

Strategic

Alliances



Engines of Innovation

Does Innovation Pay Off?

The Verdict is In....





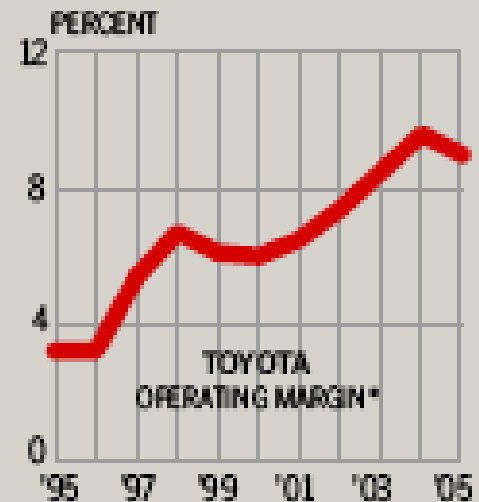
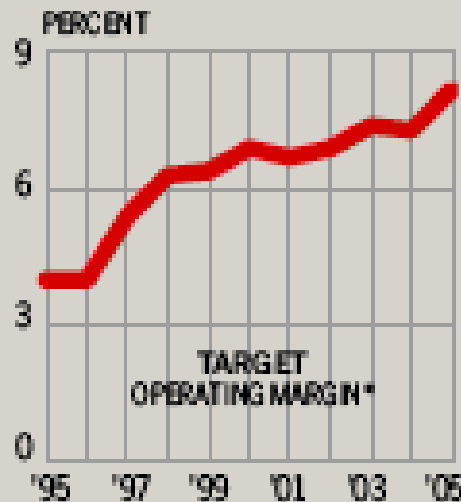
According to Business Week

- ***Of the 25 Most Innovative Companies in the world:***
 - More than half of the Top 25 with histories as public companies scored big, with better profit margins and higher stock prices over the past decade.
- ***How big?***
 - The innovators achieved median profit margin growth of 3.4% a year since 1995,
 - compared with 0.4% for the median Standard & Poor's (MHP) Global 1200 company.
 - That's a huge achievement, thanks in large part to innovation.
 - The group's median annual stock return of 14.3% was a full three points better than the S&P 1200 median over the decade, according to a study done for BusinessWeek
 - Source: Business Week – April 15, 2006



The Innovation Payoff

These innovators have racked up steadily higher profit margins



Data: Boston Consulting Group, Standard & Poor's Compustat *FISCAL YEAR EARNINGS BEFORE INTEREST AND TAXES AS PERCENT OF REVENUES