

WHY PURCHASE TREASURY STOCK

- 1. To have shares to issue to employees under stock purchase plans**
- 2. To have shares to issue to employees under bonus plans (such as stock options awarded to executives)**
- 3. To create demand for the stock to maintain the stock's price in a down market**
- 4. To return a portion of the company's profits to the shareholders who are looking to sell their stock.**
- 5. TO SAVE ON DIVIDENDS.**