foods	1,606	80	-2,148	185	-453	173
COMS	3Com	1,396	81	-2,075	182	1,265	108
PRE	PartnerRe Ltd.	1,328	82	-1,019	160	-300	166
GS	Goldman Sachs Group	1,314	83				
RAL	Ralston Purina	1,283	84	-2,341	190	-263	163
ONE	Banc One Corporation	1,247	85	-30,880	265	-3,316	228
CAG	ConAgra	1,201	86	-5,577	225	-2,033	203
NA	Nabisco Holdings	1,086	87	-716	153	-600	180
APD	Air Products and Chemicals	1,031	88	-2,458	194	-1,308	193
UNP	Union Pacific	1,031	89	-1,283	169	-5,694	247
S	Sears Roebuck	1,012	90	-5,996	229	-2,565	215
BNI	Burlington Northern Sante Fe	935	91	-6,400	231	53	147
SLE	Sara Lee	916	92	-7,993	239	-2,531	213
AW	Allied Waste Industries	886	93	-3,268	203	-274	165
TRL	Total Renal Care	778	94	-2,184	186	-78	155
GR	BF Goodrich	748	95	-898	157	-712	182
OXY	Occidental Petroleum	715	96	1,471	120	-4,903	241
BEN	Franklin Resources, Inc.	585	97	-1,004	159	-4,314	237
RTN.B	Raytheon	570	98	-7,771	237	-709	181
GDT	Guidant	485	99	-4,465	219	5,940	58
NWAC	Northwest Airlines	401	100	-580	149	-2,797	220
MRO	USX - Marathon Group	362	101	-2,606	195	-2,035	204
U	USAir	332	102	-2,333	189	-1,701	197
NKE	Nike	316	103	892	124	-468	175
AGC	American General Corporation	248	104	-2,091	183	4,954	63
TOY	Toys "R" Us	232	105	-1,125	162	-5,098	242
ANAT	American National Insurance	205	106	-630	150	-426	172
BKS	Barnes & Noble	164	107	-2,027	181	212	144
WN	Washington Mutual	135	108	-200	142	-31	152
MTG	MGIC Investment Corporation	134	109	1,758	116	-3,885	235
CAL	Continental airlines	67	110	286	132	-1,086	191
MAT	Mattel	38	111	-3,809	215	-5,365	245
HLT	Hilton Hotels	29	112	-1,408	171	-3,417	231
FLM	Fleming Companies	19	113	-49	137	-175	157
QTRN	Quintiles Transnational	-21	114	-3,281	204	718	126
CVC	Cablevision Systems	-136	116	1,925	114	1,261	109
BWA	Borg-Warner Automotive	-136	115	-527	147	-65	153
USB	U.S. Bancorp	-144	117	-11,737	248	13,581	38
KMB	Kimberly-Clark	-229	118	3,130	105	306	143
TEN	Tenneco	-260	119	-3,720	212	-1,815	201
IGL	IMC Global	-272	120	-849	155	-1,730	200
DE	Deere & Company	-294	121	1,799	115	-7,983	253

TIC	Company Name	Shareholder value created					
		2000		1999		1998	
		(\$ million)	ranking	(\$ million)	ranking	(\$ million)	ranking
GLK	Great Lakes Chemical	-297	122	-393	145	-264	164
FBF	FleetBoston	-311	123	-8,560	242	1,555	106
MAY	May Department Stores	-385	124	-3,747	213	880	120
ADI	Analog Devices	-457	125	9,312	48	-26	151
IMNX	Immunex Corporation	-530	126	11,722	37	2,524	90
MWD	Morgan Stanley, Dean Witter	-556	127	36,600	17	2,681	88
ITWO	12 Technologies	-586	128	11,376	41	-22	150
SGL	Silicon Graphics	-654	129	-203	143	-1,492	195
DAL	Delta Air Lines	-693	130	-1,223	167	-2,193	206
IBI	Intimate Brands	-700	131	465	129	143	146
AMR	AMR Corporation	-767	132	-81	138	-2,481	211
IKN	IKON Office Solution	-772	133	-432	146	-3,175	225
HRZ	Hertz	-866	134	-31	135	31	149
SCH	Charles Schwab Corporation	-979	135	4,687	84	9,607	44
CAT	Caterpillar	-1,029	136	-1,095	161	-2,597	217
DDS	Dillard's	-1,043	137	-1,163	165	-1,156	192
BS	Bethlehem Steel	-1,046	138	-188	141	-205	160
GT	Goodyear Tire & Rubber	-1,120	139	-4,404	218	-3,198	226
FDC	First Data Corp	-1,162	140	5,834	74	-548	178
OWC	Owens Corning	-1,199	141	-1,218	166	-252	162
MXIM	Maxim Integrated Product	-1,248	142	5,942	71	656	130
YUM	Tricon Global Restaurants	-1,297	143	-2,391	192	2,837	84
EL	Estee Lauder	-1,414	144	393	131	1,775	100
FDX	FDX Corp	-1,441	145	-2,448	193	2,505	91
CCE	Coca-Cola Enterprises	-1,474	146	-7,956	238	-1,709	198
SRV	Service Corporation International	-1,581	147	-8,963	243	-510	176
AN	AutoNation	-1,597	148	-3,710	211	-5,181	243
CSX	CSX	-1,613	149	-3,062	197	-3,853	234
XLNX	Xilinx	-1,619	150	7,712	57	1,871	98
MHP	McGraw-Hill Companies	-1,623	151	1,165	121	2,132	94
AMGN	Amgen	-1,943	152	31,708	18	11,762	42
UVN	Univision Communications	-1,984	153	3,694	96	-66	154
UNM	UNUM Corporation	-1,995	154	-4,628	221	-332	169
CCK	Crown Cork & Seal	-2,124	155	-1,487	173	-3,325	229
CNC	Conseco	-2,163	156	-5,109	222	-3,850	233
SEE	Sealed air	-2,180	157	-374	144	-725	185
TRW	TRW	-2,186	158	-1,162	164	-324	168
K	Kellogg	-2,401	159	-2,236	187	-7,834	252
MEDI	MedImmune	-2,432	160	5,904	72	1,248	110
UAL	UAL Corp	-2,545	161	521	128	-2,663	218
CPB	Campbell Soup	-2,625	162	-9,133	244	-2,441	210
JCP	J.C. Penney	-2,790	163	-8,106	240	-4,859	240
KM	Kmart	-2,881	164	-3,482	208	1,196	111
AMTD	Ameritrade	-2,889	165	2,448	110	376	140
WB	Wachovia Corporation	-3,051	166	-5,740	227	-311	167
AFS	Associates First Capital Corporation	-3,113	167	-15,093	254	203	145
USAI	USA Networks	-3,140	168	2,211	113	351	141
AFM	AMFM	-3,199	169	3,451	99	686	127
ABS	Albertson's	-3,385	170	-9,177	245	3,084	82
OI	Owens-Illinois	-3,529	171	-1,697	176	-1,958	202
STI	SunTrust Banks, Inc.	-3,665	172	-3,202	199	-461	174
PPG	PPG Industries	-3,693	173	-130	140	-744	186
HAL	Halliburton	-3,916	174	3,067	106	-7,640	251
TRB	Tribune	-3,982	175	4,650	86	-142	156
QWST	Qwest Communications	-4,000	176	10,662	43	3,662	71
GP	Georgia-Pacific	-4,122	177	3,331	100	-716	183
CHV	Chevron	-4,174	178	-808	154	1,087	113
MU	Micron Technology	-4,211	179	5,002	83	4,458	66
FD	Federated Department Stores	-4,329	180	464	130	-889	189
BSX	Boston Scientific	-4,520	181	-3,350	205	311	142
ITW	Illinois Tool Works	-4,548	182	701	125	-2,316	208
CL	Colgate-Palmolive	-4,627	183	7,635	59	3,128	80
OMC	Omnicom	-4,653	184	6,165	68	1,891	97

TIC	Company Name	Shareholder value created					
		2000		1999		1998	
		(\$ million)	ranking	(\$ million)	ranking	(\$ million)	ranking
COST	Costco Wholesale	-4,710	185	2,306	111	4,775	64
BGEN	Biogen	-4,786	186	5,747	76	3,190	79
PBI	Pitney Bowes	-4,811	187	-6,271	230	5,140	61
IPG	Interpublic Group	-5,565	188	3,995	94	3,249	78
TXT	Textron	-5,588	189	-1,144	163	1,163	112
ET	E*trade	-5,801	190	2,787	108	758	123
COX	Cox Communications	-6,057	191	6,739	64	6,228	57
DIS	Walt Disney	-6,083	192	-7,608	236	-12,876	258
WY	Weyerhaeuser	-6,589	193	3,265	103	-568	179
KO	Coca-Cola	-6,645	194	-39,261	270	-16,955	261
TER	Teradyne	-6,661	195	6,955	62	426	139
FTU	First Union Corporation	-6,759	196	-33,428	267	3,250	77
TLAB	Tellabs	-6,887	197	9,530	47	1,341	107
GCI	Gannett Co	-6,891	198	3,305	101	-721	184
DISH	Echostar Communications	-6,961	199	5,113	81	432	137
CSC	Computer Sciences	-6,964	200	3,754	95	2,820	85
LXK	Lexmark International	-6,997	201	4,573	87	4,119	67
DOW	Dow Chemical	-7,044	202	8,283	53	-3,987	236
MFNX	Metromedia Fiber Network	-7,067	203	4,382	89	2,143	93
EDS	Electronic Data Systems	-7,219	204	5,872	73	1,046	114
TGT	Target	-7,392	205	5,695	77	7,326	52
BRCM	Broadcom Corp	-7,695	206	4,190	92		
VRTS	Veritas Software	-7,810	207	17,158	28	976	116
AT	Alltel Corporation	-7,892	208	5,260	79	3,115	81
AXP	American Express Company	-8,151	209	23,953	22	1,654	104
CTXS	Citrix Systems	-8,381	210	5,787	75	1,633	105
IP	International Paper	-8,568	211	2,279	112	-757	187
AA	Alcoa	-8,578	212	15,698	30	-372	170
RNWK	RealNetworks	-8,978	213	5,996	70	547	133
CMCSK	Comcast	-9,205	214	12,217	35	7,530	50
EK	Eastman Kodak	-9,564	215	-3,198	198	2,701	87
G	Gillette	-9,574	216	-13,141	252	-8,927	254
EBAY	e-Bay	-9,704	217	4,084	93		
INSP	Infospace	-9,904	218	7,740	56		
EXDS	Exodus Communications	-10,277	219	12,681	34		
NTLI	NTL Inc	-11,238	220	5,629	78	824	122
VIA.B	Viacom	-11,315	221	10,473	44	7,781	48
CNXT	Conexant Systems	-11,640	222	10,784	42		
TXN	Texas Instruments	-12,086	223	37,123	16	13,338	39
ORCL	Oracle	-12,394	224	114,751	4	17,671	25
CPWR	Compuware	-12,488	225	-2,312	188	7,417	51
BVSN	Broadvision	-12,628	226	11,625	39	498	134
AAPL	Apple Computer	-12,911	227	7,930	54	3,409	73
HON	Honeywell	-13,009	228	4,673	85	627	131
MCD	McDonald's	-13,165	229	-2,369	191	17,022	27
XRX	Xerox	-13,242	230	-27,404	261	12,533	40
NOVL	Novell	-13,297	231	6,784	63	3,346	74
CMB	Chase Manhattan Corporation (The)	-13,968	232	-664	151	9,246	47
CD	Cendant	-14,120	233	4,208	91	-15,179	260
DCLK	DoubleClick	-14,248	234	8,732	51		
VRSN	Verisign	-14,249	235	15,870	29		
BAC	BankAmerica Corporation	-15,486	236	-29,684	264	-5,736	248
BLS	BellSouth	-16,112	237	-12,450	250	40,671	13
F	Ford Motor	-16,343	238	-11,857	249	41,907	12
CCU	Clear Channel Communications	-16,927	239	7,533	60	2,019	96
SBC	SBC Communications	-17,407	240	-19,883	258	25,632	20
GM	General Motors	-17,517	241	7,231	61	4,509	65
BMCS	BMC Software	-17,840	242	6,606	65	1,682	102
GTW	Gateway 2000	-19,210	243	13,711	32	2,326	92
LVL	Level 3 Communications	-20,578	244	9,945	46	6,960	53
GPS	The Gap	-21,722	245	3,564	98	17,711	24
JDSU	JDS Uniphase	-22,571	246	21,918	25	756	124
DD	E.I. Du Pont De Nemours	-22,944	247	10,144	45	-13,361	259

		Shareholder value created					
		2000		1999		1998	
TIC	Company Name	(\$ million)	ranking	(\$ million)	ranking	(\$ million)	ranking
NXTL	Nextel Communications	-23,131	248	20,542	26	-1,473	194
VZ	Verizon Communications	-23,443	249	6,563	66	9,462	45
AMZN	Amazon	-24,569	250	4,412	88	13,658	36
CPQ	Compaq Computer	-25,228	251	-33,742	269	15,853	30
AMAT	Applied Materials	-25,922	252	28,465	21	2,893	83
CA	Computer Associates	-31,842	253	11,675	38	-9,525	255
TWX	Time Warner	-33,065	254	3,223	104	28,733	18
CMGI	CMGI	-37,779	255	22,713	23	1,737	101
FON	Sprint	-40,624	256	15,399	31	11,242	43
HWP	Hewlett-Packard	-46,006	257	39,416	15	-905	190
SUNW	Sun Microsystems	-48,879	258	81,027	7	15,181	31
PG	Procter & Gamble	-52,584	259	13,478	33	5,847	60
MOT	Motorola	-63,019	260	47,545	14	-1,679	196
IBM	IBM	-63,956	261	7,707	58	65,539	6
HD	Home Depot	-68,203	262	55,672	12	41,981	11
QCOM	QUALCOMM	-75,996	263	92,571	6	-189	159
GE	General Electric	-82,370	264	151,847	3	77,120	5
WMT	Wal-Mart Stores	-103,062	265	106,401	5	85,199	2
DELL	Dell Computer	-104,486	266	22,520	24	63,980	8
INTC	Intel	-104,644	267	53,118	13	65,205	7
YHOO	Yahoo!	-116,019	268	58,101	10	16,937	28
AOL	America Online	-116,628	269	56,873	11	53,087	10
T	AT&T	-123,764	270	-12,626	251	14,178	33
WCOM	WorldCom	-128,054	271	-2,119	184	34,069	15
CSCO	Cisco Systems	-148,940	272	172,629	2	77,311	4
LU	Lucent Technologies	-224,512	273	30,303	19	82,260	3
MSFT	Microsoft	-448,619	274	192,779	1	159,058	1
Sum		-2,347,175		1,268,122		1,375,712	

Exhibit 2. EVA calculated by Stern Stewart and Co⁴ and created shareholder value. 1999

TIC	Company Name	EVA 1999 according to Stern Stewart		Shareholder value created in 1999		Shareholder value creation - EVA	
		\$ million	ranking	\$ million	ranking	\$ million	% of EVA
MSFT	Microsoft	5,796	2	192,779	1	186,983	3226%
CSCO	Cisco Systems	182	83	172,629	2	172,447	94751%
GE	General Electric	3,499	6	151,847	3	148,348	4240%
ORCL	Oracle	605	39	114,751	4	114,146	18867%
WMT	Wal-Mart Stores	1,528	18	106,401	5	104,873	6863%
QCOM	QUALCOMM	78	112	92,571	6	92,493	118581%
SUNW	Sun Microsystems	595	41	81,027	7	80,432	13518%
C	Citigroup	1,003	25	63,396	8	62,393	6221%
EMC	EMC	668	35	61,510	9	60,842	9108%
YHOO	Yahoo!	-862	244	58,101	10	58,963	-6840%
AOL	America Online	-156	179	56,873	11	57,029	-36557%
HD	Home Depot	884	26	55,672	12	54,788	6198%
INTC	Intel	4,695	4	53,118	13	48,423	1031%
MOT	Motorola	-1,170	253	47,545	14	48,715	-4164%
HWP	Hewlett-Packard	-195	184	39,416	15	39,611	-20313%
TXN	Texas Instruments	-123	172	37,123	16	37,246	-30282%
MWD	Morgan Stanley, Dean W.	2,511	9	36,600	17	34,089	1358%
AMGN	Amgen	-81	163	31,708	18	31,789	-39246%
LU	Lucent Technologies	-1,828	265	30,303	19	32,131	-1758%
AIG	American International G.	-119	171	29,339	20	29,458	-24755%
AMAT	Applied Materials	136	102	28,465	21	28,329	20830%
AXP	American Express	1,041	24	23,953	22	22,912	2201%
CMGI	CMGI	-88	166	22,713	23	22,801	-25910%
DELL	Dell Computer	1,330	22	22,520	24	21,190	1593%
JDSU	JDS Uniphase	-564	228	21,918	25	22,482	-3986%
NXTL	Nextel Communications	-2,325	266	20,542	26	22,867	-984%
GLW	Corning	151	95	18,528	27	18,377	12170%
VRTS	Veritas Software	-681	235	17,158	28	17,839	-2620%
VRSN	Verisign	-53	151	15,870	29	15,923	-30044%
AA	Alcoa	-189	183	15,698	30	15,887	-8406%
FON	Sprint	281	68	15,399	31	15,118	5380%
GTW	Gateway 2000	154	94	13,711	32	13,557	8804%
PG	Procter & Gamble	1,782	12	13,478	33	11,696	656%
EXDS	Exodus Communications	-322	208	12,681	34	13,003	-4038%
CMCSK	Comcast	-431	215	12,217	35	12,648	-2934%
SLR	Solelectron	-55	153	12,174	36	12,229	-22235%
IMNX	Immunex Corporation	-100	168	11,722	37	11,822	-11822%
CA	Computer Associates	666	36	11,675	38	11,009	1653%
BVSN	Broadvision	-15	140	11,625	39	11,640	-77600%
SEBL	Siebel Systems	-36	148	11,411	40	11,447	-31798%
ITWO	12 Technologies	-65	157	11,376	41	11,441	-17601%
CNXT	Conexant Systems	-199	186	10,784	42	10,983	-5519%
QWST	Qwest Communications	781	30	10,662	43	9,881	1265%
VIA.B	Viacom	-1,386	262	10,473	44	11,859	-856%
DD	E.I. Du Pont De Nemours	1,623	15	10,144	45	8,521	525%
LVT	Level 3 Communications	-682	236	9,945	46	10,627	-1558%
TLAB	Tellabs	243	72	9,530	47	9,287	3822%
ADI	Analog Devices	-72	160	9,312	48	9,384	-13033%

⁴ See Fortune (December 18, 2000), “America’s Best and Worst Wealth Creators”, pp. 207-216. The article contains EVA (Economic Value Added), calculated by Stern Stewart and Co, of several American companies for 1999.

TIC	Company Name	EVA 1999 according to Stern Stewart		Shareholder value created in 1999		Shareholder value creation - EVA	
		\$ million	ranking	\$ million	ranking	\$ million	% of EVA
MMM	3M	839	29	9,117	49	8,278	987%
ENE	Enron	-317	205	8,922	50	9,239	-2914%
DCLK	DoubleClick	-108	170	8,732	51	8,840	-8185%
BEAS	Bea Systems	-166	182	8,460	52	8,626	-5196%
DOW	Dow Chemical	97	109	8,283	53	8,186	8440%
AAPL	Apple Computer	-35	147	7,930	54	7,965	-22758%
NTAP	Network Appliance	-4	139	7,924	55	7,928	-198200%
INSP	Infospace	-25	143	7,740	56	7,765	-31059%
XLNX	Xilinx	20	129	7,712	57	7,692	38459%
IBM	IBM	1,349	21	7,707	58	6,358	471%
CL	Colgate-Palmolive	66	117	7,635	59	7,569	11468%
CCU	Clear Channel Comm.	-441	217	7,533	60	7,974	-1808%
GM	General Motors	172	85	7,231	61	7,059	4104%
TER	Teradyne	-80	162	6,955	62	7,035	-8794%
NOVL	Novell	-221	189	6,784	63	7,005	-3170%
BMCS	BMC Software	211	77	6,606	64	6,395	3031%
VZ	Verizon Communications	1,854	11	6,563	65	4,709	254%
AUD	Automatic Data Processing	195	80	6,201	66	6,006	3080%
OMC	Omnicom	123	105	6,165	67	6,042	4912%
CMVT	Comverse Technology	19	130	6,102	68	6,083	32015%
RNWK	RealNetworks	-79	161	5,996	69	6,075	-7690%
MXIM	Maxim Integrated Product	112	107	5,942	70	5,830	5206%
MEDI	MedImmune	43	124	5,904	71	5,861	13631%
EDS	Electronic Data Systems	43	123	5,872	72	5,829	13555%
FDC	First Data Corp	-261	196	5,834	73	6,095	-2335%
CTXS	Citrix Systems	14	131	5,787	74	5,773	41238%
BGEN	Biogen	165	91	5,747	75	5,582	3383%
TGT	Target	171	86	5,695	76	5,524	3230%
NTLI	NTL Inc	-1,199	256	5,629	77	6,828	-570%
AT	Alltel Corporation	234	75	5,260	78	5,026	2148%
BA	Boeing	-830	243	5,222	79	6,052	-729%
DISH	Echostar Communications	-568	229	5,113	80	5,681	-1000%
XOM	Exxon-Mobil	4,440	5	5,093	81	653	15%
MU	Micron Technology	-541	223	5,002	82	5,543	-1025%
SCH	Charles Schwab	339	60	4,687	83	4,348	1283%
HON	Honeywell	371	53	4,673	84	4,302	1160%
TRB	Tribune	8	134	4,650	85	4,642	58019%
LXK	Lexmark International	226	76	4,573	86	4,347	1923%
AMZN	Amazon	-813	242	4,412	87	5,225	-643%
MFNX	Metromedia Fiber Network	-451	219	4,382	88	4,833	-1072%
BRCM	Broadcom Corp	-31	146	4,190	89	4,221	-13616%
EBAY	e-Bay	-97	167	4,084	90	4,181	-4311%
IPG	Interpublic Group	167	89	3,995	91	3,828	2292%
CSC	Computer Sciences	-102	169	3,754	92	3,856	-3781%
UVN	Univision Communications	28	127	3,694	93	3,666	13093%
MER	Merrill Lynch & Co., Inc.	1,169	23	3,692	94	2,523	216%
GPS	The Gap	695	34	3,564	95	2,869	413%
AFM	AMFM	-945	247	3,451	96	4,396	-465%
GP	Georgia-Pacific	132	103	3,331	97	3,199	2424%
GCI	Gannett Co	478	47	3,305	98	2,827	592%
SYN	Sysco	166	90	3,289	99	3,123	1881%
WY	Weyerhaeuser	-306	204	3,265	100	3,571	-1167%
TWX	Time Warner	-1,354	260	3,223	101	4,577	-338%
KMB	Kimberly-Clark	72	116	3,130	102	3,058	4248%
HAL	Halliburton	-1,094	251	3,067	103	4,161	-380%
LLTC	Linear Technology	112	106	3,028	104	2,916	2604%
ET	E*trade	-236	193	2,787	105	3,023	-1281%

TIC	Company Name	EVA 1999 according to Stern Stewart		Shareholder value created in 1999		Shareholder value creation - EVA	
		\$ million	ranking	\$ million	ranking	\$ million	% of EVA
JPM	J.P. Morgan & Company	868	28	2,466	106	1,598	184%
AMTD	Ameritrade	-1	136	2,448	107	2,449	-244899%
COST	Costco Wholesale	-25	142	2,306	108	2,331	-9324%
IP	International Paper	-1,198	255	2,279	109	3,477	-290%
USAI	USA Networks	-759	240	2,211	110	2,970	-391%
CVC	Cablevision Systems	-1,000	250	1,925	111	2,925	-293%
DE	Deere & Company	-612	231	1,799	112	2,411	-394%
MTG	MGIC Investment Corp.	188	82	1,758	113	1,570	835%
UTX	United Technologies	11	132	1,705	114	1,694	15398%
PMCS	PMC-Sierra	-20	141	1,703	115	1,723	-8615%
JNJ	Johnson & Johnson	1,555	17	1,661	116	106	7%
OXY	Occidental Petroleum	145	96	1,471	117	1,326	914%
MHP	McGraw-Hill Companies	131	104	1,165	118	1,034	789%
HCA	HCA Healthcare	-606	230	1,030	119	1,636	-270%
PVN	Provident Financial Corp.	779	31	1,013	120	234	30%
NKE	Nike	-59	155	892	121	951	-1611%
ITW	Illinois Tool Works	277	70	701	122	424	153%
KSS	Kohl's	47	121	604	123	557	1185%
P	Phillips Petroleum	456	49	570	124	114	25%
UAL	UAL Corp	194	81	521	125	327	169%
IBI	Intimate Brands	317	65	465	126	148	47%
FD	Federated Department St.	456	48	464	127	8	2%
EL	Estee Lauder	45	122	393	128	348	774%
CAL	Continental airlines	100	108	286	129	186	186%
BUD	Anheuser-Busch	740	32	281	130	-459	-62%
PSFT	PeopleSoft	-145	175	117	131	262	-181%
HRZ	Hertz	-84	165	-31	132	53	-63%
MAR	Marriott International	94	110	-39	133	-133	-141%
FLM	Fleming Companies	-217	188	-49	134	168	-77%
AMR	AMR Corporation	-49	150	-81	135	-32	66%
3HVSQ	Integrated Health Services	-1,100	252	-82	136	1,018	-93%
KRB	MBNA Corporation	872	27	-121	137	-993	-114%
PPG	PPG Industries	143	97	-130	138	-273	-191%
BS	Bethlehem Steel	-382	213	-188	139	194	-51%
WN	Washington Mutual	-730	239	-200	140	530	-73%
SGI	Silicon Graphics	-513	222	-203	141	310	-60%
SEE	Sealed air	-56	154	-374	142	-318	568%
GLK	Great Lakes Chemical	242	73	-393	143	-635	-263%
IKN	IKON Office Solution	-274	201	-432	144	-158	58%
BWA	Borg-Warner Automotive	52	120	-527	145	-579	-1113%
TX	Texaco	-151	177	-569	146	-418	277%
NWAC	Northwest Airlines	35	125	-580	147	-615	-1757%
ANAT	American National Ins.	8	133	-630	148	-638	-7975%
CMB	Chase Manhattan	1,523	19	-664	149	-2,187	-144%
STT	State Street Corporation	177	84	-706	150	-883	-499%
NA	Nabisco Holdings	86	111	-716	151	-802	-932%
CHV	Chevron	340	59	-808	152	-1,148	-338%
IGL	IMC Global	-448	218	-849	153	-401	90%
CI	CIGNA Corporation	163	93	-893	154	-1,056	-648%
GR	BF Goodrich	-27	144	-898	155	-871	3225%
SPC	St. Paul Companies	-1,266	257	-987	156	279	-22%
BEN	Franklin Resources, Inc.	73	115	-1,004	157	-1,077	-1475%
PRE	PartnerRe Ltd.	-131	173	-1,019	158	-888	678%
CAT	Caterpillar	321	63	-1,095	159	-1,416	-441%
TOY	Toys "R" Us	-157	180	-1,125	160	-968	617%
TXT	Textron	64	119	-1,144	161	-1,208	-1887%
TRW	TRW	31	126	-1,162	162	-1,193	-3848%

TIC	Company Name	EVA 1999 according to Stern Stewart		Shareholder value created in 1999		Shareholder value creation - EVA	
		\$ million	ranking	\$ million	ranking	\$ million	% of EVA
DDS	Dillard's	-61	156	-1,163	163	-1,102	1807%
OWC	Owens Corning	140	99	-1,218	164	-1,358	-970%
DAL	Delta Air Lines	332	61	-1,223	165	-1,555	-468%
BR	Burlington Resources	-556	226	-1,258	166	-702	126%
UNP	Union Pacific	-272	200	-1,283	167	-1,011	372%
FITB	Fifth Third Bancorp	142	98	-1,385	168	-1,527	-1075%
HLT	Hilton Hotels	-149	176	-1,408	169	-1,259	845%
BFO	Bestfoods	318	64	-1,465	170	-1,783	-561%
CCK	Crown Cork & Seal	-227	191	-1,487	171	-1,260	555%
GIS	General Mills	351	57	-1,537	172	-1,888	-538%
ORI	Old Republic International	-195	185	-1,614	173	-1,419	728%
OI	Owens-Illinois	-161	181	-1,697	174	-1,536	954%
MEL	Mellon Bank Corporation	418	52	-1,756	175	-2,174	-520%
NOC	Northrop	170	88	-1,824	176	-1,994	-1173%
THC	TENET Healthcare	-226	190	-1,829	177	-1,603	709%
BAX	Baxter International	-136	174	-1,975	178	-1,839	1352%
BKS	Barnes & Noble	-71	159	-2,027	179	-1,956	2756%
COMS	3Com	-998	249	-2,075	180	-1,077	108%
AGC	American General Corp.	304	66	-2,091	181	-2,395	-788%
WCOM	WorldCom	-4,736	268	-2,119	182	2,617	-55%
HSY	Hershey Foods	77	113	-2,148	183	-2,225	-2889%
TRL	Total Renal Care	-330	209	-2,184	184	-1,854	562%
K	Kellogg	279	69	-2,236	185	-2,515	-901%
CPWR	Compuware	170	87	-2,312	186	-2,482	-1460%
U	USAir	-296	203	-2,333	187	-2,037	688%
RAL	Ralston Purina	164	92	-2,341	188	-2,505	-1528%
MCD	McDonald's	329	62	-2,369	189	-2,698	-820%
YUM	Tricon Global Restaurants	283	67	-2,391	190	-2,674	-945%
FDX	FDX Corp	-67	158	-2,448	191	-2,381	3553%
APD	Air Products and Chem.	-55	152	-2,458	192	-2,403	4368%
MRO	USX - Marathon Group	-257	195	-2,606	193	-2,349	914%
CB	Chubb Corporation	-677	234	-2,607	194	-1,930	285%
CSX	CSX	-547	224	-3,062	195	-2,515	460%
EK	Eastman Kodak	529	44	-3,198	196	-3,727	-705%
STI	SunTrust Banks, Inc.	348	58	-3,202	197	-3,550	-1020%
WAG	Walgreen	198	79	-3,212	198	-3,410	-1722%
BK	Bank of New York	535	43	-3,214	199	-3,749	-701%
HIG	Hartford Financial Services	-768	241	-3,247	200	-2,479	323%
AW	Allied Waste Industries	-351	210	-3,268	201	-2,917	831%
QTRN	Quintiles Transational	-232	192	-3,281	202	-3,049	1314%
BSX	Boston Scientific	-351	211	-3,350	203	-2,999	855%
ADM	Archer-Daniels-Midland	-322	207	-3,426	204	-3,104	964%
EMR	Emerson Electric	358	56	-3,470	205	-3,828	-1069%
KM	Kmart	-560	227	-3,482	206	-2,922	522%
HI	Household International	-201	187	-3,591	207	-3,390	1686%
AN	AutoNation	-905	246	-3,710	208	-2,805	310%
TEN	Tenneco	-632	232	-3,720	209	-3,088	489%
MAY	May Department Stores	361	55	-3,747	210	-4,108	-1138%
XL	XL Capital Limited	-154	178	-3,802	211	-3,648	2369%
MAT	Mattel	-4	138	-3,809	212	-3,805	95133%
ACL	ACE Limited	-1,297	258	-4,234	213	-2,937	226%
PNC	PNC Bank Corp.	242	74	-4,374	214	-4,616	-1908%
GT	Goodyear Tire & Rubber	-407	214	-4,404	215	-3,997	982%
AET	Aetna Inc.	-646	233	-4,456	216	-3,810	590%
GDT	Guidant	138	101	-4,465	217	-4,603	-3336%
MDT	Medtronic	599	40	-4,594	218	-5,193	-867%
UNM	UNUM Corporation	-2	137	-4,628	219	-4,626	231324%

TIC	Company Name	EVA 1999 according to Stern Stewart		Shareholder value created in 1999		Shareholder value creation - EVA	
		\$ million	ranking	\$ million	ranking	\$ million	% of EVA
CNC	Conseco	5	135	-5,109	220	-5,114	-102286%
NGH	Nabisco	-869	245	-5,161	221	-4,292	494%
HRC	HEALTHSOUTH	-487	220	-5,171	222	-4,684	962%
CAG	ConAgra	253	71	-5,577	223	-5,830	-2304%
LTR	Loews Corporation	-2,546	267	-5,736	224	-3,190	125%
WB	Wachovia Corporation	140	100	-5,740	225	-5,880	-4200%
KEY	KeyCorp	-39	149	-5,858	226	-5,819	14920%
S	Sears Roebuck	-82	164	-5,996	227	-5,914	7212%
PBI	Pitney Bowes	484	46	-6,271	228	-6,755	-1396%
BNI	Burlington Northern S. Fe	25	128	-6,400	229	-6,425	-25700%
WFC	Wells Fargo & Company	-554	225	-6,877	230	-6,323	1141%
KR	Kroger	76	114	-7,403	231	-7,479	-9841%
CAH	Cardinal Health	-269	198	-7,431	232	-7,162	2662%
HNZ	H.J. Heinz	517	45	-7,479	233	-7,996	-1547%
DIS	Walt Disney	-1,383	261	-7,608	234	-6,225	450%
RTN.B	Raytheon	-689	237	-7,771	235	-7,082	1028%
CCE	Coca-Cola Enterprises	-493	221	-7,956	236	-7,463	1514%
SLE	Sara Lee	429	51	-7,993	237	-8,422	-1963%
JCP	J.C. Penney	-278	202	-8,106	238	-7,828	2816%
CVS	CVS Corp	-368	212	-8,415	239	-8,047	2187%
FBF	FleetBoston	739	33	-8,560	240	-9,299	-1258%
SRV	Service Corporation Int.	-272	199	-8,963	241	-8,691	3195%
CPB	Campbell Soup	442	50	-9,133	242	-9,575	-2166%
ABS	Albertson's	637	38	-9,177	243	-9,814	-1541%
LMT	Lockheed Martin	65	118	-9,707	244	-9,772	-15033%
NCC	National City Corporation	-247	194	-10,976	245	-10,729	4344%
USB	U.S. Bancorp	-320	206	-11,737	246	-11,417	3568%
F	Ford Motor	5,418	3	-11,857	247	-17,275	-319%
BLS	BellSouth	1,775	14	-12,450	248	-14,225	-801%
T	AT&T	-6,379	269	-12,626	249	-6,247	98%
G	Gillette	-965	248	-13,141	250	-12,176	1262%
ALL	Allstate Corporation	554	42	-15,083	251	-15,637	-2823%
AFS	Associates First Capital C.	210	78	-15,093	252	-15,303	-7287%
SWY	Safeway	365	54	-15,305	253	-15,670	-4293%
PEP	PepsiCo	-438	216	-15,605	254	-15,167	3463%
BMJ	Bristol-Myers Squibb	2,589	8	-17,681	255	-20,270	-783%
SBC	SBC Communications	-30	145	-19,883	256	-19,853	66176%
WMX	Waste Management	-1,316	259	-20,384	257	-19,068	1449%
XRJ	Xerox	-263	197	-27,404	258	-27,141	10320%
SGP	Schering-Plough	1,427	20	-27,837	259	-29,264	-2051%
AHP	American Home Products	648	37	-29,287	260	-29,935	-4620%
BAC	BankAmerica Corporation	-697	238	-29,684	261	-28,987	4159%
ONE	Banc One Corporation	-1,577	264	-30,880	262	-29,303	1858%
MRK	Merck	3,449	7	-33,105	263	-36,554	-1060%
FTU	First Union Corporation	-1,425	263	-33,428	264	-32,003	2246%
LLY	Eli Lilly	1,780	13	-33,434	265	-35,214	-1978%
CPQ	Compaq Computer	-1,198	254	-33,742	266	-32,544	2717%
KO	Coca-Cola	1,562	16	-39,261	267	-40,823	-2613%
PFE	Pfizer	1,953	10	-52,319	268	-54,272	-2779%
MO	Philip Morris	6,454	1	-84,138	269	-90,592	-1404%
sum		21,532		1,277,801		1,256,269	-434%
							average

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