

Appendix I
Background Statistics: Market Capitalization & Revenue of Public Companies
August 1, 2005 revision

<u>All Public Companies</u>	<u>Table</u>
- Ranked by Market Capitalization in \$	1
- Ranked by Percentile of Total Market Capitalization	2
- Primary Listing Exchange or Venue	3-4
<u>Companies with Available Data</u> *	
By Market Capitalization:	
- Total Assets and Revenue	5
- Volatility, Volume and Spread	6
- Analyst Coverage and Institutional Holdings	7
- Audit Fees	8-10
- Material Weaknesses	11
-	
By Percentile of Total Market Capitalization:	
- Total Assets and Revenue	12
- Volatility, Volume and Spread	13
- Analyst Coverage and Institutional Holdings	14
- Audit Fees	15-17
- Material Weaknesses	18
By Revenue:	
- Total Assets and Revenue	19
- Volatility, Volume and Spread	20
- Analyst Coverage and Institutional Holdings	21
- Audit Fees	22-24
- Material Weaknesses	25
- Market Capitalization	26

* The number of observations may be reduced on some variables. These tables reflect data that is publicly available, which may disproportionately exclude certain types of companies (such as smaller companies). See the footnotes to the tables for descriptions of relevant data sources and number of observations.

Background Statistics

For

All Public Companies

Table 1
Distribution of Companies, by Market Capitalization
March/June 2005*

Market Capitalization	Number of Companies	Average Market Capitalization (in millions)	Median Market Capitalization (in millions)	Percent of Companies	Cumulative Percent of Number of Companies	Percent of Market Capitalization	Cumulative Percent of Market Capitalization
\$ 0 to \$ 25m	2,641	\$8.2	\$6.3	28.0%	28.0%	0.1%	0.1%
\$ 25m to \$ 50m	965	36.1	35.0	10.2%	38.2%	0.2%	0.3%
\$ 50m to \$ 75m	565	62.0	62.0	6.0%	44.2%	0.2%	0.5%
\$ 75m to \$100m	418	86.9	86.5	4.4%	48.7%	0.2%	0.8%
\$100m to \$200m	1,020	143.3	140.9	10.8%	59.5%	0.9%	1.6%
\$200m to \$500m	1,270	325.0	314.6	13.5%	73.0%	2.4%	4.1%
\$500m to \$700m	393	597.8	601.8	4.2%	77.1%	1.4%	5.5%
\$700m to \$ 1b	408	839.1	831.8	4.3%	81.5%	2.0%	7.5%
\$1b to \$ 5b	1,195	2,173.6	1,839.3	12.7%	94.1%	15.4%	22.9%
\$5b to \$10b	234	7,099.6	6,851.2	2.5%	96.6%	9.8%	32.7%
\$10b or more	319	35,637.8	18,803.5	3.4%	100.0%	67.3%	100.0%

*Source: Public data includes 9,428 companies from CRSP for NYSE and AMEX firms as of March 31, 2005 and from NASDAQ for NASDAQ and OTC Bulletin Board firms as of June 10, 2005. Includes companies with a total market capitalization of \$16,891 billion listed on the NYSE, AMEX, NASDAQ and OTC Bulletin Board for which market capitalizations are reported through those sources. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 2
Distribution of Companies, by Percentile of Total Market Capitalization
March/June 2005*

Percentile of Total Market Capitalization	Additional Number of Companies	Cumulative Number of Companies	Cumulative Percent of Number of Companies	Mean Market Capitalization (in millions)	Median Market Capitalization (in millions)	Maximum Market Capitalization (in millions)
<=0.5%	4,077	4,077	43.2%	\$20.8	\$14.2	\$70.1
0.5%-1%	881	4,958	52.6%	96.3	94.7	128.2
1%-2%	947	5,905	62.6%	179.3	174.1	244.4
2%-3%	561	6,466	68.6%	302.7	303.3	368.5
3%-4%	397	6,863	72.8%	427.2	426.0	494.5
4%-5%	300	7,163	76.0%	566.8	568.0	641.0
5%-6%	239	7,402	78.5%	707.9	710.5	787.1
6%-7%	199	7,601	80.6%	853.5	851.5	930.1
7%-8%	169	7,770	82.4%	1,008.3	1,008.7	1,083.2
8%-9%	145	7,915	84.0%	1,166.8	1,167.0	1,259.7
9%-10%	127	8,042	85.3%	1,335.8	1,338.5	1,414.8
10%-25%	902	8,944	94.9%	2,823.9	2,441.3	6,171.3
25%-50%	359	9,303	98.7%	11,817.5	10,662.6	22,892.3
50%-75%	98	9,401	99.7%	42,631.3	39,197.1	78,243.6
75%-100%	27	9,428	100.0%	156,542.0	133,536.8	382,233.1

Source: Public data includes 9,428 companies from CRSP for NYSE and AMEX firms as of March 31, 2005 and from NASDAQ for NASDAQ and OTC Bulletin Board firms as of June 10, 2005. Includes companies with a total market capitalization of \$16,891 billion listed on the NYSE, AMEX, NASDAQ and OTC Bulletin Board for which market capitalizations are reported through those sources. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 3
Distribution of Companies, by Listing Venue
March/June 2005*

Listing Venue	Total Market Capitalization (in billions)	Percent of Companies By Market Capitalization	Average Market Capitalization (in millions)	Median Market Capitalization (in millions)	Number of Companies Listed	Percent of Number of Companies
NYSE	\$13,192	78.1%	\$5,167.2	\$1,041.3	2,553	27.1%
AMEX	370	2.2%	495.6	63.3	747	7.9%
NASDAQ National Market	3,104	18.4%	1,203.0	251.2	2,580	27.4%
NASDAQ Capital Market	38	0.2%	64.5	34.4	593	6.3%
OTC Bulletin Board	187	1.1%	63.4	9.1	2,955	31.3%
Total	\$16,891				9,428	

*Source: Public data includes 9,428 companies from CRSP for NYSE and AMEX firms as of March 31, 2005 and from NASDAQ for NASDAQ and OTC Bulletin Board firms as of June 10, 2005. Includes companies with a total market capitalization of \$16,891 billion listed on the NYSE, AMEX, NASDAQ and OTC Bulletin Board for which market capitalizations are reported through those sources. This table was compiled by members of the staff of the Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the staff.

Table 4
Distribution of Companies, by Listing Venue and by Market Capitalization
March/June 2005*

Panel A: Percent of Companies (Number) by Listing Venue and Market Capitalization

Listing Venue	\$0-\$25m	\$25m-\$50m	\$50m-\$75m	\$75m-\$100m	\$100m-\$200m	\$200m-\$500m	\$500m-\$700m	\$700m-\$1b	\$1b-\$5b	\$5b-\$10b	\$10b or more	Total
NYSE	0.33%	0.41%	0.70%	0.66%	2.66%	4.31%	2.07%	2.20%	8.89%	1.99%	2.86%	27.08%
AMEX	1.61%	1.87%	0.99%	0.72%	1.23%	0.89%	0.11%	0.14%	0.25%	0.06%	0.05%	7.92%
NASDAQ National Market	1.05%	1.92%	1.88%	1.76%	5.09%	7.50%	1.94%	1.93%	3.44%	0.42%	0.43%	27.37%
NASDAQ Capital Market	2.38%	1.65%	0.73%	0.52%	0.66%	0.30%	0.02%	0.02%	0.01%	0.00%	0.00%	6.29%
OTC Bulletin Board	22.65%	4.38%	1.70%	0.77%	1.18%	0.48%	0.03%	0.04%	0.08%	0.00%	0.03%	31.34%
Total	28.01%	10.24%	5.99%	4.43%	10.82%	13.47%	4.17%	4.33%	12.68%	2.48%	3.38%	100.00%

Panel B: Percent of Market Capitalization (\$Millions) by Listing Venue and Market Capitalization

Listing Venue	\$0-\$25m	\$25m-\$50m	\$50m-\$75m	\$75m-\$100m	\$100m-\$200m	\$200m-\$500m	\$500m-\$700m	\$700m-\$1b	\$1b-\$5b	\$5b-\$10b	\$10b or more	Total
NYSE	0.00%	0.01%	0.02%	0.03%	0.22%	0.81%	0.69%	1.03%	11.17%	7.95%	56.17%	78.10%
AMEX	0.01%	0.04%	0.03%	0.03%	0.10%	0.15%	0.03%	0.07%	0.24%	0.24%	1.24%	2.19%
NASDAQ National Market	0.01%	0.04%	0.07%	0.08%	0.41%	1.35%	0.65%	0.90%	3.87%	1.65%	9.33%	18.37%
NASDAQ Capital Market	0.02%	0.03%	0.03%	0.03%	0.05%	0.05%	0.01%	0.01%	0.01%	0.00%	0.00%	0.23%
OTC Bulletin Board	0.09%	0.09%	0.06%	0.04%	0.09%	0.08%	0.01%	0.02%	0.08%	0.00%	0.56%	1.11%
Total	0.13%	0.21%	0.21%	0.22%	0.87%	2.44%	1.39%	2.03%	15.38%	9.84%	67.30%	100.00%

*Source: Public data includes 9,428 companies from CRSP for NYSE and AMEX firms as of March 31, 2005 and from NASDAQ for NASDAQ and OTC Bulletin Board firms as of June 10, 2005. Includes companies with a total market capitalization of \$16,891 billion listed on the NYSE, AMEX, NASDAQ and OTC Bulletin Board for which market capitalization is reported through those sources. This table was compiled by members of the staff of the Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the staff.

Background Statistics

For Companies With Available Data

By Market Capitalization

Table 5
Market Capitalization, Total Assets and Revenue for Companies, by Market Capitalization
March 2005*

Market Capitalization	Number of Companies	Cumulative Percent of Companies	Mean Market Capitalization (in millions)	Median Market Capitalization (in millions)	Mean Total Assets (in millions)	Median Total Assets (in millions)	Mean Revenue (in millions)	Median Revenue (in millions)
\$ 0 to \$ 25m	1,406	20.8%	\$9.1	\$7.5	\$27.6	\$5.4	\$25.0	\$4.0
\$ 25m to \$ 50m	557	29.1%	36.5	36.0	102.5	33.2	64.6	18.9
\$ 50m to \$ 75m	386	34.8%	61.7	60.8	175.9	59.8	92.3	29.6
\$ 75m to \$100m	287	39.0%	87.8	88.5	224.4	100.5	105.1	38.5
\$100m to \$200m	750	50.1%	144.9	143.4	338.7	134.0	178.0	54.6
\$200m to \$500m	1,002	65.0%	326.7	313.2	545.5	249.2	294.8	127.9
\$500m to \$700m	350	70.2%	599.4	601.5	930.6	534.1	574.8	319.1
\$700m to \$ 1b	362	75.5%	841.9	835.8	1,309.4	775.0	769.5	478.4
\$1b to \$ 5b	1,114	92.0%	2,224.4	1,921.8	3,407.9	1,882.3	1,916.7	1,029.2
\$5b to \$10b	228	95.4%	7,195.8	7,181.6	11,524.4	7,182.5	6,150.7	4,093.0
\$10b or more	312	100.0%	36,502.8	18,406.0	75,887.8	21,767.5	22,977.3	11,590.4

* Source: Public data includes 6,754 companies from Compustat as of March 31, 2005. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted into market capitalization sizes using end of fiscal year data from Compustat. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 6
Volatility, Trading Volume, Execution Speed and Spread, by Market Capitalization
January-December 2004*

Market Capitalization	Number of Companies	Mean Market Capitalization (in millions)	Annual Volatility Of Stock Return	Mean Stock Price	Mean Daily Trading Volume (in hundreds)	Mean Execution Speed (in seconds)	Mean Raw Quoted Spread (in cents)	Mean Relative Effective Spread
\$ 0 to \$ 25m	1,451	\$9.7	0.04619	\$8.07	547	110.1	11.72	2.94%
\$ 25m to \$ 50m	683	36.8	0.03507	10.14	757	112.7	13.15	1.83%
\$ 50m to \$ 75m	508	61.7	0.03039	12.44	860	106.4	15.27	1.46%
\$ 75m to \$100m	367	87.7	0.02707	13.60	1,064	104.7	13.11	1.14%
\$100m to \$200m	1,018	146.2	0.02613	13.93	1,504	85.9	9.96	0.83%
\$200m to \$500m	1,313	325.4	0.02577	18.01	2,286	58.6	7.56	0.45%
\$500m to \$700m	437	600.6	0.02241	22.36	3,143	44.3	5.38	0.27%
\$700m to \$ 1b	439	837.0	0.02239	24.22	4,450	35.6	4.24	0.21%
\$1b to \$ 5b	1,258	2,189.7	0.01927	34.16	7,620	29.4	5.44	0.14%
\$5b to \$10b	241	7,120.6	0.01701	46.90	19,413	19.1	2.45	0.07%
\$10b or more	330	36,259.1	0.01466	47.19	47,075	15.9	3.27	0.05%

*Source: Public data includes 8,045 companies from CRSP, Compustat and Dash-5 reports (in accordance with SEC Rule Ac-5) for 2004. Includes companies for which relevant data are available. Companies are sorted in market capitalization sizes using December 31, 2004 data from CRSP. Relative Effective Spread is calculated by dividing the raw effective spread by average price. The Raw Effective Spread is restricted to market and marketable limit orders. It is also weighted by executed shares. For buy orders, it is calculated as double the amount of difference between the execution price and the midpoint of the consolidated best bid and offer (BBO) at the time of order receipt. For sell orders, it is computed as double the amount of difference between the midpoint of the consolidated best bid and offer (BBO) at the time of order receipt and the execution price. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 7
Analyst Coverage and Institutional Holdings, by Market Capitalization
December 2004*

Market Capitalization	Number of Companies	Cumulative Percent of Companies	Mean Number of Analysts	Median Number of Analysts	Mean Percent of Shares Held by Institutions	Median Percent of Shares Held by Institutions
\$ 0 to \$ 25m	1,406	20.8%	0.0	0.0	2.16%	0.00%
\$ 25m to \$ 50m	557	29.1%	0.2	0.0	10.05%	4.01%
\$ 50m to \$ 75m	386	34.8%	0.4	0.0	15.10%	9.97%
\$ 75m to \$100m	287	39.0%	0.6	0.0	18.34%	12.59%
\$100m to \$200m	750	50.1%	1.4	1.0	27.81%	23.37%
\$200m to \$500m	1,002	65.0%	2.9	2.0	42.75%	41.61%
\$500m to \$700m	350	70.2%	4.5	4.0	54.03%	57.67%
\$700m to \$ 1b	362	75.5%	5.3	4.5	62.50%	73.76%
\$1b to \$ 5b	1,114	92.0%	7.9	7.0	59.62%	70.59%
\$5b to \$10b	228	95.4%	13.0	13.0	58.78%	69.44%
Greater than \$10b	312	100.0%	17.2	18.0	57.49%	66.59%

*Source: Public data includes 6,754 companies from Vickers, I/B/E/S and Compustat as of December 31, 2004. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted in market capitalization sizes using end of fiscal year data from Compustat as of March 31, 2005. Institutional holdings from Vickers are from Form 13(f) filings. The number of sell-side analysts is the number of 1-year ahead earnings forecasts as of December 2004. Missing values for institutional holdings and number of analysts are set equal to zero. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 8
Audit Fees in Millions of Dollars, by Market Capitalization
End of Fiscal Year 2004*

Market Capitalization	Average Number of Companies Per Year	Percent Of Average Number of Companies Per Year	Median Audit Fee (in millions)					Median Yearly Percent Change in Audit Fee			
			2000	2001	2002	2003	2004	2001	2002	2003	2004
\$ 0 to \$ 25m	1,810	18.5%	\$0.08	\$0.08	\$0.06	\$0.05	\$0.05	3.83%	10.34%	8.78%	10.35%
\$ 25m to \$ 50m	704	7.2%	0.10	0.11	0.11	0.10	0.10	5.05%	13.04%	12.77%	11.94%
\$ 50m to \$ 75m	464	4.7%	0.11	0.10	0.12	0.13	0.12	6.01%	19.25%	14.13%	11.17%
\$ 75m to \$100m	345	3.5%	0.13	0.11	0.14	0.12	0.15	4.53%	13.70%	14.28%	16.05%
\$100m to \$200m	778	8.0%	0.15	0.14	0.19	0.17	0.25	6.74%	19.82%	20.22%	37.96%
\$200m to \$500m	979	10.0%	0.19	0.20	0.30	0.30	0.49	11.47%	19.27%	18.13%	61.25%
\$500m to \$700m	326	3.3%	0.23	0.28	0.41	0.43	0.79	12.13%	30.77%	17.26%	64.09%
\$700m to \$ 1b	315	3.2%	0.29	0.35	0.46	0.54	1.01	13.40%	30.55%	17.79%	74.07%
\$1b to \$ 5b	873	8.9%	0.47	0.58	0.88	0.93	1.33	19.61%	25.20%	20.63%	70.36%
\$5b to \$10b	181	1.9%	1.08	1.57	2.01	2.20	2.84	12.32%	39.34%	19.00%	57.08%
Greater than \$10b	239	2.4%	3.00	4.08	5.56	5.76	7.23	28.57%	19.04%	21.05%	42.21%
Not available	2,755	28.2%	0.05	0.05	0.04	0.04	0.04	4.91%	8.82%	8.50%	7.02%

*Source: Public data includes 48,845 observations on an average of 9,769 companies per year from 2000 to the end of the fiscal year 2004 from AuditAnalytics.com. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted in market capitalization sizes in each year first using data from Compustat and if market capitalization is not available from that source, from AuditAnalytics.com. Audit fee is defined as the sum of the variables Audit fee and Audit-Related fee provided by Audit Analytics and does not include other non-audit related fees such as Benefit Plan Related Fees, Tax Related Fees, or other Non-Audit Fees. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 9
Audit Fees as a Percent of Market Capitalization, by Market Capitalization
End of Fiscal Year 2004*

Market Capitalization	Average Number of Companies Per Year	Percent Of Average Number of Companies Per Year	Median Audit Fee/Market Capitalization					Median Yearly Percent Change in Audit Fee/Market Capitalization			
			2000	2001	2002	2003	2004	2001	2002	2003	2004
\$ 0 to \$ 25m	1,810	18.5%	0.92%	0.97%	1.23%	0.87%	0.86%	0.151%	0.276%	-0.125%	0.054%
\$ 25m to \$ 50m	704	7.2%	0.28%	0.30%	0.31%	0.27%	0.29%	0.002%	0.048%	-0.059%	-0.011%
\$ 50m to \$ 75m	464	4.7%	0.17%	0.17%	0.20%	0.20%	0.19%	-0.004%	0.021%	-0.039%	-0.001%
\$ 75m to \$100m	345	3.5%	0.15%	0.13%	0.17%	0.14%	0.17%	-0.003%	0.011%	-0.030%	0.001%
\$100m to \$200m	778	8.0%	0.10%	0.10%	0.13%	0.12%	0.18%	-0.002%	0.015%	-0.014%	0.011%
\$200m to \$500m	979	10.0%	0.06%	0.07%	0.09%	0.09%	0.15%	-0.001%	0.018%	-0.009%	0.021%
\$500m to \$700m	326	3.3%	0.04%	0.05%	0.07%	0.07%	0.13%	0.000%	0.011%	-0.007%	0.022%
\$700m to \$ 1b	315	3.2%	0.04%	0.04%	0.05%	0.07%	0.12%	0.002%	0.010%	-0.012%	0.024%
\$1b to \$ 5b	873	8.9%	0.02%	0.03%	0.04%	0.05%	0.07%	0.002%	0.007%	-0.004%	0.013%
\$5b to \$10b	181	1.9%	0.02%	0.02%	0.03%	0.03%	0.04%	0.003%	0.007%	-0.003%	0.005%
Greater than \$10b	239	2.4%	0.01%	0.01%	0.02%	0.02%	0.03%	0.003%	0.005%	-0.001%	0.004%
Not available	2,755	28.2%									

*Source: Public data includes 48,845 observations on an average of 9,769 companies per year from 2000 to the end of the fiscal year 2004 from AuditAnalytics.com. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted in market capitalization sizes in each year first using data from Compustat and if market capitalization is not available from that source, from AuditAnalytics.com. Audit fee is defined as the sum of the variables Audit fee and Audit-Related fee provided by Audit Analytics and does not include other non-audit related fees such as Benefit Plan Related Fees, Tax Related Fees, or other Non-Audit Fees. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 10
Audit Fees as a Percent of Revenue, by Market Capitalization
End of Fiscal Year 2004*

Market Capitalization	Average Number of Companies Per Year	Percent Of Average Number of Companies Per Year	Median Audit Fee/Revenue					Median Yearly Percent Change in Audit Fee/Revenue			
			2000	2001	2002	2003	2004	2001	2002	2003	2004
\$ 0 to \$ 25m	1,810	18.5%	0.37%	0.44%	0.75%	1.00%	1.37%	0.011%	0.046%	0.038%	0.013%
\$ 25m to \$ 50m	704	7.2%	0.23%	0.28%	0.35%	0.49%	0.53%	0.010%	0.030%	0.020%	0.013%
\$ 50m to \$ 75m	464	4.7%	0.20%	0.21%	0.30%	0.36%	0.43%	0.003%	0.048%	0.025%	0.008%
\$ 75m to \$100m	345	3.5%	0.17%	0.19%	0.27%	0.32%	0.39%	0.006%	0.031%	0.018%	0.035%
\$100m to \$200m	778	8.0%	0.15%	0.15%	0.19%	0.27%	0.43%	0.007%	0.028%	0.019%	0.067%
\$200m to \$500m	979	10.0%	0.12%	0.11%	0.14%	0.18%	0.31%	0.007%	0.017%	0.012%	0.069%
\$500m to \$700m	326	3.3%	0.09%	0.09%	0.09%	0.14%	0.25%	0.007%	0.020%	0.007%	0.056%
\$700m to \$ 1b	315	3.2%	0.08%	0.08%	0.10%	0.13%	0.22%	0.004%	0.017%	0.003%	0.058%
\$1b to \$ 5b	873	8.9%	0.06%	0.06%	0.07%	0.09%	0.14%	0.004%	0.009%	0.005%	0.035%
\$5b to \$10b	181	1.9%	0.04%	0.04%	0.05%	0.06%	0.09%	0.003%	0.011%	0.003%	0.021%
Greater than \$10b	239	2.4%	0.03%	0.03%	0.04%	0.05%	0.06%	0.004%	0.006%	0.003%	0.010%
Not available	2,755	28.2%	0.26%	0.38%	0.57%	1.28%	4.39%	0.010%	0.081%	0.008%	0.040%

*Source: Public data includes 48,845 observations on an average of 9,769 companies per year from 2000 to the end of the fiscal year 2004 from AuditAnalytics.com. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted in market capitalization sizes in each year first using data from Compustat and if market capitalization is not available from that source, from AuditAnalytics.com. Audit fee is defined as the sum of the variables Audit fee and Audit-Related fee provided by Audit Analytics and does not include other non-audit related fees such as Benefit Plan Related Fees, Tax Related Fees, or other Non-Audit Fees. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 11
Material Weaknesses, by Market Capitalization
June 2005*

Market Capitalization	Number Of Firms	Number of Firms with Material Weaknesses	Number of Firms without Material Weaknesses	Percent of Firms with Material Weaknesses	Mean Audit Fees (in millions)			Median Audit Fees (in millions)		
					With Material Weakness	Without Material Weakness	Percent Difference	With Material Weakness	Without Material Weakness	Percent Difference
\$ 0 to \$ 25m	13	6	7	46.2%	\$0.83	\$1.56	-46.8%	\$0.83	\$1.25	-33.8%
\$ 25m to \$ 50m	31	9	22	29.0%	0.90	1.18	-24.3%	0.63	0.60	5.5%
\$ 50m to \$ 75m	36	10	26	27.8%	0.96	0.76	26.5%	0.92	0.49	87.3%
\$ 75m to \$100m	75	14	61	18.7%	0.60	0.49	23.2%	0.70	0.44	59.5%
\$100m to \$200m	390	69	321	17.7%	0.97	0.60	62.0%	0.81	0.40	102.5%
\$200m to \$500m	598	90	508	15.1%	1.58	0.84	87.1%	1.03	0.70	47.1%
\$500m to \$700m	228	31	197	13.6%	1.29	1.31	-1.3%	1.07	1.02	4.8%
\$700m to \$ 1b	227	32	195	14.1%	2.41	1.55	55.3%	1.58	1.18	34.3%
\$1b to \$ 5b	770	68	702	8.8%	3.87	2.35	64.2%	2.46	1.66	48.4%
\$5b to \$10b	166	12	154	7.2%	12.69	4.25	198.8%	8.77	2.87	205.8%
Greater than \$10b	223	9	214	4.0%	32.41	11.86	173.3%	15.66	7.73	102.5%
Not available	150	17	133	11.3%	1.58	2.00	-21.0%	0.77	0.77	0.2%
Total	2,907	367	2,540	12.6%						

*Source: Public data includes 2,907 companies from AuditAnalytics.com as of June 30, 2005. Includes companies for which audit fee data are available. Companies are sorted in market capitalization sizes based on market value provided by AuditAnalytics.com. The original dataset includes a total of 3,088 firms that report on the status of their internal controls. Two firms are excluded because they did not report their status and one observation is repeated. The breakdown of the data is as follows:

<i>Total number of companies reporting on the status of internal controls</i>	3,085
• Number of companies reporting no material weakness	2,687 (87.1%)
• Number of companies reporting a material weakness	398 (12.9%)
<i>Total number of companies reporting on the status of internal controls AND audit fees</i>	2,907
• Number of companies reporting no material weakness AND audit fees	2,540 (87.4%)
• Number of companies reporting a material weakness AND audit fees	367 (12.6%)

This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Background Statistics

For Companies With Available Data

By Percentile of Total Market Capitalization

Table 12
Market Capitalization, Total Assets and Revenue for Companies, by Percentile of Total Market Capitalization
March 2005*

Percentile of Total Market Capitalization	Number of Companies	Cumulative Percent of Companies	Mean Market Capitalization (in millions)	Median Market Capitalization (in millions)	Mean Total Assets (in millions)	Median Total Assets (in millions)	Mean Revenue (in millions)	Median Revenue (in millions)
<=0.5%	2,641	39.1%	\$31.3	\$22.1	\$86.6	\$17.2	\$52.3	\$12.4
0.5%-1%	608	48.1%	135.7	136.7	331.2	128.2	171.8	51.8
1%-2%	678	58.1%	244.1	242.2	427.8	199.1	238.8	90.9
2%-3%	415	64.3%	397.7	396.6	636.0	286.3	343.7	153.7
3%-4%	296	68.7%	558.1	556.3	851.7	509.2	514.4	342.4
4%-5%	232	72.1%	714.8	709.1	1,155.3	680.7	696.7	361.1
5%-6%	188	74.9%	877.4	872.0	1,456.5	810.6	815.3	492.6
6%-7%	160	77.3%	1,036.7	1,038.7	1,511.2	887.5	907.4	404.0
7%-8%	136	79.3%	1,217.2	1,213.8	2,071.5	1,151.5	1,170.9	815.5
8%-9%	116	81.0%	1,424.3	1,429.3	2,216.9	1,246.8	1,117.8	775.8
9%-10%	102	82.5%	1,607.1	1,606.0	2,373.3	1,309.8	1,212.7	686.5
10%-25%	748	93.6%	3,314.3	2,931.6	5,230.7	2,798.4	2,914.1	1,643.4
25%-50%	321	98.3%	12,890.8	11,903.5	23,380.4	11,609.0	10,616.4	6,437.0
50%-75%	88	99.6%	46,853.8	42,320.6	116,508.2	38,350.2	28,206.7	20,328.5
75%-100%	25	100.0%	165,913.9	138,727.0	298,326.3	109,183.0	84,406.4	63,963.0

* Source: Public data includes 6,754 companies from Compustat as of March 31, 2005. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted into market capitalization percentiles using end of fiscal year data from Compustat. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 13
Volatility, Trading Volume, Execution Speed and Spread, by Percentile of Total Market Capitalization
January-December 2004*

Percentile of Total Market Capitalization	Number of Companies	Mean Market Capitalization (in millions)	Annual Volatility Of Stock Return	Mean Stock Price	Mean Daily Trading Volume (in hundreds)	Mean Execution Speed (in seconds)	Mean Raw Quoted Spread (in cents)	Mean Relative Effective Spread
<=0.5%	2,857	\$31	0.03602	\$10.46	762	110.2	13.33	1.98%
0.5%-1%	740	119	0.02671	14.18	1,373	91.0	11.23	0.94%
1%-2%	869	204	0.02607	15.08	1,611	75.2	9.28	0.64%
2%-3%	541	327	0.02528	18.69	2,288	58.7	7.11	0.43%
3%-4%	389	454	0.02553	19.05	3,024	44.8	5.42	0.34%
4%-5%	297	595	0.02237	22.75	3,107	43.6	5.62	0.27%
5%-6%	245	724	0.02209	23.99	3,893	38.9	4.33	0.22%
6%-7%	205	862	0.02245	23.24	4,595	34.5	4.12	0.22%
7%-8%	174	1,014	0.02138	27.60	4,201	33.1	5.42	0.25%
8%-9%	151	1,170	0.02017	30.97	5,963	35.0	3.28	0.17%
9%-10%	130	1,356	0.02143	29.36	6,024	34.2	4.53	0.17%
10%-25%	940	2,812	0.01864	36.09	9,096	26.7	5.65	0.11%
25%-50%	370	11,792	0.01593	48.79	25,257	17.6	2.53	0.06%
50%-75%	104	40,230	0.01402	47.06	52,449	16.1	2.76	0.05%
75%-100%	33	145,057	0.01191	49.57	141,766	12.9	9.97	0.04%

*Source: Public data includes 8,045 companies from CRSP, Compustat and Dash-5 reports (in accordance with SEC Rule Ac-5) for 2004. Includes companies for which relevant data are available. Companies are sorted in market capitalization percentiles using December 31, 2004 data from CRSP. Relative Effective Spread is calculated by dividing the raw effective spread by average price. The Raw Effective Spread is restricted to market and marketable limit orders. It is also weighted by executed shares. For buy orders, it is calculated as double the amount of difference between the execution price and the midpoint of the consolidated best bid and offer (BBO) at the time of order receipt. For sell orders, it is computed as double the amount of difference between the midpoint of the consolidated best bid and offer (BBO) at the time of order receipt and the execution price. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 14
Analyst Coverage and Institutional Holdings, by Percentile of Total Market Capitalization
December 2004*

Percentile of Total Market Capitalization	Number of Companies	Cumulative Percent of Companies	Mean Number of Analysts	Median Number of Analysts	Mean Percent of Shares Held by Institutions	Median Percent of Shares Held by Institutions
<=0.5%	2,641	39.1%	0.2	0.0	7.52%	0.00%
0.5%-1%	608	48.1%	1.3	1.0	25.98%	21.56%
1%-2%	678	58.1%	2.3	2.0	37.96%	36.03%
2%-3%	415	64.3%	3.3	3.0	47.24%	49.86%
3%-4%	296	68.7%	4.3	4.0	53.39%	57.73%
4%-5%	232	72.1%	5.4	5.0	58.91%	66.27%
5%-6%	188	74.9%	4.9	4.0	63.65%	74.56%
6%-7%	160	77.3%	5.7	5.0	55.54%	68.20%
7%-8%	136	79.3%	6.5	6.0	64.28%	75.39%
8%-9%	116	81.0%	6.5	5.0	57.49%	65.87%
9%-10%	102	82.5%	7.6	7.0	61.68%	77.53%
10%-25%	748	93.6%	9.5	9.0	59.71%	70.44%
25%-50%	321	98.3%	14.6	15.0	58.27%	70.27%
50%-75%	88	99.6%	19.4	20.0	56.71%	65.92%
75%-100%	25	100.0%	21.2	21.0	52.97%	58.82%

*Source: Public data includes 6,754 companies from Vickers, I/B/E/S and Compustat as of December 31, 2004. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted in market capitalization percentiles using end of fiscal year data from Compustat as of March 31, 2005. Institutional holdings from Vickers are from Form 13(f) filings. The number of sell-side analysts is the number of 1-year ahead earnings forecasts as of December 2004. Missing values for institutional holdings and number of analysts are set equal to zero. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 15
Audit Fees in Millions of Dollars, by Percentile of Total Market Capitalization
End of Fiscal Year 2004*

Percentile of Total Market Capitalization	Average Number of Companies Per Year	Percent Of Average Number of Companies Per Year	Median Audit Fee (in millions)					Median Yearly Percent Change in Audit Fee			
			2000	2001	2002	2003	2004	2001	2002	2003	2004
<=0.5%	2,954	30.2%	\$0.09	\$0.09	\$0.08	\$0.06	\$0.07	4.35%	11.51%	10.32%	11.08%
0.5%-1%	695	7.1%	0.13	0.12	0.14	0.14	0.22	5.35%	17.10%	17.02%	27.86%
1%-2%	738	7.6%	0.16	0.16	0.20	0.21	0.36	8.42%	19.37%	20.42%	51.13%
2%-3%	436	4.5%	0.22	0.20	0.28	0.26	0.51	12.50%	17.74%	15.67%	66.20%
3%-4%	307	3.1%	0.24	0.26	0.34	0.37	0.68	10.00%	20.36%	20.83%	57.29%
4%-5%	234	2.4%	0.24	0.28	0.37	0.39	0.81	10.43%	28.29%	16.45%	67.94%
5%-6%	188	1.9%	0.32	0.35	0.43	0.51	0.90	14.47%	34.91%	21.69%	74.09%
6%-7%	155	1.6%	0.35	0.34	0.41	0.52	1.13	13.05%	30.15%	15.77%	74.47%
7%-8%	130	1.3%	0.35	0.38	0.59	0.56	0.98	19.98%	29.19%	17.37%	77.60%
8%-9%	110	1.1%	0.43	0.43	0.63	0.60	1.12	12.29%	31.23%	18.91%	72.70%
9%-10%	96	1.0%	0.45	0.50	0.71	0.65	1.06	18.33%	27.30%	20.13%	70.06%
10%-25%	648	6.6%	0.75	0.82	1.09	1.09	1.79	18.89%	25.20%	22.16%	66.90%
25%-50%	245	2.5%	2.20	2.60	3.26	3.15	5.05	30.39%	20.63%	20.98%	47.19%
50%-75%	60	0.6%	4.60	5.80	8.62	7.28	11.80	16.28%	36.08%	19.48%	34.85%
75%-100%	18	0.2%	10.75	13.00	18.49	18.15	25.22	18.76%	51.36%	21.87%	32.49%
Not available	2,755	28.2%	0.05	0.05	0.04	0.04	0.04	4.91%	8.82%	8.50%	7.02%

*Source: Public data includes 48,845 observations on an average of 9,769 companies per year from 2000 to the end of the fiscal year 2004 from AuditAnalytics.com. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted in market capitalization percentiles in each year first using data from Compustat and if market capitalization is not available from that source, from AuditAnalytics.com. Audit fee is defined as the sum of the variables Audit fee and Audit-Related fee provided by Audit Analytics and does not include other non-audit related fees such as Benefit Plan Related Fees, Tax Related Fees, or other Non-Audit Fees. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 16
Audit Fees as a Percent of Market Capitalization, by Percentile of Total Market Capitalization
End of Fiscal Year 2004*

Percentile of Total Market Capitalization	Average Number of Companies Per Year	Percent Of Average Number of Companies Per Year	Median Audit Fee/Market Capitalization					Median Yearly Percent Change in Audit Fee/Market Capitalization			
			2000	2001	2002	2003	2004	2001	2002	2003	2004
<=0.5%	2,954	30.2%	0.46%	0.51%	0.75%	0.54%	0.47%	0.018%	0.115%	-0.075%	0.004%
0.5%-1%	695	7.1%	0.12%	0.13%	0.17%	0.14%	0.19%	-0.004%	0.017%	-0.024%	0.006%
1%-2%	738	7.6%	0.08%	0.08%	0.13%	0.12%	0.17%	-0.002%	0.015%	-0.013%	0.016%
2%-3%	436	4.5%	0.06%	0.06%	0.10%	0.09%	0.15%	0.000%	0.019%	-0.014%	0.025%
3%-4%	307	3.1%	0.04%	0.06%	0.08%	0.09%	0.14%	-0.001%	0.014%	-0.007%	0.027%
4%-5%	234	2.4%	0.03%	0.04%	0.07%	0.07%	0.12%	0.000%	0.011%	-0.007%	0.023%
5%-6%	188	1.9%	0.04%	0.05%	0.07%	0.08%	0.11%	0.002%	0.012%	-0.007%	0.019%
6%-7%	155	1.6%	0.03%	0.04%	0.05%	0.07%	0.11%	0.001%	0.009%	-0.008%	0.032%
7%-8%	130	1.3%	0.03%	0.03%	0.06%	0.06%	0.08%	0.002%	0.014%	-0.016%	0.015%
8%-9%	110	1.1%	0.03%	0.03%	0.06%	0.06%	0.08%	0.000%	0.011%	-0.013%	0.015%
9%-10%	96	1.0%	0.02%	0.03%	0.05%	0.05%	0.07%	0.004%	0.009%	-0.005%	0.012%
10%-25%	648	6.6%	0.02%	0.03%	0.04%	0.04%	0.06%	0.002%	0.006%	-0.004%	0.012%
25%-50%	245	2.5%	0.01%	0.02%	0.03%	0.03%	0.04%	0.005%	0.005%	-0.001%	0.004%
50%-75%	60	0.6%	0.01%	0.01%	0.01%	0.02%	0.03%	0.002%	0.005%	-0.001%	0.003%
75%-100%	18	0.2%	0.01%	0.01%	0.01%	0.01%	0.01%	0.001%	0.004%	0.000%	0.001%
Not available	2,755	28.2%									

*Source: Public data includes 48,845 observations on an average of 9,769 companies per year from 2000 to the end of the fiscal year 2004 from AuditAnalytics.com. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted in market capitalization percentiles in each year first using data from Compustat and if market capitalization is not available from that source, from AuditAnalytics.com. Audit fee is defined as the sum of the variables Audit fee and Audit-Related fee provided by Audit Analytics and does not include other non-audit related fees such as Benefit Plan Related Fees, Tax Related Fees, or other Non-Audit Fees. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 17
Audit Fees as a Percent of Revenue, by Percentile of Total Market Capitalization
End of Fiscal Year 2004*

Percentile of Total Market Capitalization	Average Number of Companies Per Year	Percent Of Average Number of Companies Per Year	Median Audit Fee/Revenue					Median Yearly Percent Change in Audit Fee/Revenue			
			2000	2001	2002	2003	2004	2001	2002	2003	2004
<=0.5%	2,954	30.2%	0.28%	0.35%	0.54%	0.69%	0.75%	0.008%	0.040%	0.028%	0.014%
0.5%-1%	695	7.1%	0.16%	0.18%	0.27%	0.33%	0.42%	0.006%	0.036%	0.020%	0.048%
1%-2%	738	7.6%	0.14%	0.13%	0.19%	0.24%	0.37%	0.008%	0.028%	0.015%	0.071%
2%-3%	436	4.5%	0.12%	0.12%	0.15%	0.18%	0.31%	0.008%	0.018%	0.010%	0.076%
3%-4%	307	3.1%	0.09%	0.09%	0.13%	0.15%	0.24%	0.006%	0.013%	0.014%	0.050%
4%-5%	234	2.4%	0.08%	0.08%	0.10%	0.16%	0.26%	0.006%	0.016%	0.009%	0.061%
5%-6%	188	1.9%	0.07%	0.09%	0.09%	0.14%	0.20%	0.005%	0.021%	0.010%	0.058%
6%-7%	155	1.6%	0.06%	0.07%	0.10%	0.13%	0.22%	0.005%	0.010%	0.002%	0.055%
7%-8%	130	1.3%	0.07%	0.07%	0.10%	0.13%	0.18%	0.004%	0.018%	0.003%	0.058%
8%-9%	110	1.1%	0.06%	0.07%	0.09%	0.11%	0.16%	0.005%	0.019%	0.003%	0.033%
9%-10%	96	1.0%	0.06%	0.07%	0.09%	0.10%	0.16%	0.003%	0.013%	0.004%	0.050%
10%-25%	648	6.6%	0.05%	0.05%	0.06%	0.08%	0.12%	0.004%	0.008%	0.005%	0.029%
25%-50%	245	2.5%	0.04%	0.03%	0.04%	0.06%	0.07%	0.004%	0.006%	0.004%	0.014%
50%-75%	60	0.6%	0.02%	0.03%	0.04%	0.04%	0.06%	0.003%	0.008%	0.003%	0.008%
75%-100%	18	0.2%	0.02%	0.03%	0.04%	0.04%	0.05%	0.002%	0.010%	0.002%	0.003%
Not available	2,755	28.2%	0.26%	0.38%	0.57%	1.28%	4.39%	0.010%	0.081%	0.008%	0.040%

*Source: Public data includes 48,845 observations on an average of 9,769 companies per year from 2000 to the end of the fiscal year 2004 from AuditAnalytics.com. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted in market capitalization percentiles in each year first using data from Compustat and if market capitalization is not available from that source, from AuditAnalytics.com. Audit fee is defined as the sum of the variables Audit fee and Audit-Related fee provided by Audit Analytics and does not include other non-audit related fees such as Benefit Plan Related Fees, Tax Related Fees, or other Non-Audit Fees. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 18
Material Weaknesses, by Percentile of Total Market Capitalization
June 2005*

Percentile of Total Market Capitalization	Number Of Firms	Number of Firms with Material Weaknesses	Number of Firms without Material Weaknesses	Percent of Firms with Material Weaknesses	Mean Audit Fees (in millions)			Median Audit Fees (in millions)		
					With Material Weakness	Without Material Weakness	Percent Difference	With Material Weakness	Without Material Weakness	Percent Difference
<=0.5%	106	30	76	28.3%	\$0.87	\$0.89	-2.7%	\$0.71	\$0.55	30.6%
0.5%-1%	271	44	227	16.2%	0.89	0.57	54.2%	0.79	0.40	98.8%
1%-2%	384	68	316	17.7%	1.07	0.68	57.1%	0.85	0.53	60.0%
2%-3%	283	39	244	13.8%	1.80	0.90	100.1%	1.28	0.72	77.3%
3%-4%	179	30	149	16.8%	1.75	1.01	73.5%	1.14	0.86	32.1%
4%-5%	177	21	156	11.9%	1.65	1.46	13.5%	1.16	1.11	4.8%
5%-6%	117	17	100	14.5%	2.30	1.54	49.0%	1.60	1.13	41.9%
6%-7%	116	15	101	12.9%	2.13	1.93	10.3%	1.87	1.24	50.3%
7%-8%	106	12	94	11.3%	3.77	1.58	138.9%	2.43	1.14	113.2%
8%-9%	97	12	85	12.4%	4.22	1.74	142.5%	2.66	1.35	96.6%
9%-10%	66	5	61	7.6%	1.38	1.63	-15.2%	1.45	1.21	19.6%
10%-25%	560	41	519	7.3%	4.88	2.90	68.4%	3.67	2.14	71.2%
25%-50%	223	14	209	6.3%	16.67	7.45	123.7%	12.99	5.36	142.5%
50%-75%	57	0	57	0.0%	na	15.76	na	na	11.80	na
75%-100%	15	2	13	13.3%	80.90	30.59	164.4%	80.90	28.32	185.7%
Not available	150	17	133	11.3%	1.58	2.00	-21.0%	0.77	0.77	0.2%
Total	2,907	367	2,540	12.6%						

*Source: Public data includes 2,907 companies from AuditAnalytics.com as of June 30, 2005. Includes companies for which audit fee data are available. Due to the limited number of companies reporting on internal controls, companies are sorted according to the percentile of market capitalization using the 2004 cutoffs in Tables 15-17 using market capitalization from AuditAnalytics.com. The original dataset includes a total of 3,088 firms that report on the status of their internal controls. Two firms are excluded because they did not report their status and one observation is repeated. The breakdown of the data is as follows:

<i>Total number of companies reporting on the status of internal controls</i>	3,085
• Number of companies reporting no material weakness	2,687 (87.1%)
• Number of companies reporting a material weakness	398 (12.9%)
<i>Total number of companies reporting on the status of internal controls AND audit fees</i>	2,907
• Number of companies reporting no material weakness AND audit fees	2,540 (87.4%)
• Number of companies reporting a material weakness AND audit fees	367 (12.6%)

This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Background Statistics
For Companies With Available Data
By Revenue

Table 19
Market Capitalization, Total Assets and Revenue for Companies, by Revenue
March 2005*

Revenue	Number of Companies	Cumulative Percent of Companies	Mean Market Capitalization (in millions)	Median Market Capitalization (in millions)	Mean Revenue (in millions)	Median Revenue (in millions)	Mean Total Assets (in millions)	Median Total Assets (in millions)
Up to \$ 1m	724	10.7%	\$62.8	\$10.6	\$0.2	\$0.0	\$22.3	\$1.7
\$ 1m to \$ 2m	147	12.9%	56.9	12.9	1.4	1.4	15.9	4.1
\$ 2m to \$ 5m	266	16.8%	59.5	12.9	3.4	3.3	25.2	5.6
\$ 5m to \$ 10m	287	21.1%	59.9	19.4	7.4	7.4	48.9	12.7
\$ 10m to \$ 20m	455	27.8%	73.0	34.0	14.8	14.6	93.8	22.4
\$ 20m to \$ 50m	837	40.2%	126.2	73.8	33.2	32.3	216.1	61.0
\$ 50m to \$100m	682	50.3%	234.8	149.3	71.1	69.2	324.6	104.9
\$100m to \$250m	846	62.8%	437.6	315.5	164.3	158.9	634.8	223.7
\$250m to \$500m	623	72.1%	807.4	602.5	360.6	351.8	1,127.3	460.3
\$500m to \$1b	591	80.8%	1,421.1	926.5	713.7	689.1	2,104.4	804.7
More than \$1b	1,296	100.0%	11,143.1	3,508.2	8,390.0	2,826.2	22,332.2	3,665.1

*Source: Public data includes 6,754 companies from Compustat as of March 31, 2005. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted by revenue using end of fiscal year data from Compustat. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 20
Volatility, Trading Volume, Execution Speed and Spread, by Revenue
January-December 2004*

Revenue	Number of Companies	Mean Market Capitalization (in millions)	Annual Volatility Of Stock Return	Mean Price	Average Daily Trading Volume (in hundreds)	Mean Execution Speed (in seconds)	Mean Raw Quoted Spread (in cents)	Mean Relative Effective Spread
Up to \$ 1m	668	\$66	0.04903	6.17	2,903	70.7	4.26	1.44%
\$ 1m to \$ 2m	141	59	0.04806	5.72	2,125	71.2	4.81	1.54%
\$ 2m to \$ 5m	244	62	0.04790	5.86	2,857	77.3	7.16	1.96%
\$ 5m to \$ 10m	268	61	0.04067	8.95	1,660	94.8	15.29	2.23%
\$ 10m to \$ 20m	422	79	0.03946	9.64	1,893	86.8	14.40	1.94%
\$ 20m to \$ 50m	801	130	0.03258	12.56	1,326	87.4	15.22	1.52%
\$ 50m to \$100m	648	234	0.03237	13.53	3,305	73.1	10.70	1.09%
\$100m to \$250m	807	438	0.02819	18.39	2,771	61.4	7.95	0.69%
\$250m to \$500m	601	806	0.02496	21.72	4,059	46.5	5.64	0.41%
\$500m to \$1b	580	1,352	0.02299	26.54	5,165	39.8	5.22	0.30%
More than \$1b	1,413	10,140	0.01847	36.23	16,161	29.8	3.88	0.15%

*Source: Public data includes 6,593 companies from CRSP, Compustat and Dash-5 reports (in accordance with SEC Rule Ac-5) for 2004. Includes companies for which relevant data are available. Companies are sorted by revenue using December 31, 2004 data from Compustat. Relative Effective Spread is calculated by dividing the raw effective spread by average price. The Raw Effective Spread is restricted to market and marketable limit orders. It is also weighted by executed shares. For buy orders, it is calculated as double the amount of difference between the execution price and the midpoint of the consolidated best bid and offer (BBO) at the time of order receipt. For sell orders, it is computed as double the amount of difference between the midpoint of the consolidated best bid and offer (BBO) at the time of order receipt and the execution price. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 21
Analyst Coverage and Institutional Holdings, by Revenue
December 2004*

Revenue	Number of Companies	Cumulative Percent of Companies	Mean Number of Analysts	Median Number of Analysts	Mean Percent of Shares Held by Institutions	Median Percent of Shares Held by Institutions
Up to \$ 1m	724	10.7%	0.2	0.0	3.47%	0.00%
\$ 1m to \$ 2m	147	12.9%	0.4	0.0	6.12%	0.00%
\$ 2m to \$ 5m	266	16.8%	0.3	0.0	6.10%	0.00%
\$ 5m to \$ 10m	287	21.1%	0.3	0.0	6.92%	0.00%
\$ 10m to \$ 20m	455	27.8%	0.4	0.0	10.42%	1.94%
\$ 20m to \$ 50m	837	40.2%	0.7	0.0	15.37%	8.04%
\$ 50m to \$100m	682	50.3%	1.9	1.0	27.10%	20.34%
\$100m to \$250m	846	62.8%	3.1	2.0	39.22%	36.46%
\$250m to \$500m	623	72.1%	4.7	3.0	50.86%	53.61%
\$500m to \$1b	591	80.8%	5.8	4.0	57.90%	67.08%
More than \$1b	1,296	100.0%	10.4	9.0	62.04%	72.33%

*Source: Public data includes 6,754 companies from Vickers, I/B/E/S and Compustat as of December 31, 2004. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted by revenue using end of fiscal year data from Compustat as of March 31, 2005. Institutional holdings from Vickers are from Form 13(f) filings. The number of sell-side analysts is the number of 1-year ahead earnings forecasts as of December 2004. Missing values for institutional holdings and number of analysts are set equal to zero. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 22
Audit Fees in Millions of Dollars, by Revenue
End of Fiscal Year 2004*

Revenue	Average Number of Companies Per Year	Percent Of Average Number of Companies Per Year	Median Audit Fee (in millions)					Median Yearly Percent Change in Audit Fee			
			2000	2001	2002	2003	2004	2001	2002	2003	2004
Up to \$ 1m	436	4.5%	\$0.05	\$0.05	\$0.03	\$0.03	\$0.03	6.09%	13.81%	10.42%	16.79%
\$ 1m to \$ 2m	144	1.5%	0.06	0.06	0.05	0.05	0.05	0.00%	12.45%	10.34%	11.48%
\$ 2m to \$ 5m	203	2.1%	0.05	0.05	0.04	0.05	0.05	4.18%	9.80%	6.67%	9.08%
\$ 5m to \$ 10m	457	4.7%	0.06	0.05	0.05	0.06	0.06	2.67%	7.77%	10.96%	11.43%
\$ 10m to \$ 20m	561	5.7%	0.07	0.06	0.07	0.07	0.08	3.92%	11.22%	12.05%	11.07%
\$ 20m to \$ 50m	892	9.1%	0.09	0.09	0.10	0.11	0.13	3.96%	14.67%	13.55%	16.08%
\$ 50m to \$100m	657	6.7%	0.13	0.13	0.17	0.20	0.28	6.43%	16.33%	17.17%	32.66%
\$100m to \$250m	791	8.1%	0.18	0.19	0.27	0.30	0.49	8.38%	24.06%	18.01%	51.94%
\$250m to \$500m	576	5.9%	0.27	0.29	0.39	0.45	0.80	13.81%	26.08%	20.40%	74.96%
\$500m to \$1b	497	5.1%	0.35	0.41	0.59	0.69	1.11	12.73%	26.97%	18.88%	74.70%
More than \$1b	1,071	11.0%	1.00	1.22	1.52	1.80	2.64	19.03%	24.21%	20.65%	53.30%
Not available	3,485	35.7%	0.12	0.08	0.04	0.04	0.04	7.47%	8.28%	8.89%	7.56%

*Source: Public data includes 48,845 observations on an average of 9,769 companies per year from 2000 to the end of the fiscal year 2004 from AuditAnalytics.com. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted by revenue in each year using data from AuditAnalytics.com. Audit fee is defined as the sum of the variables Audit fee and Audit-Related fee provided by Audit Analytics and does not include other non-audit related fees such as Benefit Plan Related Fees, Tax Related Fees, or other Non-Audit Fees. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 23
Audit Fees as a Percent of Market Capitalization, by Revenue
End of Fiscal Year 2004*

Revenue	Average Number of Companies Per Year	Percent Of Average Number of Companies Per Year	Median Audit Fee/Market Capitalization					Median Yearly Percent Change in Audit Fee/Market Capitalization			
			2000	2001	2002	2003	2004	2001	2002	2003	2004
Up to \$ 1m	436	4.5%	0.20%	0.33%	0.86%	0.39%	0.41%	0.053%	0.280%	-0.299%	0.031%
\$ 1m to \$ 2m	144	1.5%	0.29%	0.35%	0.61%	0.40%	0.40%	0.027%	0.060%	-0.170%	0.032%
\$ 2m to \$ 5m	203	2.1%	0.23%	0.28%	0.57%	0.44%	0.45%	0.006%	0.042%	-0.097%	0.002%
\$ 5m to \$ 10m	457	4.7%	0.32%	0.35%	0.45%	0.33%	0.29%	0.011%	0.028%	-0.040%	0.002%
\$ 10m to \$ 20m	561	5.7%	0.22%	0.22%	0.31%	0.22%	0.24%	-0.001%	0.013%	-0.033%	0.000%
\$ 20m to \$ 50m	892	9.1%	0.19%	0.19%	0.23%	0.17%	0.19%	-0.002%	0.015%	-0.027%	0.002%
\$ 50m to \$100m	657	6.7%	0.15%	0.15%	0.23%	0.16%	0.21%	-0.003%	0.026%	-0.023%	0.010%
\$100m to \$250m	791	8.1%	0.11%	0.10%	0.16%	0.12%	0.18%	0.000%	0.022%	-0.015%	0.022%
\$250m to \$500m	576	5.9%	0.07%	0.09%	0.13%	0.12%	0.16%	0.001%	0.022%	-0.005%	0.024%
\$500m to \$1b	497	5.1%	0.05%	0.06%	0.10%	0.09%	0.13%	0.002%	0.017%	-0.003%	0.020%
More than \$1b	1,071	11.0%	0.04%	0.04%	0.06%	0.06%	0.08%	0.004%	0.009%	-0.002%	0.010%
Not available	3,485	35.7%	0.11%	0.28%	0.43%	0.22%	0.21%	0.015%	0.030%	-0.017%	0.002%

*Source: Public data includes 48,845 observations on an average of 9,769 companies per year from 2000 to the end of the fiscal year 2004 from AuditAnalytics.com. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted by revenue in each year using data from AuditAnalytics.com. Audit fee is defined as the sum of the variables Audit fee and Audit-Related fee provided by Audit Analytics and does not include other non-audit related fees such as Benefit Plan Related Fees, Tax Related Fees, or other Non-Audit Fees. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 24
Audit Fees as a Percent of Revenue, by Revenue
End of Fiscal Year 2004*

Revenue	Average Number of Companies Per Year	Percent Of Average Number of Companies Per Year	Median Audit Fee/Revenue					Median Yearly Percent Change in Audit Fee/Revenue0			
			2000	2001	2002	2003	2004	2001	2002	2003	2004
Up to \$ 1m	436	4.5%	16.62%	20.20%	18.88%	20.28%	24.66%	2.925%	4.081%	2.951%	1.665%
\$ 1m to \$ 2m	144	1.5%	3.92%	3.57%	3.19%	3.33%	3.51%	0.100%	0.945%	0.171%	0.003%
\$ 2m to \$ 5m	203	2.1%	1.60%	1.89%	1.59%	1.83%	1.71%	0.162%	0.224%	0.018%	0.006%
\$ 5m to \$ 10m	457	4.7%	0.92%	0.80%	0.83%	0.88%	1.03%	-0.043%	0.068%	0.054%	0.034%
\$ 10m to \$ 20m	561	5.7%	0.46%	0.42%	0.46%	0.51%	0.55%	0.008%	0.052%	0.030%	0.015%
\$ 20m to \$ 50m	892	9.1%	0.27%	0.27%	0.32%	0.35%	0.43%	0.008%	0.039%	0.020%	0.032%
\$ 50m to \$100m	657	6.7%	0.18%	0.18%	0.23%	0.28%	0.39%	0.007%	0.028%	0.021%	0.047%
\$100m to \$250m	791	8.1%	0.12%	0.12%	0.18%	0.20%	0.31%	0.007%	0.031%	0.015%	0.066%
\$250m to \$500m	576	5.9%	0.08%	0.08%	0.11%	0.13%	0.23%	0.010%	0.017%	0.011%	0.066%
\$500m to \$1b	497	5.1%	0.05%	0.06%	0.08%	0.10%	0.16%	0.005%	0.012%	0.007%	0.046%
More than \$1b	1,071	11.0%	0.03%	0.04%	0.05%	0.05%	0.08%	0.004%	0.007%	0.004%	0.017%
Not available	3,485	35.7%									

*Source: Public data includes 48,845 observations on an average of 9,769 companies per year from 2000 to the end of the fiscal year 2004 from AuditAnalytics.com. Includes companies for which relevant data are available and excludes ADRs. Companies are sorted by revenue in each year using data from AuditAnalytics.com. Audit fee is defined as the sum of the variables Audit fee and Audit-Related fee provided by Audit Analytics and does not include other non-audit related fees such as Benefit Plan Related Fees, Tax Related Fees, or other Non-Audit Fees. This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 25
Material Weaknesses, by Revenue
June 2005*

Revenue	Number Of Firms	Number of Firms with Material Weaknesses	Number of Firms without Material Weaknesses	Percent of Firms with Material Weaknesses	Mean Audit Fees (in millions)			Median Audit Fees (in millions)		
					With Material Weakness	Without Material Weakness	Percent Difference	With Material Weakness	Without Material Weakness	Percent Difference
Up to \$ 1m	30	5	25	16.7%	\$0.16	\$0.34	-52.6%	\$0.08	\$0.31	-74.6%
\$ 1m to \$ 2m	13	2	11	15.4%	0.22	0.33	-34.5%	0.22	0.32	-33.0%
\$ 2m to \$ 5m	13	3	10	23.1%	0.54	0.44	22.6%	0.44	0.37	18.9%
\$ 5m to \$ 10m	33	4	29	12.1%	0.52	0.44	18.1%	0.61	0.39	58.7%
\$ 10m to \$ 20m	53	7	46	13.2%	0.60	0.45	34.0%	0.45	0.42	7.9%
\$ 20m to \$ 50m	183	31	152	16.9%	0.54	0.33	62.3%	0.41	0.25	60.6%
\$ 50m to \$100m	280	41	239	14.6%	0.85	0.49	72.2%	0.85	0.40	111.6%
\$100m to \$250m	420	63	357	15.0%	1.26	0.80	57.0%	1.01	0.68	49.3%
\$250m to \$500m	387	55	332	14.2%	1.58	1.20	31.4%	1.28	1.00	27.8%
\$500m to \$1b	394	53	341	13.5%	2.09	1.50	39.2%	1.78	1.25	42.1%
More than \$1b	935	86	849	9.2%	8.46	5.52	53.1%	4.34	3.16	37.1%
Not available	166	17	149	10.2%	1.51	1.83	-17.1%	0.74	0.60	22.8%
Total	2,907	367	2,540	12.6%						

*Source: Public data includes 2,907 companies from AuditAnalytics.com as of June 30, 2005. Includes companies for which audit fee data are available. Companies are sorted in market capitalization sizes based on revenue provided by AuditAnalytics.com. The original dataset includes a total of 3,088 firms that report on the status of their internal controls. Two firms are excluded because they did not report their status and one observation is repeated. The breakdown of the data is as follows:

<i>Total number of companies reporting on the status of internal controls</i>	3,085
• Number of companies reporting no material weakness	2,687 (87.1%)
• Number of companies reporting a material weakness	398 (12.9%)
<i>Total number of companies reporting on the status of internal controls AND audit fees</i>	2,907
• Number of companies reporting no material weakness AND audit fees	2,540 (87.4%)
• Number of companies reporting a material weakness AND audit fees	367 (12.6%)

This table was compiled by members of the staff of the SEC Office of Economic Analysis and does not necessarily reflect the views of the Commission, the Commissioners, or other members of the SEC staff.

Table 26
Distribution of Companies, by Revenue and Market Capitalization
March 2005*

Revenue (in millions)	Market Capitalization (in millions)					Total
	\$0 to \$125m	\$125m to \$250m	\$250m to \$500m	\$500m to \$750m	\$750m or more	
\$ 0 to \$125m	4,641	780	525	131	201	6,278**
\$125m to \$250m	152	94	178	97	119	640
\$250m to \$500m	79	76	118	102	248	623
\$500m to \$750m	24	33	53	53	197	360
\$750m to \$ 1b	8	18	29	27	149	231
\$ 1b or more	16	12	43	64	1,161	1,296
Total	4,920	1,013	946	474	2,075	9,428

* Source: Public data includes 6,754 companies from Compustat as of March 31, 2005 and 2,674 companies for which no revenue or market capitalization data were available in Compustat. Companies are sorted by revenue using end of fiscal year data from Compustat. For details on the data, see notes to Tables 1 and 19 in this Appendix

** The 6,278 companies in the \$0 to \$125m revenue category include 3,604 companies for which Compustat provides data on revenue and market capitalization, and an estimated 2,674 companies for which revenue and market capitalization data are missing (not reported in Compustat as of March 31, 2005). Most of these 2,674 companies are traded on NASDAQ or OTC Bulletin Board. In order to make a conservative estimate of the number of companies affected by the Committee's Section 404 recommendations (i.e., an overestimation of the number of eligible companies), the 2,674 companies are assigned to the \$0 to \$125m revenue category. Then these companies are allocated across market capitalization bins in the same proportion as the sample of companies for which we have market capitalization in CRSP or from NASDAQ. See Table 1, column 2 in this Appendix. The 2,674 companies are allocated across market capitalization bins as follows: 2,063 companies in the \$0 to \$125m market capitalization bin, 246 companies in the \$125m to \$250m bin, 182 companies in the \$250m to \$500m bin, 56 companies in the \$500m to \$750m bin, and 127 companies in the \$750m or more bin. This method may overstate the number of companies that the Committee is recommending be provided complete or partial exemptive relief from Section 404 requirements since it is possible that at least some of these firms might have revenues greater than \$250 million.