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MIDTERM ELECTION VOTERS SUPPORT CONGRESSIONAL POWER SHIFT, OPTIMISTIC THAT SITUATION IN IRAQ WILL IMPROVE

Rumsfeld Resignation Bolsters Voter Optimism toward Iraq

Independent Voters a Factor in 2006 Democratic Victory, but Support McCain in Potential 2008 Presidential Match-ups

NEW YORK, November 15, 2006 – In the wake of Democrats taking control of Congress in the midterm elections, the majority of actual voters in the 2006 Congressional elections say they are happy that the Democratic party won control of the U.S. House of Representatives (60% happy, 29% unhappy) and the U.S. Senate (59% happy, 30% unhappy after the Virginia Senate race was called for Democrat Jim Webb). In addition, 58% of actual voters say they are very pleased or somewhat pleased with the outcome of the 2006 elections, versus 29% of voters who describe their reaction as somewhat upset or very upset.

The Diageo/*Hotline* Poll of 1,005 registered voters, with a sub-sample of 856 actual voters in the 2006 midterm elections, conducted by Financial Dynamics from November 8-12, shows that actual voters in the 2006 midterms are more optimistic about the direction of the country than before the election by a 47%-23% margin.

When asked about specific issues they feel will improve or get worse as a result of the election outcome, 53% of actual voters in the midterm elections say the situation in Iraq will get somewhat or much better, now that Democrats have won control of Congress. Only 16% of actual voters say the situation in Iraq will get somewhat or much worse. Similarly, after the balance of the Senate was decided, 45% of voters said that ethical standards in Congress will get better, versus only 17% of voters who said ethics will get worse.

Voters were also asked their impressions of whether or not the situation in Iraq will get better in light of the recent resignation of Secretary of Defense Donald Rumsfeld. 58% of voters in the 2006 elections say, now that Rumsfeld has resigned, the situation in Iraq will get better, with only 10% saying it will get worse and 23% responding it will stay the same. Among registered voters, 56% say the situation in Iraq will get better with Rumsfeld's resignation and 10% say it will get worse. Independent registered voters share the same sentiment by a 51%-8% margin.

"There is no 'buyer's remorse' among people who voted in 2006," said Republican strategist Ed Rollins. "Voters, especially Independents, know the implications of their votes for Congress and are generally pleased that Democrats took control of the House of Representatives and the Senate. This election was a referendum on the war in Iraq and the Bush administration's leadership. If Republicans ever want to be the majority party again, they must compete for those Independent voters and pay attention to their concerns."

Voters in the poll say they disapprove of President George W. Bush's handling of the war in Iraq by a 65%-32% margin. Within the 65% of actual voters expressing disapproval of the President's handling of Iraq, a full 52% say they "strongly disapprove." By comparison, voters are fairly split on Bush's handling of the

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economy, with 46% saying they somewhat or strongly approve of his handling of the economy and 50% saying they somewhat or strongly disapprove.

Although she will take the gavel in January 2007 as the new Speaker of the U.S. House of Representatives, Rep. Nancy Pelosi remains relatively unknown among both registered and actual voters surveyed in the poll. Among actual voters, 39% say they haven't heard of Pelosi or have heard of her but can't offer an opinion. While 32% of actual voters have a favorable opinion of Pelosi, 24% have an unfavorable opinion. Among registered voters, 40% of Independents say they haven't heard of Pelosi.

The war in Iraq is the one issue that had the most influence on voters' decision-making process, especially among Democrats. Among actual voters, 18% say Iraq mattered to them most when deciding how to vote, compared to 12% who cite the economy/jobs and 8% who say they based their decision on corruption in government. Among registered voters, 29% of Democrats cite the war in Iraq as the decisive issue, while terrorism/homeland security is reported as the most important issue for Republican voters (18%).

"Independent voters turned the 2006 midterms from what could have been modest gains for Democrats into 30 plus seats in the House and control of the Senate," said *Hotline* Editor in Chief, Chuck Todd. "The Republican base actually showed up, but this will be remembered as the year of the Independent voter. The depth and breadth of Independent anger about Iraq, corruption and other issues almost matched the intensity of the Democratic base. As we move toward 2008, Sen. McCain's real strength as a presidential candidate appears to be his strong support among Independents."

With the 2008 presidential elections only 24 months away, the post-election Diageo/*Hotline* Poll examined some possible presidential match-ups and tested the favorability ratings of potential candidates. Actual voters in the 2006 election say that, if the election for U.S. president was held today, they would vote for the Democratic candidate by a 40%-27% margin, with the same margin of preference for a Democratic presidential candidate among registered voters in the poll. The thirteen-point margin is the biggest lead Democrats have seen in the generic presidential ballot. In the January 2006 Diageo/*Hotline* Poll, the margin for Democrats was only seven points at 37%-30%.

In potential head-to-head match-ups in the 2008 presidential election, Democratic candidates show tight margins against Sen. John McCain:

- McCain leads Sen. Hillary Clinton by a 45%-40% margin among registered voters, down from 52%-36% in January 2006. Among actual voters in 2006, McCain holds a 47%-40% lead.
- Against Sen. Barack Obama, McCain holds a 39%-35% lead with registered voters and a five point margin (41%-36%) with actual voters.
- McCain has a seven point margin over former Sen. John Edwards among registered voters (42%-35%) and an eight point lead with actual voters (43%-35%).
- In each head-to-head match-up against a potential Democratic opponent, McCain draws strong support with Independent voters. In a McCain-Hillary Clinton match-up, Independents would vote for McCain by a 52%-31% margin.

As the public becomes more familiar with Sen. Barack Obama, his favorability ratings climb. In last month's Diageo/*Hotline* Poll, 42% of registered voters had never heard of Obama. This month, only 36% of registered voters say they have not heard of Obama, and his approval ratings among actual voters are 45% favorable versus only 10% unfavorable.

To obtain complete poll results please see www.diageohotlinepoll.com.

To schedule an interview with Ed Rollins, Ed Reilly or Chuck Todd, contact Megha Narayan at (212) 850-5600 or Megha.Narayan@fd.com

Methodology

The Diageo/*Hotline* Poll was conducted by telephone from November 8-12, 2006, among a random, nationally representative sample of 1,005 registered voters (margin of error +/- 3.1%), ages 18 and older. The actual voter sub-sample is among 856 actual voters in the 2006 midterm elections (margin of error +/- 3.4%).

Complete results available at www.diageohotlinepoll.com

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