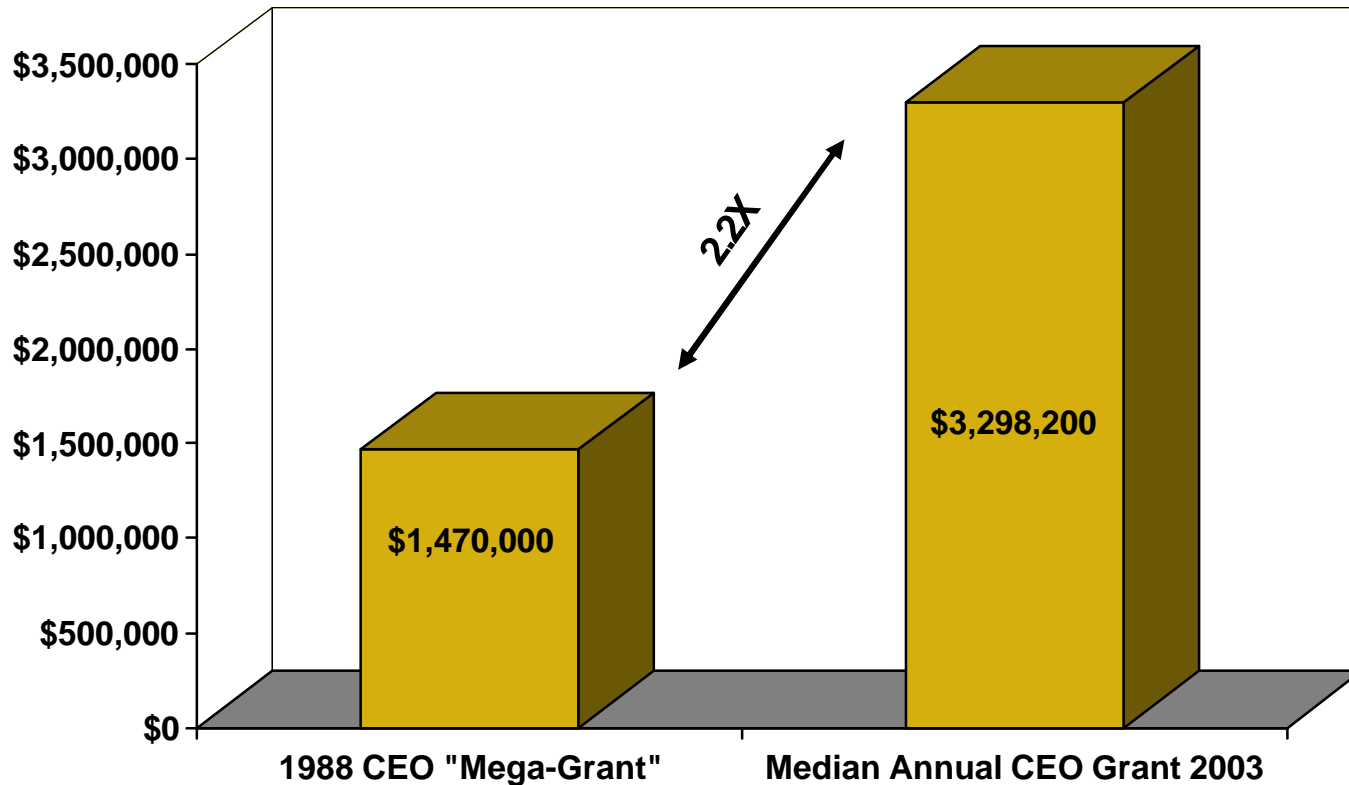


# Executive Compensation Trends

Comparison of CEO Equity Grants  
(1988 vs. 2003 in 2003 dollars)



1. 1988 salary data based on "Are CEO's Really Paid Like Bureaucrats" (Hall, Lieberman: Quarterly Journal of Economics, August 1998). 1988 mega grant calculated at face value of 3x salary, and converted to expected value based on assumed Black-Scholes multiple of 0.5.
2. 2003 median grant value from 2003 Towers Perrin Executive Compensation Database. Data based on expected value of CEO long-term incentives for companies with \$3-\$6 billion in revenue (to most closely match data sample from Hall / Lieberman [1998]).