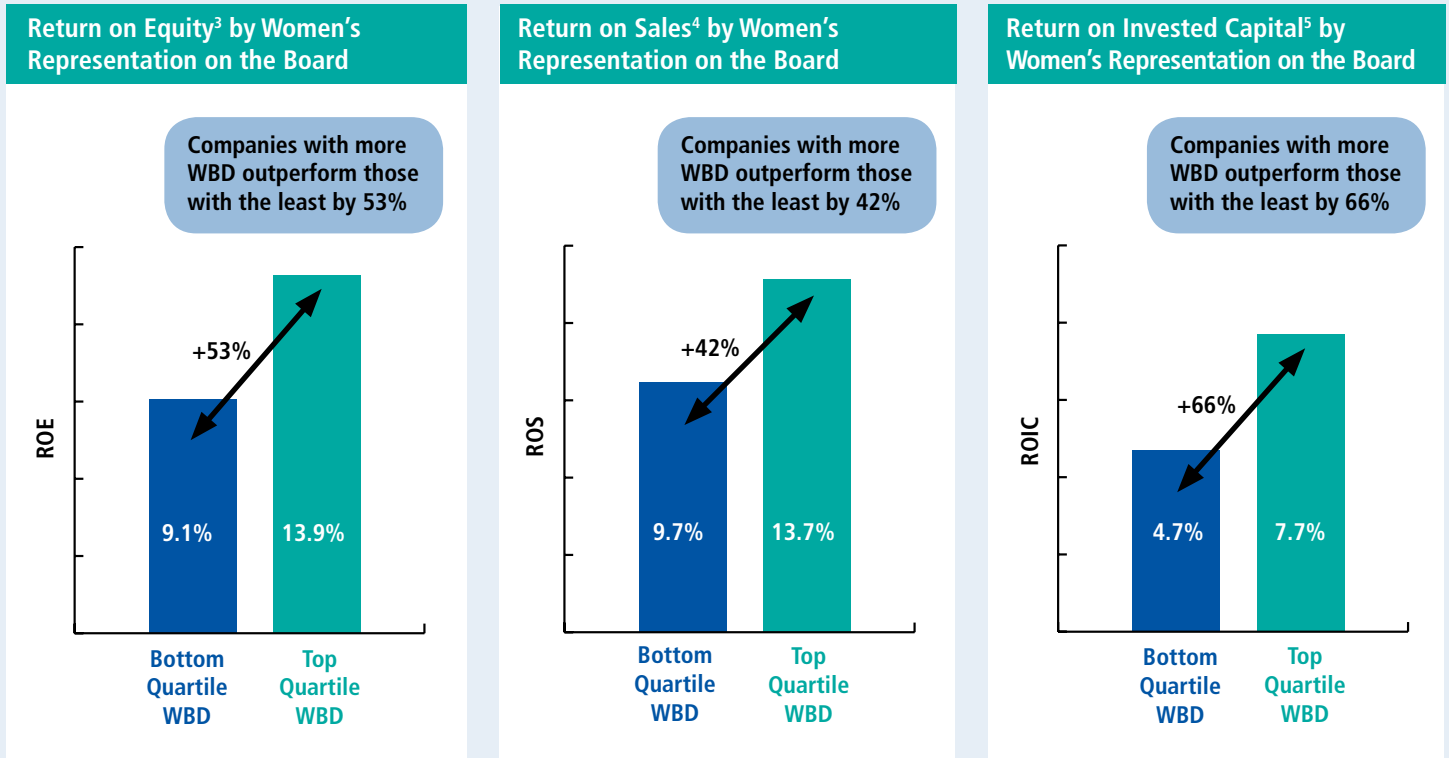




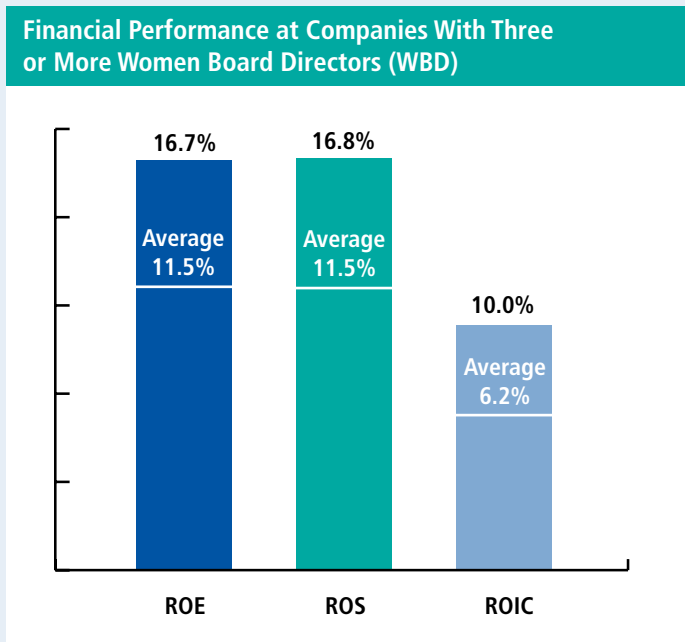
THE BOTTOM LINE: CORPORATE PERFORMANCE AND WOMEN'S REPRESENTATION ON BOARDS

Women Board Directors (WBD) Align With Strong Performance at *Fortune* 500 Companies¹ Financial measures excel where women serve²



Is Three a Charm?

Stronger-than-average results prevail at companies where at least three women serve



Link Between Women Board Directors (WBD) and Corporate Performance Holds Across Industries⁶

	ROE	ROS	ROIC
Consumer Discretionary	•	•	•
Consumer Staples	•	•	•
Financial	—	•	—
Healthcare	•	•	•
Industrials	•	•	•
Information Technology	•	•	•
Materials	•	—	•

- Top quartile outperforms bottom quartile
- Top quartile does not outperform bottom quartile

NOTES:

¹ Based upon the four-year average for ROE, ROS, and ROIC for 2001, 2002, 2003, and 2004, and women board director (WBD) data for 2001 and 2003. Financial data for the companies examined were obtained from the Standard & Poor's Compustat database. Because of movement into and out of the *Fortune* 500 each year, there are 520 companies in this analysis; the top quartile comprises the 132 companies with the highest average percentage of women board directors while the bottom quartile comprises the 129 companies with the lowest average percentage of women board directors. WBD data was obtained from the 2003 *Catalyst Census of Women Board Directors* and the 2001 *Catalyst Census of Women Board Directors*. Financial performance measures vary by industry. To account for this variability, standardized financial performance measures were used to make comparisons within the overall sample.

² Correlation does not prove or imply causation.

³ Return on equity (ROE): ratio of after-tax net profit to stockholders' equity.

⁴ Return on sales (ROS): pre-tax net profit divided by revenue.

⁵ Return on invested capital (ROIC): ratio of after-tax net operating profit to invested capital.

⁶ Standard & Poor's industry sectors were used. To increase the sample size, we combined the following industry sectors as follows: Consumer Discretionary (Goods, Services); Consumer Staples (Goods, Services); Healthcare (Others, Pharmaceuticals); Industrials (Goods, Services); and Information Technology (Hardware, Software). Three industry sectors (Utilities, Energy, and Telecommunications) were excluded because each has fewer than six companies in the top and/or bottom quartiles, precluding meaningful analysis.

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