

## Announcing a New Tool for the Income Investor!

- An Invaluable Resource for Today's Financial Advisor and Income Portfolio Manager
- Forward-Looking, Easy-to-Compare Dividend Reports on 100 Stocks with the Best Dividend Growth Profiles
- Exclusive Valuentum Dividend Cushion™ Scores to Uncover Which Firms Have the Strongest Dividends
- Valuentum Buying Index™ Ratings to Identify the Best Stocks To Consider Buying Now
- Independent Guidance from the Valuentum Analyst Team
- Updated Quarterly

This publication can help you:

- Build a new income portfolio
- Add high-yielders to your portfolio in 2013
- Identify investment gems

# Valuentum Dividend 100™



## Table of Contents

How to Best Use the Valuentum <i>Dividend100</i> Publication	1
Our Stock-Selection Methodology, the Valuentum Buying Index™	4
Digging Into the Valuentum Dividend Cushion™	13
How to Use Valuentum's Actively-Managed Equity Portfolios	17
Company Index – Sorted By Company Name	19
Company Index – Sorted By Dividend Yield	20
Company Index – Sorted By Valuentum Dividend Cushion™	21
Company Index – Sorted By Valuentum Buying Index™	22
Company Index – Sorted By Market Capitalization	23
Dividend Research Reports	24 - 123
Appendix – The Case for the Valuentum Style of Investing	124 - 148
Glossary of Valuentum Terms	149
Disclaimer	154

To learn more about Valuentum and its equity research services, please visit us at [www.valuentum.com](http://www.valuentum.com) or contact a sales representative at [info@valuentum.com](mailto:info@valuentum.com).

© 2013 Valuentum Securities, Inc. All rights reserved.

**Brian Nelson, CFA**  
President, Equity Research  
[brian@valuentum.com](mailto:brian@valuentum.com)  
c - +1 (708) 653-7546

## How to Best Use the Valuentum *Dividend100* Publication

Dividend investors literally have thousands of income stocks to choose from. So what are they to do, and where can they go for the most trusted forward-looking opinions on dividend growth and safety? That's the question we seek to answer with our Valuentum *Dividend100* publication. In this document, we showcase the top 100 high-quality, dividend growth gems within our coverage universe. Whether you're looking to build a portfolio consisting of high-yielding, dividend-growers or simply seeking to augment it with a few income gems, the Valuentum *Dividend100* is an essential resource for you and any income investor. We outline some of the key components of our *Dividend100* publication below, and explain how you can get the most from each of one.

### **Our Dividend Methodology – the Valuentum Dividend Cushion™ (VDC)**

As followers of Valuentum know, all of what is known is in the past, and all of what has value is in the future. This truism is especially relevant for income investors. Though we give credit to firms that have strong track records of increasing their dividends in decades past, we care more about dividend-growth gems that have both the capacity and willingness to raise their dividends long into the future. At the beginning of this publication, you'll find several articles that explain the relevance and importance of Valuentum's innovative, forward-looking dividend methodology to income investors interested in uncovering high-yielding, dividend growth stocks in today's volatile market.

### **Company Index, Yield Table, VDC™, and VBI™ Rankings**

Before you dive into the latter pages of this expansive document, it may be useful to first start with the company index, yield table, Valuentum Dividend Cushion™ (VDC) rankings, and Valuentum Buying Index™ (VBI) rankings at the front of this publication. The company index showcases some of the most important information about the firm: its industry, investment style, market capitalization, etc. And the yield table ranks firms based on their current

To learn more about Valuentum and its equity research services, please visit us at [www.valuentum.com](http://www.valuentum.com) or contact a sales representative at [info@valuentum.com](mailto:info@valuentum.com).

© 2013 Valuentum Securities, Inc. All rights reserved.

annual dividend yield, helping you quickly identify the top high-yielders with the greatest prospects for long-term dividend growth. Firms that top our Valuentum Dividend Cushion™ scale have the greatest capacity for future dividend growth, in our opinion.

Although there are a plethora of companies that have higher annual yields than those at the top of our yield table, we're fine with that. As many investors know, firms can often become cheap for good reasons. That is, they are not trading cheaply because of Mr. Market's irrational behavior, but instead are trading at depressed levels due to deteriorating underlying fundamental characteristics that actually justify its current share price, even if traditional valuation techniques (read multiple analysis) suggest the firm's shares are inexpensive. On a similar note, firms that boast high dividend yields may do so because the market has little confidence in the sustainability of its dividend and believes a cut may be just around the corner.

In this publication, we want to make sure that the firms we include have the strongest dividend profiles (with respect to dividend growth and safety) and can deliver on their respective outsize payouts long into the future. We also show how these top dividend-paying firms stack up on our innovative Valuentum Buying Index™.

### **Forward-Looking Dividend Reports**

In the heart of the *Dividend100*, we provide our forward-looking dividend reports of the top 100 high-quality, dividend-growth gems within our coverage universe. Each page is filled with valuable information about the company in general and its dividend more specifically, including but not limited to our assessment of its growth potential and safety (as well as its VDC™ score). Plus, we don't use fancy language, but instead scale our assessment of each company's dividend profile in easily-understood terms (Excellent, Good, etc.).

We also provide future estimates of a firm's annual dividend payout. In many cases, we may have a different view of a firm's dividend growth potential than what may be widely held in the investment community. That's fine by us, as our dividend-growth investment horizon is often longer than others. We want

to make sure that the firm has the capacity and willingness to increase the dividend years into the future and will not be weighed down by an excessive debt load or cyclical or secular problems in fundamental demand for their products/services.

If at any time, you need further explanation about a data point in our reports, please refer to the Glossary at the end of the publication for more information.

**Contributors:****Brian Nelson, CFA**

President, Equity Research

[brian@valuentum.com](mailto:brian@valuentum.com)

+1 (708) 653-7546

**RJ Towner**

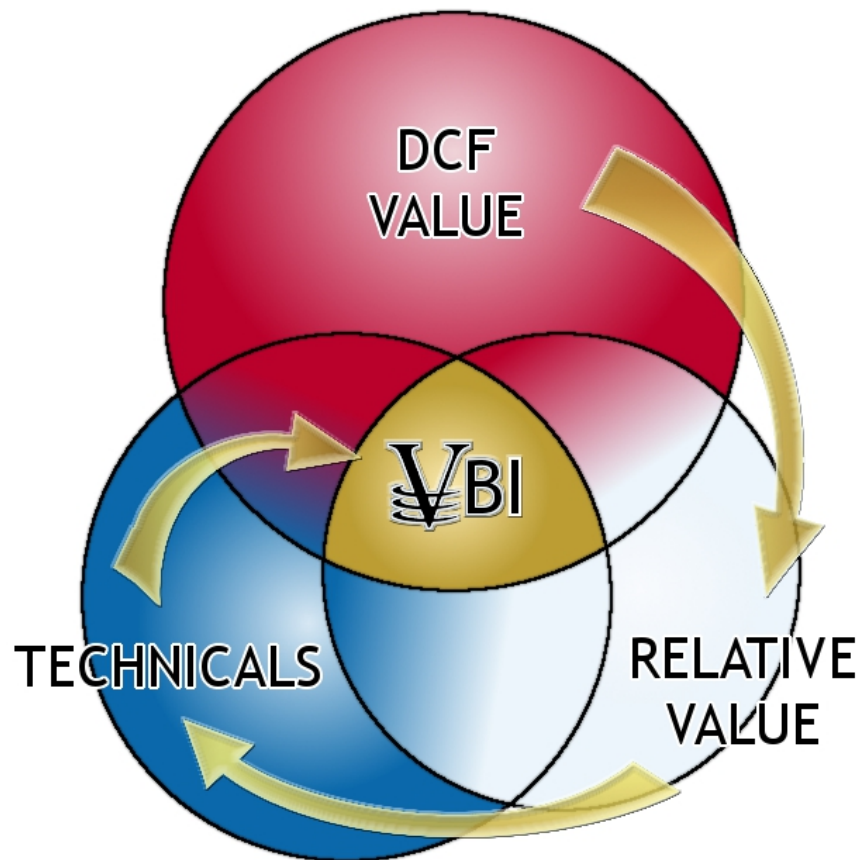
Director, Equity Research

[rj@valuentum.com](mailto:rj@valuentum.com)

## Our Stock-Selection Methodology, the Valuentum Buying Index™

At Valuentum, we think the best opportunities arise from a complete understanding of all investing disciplines in order to identify the most attractive stocks at any given time. Valuentum therefore analyzes each stock across a wide spectrum of philosophies, from deep value through momentum investing. We think companies that are attractive from a number of investment perspectives--whether it be growth, value, income, momentum, etc.--have the greatest probability of capital appreciation and relative outperformance. The more deep-pocketed institutional investors that are interested in the stock for reasons based on their respective investment mandates, the more likely it will be bought and the more likely the price will move higher to converge to its true intrinsic value (buying a stock pushes its price higher). On the other hand, we think the worst stocks will be shunned by most investment disciplines and display expensive valuations, poor technicals and deteriorating momentum indicators.

Stocks that meet our demanding criteria fall in the center of the Venn diagram below, displaying attractive characteristics from a discounted cash-flow basis, a relative value basis, and with respect to a technical and momentum assessment. The size of the circles reveals the relative emphasis we place on each investment consideration, while the arrows display the order of our process -- value first then technicals and momentum last. We may like firms that are undervalued both on a DCF basis and relative value basis, but we won't like firms just because they're currently exhibiting attractive technical or momentum indicators. We're not traders or speculators. We're long-term investors and want to have complete confirmation and conviction in the best ideas we deliver to our subscribers.



The center of the Venn diagram above, the Valuentum Buying Index (VBI) combines rigorous financial and valuation analysis with an evaluation of a firm's technicals and momentum indicators to derive

a score between 1 and 10 for each company (10=best). Because our process factors in a technical and momentum assessment after we evaluate a firm's investment merits via our rigorous DCF and relative-value process, we're better able to pinpoint the best entry and exit points on the most undervalued stocks.

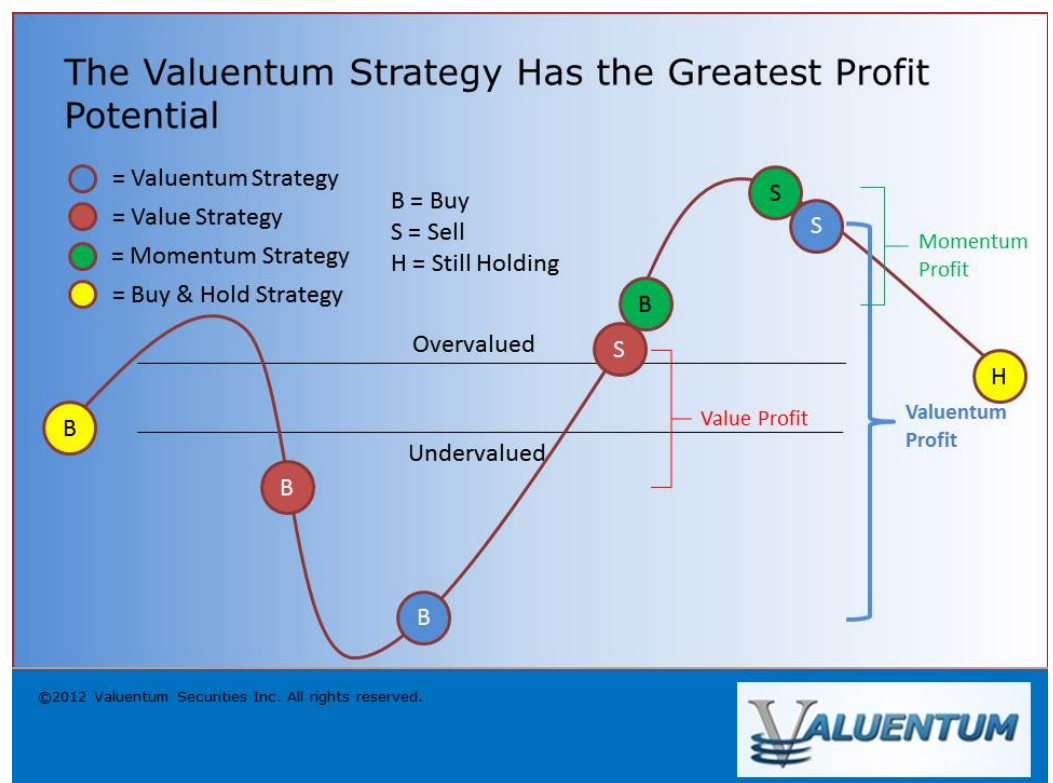
<u>VBI Score</u>	<u>Action</u>
10	Top Pick
9	We'd Buy
6 to 8	Constructive
4 to 6	Less Exciting
1 to 3	We'd Pass

Research firms that just focus on valuation may encourage investors to buy a stock all the way down (a falling knife), while those that just use technical and momentum indicators may expose portfolios to significantly overpriced stocks at their peaks. Only when both sides of the investment



spectrum are combined can investors get the best stocks on the market today at the best prices, in our view.

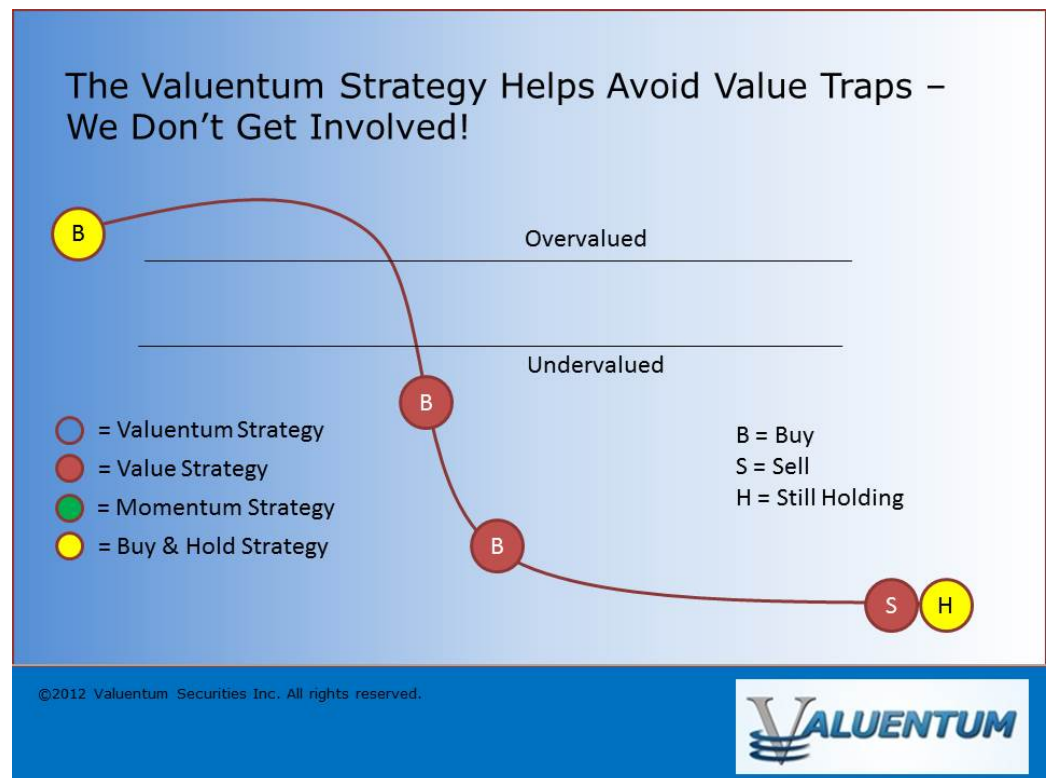
Let's examine the chart below, which showcases how the Valuentum process has the greatest profit potential of any investing strategy. The Valuentum process targets adding stocks to actively-managed portfolios when both value and momentum characteristics are "good" and removing them when both value and momentum characteristics are "bad" (blue circles: Buy --> Sell). The Valuentum strategy captures the entire equity pricing cycle, while the value and momentum strategies individually truncate profits.



Furthermore, Valuentum subscribers are less likely to be involved in value traps because we demand material revenue and earnings growth for firms to earn a 10 on our Valuentum Buying Index. Value traps often occur as a result of secular declines in a firm's products or services, resulting in deteriorating revenue and earnings trends (and a falling stock price). Valuentum subscribers are less likely to be exposed to these "falling knives" since our process requires firms to not only be undervalued but also be exhibiting bullish technical and momentum indicators before we would consider adding them to our actively-managed portfolios.



Since the stock market is a forward-looking mechanism, price usually leads fundamentals. Without a turnaround in price, the risk that the fundamentals of an undervalued stock have not turned for the positive is higher. Where value strategies may encourage the buying of a stock all the way down regardless of whether fundamentals ever turn (red circles: Buy --> Sell), the Valuentum strategy simply steers clear of these situations. We wait for technical improvement in the equity, which often precedes fundamental changes at the company.

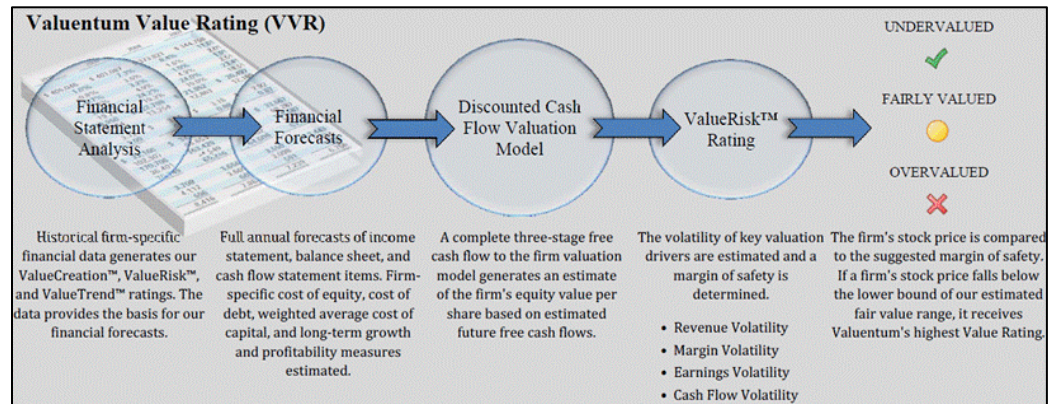


Let's walk through the three investment pillars of our stock-selection methodology.

## I. We Use a Rigorous Discounted Cash Flow Valuation Process

Our methodology starts with in-depth financial statement analysis, where we derive our ValueCreation, ValueRisk, and ValueTrend ratings, which together provide a quantitative assessment of the strength of a firm's competitive advantages. We compare a company's return on invested capital (ROIC) to our estimate of its weighted average cost of capital (WACC) to assess whether it is creating economic profit for shareholders (ROIC less WACC

equals economic profit). Firms that have improving economic profit spreads over their respective cost of capital score high on our ValueCreation and ValueTrend measures, while firms that have relatively stable returns score well with respect to our ValueRisk evaluation, which impacts our margin-of-safety assessment.

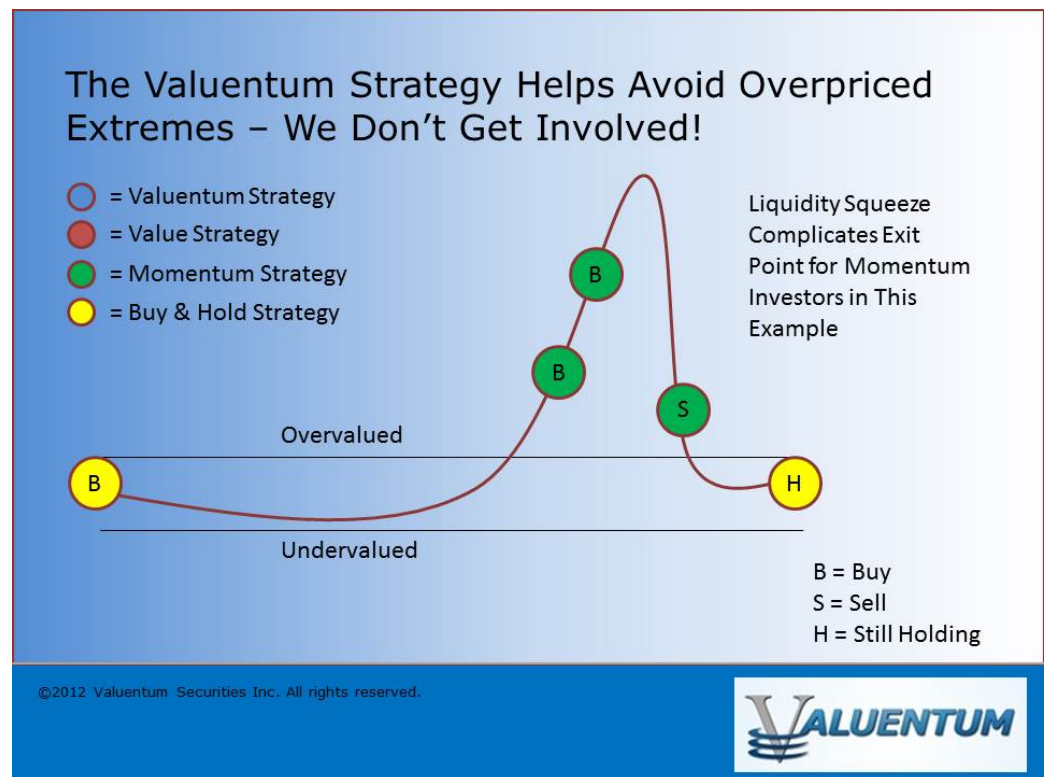


After evaluating historical trends, we then make full annual forecasts for each item on a company's income statement and balance sheet to arrive at a firm's future free cash flows. We derive a company-specific cost of equity (using a fundamental beta based on the expected uncertainty of key valuation drivers) and a cost of debt (considering the firm's capital structure and synthetic credit spread over the risk-free rate), culminating in our estimate of a company's weighted average cost of capital (WACC). We don't use a market price-derived beta, as we embrace market volatility, which provides investors with opportunities to buy attractive stocks at bargain-basement levels.

We then assess each company within our complete three-stage free cash flow to the firm (enterprise cash flow) valuation model, which generates an estimate of a company's equity value per share based on its discounted future free cash flows and the company's net balance sheet impact, including other adjustments to equity value (namely pension and OPEB adjustments). Our ValueRisk rating, which considers the underlying uncertainty of the capacity of the firm to continue to generate value for shareholders, sets the margin of safety bands around this fair value estimate. For firms that are trading below the lower bound of our margin of safety band, we consider these companies undervalued based on our DCF process. For firms that are trading above the

higher bound of our margin of safety band, we consider these companies overvalued based on our DCF process.

We think a focus on discounted cash-flow valuation prevents investors from exposing their portfolios to significantly overpriced stocks at their peaks. The chart below reveals how pure momentum investors may expose their portfolios to pricing extremes and dramatic falls (green circles: Buy --> Sell). We stay away from these situations.



## II. We Perform a Forward-Looking Relative Value Assessment

Our discounted cash-flow process allows us to arrive at an absolute view of the firm's intrinsic value. However, we also understand the critical importance of assessing firms on a relative value basis, versus both their industry and peers. Many institutional money-managers--those that drive stock prices--pay attention to a company's price-to-earnings (PE) ratio and price-earnings-to-growth (PEG) ratio in making buy/sell decisions. With this in mind, we have included a forward-looking relative value assessment in our process to further augment our rigorous discounted cash-flow process. If a company is undervalued on both a price-to-earnings ratio and a price-earnings-to-growth

(PEG) ratio versus industry peers, we would consider the firm to be attractive from a relative value standpoint.

### **III. We Seek to Avoid Value Traps, Falling Knives and Opportunity Cost**

Once we have estimated a firm's intrinsic value on the basis of our discounted cash-flow process, determined if it is undervalued according to its firm-specific margin of safety bands, and assessed whether it has relative value versus industry peers, we then evaluate the company's technical and momentum indicators to pin-point the best entry and exit points on the stock (but only after it meets our stringent valuation criteria). Rigorous valuation analysis and technical analysis are not mutually exclusive, and we believe both can be used together to bolster returns. An evaluation of a stock's moving averages, relative strength, upside-downside volume, and money flow index are but a few considerations we look at with respect to our technical and momentum assessment of a company's stock.

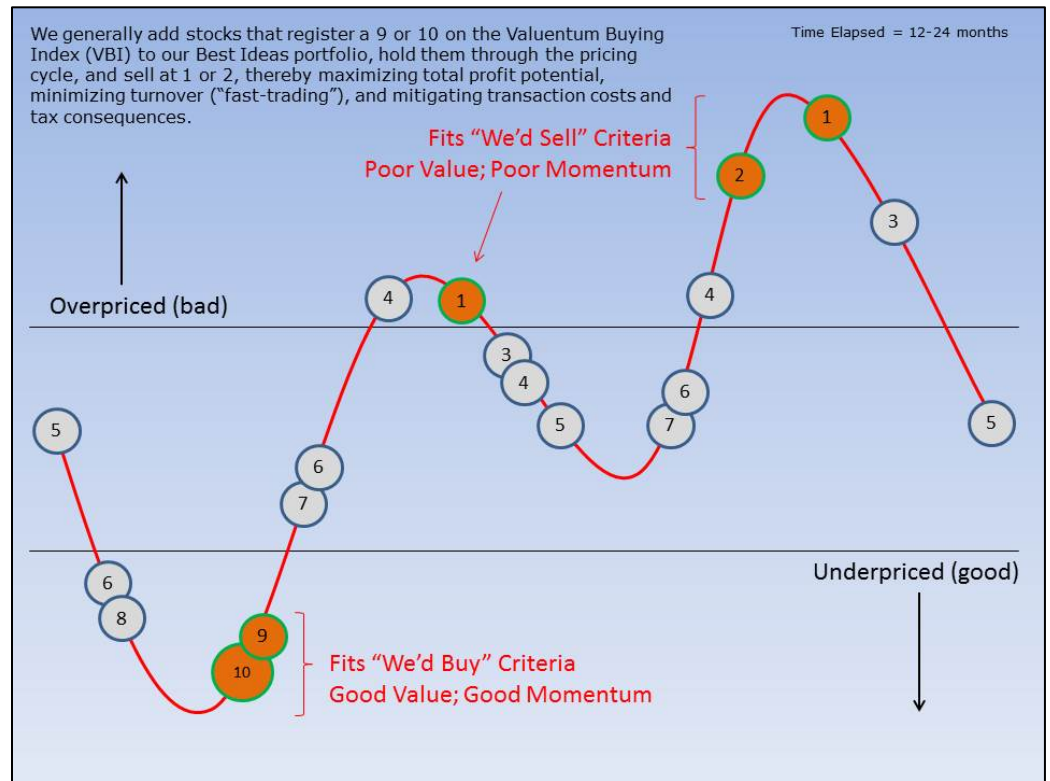
We embrace the idea that the future is inherently unpredictable and that not all fundamental factors can be included in a valuation model. By extension, we use technical and momentum analysis to help safeguard us against value traps, falling knives, and the opportunity cost of holding an undervalued equity for years before it converges to fair value. Other research firms do not consider opportunity cost as a legitimate expense for investors.

### **Putting It All Together - the Valuentum Buying Index**

Though the time frame varies depending on each idea, we expect our best ideas to work out over a 12-24 month time horizon (on average) -- any shorter than that is mostly luck, in our view. We tend to add firms to our Best Ideas portfolio when they register a 9 or 10 on our Valuentum Buying Index (VBI) and tend to remove firms from our Best Ideas portfolio when they register a 1 or 2 on our VBI.

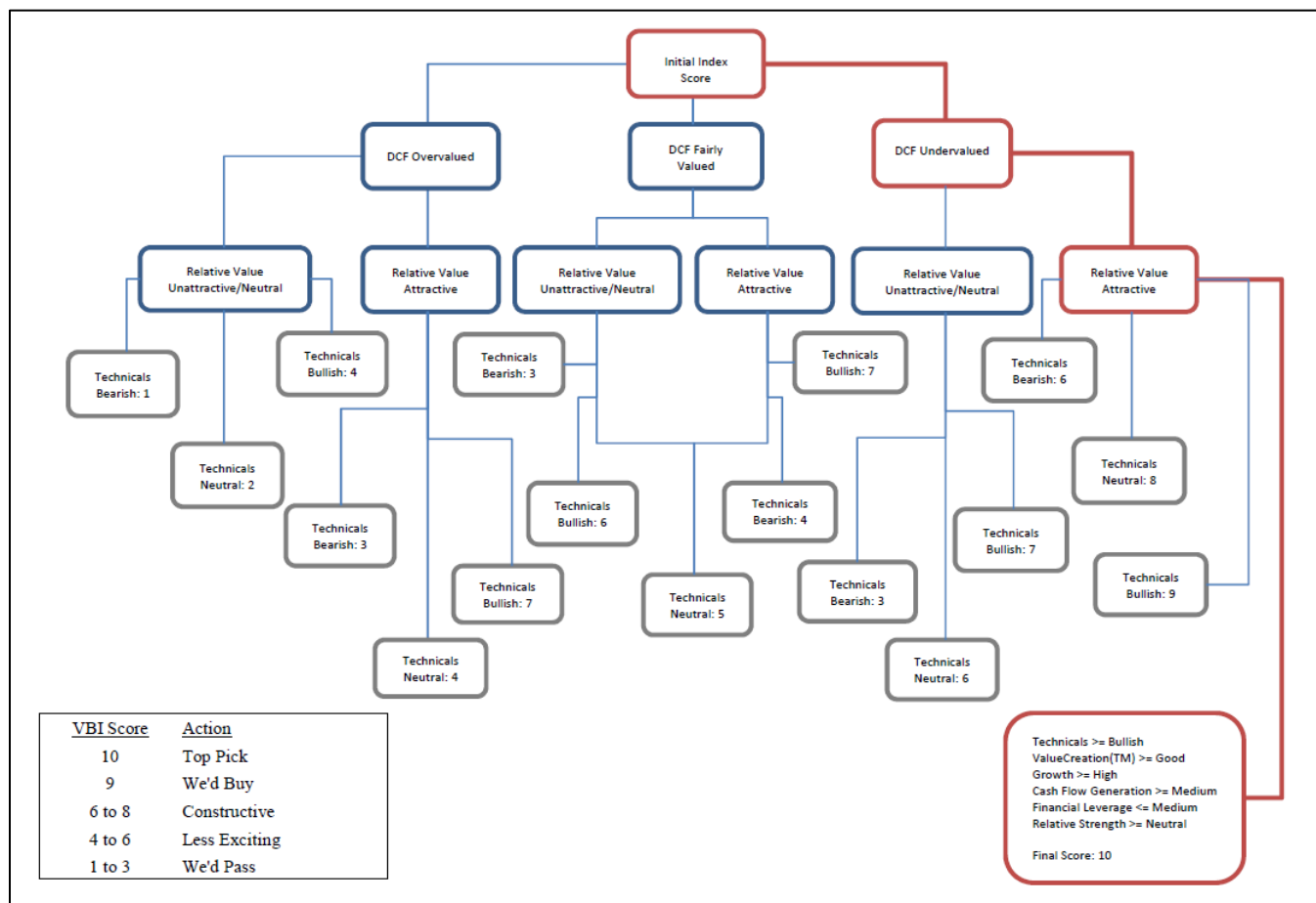
We like to maximize profits on every idea, with the understanding that momentum does exist and that prices over and under shoot intrinsic value all of the time. A value strategy (10 --> 5) truncates potential profits, while a

momentum strategy (4 --> 1) ignores profits generated via value assessments. We're after the entire profit potential, as shown below.



Let's follow the red line on the flow chart on the next page to see how a firm can score a 10, the best mark on our index (a "Top Pick"). First, the company would need to be 'UNDERVALUED' on a DCF basis and 'ATTRACTIVE' on a relative value basis. The stock would also have to be exhibiting 'BULLISH' technicals. The firm would need a ValueCreation rating of 'GOOD' or 'EXCELLENT', exhibit 'HIGH' or 'AGGRESSIVE' growth prospects, and generate at least a 'MEDIUM' or 'NEUTRAL' assessment for cash flow generation, financial leverage, and relative price strength.

This is a tall order for any company, but we're looking to deliver the very best of ideas to our clients and subscribers. Firms that don't make the cut for a 10 are ranked accordingly, with the least attractive stocks garnering a score of 1 ("We'd sell"). Most of our coverage universe falls between 3 and 7, but at any given time there could be large number of companies garnering either high or low scores, especially at market lows or tops, respectively.



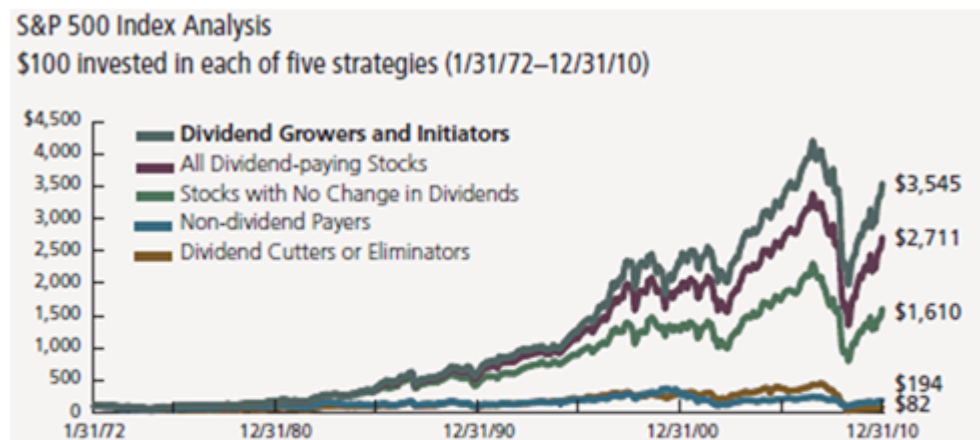


**Valuentum Analysts**  
[analysts@valuentum.com](mailto:analysts@valuentum.com)

## Digging Into the Valuentum Dividend Cushion™

History has revealed that the best performing stocks during the previous decades have been those that shelled out ever-increasing cash to shareholders in the form of dividends. In a recent study, S&P 500 stocks that initiated dividends or grew them over time registered roughly a 9.6% annualized return since 1972 (through 2010), while stocks that did not pay out dividends or cut them performed poorly over the same time period.

### The Outperformance of Dividend Payers Over Time



Source of the chart data: Ned Davis Research, 12/31/10. Image Source: Capital Markets Perspectives, "Investing for Dividend Growth", Oppenheimer Funds. Based on an equal-weighted geometric average of total return of dividend-paying historical S&P 500 Index stocks, rebalanced annually. The chart uses actual annual dividends to identify dividend-paying stocks and changes on a calendar-year basis. Past performance does not guarantee future results.

Such analysis is difficult to ignore, and we believe investors may be well-rewarded in future periods by finding the best dividend-growth stocks out there. As such, we've developed a rigorous dividend investment methodology that uncovers firms that not only have the safest dividends but also ones that are poised to grow them long into the future.

How did we do this? Well, first of all, we scoured our stock universe for firms that have cut their dividends in the past to uncover the major drivers behind the dividend cut. This is what we found out: The major reasons why firms cut their dividend had to do with preserving cash in the midst of a secular or

To learn more about Valuentum and its equity research services, please visit us at [www.valuentum.com](http://www.valuentum.com) or contact a sales representative at [info@valuentum.com](mailto:info@valuentum.com).

© 2013 Valuentum Securities, Inc. All rights reserved.



cyclical downturn in demand for their products/services or when faced with excessive leverage (how much debt they held on their respective balance sheets).

### **The Importance of Forward-Looking Dividend Analysis**

Armed with this knowledge, we developed the forward-looking Valuentum Dividend Cushion™, which is a ratio that gauges the safety of a dividend over time.

Most dividend analysis that we've seen out there is backward-looking – meaning it rests on what the firm has done in the past. Although analyzing historical trends is important, we think assessing what may happen in the future is even more important. The S&P 500 Dividend Aristocrat List, or a grouping of firms that have raised their dividends for the past 25 years, is a great example of why backward-looking analysis can be painful.

In fact, one only has to look over the past few years to see the removal of such big names from the Dividend Aristocrat List like General Electric (GE) and Pfizer (PFE) to understand that backward-looking analysis is hardly worth your time. After all, you're investing for the future, so the future is all you should care about. We want to find the stocks that will increase their dividends for 25 years into the future, not use a rear-view mirror to build a portfolio of names that may already be past their prime dividend growth years.

The Valuentum Dividend Cushion™ measures just how safe the dividend is in the future. It considers the firm's net cash on its balance sheet and adds that to its forecasted future free cash flows and divides that sum by the firm's future expected dividend payments. At its core, it tells investors whether the firm has enough cash to pay out its dividends in the future, while considering its debt load. If a firm has a Valuentum Dividend Cushion™ above 1, it can cover its dividend, but if it falls below 1, trouble may be on the horizon.

In fact, the Valuentum Dividend Cushion™ would have caught every dividend cut made by a non-financial, operating firm that we have in our database, except for one (Marriott). But interestingly, our Valuentum Dividend

Cushion™ indicated that Marriott should have never cut its dividend, and sure enough, two years after the firm did so, it raised it to levels that were higher than before the cut.

Here are the results of our study (a Valuentum Dividend Cushion™ below 1 indicates the dividend may be in trouble). The Valuentum Dividend Cushion™ score shown in the table below is the measure in the year before the firm cut its dividend, so it represents a predictive indicator:

### The Valuentum Dividend Cushion Caught These Dividend Cuts in Advance

A Valuentum Dividend Cushion Score Below 1 Indicates a Firm's Dividend Is At Risk in the Years Ahead

Dividend Cutter	Cut Date	Dividend Cushion (Before Cut)	Reason for Dividend Cut
Avery Dennison (AVY)	31-Jul-09	0.66	Reduced dividend to support debt-reduction efforts.
ConAgra Foods (CAG)	16-Mar-06	-0.59 (1)	Restructuring, divestitures.
Constellation (CEG)	18-Feb-09	-4.36	Refocus on core business of generating and selling power.
DR Horton (DHI)	6-May-08	-0.03	Housing turmoil.
Gannett Co. (GCI)	25-Feb-09	-0.06	Excessive debt; preserve cash amid downturn of newspaper industry.
La-Z-Boy (LZB)	17-Feb-09	0.89	Suspended dividend to preserve cash amid downturn in home furnishings.
Marriott Intl (MAR)	1-May-09	2.18 (2)	Suspended dividend in the wake of weak business travel, but dividend achieved record highs again, May 6, 2011.
Masco Corp (MAS)	11-Feb-09	-0.74	Cut dividend to ensure ability to fund operations and service debt coming due.
New York Times (NYT)	20-Nov-08	0.04	Effort to preserve cash. Downturn in newspaper industry. Loss of investment-grade credit rating.
Pfizer (PFE)	26-Jan-09	0.54	Bought Wyeth to diversify revenue base. Raised \$22 billion+ in debt.
Sara Lee Corp (SLE)	8-Aug-06	0.70	Streamlining operations, business unit divestitures to raise cash.
Sunoco Inc. (SUN)	6-Oct-09	-0.85 (3)	Poor margins, overseas competition.
SuperValu (SVU)	20-Oct-09	-5.78	Rising unemployment, competition from Wal-Mart, etc.
Valero Energy (VLO)	27-Jan-10	0.15	Lower demand for gas and diesel.
Vulcan Materials (VMC)	14-Oct-11	-1.42	Free up much-needed cash amid downturn in aggregate demand.

(1) Forecast period for ConAgra, 2007 through 2011.  
(2) Marriott is an instance where management prematurely cut its dividend. In our opinion, the Cushion reflected little risk at the time of cut, and sure enough Marriott restored its payout to record high.  
(3) Forecast adjusted to reflect Sunoco's poor free cash flow trends over and last reported year.

Backtesting Methodology: Net balance sheet (year prior to dividend cut). Free cash flow for years beginning in year of dividend cut through reported years. If reported years do not total five, last reported year is extrapolated for remainder of forecast period. Dividends paid reflects what the dividends would be ex dividend cut.

At the very least, using the Valuentum Dividend Cushion™ can help you avoid firms that are at risk of cutting their dividends in the future. And we are the only firm out there that does this type of in-depth analysis for you. Plus, we not only provide the actual Valuentum Dividend Cushion™ number for our

clients in our dividend reports and newsletter, but we also scale the safety of a firm's dividend in simple terms: Excellent, Good, Poor, Very Poor.

### **But What about the Growth of a Firm's Dividend?**

It takes time to accumulate wealth through dividends, so dividend growth investing requires a long-term perspective. As a result, we assess the long-term future growth potential of a firm's dividend. And we don't just take management's word for what they will do with their dividend. Instead, we dive into the financial statements and make our own forecasts of the future to see if what they're saying is actually achievable. We use our Valuentum Dividend Cushion™ as a way to judge the capacity for management to raise its dividend – how much cushion it has – and we couple that assessment with the firm's dividend track record, or management's willingness to raise the dividend.

In many cases, we may have a different view of a firm's dividend growth potential than what may be widely held in the investment community. That's fine by us, as our dividend-growth investment horizon is often longer than others. We want to make sure that the firm has the capacity and willingness to increase the dividend years into the future and will not be weighed down by an excessive debt load or cyclical or secular problems in fundamental demand for their products/services.

Plus, we don't use fancy language for what we think of its future growth. We scale our assessment in an easily-interpreted fashion: Excellent, Good, Poor, Very Poor.

### **What Ideas Are Included in Our *Dividend100* Publication?**

First of all, we're looking for stocks with dividend yields that are greater than the average of the S&P 500, or about 2% (but preferably much higher). This excludes many names, but we think such a cutoff eliminates firms whose dividend streams aren't yet large enough to generate sufficient income. Second, we're looking for firms that register an 'Excellent' or 'Good' rating on our scale for both safety and future potential growth. And third, we're looking for firms that have a relatively lower risk of capital loss, as measured by our estimate of the company's fair value.

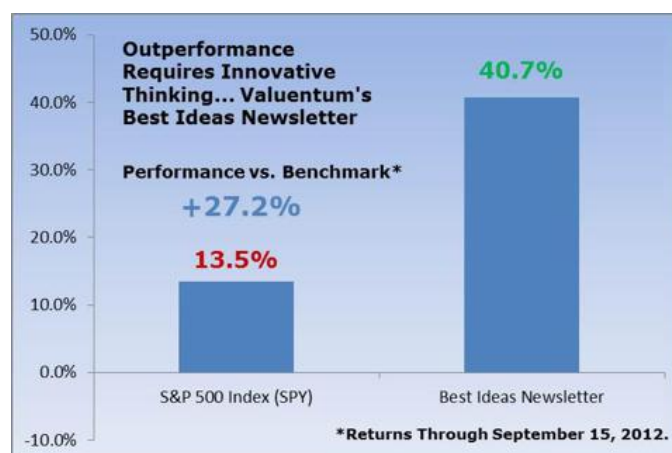
**Valuentum Analysts**  
[analysts@valuentum.com](mailto:analysts@valuentum.com)

## How to Use Valuentum's Actively-Managed Equity Portfolios

President of equity research, Brian Nelson, CFA, manages Valuentum's two actively-managed stock portfolios, which are included in our Best Ideas and Dividend Growth newsletters. In each portfolio, we seek to deliver the very best of investment ideas to our opportunistic and income clients, respectively.

With our Best Ideas portfolio, we task ourselves with a tall order. While most investment newsletters compare themselves to a market benchmark, we go one step further. We want to deliver positive returns year after year, in addition to outperforming our market benchmark, the S&P 500 index (SPY).

Our Best Ideas portfolio includes long equity positions, as well as put and call options--strategies easily executed in your own online trading account. Consistent with our investment methodology, the Valuentum Buying Index™, our best ideas may span investing disciplines, market capitalizations and asset classes in order to maximize the return while minimizing the risk of the portfolio.



To learn more about Valuentum and its equity research services, please visit us at [www.valuentum.com](http://www.valuentum.com) or contact a sales representative at [info@valuentum.com](mailto:info@valuentum.com).

© 2013 Valuentum Securities, Inc. All rights reserved.

Since inception, our performance has been nothing short of fantastic, and our subscribers and clients have followed along and tracked our every move. Very few newsletters apply a time-tested (yet innovative) process, embrace transparency, and put your interests first. We can proudly say that we are among the few.

The goal of our Dividend Growth portfolio is equally challenging. We seek to identify high-yielding, undervalued stocks that offer investors not only a source of sustainable and growing dividend income but also collectively will achieve an average annual rate of return in the high-single-digits over rolling 3- to 5-year periods into the future. We use our Valuentum Dividend Cushion™ as the key decision-making component behind the dividend gems we include in our Dividend Growth portfolio.

Company Index - Sorted By Company Name

Name	Symbol	Industry	Dividend Yield	Investment Style	Market Cap	Price/Fair Value	VBI
Altria Group	MO	Tobacco	4.8%	LARGE-CAP VALUE	74,240.3	0.92	6
Analog Devices	ADI	Integrated Circuits	2.9%	LARGE-CAP CORE	14,397.1	1.09	6
Apple	AAPL	Computer Hardware	2.5%	MEGA-CAP VALUE	460,595.9	0.80	6
Applied Materials	AMAT	Semi Equipment	2.8%	LARGE-CAP VALUE	18,516.5	0.85	6
Atlas Pipeline	APL	Oil & Gas Pipelines	6.1%	MID-CAP BLEND	2,088.7	0.90	5
Automatic Data Processing	ADP	Staffing Services	2.5%	LARGE-CAP CORE	34,468.8	1.19	6
AVX Corp	AVX	Electronic Suppliers	3.0%	SMALL-CAP VALUE	1,999.1	0.98	6
Baxter Intl	BAX	Medical Instruments	2.7%	LARGE-CAP CORE	40,975.2	1.07	7
Best Buy	BBY	Specialty Retailers	1.9%	LARGE-CAP CORE	12,204.0	1.00	6
Boardwalk Pipeline	BWP	Oil & Gas Pipelines	6.8%	MID-CAP CORE	5,407.0	1.08	6
Bristol-Myers Squibb	BMJ	Pharmaceuticals	3.1%	LARGE-CAP CORE	77,741.0	1.31	4
Brookfield Infrastructure	BIP	Utilities	4.4%	MID-CAP BLEND	5,302.1	0.99	6
Buckeye Partners	BPL	Oil & Gas Pipelines	6.4%	MID-CAP CORE	5,995.5	1.10	5
Campbell Soup	CPB	Food Products - Large	2.6%	LARGE-CAP CORE	14,214.6	1.17	4
Caterpillar	CAT	Machinery - agriculture	2.9%	LARGE-CAP VALUE	55,657.2	0.87	3
Chevron	CVX	Major Oil & Gas	3.2%	MEGA-CAP VALUE	244,627.5	1.00	6
Chicago Rivet	CVR	Auto Parts Suppliers	2.3%	NANO-CAP CORE	25.7	1.03	6
Cisco	CSCO	Networking Equipment	2.8%	LARGE-CAP VALUE	132,776.3	0.85	7
Coca-Cola	KO	Beverages - nonalcoholic	2.7%	LARGE-CAP CORE	192,390.9	1.15	6
Compass Minerals	CMP	Chemicals - agriculture	2.5%	MID-CAP VALUE	2,932.4	0.96	6
Computer Sciences	CSC	IT Services	1.6%	MID-CAP CORE	7,773.9	1.02	6
Crane Co	CR	Machinery & Tools	1.9%	MID-CAP CORE	3,537.4	1.15	7
DCP Midstream	DPM	Oil & Gas Pipelines	5.6%	MID-CAP BLEND	2,187.4	0.96	6
Diebold	DBD	Commercial Services	3.3%	MID-CAP VALUE	2,207.0	0.93	6
Domtar	UFS	Paper Products	3.0%	MID-CAP VALUE	2,623.7	0.82	3
Dr Pepper Snapple	DPS	Beverages - nonalcoholic	3.3%	LARGE-CAP CORE	10,248.2	1.05	4
DuPont	DD	Chemicals - broad	3.2%	LARGE-CAP CORE	53,837.1	1.00	7
Eli Lilly	LLY	Pharmaceuticals	3.9%	LARGE-CAP VALUE	55,598.1	0.98	4
Emerson Electric	EMR	Electrical Equipment	2.5%	LARGE-CAP CORE	47,690.2	1.18	6
Enbridge	ENB	Oil & Gas Pipelines	2.6%	LARGE-CAP GROWTH	35,630.0	1.09	6
Energy Transfer Partners	ETP	Oil & Gas Pipelines	7.1%	LARGE-CAP BLEND	10,482.7	0.88	7
Enterprise Product Partners	EPD	Oil & Gas Pipelines	4.4%	LARGE-CAP VALUE	52,944.0	0.99	6
EV Energy	EVEP	Oil & Gas Pipelines	7.5%	SMALL-CAP BLEND	1,394.3	0.82	5
Exxon Mobil	XOM	Major Oil & Gas	2.8%	MEGA-CAP VALUE	423,600.8	0.98	6
Federal Realty	FRT	REIT - Retail	2.5%	MID-CAP CORE	7,347.7	1.22	6
Garmin	GRMN	Electrical Equipment	4.1%	MID-CAP CORE	8,556.8	1.12	5
General Dynamics	GD	A&D Prime	2.6%	LARGE-CAP CORE	30,783.0	1.01	6
General Electric	GE	Conglomerates	3.3%	MEGA-CAP VALUE	241,915.6	0.82	4
Gentex	GNTX	Auto Parts Suppliers	2.5%	MID-CAP VALUE	3,219.1	0.97	3
Genuine Parts	GPC	Specialty Retail - auto	2.6%	LARGE-CAP CORE	12,809.9	1.14	6
H&R Block	HRB	Personal Services	2.5%	MID-CAP CORE	9,522.4	1.06	6
Harris Corp	HRS	Communications Equipment	3.0%	MID-CAP VALUE	5,601.1	0.92	6
Hasbro	HAS	Leisure	3.6%	MID-CAP VALUE	5,923.5	0.75	3
HCP	HCP	REIT - Healthcare	3.9%	LARGE-CAP GROWTH	21,399.7	1.01	6
Health Care REIT	HCN	REIT - Healthcare	4.1%	LARGE-CAP GROWTH	13,062.6	1.01	6
Hewlett-Packard	HPO	Computer Hardware	2.4%	LARGE-CAP VALUE	47,790.5	0.81	6
Hillenbrand	HI	Personal Services	3.2%	SMALL-CAP BLEND	1,542.5	0.99	7
Holly Energy	HEP	Oil & Gas Pipelines	5.1%	SMALL-CAP BLEND	1,696.7	0.88	3
Honeywell	HON	Conglomerates	2.1%	LARGE-CAP CORE	61,562.3	1.04	7
Hormel Foods	HRL	Food Products	1.7%	LARGE-CAP CORE	10,707.2	1.24	3
Illinois Tool Works	ITW	Machinery & Tools	2.2%	LARGE-CAP CORE	34,689.5	1.23	6
Innophos	IPHS	Chemicals - broad	2.8%	SMALL-CAP VALUE	1,137.1	0.99	7
Insperty	NSP	Staffing Services	2.3%	SMALL-CAP VALUE	733.7	0.77	6
Intel	INTC	Broad Line Semiconductors	3.7%	LARGE-CAP VALUE	133,056.5	0.88	6
Johnson & Johnson	JNJ	Household Products	3.0%	MEGA-CAP VALUE	244,189.9	0.94	5
Johnson Controls	JCI	Auto Parts Suppliers	1.9%	LARGE-CAP CORE	27,915.8	1.16	6
Kimberly-Clark	KMB	Household Products	3.1%	LARGE-CAP CORE	41,000.3	1.18	6
Kinder Morgan Partners	KMP	Oil & Gas Pipelines	5.9%	LARGE-CAP BLEND	28,820.7	0.99	6
KLA-Tencor	KLAC	Semi Equipment	2.9%	MID-CAP VALUE	9,301.9	0.88	7
Leggett & Platt	LEG	Household Durables	3.6%	MID-CAP CORE	4,710.2	1.08	3
Linear Technology	LLTC	Specialized Semi's	2.6%	MID-CAP CORE	9,339.1	1.11	6
Lockheed Martin	LMT	A&D Prime	3.6%	LARGE-CAP CORE	41,788.9	1.20	6
Magellan Midstream	MMP	Oil & Gas Pipelines	3.9%	MID-CAP VALUE	6,163.2	1.00	6
Mattel	MAT	Leisure	3.5%	LARGE-CAP CORE	14,417.5	1.07	3
Merck	MRK	Pharmaceuticals	3.7%	LARGE-CAP CORE	145,418.0	1.15	6
Methode Electronics	MEI	Electronic Suppliers	1.6%	SMALL-CAP GROWTH	639.4	1.00	6
Microsoft	MSFT	Software	3.4%	MEGA-CAP VALUE	279,764.1	0.70	3
Molex	MOLX	Electronic Suppliers	3.3%	MID-CAP CORE	5,204.4	1.09	6
Northrop Grumman	NOC	A&D Prime	2.5%	LARGE-CAP CORE	24,374.5	1.08	6
Omega Healthcare	OHI	REIT - Healthcare	5.4%	MID-CAP BLEND	3,507.7	0.80	5
Owens & Minor	OMI	Medical Equipment	2.8%	MID-CAP VALUE	2,146.8	0.95	7
Paychex	PAYX	Staffing Services	3.5%	LARGE-CAP CORE	13,699.6	1.05	6
Philip Morris	PM	Tobacco	3.6%	LARGE-CAP CORE	157,897.4	1.17	6
Plains All American	PAA	Oil & Gas Pipelines	4.0%	LARGE-CAP CORE	18,906.5	1.04	6
PPL	PPL	Utilities	4.6%	LARGE-CAP VALUE	18,699.3	0.95	6
Procter & Gamble	PG	Household Products	2.9%	MEGA-CAP CORE	240,825.5	1.12	6
Raytheon	RTN	A&D Prime	2.8%	LARGE-CAP CORE	26,228.0	1.15	6
Realty Income Corp	O	REIT - Retail	4.2%	MID-CAP BLEND	6,534.1	0.91	5
Reynolds American	RAI	Tobacco	4.9%	LARGE-CAP CORE	27,133.0	1.04	6
Rockwell Automation	ROK	Electrical Equipment - industrial	2.3%	LARGE-CAP CORE	13,042.2	1.11	6
Scholastic Corp	SCHL	Book Publishing	1.7%	SMALL-CAP VALUE	906.0	0.87	6
Simon Property	SPG	REIT - Retail	2.6%	LARGE-CAP CORE	52,678.8	1.05	7
St. Jude	STJ	Medical Devices	2.0%	LARGE-CAP VALUE	15,869.1	0.99	7
Stanley	SWK	Machinery & Tools	2.5%	LARGE-CAP CORE	13,475.7	1.04	6
TE Connectivity	TEL	Electronic Suppliers	2.2%	LARGE-CAP CORE	19,582.2	1.06	6
Thomson Reuters Corp	TRI	Securities Research	4.0%	LARGE-CAP VALUE	27,028.5	0.88	4
Tupperware	TUP	Containers & Packaging	2.9%	MID-CAP CORE	5,172.3	1.08	6
United Parcel Service	UPS	Air Freight & Logistics	2.8%	LARGE-CAP CORE	85,194.5	1.05	6
United Technologies	UTX	Conglomerates	2.2%	LARGE-CAP VALUE	86,353.7	0.97	7
Universal Health Realty	UHT	REIT - Healthcare	4.5%	SMALL-CAP CORE	689.6	1.33	3
US Ecology	ECOL	Environmental Services	2.6%	SMALL-CAP CORE	500.0	1.06	7
Ventas	VTR	REIT - Healthcare	3.4%	LARGE-CAP GROWTH	18,458.6	1.07	5
Verizon Comm	VZ	Telecom Services - diversified	4.1%	LARGE-CAP VALUE	143,786.9	0.99	3
Walgreen	WAG	Food Retailers	2.3%	LARGE-CAP CORE	48,863.2	1.16	6
Washington Post	WPO	Media - newspapers	1.7%	MID-CAP CORE	4,331.1	1.36	2
Western Gas	WES	Oil & Gas Pipelines	3.5%	MID-CAP GROWTH	4,120.8	1.11	6
Western Union	WU	Financial Tech Services	3.0%	LARGE-CAP CORE	10,559.4	1.11	6
Weyerhaeuser	WY	Paper Products	2.5%	LARGE-CAP CORE	17,023.1	1.16	6
Williams Co	WMB	Oil & Gas Pipelines	3.7%	LARGE-CAP CORE	22,258.1	1.09	6
Xilinx	XLNX	Specialized Semi's	2.2%	LARGE-CAP CORE	12,568.2	1.15	5



**Company Index - Sorted By Dividend Yield**

Name	Symbol	Industry	Dividend Yield	Investment Style	Market Cap	Price/Fair Value	VBI
EV Energy	EVEP	Oil & Gas Pipelines	7.5%	SMALL-CAP BLEND	1,394.3	0.82	5
Energy Transfer Partners	ETP	Oil & Gas Pipelines	7.1%	LARGE-CAP BLEND	10,482.7	0.88	7
Boardwalk Pipeline	BWP	Oil & Gas Pipelines	6.8%	MID-CAP CORE	5,407.0	1.08	6
Buckeye Partners	BPL	Oil & Gas Pipelines	6.4%	MID-CAP CORE	5,995.5	1.10	5
Atlas Pipeline	APL	Oil & Gas Pipelines	6.1%	MID-CAP BLEND	2,088.7	0.90	5
Kinder Morgan Partners	KMP	Oil & Gas Pipelines	5.9%	LARGE-CAP BLEND	28,820.7	0.99	6
DCP Midstream	DPM	Oil & Gas Pipelines	5.6%	MID-CAP BLEND	2,187.4	0.96	6
Omega Healthcare	OHI	REIT - Healthcare	5.4%	MID-CAP BLEND	3,507.7	0.80	5
Holly Energy	HEP	Oil & Gas Pipelines	5.1%	SMALL-CAP BLEND	1,696.7	0.88	3
Reynolds American	RAI	Tobacco	4.9%	LARGE-CAP CORE	27,133.0	1.04	6
Altria Group	MO	Tobacco	4.8%	LARGE-CAP VALUE	74,240.3	0.92	6
PPL	PPL	Utilities	4.6%	LARGE-CAP VALUE	18,699.3	0.95	6
Universal Health Realty	UHT	REIT - Healthcare	4.5%	SMALL-CAP CORE	689.6	1.33	3
Brookfield Infrastructure	BIP	Utilities	4.4%	MID-CAP BLEND	5,302.1	0.99	6
Enterprise Product Partners	EPD	Oil & Gas Pipelines	4.4%	LARGE-CAP VALUE	52,944.0	0.99	6
Realty Income Corp	O	REIT - Retail	4.2%	MID-CAP BLEND	6,534.1	0.91	5
Garmin	GRMN	Electrical Equipment	4.1%	MID-CAP CORE	8,556.8	1.12	5
Verizon Comm	VZ	Telecom Services - diversified	4.1%	LARGE-CAP VALUE	143,786.9	0.99	3
Health Care REIT	HCN	REIT - Healthcare	4.1%	LARGE-CAP GROWTH	13,062.6	1.01	6
Thomson Reuters Corp	TRI	Securities Research	4.0%	LARGE-CAP VALUE	27,028.5	0.88	4
Plains All American	PAA	Oil & Gas Pipelines	4.0%	LARGE-CAP CORE	18,906.5	1.04	6
HCP	HCP	REIT - Healthcare	3.9%	LARGE-CAP GROWTH	21,399.7	1.01	6
Eli Lilly	LLY	Pharmaceuticals	3.9%	LARGE-CAP VALUE	55,598.1	0.98	4
Magellan Midstream	MMP	Oil & Gas Pipelines	3.9%	MID-CAP VALUE	6,163.2	1.00	6
Intel	INTC	Broad Line Semiconductors	3.7%	LARGE-CAP VALUE	133,056.5	0.88	6
Merck	MRK	Pharmaceuticals	3.7%	LARGE-CAP CORE	145,418.0	1.15	6
Williams Co	WMB	Oil & Gas Pipelines	3.7%	LARGE-CAP CORE	22,258.1	1.09	6
Philip Morris	PM	Tobacco	3.6%	LARGE-CAP CORE	157,897.4	1.17	6
Lockheed Martin	LMT	A&D Prime	3.6%	LARGE-CAP CORE	41,788.9	1.20	6
Leggett & Platt	LEG	Household Durables	3.6%	MID-CAP CORE	4,710.2	1.08	3
Hasbro	HAS	Leisure	3.6%	MID-CAP VALUE	5,923.5	0.75	3
Western Gas	WES	Oil & Gas Pipelines	3.5%	MID-CAP GROWTH	4,120.8	1.11	6
Paychex	PAYX	Staffing Services	3.5%	LARGE-CAP CORE	13,699.6	1.05	6
Mattel	MAT	Leisure	3.5%	LARGE-CAP CORE	14,417.5	1.07	3
Microsoft	MSFT	Software	3.4%	MEGA-CAP VALUE	279,764.1	0.70	3
Ventas	VTR	REIT - Healthcare	3.4%	LARGE-CAP GROWTH	18,458.6	1.07	5
Diebold	DBD	Commercial Services	3.3%	MID-CAP VALUE	2,207.0	0.93	6
General Electric	GE	Conglomerates	3.3%	MEGA-CAP VALUE	241,915.6	0.82	4
Dr Pepper Snapple	DPS	Beverages - nonalcoholic	3.3%	LARGE-CAP CORE	10,248.2	1.05	4
Molex	MOLX	Electronic Suppliers	3.3%	MID-CAP CORE	5,204.4	1.09	6
Chevron	CVX	Major Oil & Gas	3.2%	MEGA-CAP VALUE	244,627.5	1.00	6
Hillenbrand	HI	Personal Services	3.2%	SMALL-CAP BLEND	1,542.5	0.99	7
DuPont	DD	Chemicals - broad	3.2%	LARGE-CAP CORE	53,837.1	1.00	7
Kimberly-Clark	KMB	Household Products	3.1%	LARGE-CAP CORE	41,000.3	1.18	6
Bristol-Myers Squibb	BMJ	Pharmaceuticals	3.1%	LARGE-CAP CORE	77,741.0	1.31	4
Johnson & Johnson	JNJ	Household Products	3.0%	MEGA-CAP VALUE	244,189.9	0.94	5
Harris Corp	HRS	Communications Equipment	3.0%	MID-CAP VALUE	5,601.1	0.92	6
Domtar	UFS	Paper Products	3.0%	MID-CAP VALUE	2,623.7	0.82	3
Western Union	WU	Financial Tech Services	3.0%	LARGE-CAP CORE	10,559.4	1.11	6
AVX Corp	AVX	Electronic Suppliers	3.0%	SMALL-CAP VALUE	1,999.1	0.98	6
Tupperware	TUP	Containers & Packaging	2.9%	MID-CAP CORE	5,172.3	1.08	6
Procter & Gamble	PG	Household Products	2.9%	MEGA-CAP CORE	240,825.5	1.12	6
KLA-Tencor	KLAC	Semi Equipment	2.9%	MID-CAP VALUE	9,301.9	0.88	7
Analog Devices	ADI	Integrated Circuits	2.9%	LARGE-CAP CORE	14,397.1	1.09	6
Caterpillar	CAT	Machinery - agriculture	2.9%	LARGE-CAP VALUE	55,657.2	0.87	3
United Parcel Service	UPS	Air Freight & Logistics	2.8%	LARGE-CAP CORE	85,194.5	1.05	6
Owens & Minor	OMI	Medical Equipment	2.8%	MID-CAP VALUE	2,146.8	0.95	7
Raytheon	RTN	A&D Prime	2.8%	LARGE-CAP CORE	26,228.0	1.15	6
Cisco	CSCO	Networking Equipment	2.8%	LARGE-CAP VALUE	132,776.3	0.85	7
Innophos	IPHS	Chemicals - broad	2.8%	SMALL-CAP VALUE	1,137.1	0.99	7
Applied Materials	AMAT	Semi Equipment	2.8%	LARGE-CAP VALUE	18,516.5	0.85	6
Exxon Mobil	XOM	Major Oil & Gas	2.8%	MEGA-CAP VALUE	423,600.8	0.98	6
Baxter Intl	BAX	Medical Instruments	2.7%	LARGE-CAP CORE	40,975.2	1.07	7
Coca-Cola	KO	Beverages - nonalcoholic	2.7%	LARGE-CAP CORE	192,390.9	1.15	6
Enbridge	ENB	Oil & Gas Pipelines	2.6%	LARGE-CAP GROWTH	35,630.0	1.09	6
Genuine Parts	GPC	Specialty Retail - auto	2.6%	LARGE-CAP CORE	12,809.9	1.14	6
US Ecology	ECOL	Environmental Services	2.6%	SMALL-CAP CORE	500.0	1.06	7
Linear Technology	LLTC	Specialized Semi's	2.6%	MID-CAP CORE	9,339.1	1.11	6
Campbell Soup	CPB	Food Products - Large	2.6%	LARGE-CAP CORE	14,214.6	1.17	4
General Dynamics	GD	A&D Prime	2.6%	LARGE-CAP CORE	30,783.0	1.01	6
Simon Property	SPG	REIT - Retail	2.6%	LARGE-CAP CORE	52,678.8	1.05	7
Weyerhaeuser	WY	Paper Products	2.5%	LARGE-CAP CORE	17,023.1	1.16	6
Northrop Grumman	NOC	A&D Prime	2.5%	LARGE-CAP CORE	24,374.5	1.08	6
Emerson Electric	EMR	Electrical Equipment	2.5%	LARGE-CAP CORE	47,690.2	1.18	6
H&R Block	HRB	Personal Services	2.5%	MID-CAP CORE	9,522.4	1.06	6
Gentex	GNTX	Auto Parts Suppliers	2.5%	MID-CAP VALUE	3,219.1	0.97	3
Apple	AAPL	Computer Hardware	2.5%	MEGA-CAP VALUE	460,595.9	0.80	6
Federal Realty	FRT	REIT - Retail	2.5%	MID-CAP CORE	7,347.7	1.22	6
Automatic Data Processing	ADP	Staffing Services	2.5%	LARGE-CAP CORE	34,468.8	1.19	6
Stanley	SWK	Machinery & Tools	2.5%	LARGE-CAP CORE	13,475.7	1.04	6
Compass Minerals	CMP	Chemicals - agriculture	2.5%	MID-CAP VALUE	2,932.4	0.96	6
Hewlett-Packard	HPQ	Computer Hardware	2.4%	LARGE-CAP VALUE	47,790.5	0.81	6
Insperty	NSP	Staffing Services	2.3%	SMALL-CAP VALUE	733.7	0.77	6
Rockwell Automation	ROK	Electrical Equipment - industrial	2.3%	LARGE-CAP CORE	13,042.2	1.11	6
Walgreen	WAG	Food Retailers	2.3%	LARGE-CAP CORE	48,863.2	1.16	6
Chicago Rivet	CVR	Auto Parts Suppliers	2.3%	NANO-CAP CORE	25.7	1.03	6
United Technologies	UTX	Conglomerates	2.2%	LARGE-CAP VALUE	86,353.7	0.97	7
TE Connectivity	TEL	Electronic Suppliers	2.2%	LARGE-CAP CORE	19,582.2	1.06	6
Illinois Tool Works	ITW	Machinery & Tools	2.2%	LARGE-CAP CORE	34,689.5	1.23	6
Xilinx	XLNX	Specialized Semi's	2.2%	LARGE-CAP CORE	12,568.2	1.15	5
Honeywell	HON	Conglomerates	2.1%	LARGE-CAP CORE	61,562.3	1.04	7
St. Jude	STJ	Medical Devices	2.0%	LARGE-CAP VALUE	15,869.1	0.99	7
Best Buy	BBY	Specialty Retailers	1.9%	LARGE-CAP CORE	12,204.0	1.00	6
Johnson Controls	JCI	Auto Parts Suppliers	1.9%	LARGE-CAP CORE	27,915.8	1.16	6
Crane Co	CR	Machinery & Tools	1.9%	MID-CAP CORE	3,537.4	1.15	7
Scholastic Corp	SCHL	Book Publishing	1.7%	SMALL-CAP VALUE	906.0	0.87	6
Hormel Foods	HRL	Food Products	1.7%	LARGE-CAP CORE	10,707.2	1.24	3
Washington Post	WPO	Media - newspapers	1.7%	MID-CAP CORE	4,331.1	1.36	2
Methode Electronics	MEI	Electronic Suppliers	1.6%	SMALL-CAP GROWTH	639.4	1.00	6
Computer Sciences	CSC	IT Services	1.6%	MID-CAP CORE	7,773.9	1.02	6



## Company Index - Sorted By Valuentum Dividend Cushion

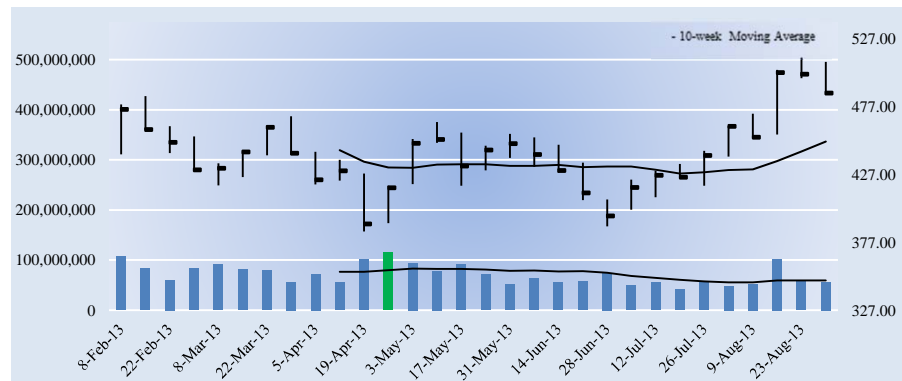
Name	Symbol	Industry	Dividend Yield	Investment Style	Market Cap	Price/Fair Value	Div Cushion
Inspirety	NSP	Staffing Services	2.3%	SMALL-CAP VALUE	733.7	0.77	6.6
Ventas	VTR	REIT - Healthcare	3.4%	LARGE-CAP GROWTH	18,458.6	1.07	5.5
Scholastic Corp	SCHL	Book Publishing	1.7%	SMALL-CAP VALUE	906.0	0.87	5.2
Washington Post	WPO	Media - newspapers	1.7%	MID-CAP CORE	4,331.1	1.36	4.7
Best Buy	BBY	Specialty Retailers	1.9%	LARGE-CAP CORE	12,204.0	1.00	4.6
HCP	HCP	REIT - Healthcare	3.9%	LARGE-CAP GROWTH	21,399.7	1.01	4.4
Plains All American	PAA	Oil & Gas Pipelines	4.0%	LARGE-CAP CORE	18,906.5	1.04	4.4
Chicago Rivet	CVR	Auto Parts Suppliers	2.3%	NANO-CAP CORE	25.7	1.03	4.2
Hewlett-Packard	HPQ	Computer Hardware	2.4%	LARGE-CAP VALUE	47,790.5	0.81	4.0
AVX Corp	AVX	Electronic Suppliers	3.0%	SMALL-CAP VALUE	1,999.1	0.98	3.8
Computer Sciences	CSC	IT Services	1.6%	MID-CAP CORE	7,773.9	1.02	3.7
Health Care REIT	HCN	REIT - Healthcare	4.1%	LARGE-CAP GROWTH	13,062.6	1.01	3.6
Cisco	CSCO	Networking Equipment	2.8%	LARGE-CAP VALUE	132,776.3	0.85	3.6
H&R Block	HRB	Personal Services	2.5%	MID-CAP CORE	9,522.4	1.06	3.6
Microsoft	MSFT	Software	3.4%	MEGA-CAP VALUE	279,764.1	0.70	3.4
Hormel Foods	HRL	Food Products	1.7%	LARGE-CAP CORE	10,707.2	1.24	3.3
Paychex	PAYX	Staffing Services	3.5%	LARGE-CAP CORE	13,699.6	1.05	3.2
KLA-Tencor	KLAC	Semi Equipment	2.9%	MID-CAP VALUE	9,301.9	0.88	3.2
Gentex	GNTX	Auto Parts Suppliers	2.5%	MID-CAP VALUE	3,219.1	0.97	3.0
Method Electronics	MEI	Electronic Suppliers	1.6%	SMALL-CAP GROWTH	639.4	1.00	3.0
Holly Energy	HEP	Oil & Gas Pipelines	5.1%	SMALL-CAP BLEND	1,696.7	0.88	2.9
Honeywell	HON	Conglomerates	2.1%	LARGE-CAP CORE	61,562.3	1.04	2.9
TE Connectivity	TEL	Electronic Suppliers	2.2%	LARGE-CAP CORE	19,582.2	1.06	2.9
Apple	AAPL	Computer Hardware	2.5%	MEGA-CAP VALUE	460,595.9	0.80	2.9
Crane Co	CR	Machinery & Tools	1.9%	MID-CAP CORE	3,537.4	1.15	2.9
Northrop Grumman	NOC	A&D Prime	2.5%	LARGE-CAP CORE	24,374.5	1.08	2.8
Enterprise Product Partners	EPD	Oil & Gas Pipelines	4.4%	LARGE-CAP VALUE	52,944.0	0.99	2.8
Energy Transfer Partners	ETP	Oil & Gas Pipelines	7.1%	LARGE-CAP BLEND	10,482.7	0.88	2.7
Omega Healthcare	OHI	REIT - Healthcare	5.4%	MID-CAP BLEND	3,507.7	0.80	2.7
Analog Devices	ADI	Integrated Circuits	2.9%	LARGE-CAP CORE	14,397.1	1.09	2.7
St. Jude	STJ	Medical Devices	2.0%	LARGE-CAP VALUE	15,869.1	0.99	2.7
Xilinx	XLNX	Specialized Semi's	2.2%	LARGE-CAP CORE	12,568.2	1.15	2.7
General Dynamics	GD	A&D Prime	2.6%	LARGE-CAP CORE	30,783.0	1.01	2.7
Federal Realty	FRT	REIT - Retail	2.5%	MID-CAP CORE	7,347.7	1.22	2.7
DCP Midstream	DPM	Oil & Gas Pipelines	5.6%	MID-CAP BLEND	2,187.4	0.96	2.6
Rockwell Automation	ROK	Electrical Equipment - industrial	2.3%	LARGE-CAP CORE	13,042.2	1.11	2.4
Western Union	WU	Financial Tech Services	3.0%	LARGE-CAP CORE	10,559.4	1.11	2.4
Diebold	DBD	Commercial Services	3.3%	MID-CAP VALUE	2,207.0	0.93	2.4
Applied Materials	AMAT	Semi Equipment	2.8%	LARGE-CAP VALUE	18,516.5	0.85	2.3
Bristol-Myers Squibb	BMJ	Pharmaceuticals	3.1%	LARGE-CAP CORE	77,741.0	1.31	2.3
Emerson Electric	EMR	Electrical Equipment	2.5%	LARGE-CAP CORE	47,690.2	1.18	2.3
Weyerhaeuser	WY	Paper Products	2.5%	LARGE-CAP CORE	17,023.1	1.16	2.3
Linear Technology	LLTC	Specialized Semi's	2.6%	MID-CAP CORE	9,339.1	1.11	2.3
Automatic Data Processing	ADP	Staffing Services	2.5%	LARGE-CAP CORE	34,468.8	1.19	2.3
Intel	INTC	Broad Line Semiconductors	3.7%	LARGE-CAP VALUE	133,056.5	0.88	2.3
Simon Property	SPG	REIT - Retail	2.6%	LARGE-CAP CORE	52,678.8	1.05	2.2
General Electric	GE	Conglomerates	3.3%	MEGA-CAP VALUE	241,915.6	0.82	2.2
Universal Health Realty	UHT	REIT - Healthcare	4.5%	SMALL-CAP CORE	689.6	1.33	2.2
Enbridge	ENB	Oil & Gas Pipelines	2.6%	LARGE-CAP GROWTH	35,630.0	1.09	2.2
Johnson & Johnson	JNJ	Household Products	3.0%	MEGA-CAP VALUE	244,189.9	0.94	2.2
Realty Income Corp	O	REIT - Retail	4.2%	MID-CAP BLEND	6,534.1	0.91	2.2
Illinois Tool Works	ITW	Machinery & Tools	2.2%	LARGE-CAP CORE	34,689.5	1.23	2.2
Raytheon	RTN	A&D Prime	2.8%	LARGE-CAP CORE	26,228.0	1.15	2.1
Chevron	CVX	Major Oil & Gas	3.2%	MEGA-CAP VALUE	244,627.5	1.00	2.1
US Ecology	ECOL	Environmental Services	2.6%	SMALL-CAP CORE	500.0	1.06	2.1
Molex	MOLX	Electronic Suppliers	3.3%	MID-CAP CORE	5,204.4	1.09	2.1
Verizon Comm	VZ	Telecom Services - diversified	4.1%	LARGE-CAP VALUE	143,786.9	0.99	2.1
Garmin	GRMN	Electrical Equipment	4.1%	MID-CAP CORE	8,556.8	1.12	2.0
Merck	MRK	Pharmaceuticals	3.7%	LARGE-CAP CORE	145,418.0	1.15	2.0
United Parcel Service	UPS	Air Freight & Logistics	2.8%	LARGE-CAP CORE	85,194.5	1.05	2.0
Johnson Controls	JCI	Auto Parts Suppliers	1.9%	LARGE-CAP CORE	27,915.8	1.16	2.0
Hasbro	HAS	Leisure	3.6%	MID-CAP VALUE	5,923.5	0.75	2.0
Exxon Mobil	XOM	Major Oil & Gas	2.8%	MEGA-CAP VALUE	423,600.8	0.98	1.9
Owens & Minor	OMI	Medical Equipment	2.8%	MID-CAP VALUE	2,146.8	0.95	1.9
Magellan Midstream	MMP	Oil & Gas Pipelines	3.9%	MID-CAP VALUE	6,163.2	1.00	1.9
United Technologies	UTX	Conglomerates	2.2%	LARGE-CAP VALUE	86,353.7	0.97	1.8
Buckeye Partners	BPL	Oil & Gas Pipelines	6.4%	MID-CAP CORE	5,995.5	1.10	1.8
Boardwalk Pipeline	BWP	Oil & Gas Pipelines	6.8%	MID-CAP CORE	5,407.0	1.08	1.8
Baxter Intl	BAX	Medical Instruments	2.7%	LARGE-CAP CORE	40,975.2	1.07	1.8
Eli Lilly	LLY	Pharmaceuticals	3.9%	LARGE-CAP VALUE	55,598.1	0.98	1.8
Mattel	MAT	Leisure	3.5%	LARGE-CAP CORE	14,417.5	1.07	1.7
Coca-Cola	KO	Beverages - nonalcoholic	2.7%	LARGE-CAP CORE	192,390.9	1.15	1.7
Tupperware	TUP	Containers & Packaging	2.9%	MID-CAP CORE	5,172.3	1.08	1.6
DuPont	DD	Chemicals - broad	3.2%	LARGE-CAP CORE	53,837.1	1.00	1.6
Genuine Parts	GPC	Specialty Retail - auto	2.6%	LARGE-CAP CORE	12,809.9	1.14	1.6
Campbell Soup	CPB	Food Products - Large	2.6%	LARGE-CAP CORE	14,214.6	1.17	1.6
Atlas Pipeline	APL	Oil & Gas Pipelines	6.1%	MID-CAP BLEND	2,088.7	0.90	1.6
Walgreen	WAG	Food Retailers	2.3%	LARGE-CAP CORE	48,863.2	1.16	1.6
Domtar	UFS	Paper Products	3.0%	MID-CAP VALUE	2,623.7	0.82	1.6
Lockheed Martin	LMT	A&D Prime	3.6%	LARGE-CAP CORE	41,788.9	1.20	1.5
Innophos	IPHS	Chemicals - broad	2.8%	SMALL-CAP VALUE	1,137.1	0.99	1.5
Western Gas	WES	Oil & Gas Pipelines	3.5%	MID-CAP GROWTH	4,120.8	1.11	1.5
EV Energy	EVEP	Oil & Gas Pipelines	7.5%	SMALL-CAP BLEND	1,394.3	0.82	1.5
Hillenbrand	HI	Personal Services	3.2%	SMALL-CAP BLEND	1,542.5	0.99	1.5
Stanley	SWK	Machinery & Tools	2.5%	LARGE-CAP CORE	13,475.7	1.04	1.5
Philip Morris	PM	Tobacco	3.6%	LARGE-CAP CORE	157,897.4	1.17	1.5
Kinder Morgan Partners	KMP	Oil & Gas Pipelines	5.9%	LARGE-CAP BLEND	28,820.7	0.99	1.4
Procter & Gamble	PG	Household Products	2.9%	MEGA-CAP CORE	240,825.5	1.12	1.4
Caterpillar	CAT	Machinery - agriculture	2.9%	LARGE-CAP VALUE	55,657.2	0.87	1.4
Leggett & Platt	LEG	Household Durables	3.6%	MID-CAP CORE	4,710.2	1.08	1.3
Reynolds American	RAI	Tobacco	4.9%	LARGE-CAP CORE	27,133.0	1.04	1.3
Williams Co	WMB	Oil & Gas Pipelines	3.7%	LARGE-CAP CORE	22,258.1	1.09	1.3
Altria Group	MO	Tobacco	4.8%	LARGE-CAP VALUE	74,240.3	0.92	1.3
Harris Corp	HRS	Communications Equipment	3.0%	MID-CAP VALUE	5,601.1	0.92	1.3
Dr Pepper Snapple	DPS	Beverages - nonalcoholic	3.3%	LARGE-CAP CORE	10,248.2	1.05	1.3
Compass Minerals	CMP	Chemicals - agriculture	2.5%	MID-CAP VALUE	2,932.4	0.96	1.3
Thomson Reuters Corp	TRI	Securities Research	4.0%	LARGE-CAP VALUE	27,028.5	0.88	1.3
Kimberly-Clark	KMB	Household Products	3.1%	LARGE-CAP CORE	41,000.3	1.18	1.3
Brookfield Infrastructure	BIP	Utilities	4.4%	MID-CAP BLEND	5,302.1	0.99	1.3
PPL	PPL	Utilities	4.6%	LARGE-CAP VALUE	18,699.3	0.95	-0.7

Company Index - Sorted By Valuentum Buying Index

Name	Symbol	Industry	Dividend Yield	Investment Style	Market Cap	Price/Fair Value	VBI
Cisco	CSCO	Networking Equipment	2.8%	LARGE-CAP VALUE	132,776.3	0.85	7
KLA-Tencor	KLAC	Semi Equipment	2.9%	MID-CAP VALUE	9,301.9	0.88	7
Honeywell	HON	Conglomerates	2.1%	LARGE-CAP CORE	61,562.3	1.04	7
Crane Co	CR	Machinery & Tools	1.9%	MID-CAP CORE	3,537.4	1.15	7
Energy Transfer Partners	ETP	Oil & Gas Pipelines	7.1%	LARGE-CAP BLEND	10,482.7	0.88	7
St. Jude	STJ	Medical Devices	2.0%	LARGE-CAP VALUE	15,869.1	0.99	7
Simon Property	SPG	REIT - Retail	2.6%	LARGE-CAP CORE	52,678.8	1.05	7
US Ecology	ECOL	Environmental Services	2.6%	SMALL-CAP CORE	500.0	1.06	7
Owens & Minor	OMI	Medical Equipment	2.8%	MID-CAP VALUE	2,146.8	0.95	7
United Technologies	UTX	Conglomerates	2.2%	LARGE-CAP VALUE	86,353.7	0.97	7
Baxter Intl	BAX	Medical Instruments	2.7%	LARGE-CAP CORE	40,975.2	1.07	7
DuPont	DD	Chemicals - broad	3.2%	LARGE-CAP CORE	53,837.1	1.00	7
Innophos	IPHS	Chemicals - broad	2.8%	SMALL-CAP VALUE	1,137.1	0.99	7
Hillenbrand	HI	Personal Services	3.2%	SMALL-CAP BLEND	1,542.5	0.99	7
Inspirety	NSP	Staffing Services	2.3%	SMALL-CAP VALUE	733.7	0.77	6
Scholastic Corp	SCHL	Book Publishing	1.7%	SMALL-CAP VALUE	906.0	0.87	6
Best Buy	BBY	Specialty Retailers	1.9%	LARGE-CAP CORE	12,204.0	1.00	6
HCP	HCP	REIT - Healthcare	3.9%	LARGE-CAP GROWTH	21,399.7	1.01	6
Plains All American	PAA	Oil & Gas Pipelines	4.0%	LARGE-CAP CORE	18,906.5	1.04	6
Chicago Rivet	CVR	Auto Parts Suppliers	2.3%	NANO-CAP CORE	25.7	1.03	6
Hewlett-Packard	HPQ	Computer Hardware	2.4%	LARGE-CAP VALUE	47,790.5	0.81	6
AVX Corp	AVX	Electronic Suppliers	3.0%	SMALL-CAP VALUE	1,999.1	0.98	6
Computer Sciences	CSC	IT Services	1.6%	MID-CAP CORE	7,773.9	1.02	6
Health Care REIT	HCN	REIT - Healthcare	4.1%	LARGE-CAP GROWTH	13,062.6	1.01	6
H&R Block	HRB	Personal Services	2.5%	MID-CAP CORE	9,522.4	1.06	6
Paychex	PAYX	Staffing Services	3.5%	LARGE-CAP CORE	13,699.6	1.05	6
Methode Electronics	MEI	Electronic Suppliers	1.6%	SMALL-CAP GROWTH	639.4	1.00	6
TE Connectivity	TEL	Electronic Suppliers	2.2%	LARGE-CAP CORE	19,582.2	1.06	6
Apple	AAPL	Computer Hardware	2.5%	MEGA-CAP VALUE	460,595.9	0.80	6
Northrop Grumman	NOC	A&D Prime	2.5%	LARGE-CAP CORE	24,374.5	1.08	6
Enterprise Product Partners	EPD	Oil & Gas Pipelines	4.4%	LARGE-CAP VALUE	52,944.0	0.99	6
Analog Devices	ADI	Integrated Circuits	2.9%	LARGE-CAP CORE	14,397.1	1.09	6
General Dynamics	GD	A&D Prime	2.6%	LARGE-CAP CORE	30,783.0	1.01	6
Federal Realty	FRT	REIT - Retail	2.5%	MID-CAP CORE	7,347.7	1.22	6
DCP Midstream	DPM	Oil & Gas Pipelines	5.6%	MID-CAP BLEND	2,187.4	0.96	6
Rockwell Automation	ROK	Electrical Equipment - industrial	2.3%	LARGE-CAP CORE	13,042.2	1.11	6
Western Union	WU	Financial Tech Services	3.0%	LARGE-CAP CORE	10,559.4	1.11	6
Diebold	DBD	Commercial Services	3.3%	MID-CAP VALUE	2,207.0	0.93	6
Applied Materials	AMAT	Semi Equipment	2.8%	LARGE-CAP VALUE	18,516.5	0.85	6
Emerson Electric	EMR	Electrical Equipment	2.5%	LARGE-CAP CORE	47,690.2	1.18	6
Weyerhaeuser	WY	Paper Products	2.5%	LARGE-CAP CORE	17,023.1	1.16	6
Linear Technology	LLTC	Specialized Semi's	2.6%	MID-CAP CORE	9,339.1	1.11	6
Automatic Data Processing	ADP	Staffing Services	2.5%	LARGE-CAP CORE	34,468.8	1.19	6
Intel	INTC	Broad Line Semiconductors	3.7%	LARGE-CAP VALUE	133,056.5	0.88	6
Enbridge	ENB	Oil & Gas Pipelines	2.6%	LARGE-CAP GROWTH	35,630.0	1.09	6
Illinois Tool Works	ITW	Machinery & Tools	2.2%	LARGE-CAP CORE	34,689.5	1.23	6
Raytheon	RTN	A&D Prime	2.8%	LARGE-CAP CORE	26,228.0	1.15	6
Chevron	CVX	Major Oil & Gas	3.2%	MEGA-CAP VALUE	244,627.5	1.00	6
Molex	MOLX	Electronic Suppliers	3.3%	MID-CAP CORE	5,204.4	1.09	6
Merck	MRK	Pharmaceuticals	3.7%	LARGE-CAP CORE	145,418.0	1.15	6
United Parcel Service	UPS	Air Freight & Logistics	2.8%	LARGE-CAP CORE	85,194.5	1.05	6
Johnson Controls	JCI	Auto Parts Suppliers	1.9%	LARGE-CAP CORE	27,915.8	1.16	6
Exxon Mobil	XOM	Major Oil & Gas	2.8%	MEGA-CAP VALUE	423,600.8	0.98	6
Magellan Midstream	MMP	Oil & Gas Pipelines	3.9%	MID-CAP VALUE	6,163.2	1.00	6
Boardwalk Pipeline	BWP	Oil & Gas Pipelines	6.8%	MID-CAP CORE	5,407.0	1.08	6
Coca-Cola	KO	Beverages - nonalcoholic	2.7%	LARGE-CAP CORE	192,390.9	1.15	6
Tupperware	TUP	Containers & Packaging	2.9%	MID-CAP CORE	5,172.3	1.08	6
Genuine Parts	GPC	Specialty Retail - auto	2.6%	LARGE-CAP CORE	12,809.9	1.14	6
Walgreen	WAG	Food Retailers	2.3%	LARGE-CAP CORE	48,863.2	1.16	6
Lockheed Martin	LMT	A&D Prime	3.6%	LARGE-CAP CORE	41,788.9	1.20	6
Western Gas	WES	Oil & Gas Pipelines	3.5%	MID-CAP GROWTH	4,120.8	1.11	6
Stanley	SWK	Machinery & Tools	2.5%	LARGE-CAP CORE	13,475.7	1.04	6
Philip Morris	PM	Tobacco	3.6%	LARGE-CAP CORE	157,897.4	1.17	6
Kinder Morgan Partners	KMP	Oil & Gas Pipelines	5.9%	LARGE-CAP BLEND	28,820.7	0.99	6
Procter & Gamble	PG	Household Products	2.9%	MEGA-CAP CORE	240,825.5	1.12	6
Reynolds American	RAI	Tobacco	4.9%	LARGE-CAP CORE	27,133.0	1.04	6
Williams Co	WMB	Oil & Gas Pipelines	3.7%	LARGE-CAP CORE	22,258.1	1.09	6
Altria Group	MO	Tobacco	4.8%	LARGE-CAP VALUE	74,240.3	0.92	6
Harris Corp	HRS	Communications Equipment	3.0%	MID-CAP VALUE	5,601.1	0.92	6
Compass Minerals	CMP	Chemicals - agriculture	2.5%	MID-CAP VALUE	2,932.4	0.96	6
Kimberly-Clark	KMB	Household Products	3.1%	LARGE-CAP CORE	41,000.3	1.18	6
Brookfield Infrastructure	BIP	Utilities	4.4%	MID-CAP BLEND	5,302.1	0.99	6
PPL	PPL	Utilities	4.6%	LARGE-CAP VALUE	18,699.3	0.95	6
Ventas	VTR	REIT - Healthcare	3.4%	LARGE-CAP GROWTH	18,458.6	1.07	5
Omega Healthcare	OHI	REIT - Healthcare	5.4%	MID-CAP BLEND	3,507.7	0.80	5
Xilinx	XLNX	Specialized Semi's	2.2%	LARGE-CAP CORE	12,568.2	1.15	5
Johnson & Johnson	JNJ	Household Products	3.0%	MEGA-CAP VALUE	244,189.9	0.94	5
Realty Income Corp	O	REIT - Retail	4.2%	MID-CAP BLEND	6,534.1	0.91	5
Garmin	GRMN	Electrical Equipment	4.1%	MID-CAP CORE	8,556.8	1.12	5
Buckeye Partners	BPL	Oil & Gas Pipelines	6.4%	MID-CAP CORE	5,995.5	1.10	5
Atlas Pipeline	APL	Oil & Gas Pipelines	6.1%	MID-CAP BLEND	2,088.7	0.90	5
EV Energy	EVEP	Oil & Gas Pipelines	7.5%	SMALL-CAP BLEND	1,394.3	0.82	5
Bristol-Myers Squibb	BMJ	Pharmaceuticals	3.1%	LARGE-CAP CORE	77,741.0	1.31	4
General Electric	GE	Conglomerates	3.3%	MEGA-CAP VALUE	241,915.6	0.82	4
Eli Lilly	LLY	Pharmaceuticals	3.9%	LARGE-CAP VALUE	55,598.1	0.98	4
Campbell Soup	CPB	Food Products - Large	2.6%	LARGE-CAP CORE	14,214.6	1.17	4
Dr Pepper Snapple	DPS	Beverages - nonalcoholic	3.3%	LARGE-CAP CORE	10,248.2	1.05	4
Thomson Reuters Corp	TRI	Securities Research	4.0%	LARGE-CAP VALUE	27,028.5	0.88	4
Microsoft	MSFT	Software	3.4%	MEGA-CAP VALUE	279,764.1	0.70	3
Hormel Foods	HRL	Food Products	1.7%	LARGE-CAP CORE	10,707.2	1.24	3
Gentex	GNTX	Auto Parts Suppliers	2.5%	MID-CAP VALUE	3,219.1	0.97	3
Holly Energy	HEP	Oil & Gas Pipelines	5.1%	SMALL-CAP BLEND	1,696.7	0.88	3
Universal Health Realty	UHT	REIT - Healthcare	4.5%	SMALL-CAP CORE	689.6	1.33	3
Verizon Comm	VZ	Telecom Services - diversified	4.1%	LARGE-CAP VALUE	143,786.9	0.99	3
Hasbro	HAS	Leisure	3.6%	MID-CAP VALUE	5,923.5	0.75	3
Mattel	MAT	Leisure	3.5%	LARGE-CAP CORE	14,417.5	1.07	3
Domtar	UFS	Paper Products	3.0%	MID-CAP VALUE	2,623.7	0.82	3
Caterpillar	CAT	Machinery - agriculture	2.9%	LARGE-CAP VALUE	55,657.2	0.87	3
Leggett & Platt	LEG	Household Durables	3.6%	MID-CAP CORE	4,710.2	1.08	3
Washington Post	WPO	Media - newspapers	1.7%	MID-CAP CORE	4,331.1	1.36	2

Company Index - Sorted By Market Capitalization

Name	Symbol	Industry	Dividend Yield	Investment Style	Market Cap	Price/Fair Value	Div Cushion
Apple	AAPL	Computer Hardware	2.5%	MEGA-CAP VALUE	460,595.9	0.80	2.9
Exxon Mobil	XOM	Major Oil & Gas	2.8%	MEGA-CAP VALUE	423,600.8	0.98	1.9
Microsoft	MSFT	Software	3.4%	MEGA-CAP VALUE	279,764.1	0.70	3.4
Chevron	CVX	Major Oil & Gas	3.2%	MEGA-CAP VALUE	244,627.5	1.00	2.1
Johnson & Johnson	JNJ	Household Products	3.0%	MEGA-CAP VALUE	244,189.9	0.94	2.2
General Electric	GE	Conglomerates	3.3%	MEGA-CAP VALUE	241,915.6	0.82	2.2
Procter & Gamble	PG	Household Products	2.9%	MEGA-CAP CORE	240,825.5	1.12	1.4
Coca-Cola	KO	Beverages - nonalcoholic	2.7%	LARGE-CAP CORE	192,390.9	1.15	1.7
Philip Morris	PM	Tobacco	3.6%	LARGE-CAP CORE	157,897.4	1.17	1.5
Merck	MRK	Pharmaceuticals	3.7%	LARGE-CAP CORE	145,418.0	1.15	2.0
Verizon Comm	VZ	Telecom Services - diversified	4.1%	LARGE-CAP VALUE	143,786.9	0.99	2.1
Intel	INTC	Broad Line Semiconductors	3.7%	LARGE-CAP VALUE	133,056.5	0.88	2.3
Cisco	CSCO	Networking Equipment	2.8%	LARGE-CAP VALUE	132,776.3	0.85	3.6
United Technologies	UTX	Conglomerates	2.2%	LARGE-CAP VALUE	86,353.7	0.97	1.8
United Parcel Service	UPS	Air Freight & Logistics	2.8%	LARGE-CAP CORE	85,194.5	1.05	2.0
Bristol-Myers Squibb	BMJ	Pharmaceuticals	3.1%	LARGE-CAP CORE	77,741.0	1.31	2.3
Altria Group	MO	Tobacco	4.8%	LARGE-CAP VALUE	74,240.3	0.92	1.3
Honeywell	HON	Conglomerates	2.1%	LARGE-CAP CORE	61,562.3	1.04	2.9
Caterpillar	CAT	Machinery - agriculture	2.9%	LARGE-CAP VALUE	55,657.2	0.87	1.4
Eli Lilly	LLY	Pharmaceuticals	3.9%	LARGE-CAP VALUE	55,598.1	0.98	1.8
DuPont	DD	Chemicals - broad	3.2%	LARGE-CAP CORE	53,837.1	1.00	1.6
Enterprise Product Partners	EPD	Oil & Gas Pipelines	4.4%	LARGE-CAP VALUE	52,944.0	0.99	2.8
Simon Property	SPG	REIT - Retail	2.6%	LARGE-CAP CORE	52,678.8	1.05	2.2
Walgreen	WAG	Food Retailers	2.3%	LARGE-CAP CORE	48,863.2	1.16	1.6
Hewlett-Packard	HPO	Computer Hardware	2.4%	LARGE-CAP VALUE	47,790.5	0.81	4.0
Emerson Electric	EMR	Electrical Equipment	2.5%	LARGE-CAP CORE	47,690.2	1.18	2.3
Lockheed Martin	LMT	A&D Prime	3.6%	LARGE-CAP CORE	41,788.9	1.20	1.5
Kimberly-Clark	KMB	Household Products	3.1%	LARGE-CAP CORE	41,000.3	1.18	1.3
Baxter Intl	BAX	Medical Instruments	2.7%	LARGE-CAP CORE	40,975.2	1.07	1.8
Enbridge	ENB	Oil & Gas Pipelines	2.6%	LARGE-CAP GROWTH	35,630.0	1.09	2.2
Illinois Tool Works	ITW	Machinery & Tools	2.2%	LARGE-CAP CORE	34,689.5	1.23	2.2
Automatic Data Processing	ADP	Staffing Services	2.5%	LARGE-CAP CORE	34,468.8	1.19	2.3
General Dynamics	GD	A&D Prime	2.6%	LARGE-CAP CORE	30,783.0	1.01	2.7
Kinder Morgan Partners	KMP	Oil & Gas Pipelines	5.9%	LARGE-CAP BLEND	28,820.7	0.99	1.4
Johnson Controls	JCI	Auto Parts Suppliers	1.9%	LARGE-CAP CORE	27,915.8	1.16	2.0
Reynolds American	RAI	Tobacco	4.9%	LARGE-CAP CORE	27,133.0	1.04	1.3
Thomson Reuters Corp	TRI	Securities Research	4.0%	LARGE-CAP VALUE	27,028.5	0.88	1.3
Raytheon	RTN	A&D Prime	2.8%	LARGE-CAP CORE	26,228.0	1.15	2.1
Northrop Grumman	NOC	A&D Prime	2.5%	LARGE-CAP CORE	24,374.5	1.08	2.8
Williams Co	WMB	Oil & Gas Pipelines	3.7%	LARGE-CAP CORE	22,258.1	1.09	1.3
HCP	HCP	REIT - Healthcare	3.9%	LARGE-CAP GROWTH	21,399.7	1.01	4.4
TE Connectivity	TEL	Electronic Suppliers	2.2%	LARGE-CAP CORE	19,582.2	1.06	2.9
Plains All American	PAA	Oil & Gas Pipelines	4.0%	LARGE-CAP CORE	18,906.5	1.04	4.4
PPL	PPL	Utilities	4.6%	LARGE-CAP VALUE	18,699.3	0.95	-0.7
Applied Materials	AMAT	Semi Equipment	2.8%	LARGE-CAP VALUE	18,516.5	0.85	2.3
Ventas	VTR	REIT - Healthcare	3.4%	LARGE-CAP GROWTH	18,458.6	1.07	5.5
Weyerhaeuser	WY	Paper Products	2.5%	LARGE-CAP CORE	17,023.1	1.16	2.3
St. Jude	STJ	Medical Devices	2.0%	LARGE-CAP VALUE	15,869.1	0.99	2.7
Mattel	MAT	Leisure	3.5%	LARGE-CAP CORE	14,417.5	1.07	1.7
Analog Devices	ADI	Integrated Circuits	2.9%	LARGE-CAP CORE	14,397.1	1.09	2.7
Campbell Soup	CPB	Food Products - Large	2.6%	LARGE-CAP CORE	14,214.6	1.17	1.6
Paychex	PAYX	Staffing Services	3.5%	LARGE-CAP CORE	13,699.6	1.05	3.2
Stanley	SWK	Machinery & Tools	2.5%	LARGE-CAP CORE	13,475.7	1.04	1.5
Health Care REIT	HCN	REIT - Healthcare	4.1%	LARGE-CAP GROWTH	13,062.6	1.01	3.6
Rockwell Automation	ROK	Electrical Equipment - industrial	2.3%	LARGE-CAP CORE	13,042.2	1.11	2.4
Genuine Parts	GPC	Specialty Retail - auto	2.6%	LARGE-CAP CORE	12,809.9	1.14	1.6
Xilinx	XLNX	Specialized Semi's	2.2%	LARGE-CAP CORE	12,568.2	1.15	2.7
Best Buy	BBY	Specialty Retailers	1.9%	LARGE-CAP CORE	12,204.0	1.00	4.6
Hormel Foods	HRL	Food Products	1.7%	LARGE-CAP CORE	10,707.2	1.24	3.3
Western Union	WU	Financial Tech Services	3.0%	LARGE-CAP CORE	10,559.4	1.11	2.4
Energy Transfer Partners	ETP	Oil & Gas Pipelines	7.1%	LARGE-CAP BLEND	10,482.7	0.88	2.7
Dr Pepper Snapple	DPS	Beverages - nonalcoholic	3.3%	LARGE-CAP CORE	10,248.2	1.05	1.3
H&R Block	HRB	Personal Services	2.5%	MID-CAP CORE	9,522.4	1.06	3.6
Linear Technology	LLTC	Specialized Semi's	2.6%	MID-CAP CORE	9,339.1	1.11	2.3
KLA-Tencor	KLAC	Semi Equipment	2.9%	MID-CAP VALUE	9,301.9	0.88	3.2
Garmin	GRMN	Electrical Equipment	4.1%	MID-CAP CORE	8,556.8	1.12	2.0
Computer Sciences	CSC	IT Services	1.6%	MID-CAP CORE	7,773.9	1.02	3.7
Federal Realty	FRT	REIT - Retail	2.5%	MID-CAP CORE	7,347.7	1.22	2.7
Realty Income Corp	O	REIT - Retail	4.2%	MID-CAP BLEND	6,534.1	0.91	2.2
Magellan Midstream	MMP	Oil & Gas Pipelines	3.9%	MID-CAP VALUE	6,163.2	1.00	1.9
Buckeye Partners	BPL	Oil & Gas Pipelines	6.4%	MID-CAP CORE	5,995.5	1.10	1.8
Hasbro	HAS	Leisure	3.6%	MID-CAP VALUE	5,923.5	0.75	2.0
Harris Corp	HRS	Communications Equipment	3.0%	MID-CAP VALUE	5,601.1	0.92	1.3
Boardwalk Pipeline	BWP	Oil & Gas Pipelines	6.8%	MID-CAP CORE	5,407.0	1.08	1.8
Brookfield Infrastructure	BIP	Utilities	4.4%	MID-CAP BLEND	5,302.1	0.99	1.3
Molex	MOLX	Electronic Suppliers	3.3%	MID-CAP CORE	5,204.4	1.09	2.1
Tupperware	TUP	Containers & Packaging	2.9%	MID-CAP CORE	5,172.3	1.08	1.6
Leggett & Platt	LEG	Household Durables	3.6%	MID-CAP CORE	4,710.2	1.08	1.3
Washington Post	WPO	Media - newspapers	1.7%	MID-CAP CORE	4,331.1	1.36	4.7
Western Gas	WES	Oil & Gas Pipelines	3.5%	MID-CAP GROWTH	4,120.8	1.11	1.5
Crane Co	CR	Machinery & Tools	1.9%	MID-CAP CORE	3,537.4	1.15	2.9
Omega Healthcare	OHI	REIT - Healthcare	5.4%	MID-CAP BLEND	3,507.7	0.80	2.7
Gentex	GNTX	Auto Parts Suppliers	2.5%	MID-CAP VALUE	3,219.1	0.97	3.0
Compass Minerals	CMP	Chemicals - agriculture	2.5%	MID-CAP VALUE	2,932.4	0.96	1.3
Domtar	UFS	Paper Products	3.0%	MID-CAP VALUE	2,623.7	0.82	1.6
Diebold	DBD	Commercial Services	3.3%	MID-CAP VALUE	2,207.0	0.93	2.4
DCP Midstream	DPM	Oil & Gas Pipelines	5.6%	MID-CAP BLEND	2,187.4	0.96	2.6
Owens & Minor	OMI	Medical Equipment	2.8%	MID-CAP VALUE	2,146.8	0.95	1.9
Atlas Pipeline	APL	Oil & Gas Pipelines	6.1%	MID-CAP BLEND	2,088.7	0.90	1.6
AVX Corp	AVX	Electronic Suppliers	3.0%	SMALL-CAP VALUE	1,999.1	0.98	3.8
Holly Energy	HEP	Oil & Gas Pipelines	5.1%	SMALL-CAP BLEND	1,696.7	0.88	2.9
Hillenbrand	HI	Personal Services	3.2%	SMALL-CAP BLEND	1,542.5	0.99	1.5
EV Energy	EVEP	Oil & Gas Pipelines	7.5%	SMALL-CAP BLEND	1,394.3	0.82	1.5
Innophos	IPHS	Chemicals - broad	2.8%	SMALL-CAP VALUE	1,137.1	0.99	1.5
Scholastic Corp	SCHL	Book Publishing	1.7%	SMALL-CAP VALUE	906.0	0.87	5.2
Insperty	NSP	Staffing Services	2.3%	SMALL-CAP VALUE	733.7	0.77	6.6
Universal Health Realty	UHT	REIT - Healthcare	4.5%	SMALL-CAP CORE	689.6	1.33	2.2
Methode Electronics	MEI	Electronic Suppliers	1.6%	SMALL-CAP GROWTH	639.4	1.00	3.0
US Ecology	ECOL	Environmental Services	2.6%	SMALL-CAP CORE	500.0	1.06	2.1
Chicago Rivet	CVR	Auto Parts Suppliers	2.3%	NANO-CAP CORE	25.7	1.03	4.2

**Apple AAPL FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$487.22**Stock Fair Value Range**  
\$461.00 - \$751.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 2.9**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.50%**We're expecting some big increases in Apple's dividend in coming years.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$460,596
Avg Weekly Vol (30 wks)	71,445
30-week Range (USD)	385.1 - 513.74
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	156,508
Last Fiscal Year EPS	44.15
Last Fiscal Year EBITDA	58,518
Forward Revenue Growth (5-yr)	7.3%
Forward EPS Growth (5-yr)	3.1%

**Dividend Vitals**

Current Annual Dividend Yield %	2.5%
Annual Dividends Per Share	12.20
Forward Dividend Payout Ratio	30.9%
3-yr Historical Dividend CAGR	INF
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	0.0%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	12,180.50	305.00
50	24,361.00	610.00
100	48,722.00	1,220.00
200	97,444.00	2,440.00
300	146,166.00	3,660.00
400	194,888.00	4,880.00
500	243,610.00	6,100.00
1,000	487,220.00	12,200.00
2,000	974,440.00	24,400.00
5,000	2,436,100.00	61,000.00
10,000	4,872,200.00	122,000.00
50,000	24,361,000.00	610,000.00
100,000	48,722,000.00	1,220,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 2.9**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Apple scores a 2.9 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Apple registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$24.2 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Apple registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	2.50%
Annual Dividends per Share	\$12.20
Initial Annual Div's Paid, \$10k Investment	\$250.40
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	2.9
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Sep-98	0.00	0.0	0.53	0.0%
Sep-99	0.00	0.0	0.91	0.0%
Sep-00	0.00	0.0	1.09	0.0%
Sep-01	0.00	0.0	-0.06	0.0%
Sep-02	0.00	0.0	0.09	0.0%
Sep-03	0.00	0.0	0.10	0.0%
Sep-04	0.00	0.0	0.36	0.0%
Sep-05	0.00	0.0	1.56	0.0%
Sep-06	0.00	0.0	2.27	0.0%
Sep-07	0.00	0.0	3.93	0.0%
Sep-08	0.00	0.0	5.36	0.0%
Sep-09	0.00	0.0	9.08	0.0%
Sep-10	0.00	0.0	15.15	0.0%
Sep-11	0.00	0.0	27.68	0.0%
Sep-12	2.65	0.0	44.15	6.0%
Sep-13	12.20	460.4	39.47	30.9%
Oct-14	15.25	25.0	42.74	35.7%
Oct-15	18.30	20.0	46.74	39.2%
Sep-16	21.05	15.0	50.19	41.9%
Sep-17	24.20	15.0	51.45	47.0%

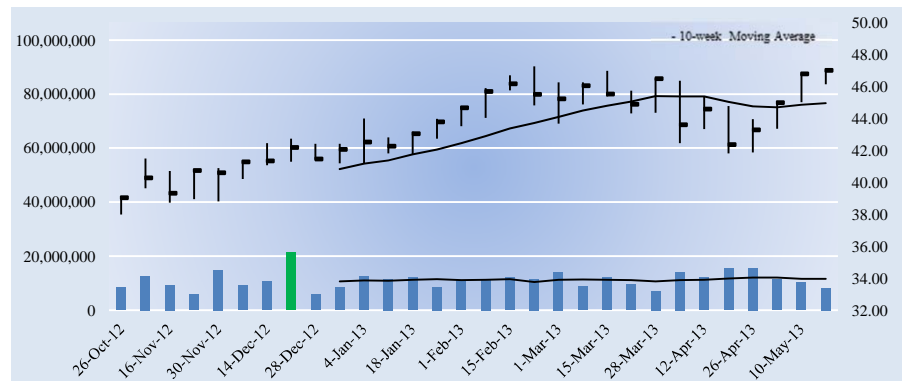
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Apple, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Analog Devices ADI FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$47.02**Stock Fair Value Range**  
\$32.00 - \$54.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.7**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.89%

The growth potential and safety of Analog Devices' dividend are attractive, and the size of its yield makes the firm worth considering as a potential income play.

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$14,397
Avg Weekly Vol (30 wks)	11,193
30-week Range (USD)	38 - 47.27
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	2,701
Last Fiscal Year EPS	2.13
Last Fiscal Year EBITDA	942
Forward Revenue Growth (5-yr)	5.1%
Forward EPS Growth (5-yr)	8.1%

**Dividend Vitals**

Current Annual Dividend Yield %	2.9%
Annual Dividends Per Share	1.36
Forward Dividend Payout Ratio	63.8%
3-yr Historical Dividend CAGR	17.4%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	36.1%
15-yr Hist Median Div Payout Ratio	29.6%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,175.50	34.00
50	2,351.00	68.00
100	4,702.00	136.00
200	9,404.00	272.00
300	14,106.00	408.00
400	18,808.00	544.00
500	23,510.00	680.00
1,000	47,020.00	1,360.00
2,000	94,040.00	2,720.00
5,000	235,100.00	6,800.00
10,000	470,200.00	13,600.00
50,000	2,351,000.00	68,000.00
100,000	4,702,000.00	136,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.7**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Analog Devices scores a 2.7 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Analog Devices registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.12 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Analog Devices registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.89%</b>
Annual Dividends per Share	<b>\$1.36</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$289.24</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.7</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

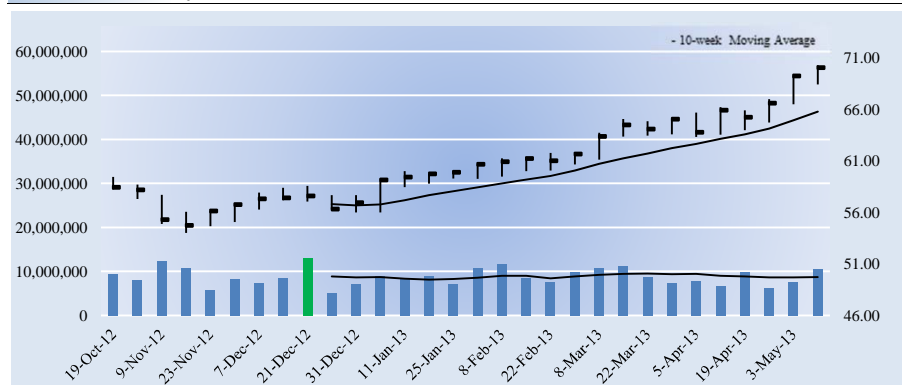
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Oct-98	0.00	0.0	0.36	0.0%
Oct-99	0.00	0.0	0.55	0.0%
Oct-00	0.00	0.0	1.59	0.0%
Oct-01	0.00	0.0	0.93	0.0%
Oct-02	0.00	0.0	0.28	0.0%
Oct-03	0.00	0.0	0.78	0.0%
Oct-04	0.20	0.0	1.45	13.8%
Oct-05	0.32	60.0	1.08	29.6%
Oct-06	0.56	75.0	1.48	37.8%
Oct-07	0.70	25.0	1.51	46.4%
Oct-08	0.76	8.6	1.77	42.9%
Oct-09	0.80	5.3	0.85	94.1%
Oct-10	0.84	5.0	2.33	36.1%
Oct-11	0.94	11.9	2.79	33.7%
Oct-12	1.15	22.3	2.13	54.0%
<b>Oct-13</b>	<b>1.36</b>	<b>18.3</b>	<b>2.13</b>	<b>63.8%</b>
Nov-14	1.56	15.0	2.59	60.5%
Nov-15	1.75	12.0	2.82	62.1%
Oct-16	1.93	10.0	3.01	64.0%
Oct-17	2.12	10.0	3.14	67.5%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Analog Devices, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Automatic Data Processing ADP FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$70.03**Stock Fair Value Range**  
\$47.00 - \$71.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.48%

**We like the potential growth and safety of Automatic Data Processing's dividend, but the yield is a bit low to get us excited. We'd wait for a dividend increase or a pullback in the shares to consider it a nice income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$34,469
Avg Weekly Vol (30 wks)	8,821
30-week Range (USD)	54.02 - 70.27
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	10,665
Last Fiscal Year EPS	2.82
Last Fiscal Year EBITDA	1,849
Forward Revenue Growth (5-yr)	7.0%
Forward EPS Growth (5-yr)	10.8%

**Dividend Vitals**

Current Annual Dividend Yield %	2.5%
Annual Dividends Per Share	1.74
Forward Dividend Payout Ratio	58.8%
3-yr Historical Dividend CAGR	8.8%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	56.3%
15-yr Hist Median Div Payout Ratio	33.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,750.75	43.50
50	3,501.50	87.00
100	7,003.00	174.00
200	14,006.00	348.00
300	21,009.00	522.00
400	28,012.00	696.00
500	35,015.00	870.00
1,000	70,030.00	1,740.00
2,000	140,060.00	3,480.00
5,000	350,150.00	8,700.00
10,000	700,300.00	17,400.00
50,000	3,501,500.00	87,000.00
100,000	7,003,000.00	174,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Automatic Data Processing scores a 2.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Automatic Data Processing registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.55 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Automatic Data Processing registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.48%</b>
Annual Dividends per Share	<b>\$1.74</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$248.46</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.3</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

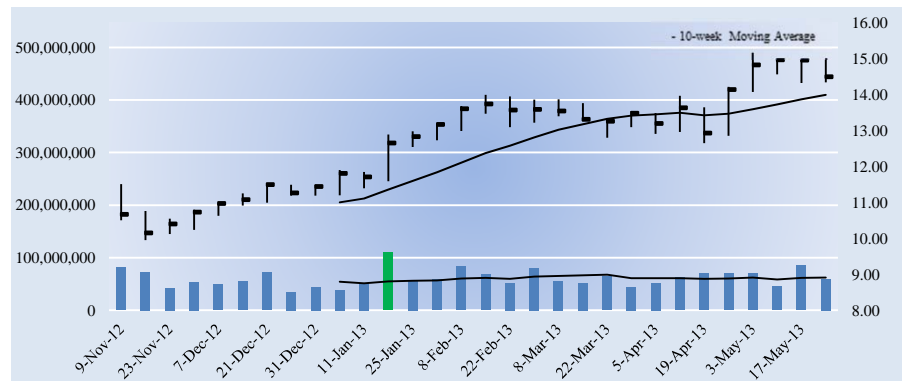
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Jun-98	NA	0.0	0.99	0.0%
Jun-99	NA	0.0	1.10	0.0%
Jun-00	NA	0.0	1.31	0.0%
Jun-01	NA	0.0	1.44	0.0%
Jun-02	NA	0.0	1.75	0.0%
Jun-03	NA	0.0	1.68	0.0%
Jun-04	NA	0.0	1.56	0.0%
Jun-05	0.59	0.0	1.79	33.0%
Jun-06	0.68	15.3	1.85	36.8%
Jun-07	0.83	22.1	1.83	45.4%
Jun-08	1.04	25.3	2.20	47.3%
Jun-09	1.28	23.1	2.63	48.7%
Jun-10	1.35	5.5	2.40	56.3%
Jun-11	1.42	5.2	2.52	56.3%
Jun-12	1.55	9.2	2.82	55.0%
<b>Jun-13</b>	<b>1.74</b>	<b>12.3</b>	<b>2.96</b>	<b>58.8%</b>
Jul-14	1.95	12.0	3.22	60.5%
Jul-15	2.14	10.0	3.69	58.2%
Jun-16	2.36	10.0	4.18	56.4%
Jun-17	2.55	8.0	4.71	54.1%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Automatic Data Processing, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Applied Materials AMAT FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$14.50**Stock Fair Value Range**  
\$12.00 - \$22.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.76%

**After considering Applied Materials' capital structure, it can cover its dividend about 2.3 times with future expected free cash flow.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$18,517
Avg Weekly Vol (30 wks)	60,963
30-week Range (USD)	9.95 - 15.18
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	8,719
Last Fiscal Year EPS	0.09
Last Fiscal Year EBITDA	1,422
Forward Revenue Growth (5-yr)	7.1%
Forward EPS Growth (5-yr)	76.8%

**Dividend Vitals**

Current Annual Dividend Yield %	2.8%
Annual Dividends Per Share	0.40
Forward Dividend Payout Ratio	62.9%
3-yr Historical Dividend CAGR	15.4%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	37.1%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	362.50	10.00
50	725.00	20.00
100	1,450.00	40.00
200	2,900.00	80.00
300	4,350.00	120.00
400	5,800.00	160.00
500	7,250.00	200.00
1,000	14,500.00	400.00
2,000	29,000.00	800.00
5,000	72,500.00	2,000.00
10,000	145,000.00	4,000.00
50,000	725,000.00	20,000.00
100,000	1,450,000.00	40,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Applied Materials scores a 2.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Applied Materials registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$0.61 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Applied Materials registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	2.76%
Annual Dividends per Share	\$0.40
Initial Annual Div's Paid, \$10k Investment	\$275.86
Dividend Track Record	HEALTHY
Dividend Safety	GOOD
Valuentum Dividend Cushion™	2.3
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Oct-98	0.00	0.0	0.19	0.0%
Oct-99	0.00	0.0	0.46	0.0%
Oct-00	0.00	0.0	1.20	0.0%
Oct-01	0.00	0.0	0.46	0.0%
Oct-02	0.00	0.0	0.16	0.0%
Oct-03	0.00	0.0	-0.09	0.0%
Oct-04	0.00	0.0	0.78	0.0%
Oct-05	0.06	0.0	0.73	8.2%
Oct-06	0.16	166.7	0.97	16.5%
Oct-07	0.22	37.5	1.20	18.3%
Oct-08	0.24	9.1	0.70	34.3%
Oct-09	0.24	0.0	-0.23	-104.3%
Oct-10	0.26	8.3	0.70	37.1%
Oct-11	0.30	15.4	1.45	20.7%
Oct-12	0.34	13.3	0.09	377.8%
Oct-13	0.40	17.6	0.64	62.9%
Oct-14	0.46	15.0	1.12	41.0%
Oct-15	0.52	12.0	1.30	39.7%
Oct-16	0.57	10.0	1.42	39.8%
Oct-17	0.61	8.0	1.47	41.6%

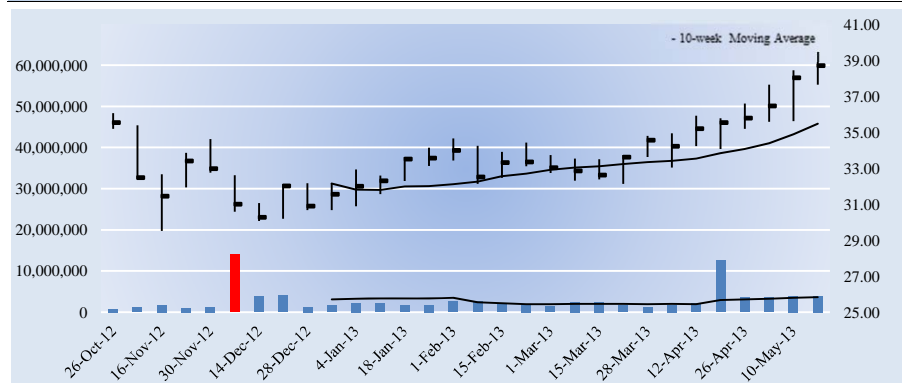
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Applied Materials, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Atlas Pipeline APL FAIRLY VALUED****Buying Index™****5****Value Rating****Last Close**  
\$38.72**Stock Fair Value Range**  
\$28.00 - \$58.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.6**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
6.10%

**Though Atlas scores well on our dividend metrics, the firm's balance sheet remains a key concern. We'd still be cautious.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$2,089
Avg Weekly Vol (30 wks)	2,939
30-week Range (USD)	29.53 - 39.5
Valuentum Sector	Energy
Last Fiscal Year Revenue	1,303
Last Fiscal Year EPS	5.36
Last Fiscal Year EBITDA	189
Forward Revenue Growth (5-yr)	27.7%
Forward EPS Growth (5-yr)	-8.5%

**Dividend Vitals**

Current Annual Dividend Yield %	6.1%
Annual Dividends Per Share	2.36
Forward Dividend Payout Ratio	170.6%
3-yr Historical Dividend CAGR	NA
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	0.0%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	968.00	59.00
50	1,936.00	118.00
100	3,872.00	236.00
200	7,744.00	472.00
300	11,616.00	708.00
400	15,488.00	944.00
500	19,360.00	1,180.00
1,000	38,720.00	2,360.00
2,000	77,440.00	4,720.00
5,000	193,600.00	11,800.00
10,000	387,200.00	23,600.00
50,000	1,936,000.00	118,000.00
100,000	3,872,000.00	236,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Atlas Pipeline scores a 1.6 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Atlas Pipeline registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.33 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Atlas Pipeline registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>6.10%</b>
Annual Dividends per Share	<b>\$2.36</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$609.50</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.6</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

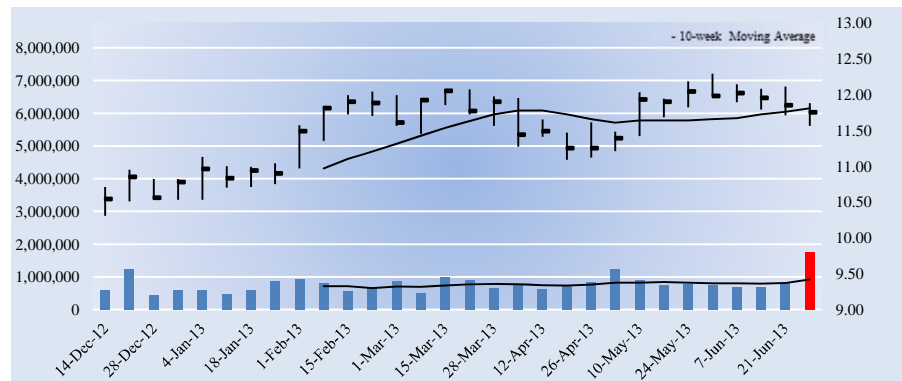
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
Dec-00	NA	0.0	2.07	0.0%
Dec-01	NA	0.0	2.30	0.0%
Dec-02	NA	0.0	1.54	0.0%
Dec-03	NA	0.0	2.17	0.0%
Dec-04	NA	0.0	2.60	0.0%
Dec-05	NA	0.0	1.84	0.0%
Dec-06	NA	0.0	1.27	0.0%
Dec-07	NA	0.0	-6.75	0.0%
Dec-08	NA	0.0	-15.62	0.0%
Dec-09	NA	0.0	-0.08	0.0%
Dec-10	0.35	0.0	-0.85	-41.2%
Dec-11	1.78	408.6	5.22	34.1%
<b>Dec-12</b>	<b>2.36</b>	<b>32.6</b>	<b>1.38</b>	<b>170.6%</b>
Dec-13	2.64	12.0	1.82	145.4%
Dec-14	2.91	10.0	2.86	101.7%
Dec-15	3.14	8.0	3.54	88.6%
Dec-16	3.33	6.0	3.43	97.0%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Atlas Pipeline, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**AVX Corp AVX FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$11.75**Stock Fair Value Range**  
\$9.00 - \$15.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 3.8**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.98%

**AVX has stepped up its pace of dividend increases in recent years, and we're highly impressed with its strong Valuentum Dividend Cushion score.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$1,999
Avg Weekly Vol (30 wks)	790
30-week Range (USD)	10.31 - 12.29
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	1,545
Last Fiscal Year EPS	0.90
Last Fiscal Year EBITDA	222
Forward Revenue Growth (5-yr)	1.7%
Forward EPS Growth (5-yr)	-1.6%

**Dividend Vitals**

Current Annual Dividend Yield %	3.0%
Annual Dividends Per Share	0.35
Forward Dividend Payout Ratio	58.7%
3-yr Historical Dividend CAGR	29.8%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	19.0%
15-yr Hist Median Div Payout Ratio	13.3%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	293.75	8.75
50	587.50	17.50
100	1,175.00	35.00
200	2,350.00	70.00
300	3,525.00	105.00
400	4,700.00	140.00
500	5,875.00	175.00
1,000	11,750.00	350.00
2,000	23,500.00	700.00
5,000	58,750.00	1,750.00
10,000	117,500.00	3,500.00
50,000	587,500.00	17,500.00
100,000	1,175,000.00	35,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 3.8**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. AVX Corp scores a 3.8 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. AVX Corp registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$0.52 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. AVX Corp registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.98%</b>
Annual Dividends per Share	<b>\$0.35</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$297.87</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>3.8</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

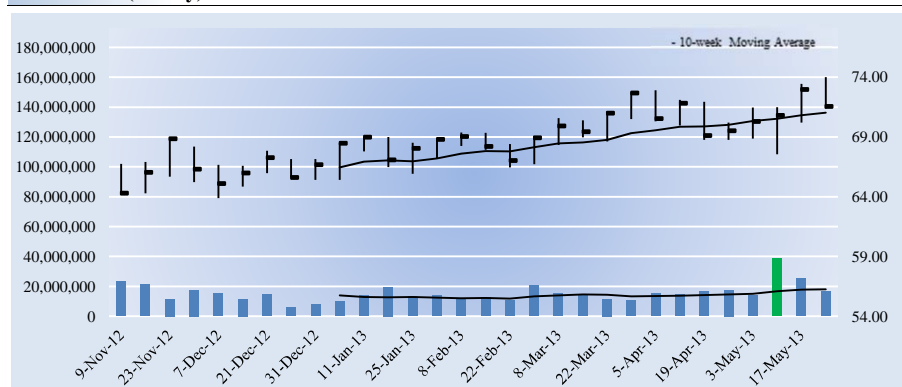
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Mar-98	NA	0.0	0.77	0.0%
Mar-99	NA	0.0	0.24	0.0%
Mar-00	NA	0.0	0.90	0.0%
Mar-01	NA	0.0	3.22	0.0%
Mar-02	0.15	0.0	-0.04	-375.0%
Mar-03	0.15	0.0	-0.07	-214.3%
Mar-04	0.15	0.0	-0.62	-24.2%
Mar-05	0.15	0.0	0.32	46.9%
Mar-06	0.15	0.0	0.47	31.9%
Mar-07	0.15	0.0	0.89	16.9%
Mar-08	0.16	6.7	0.87	18.4%
Mar-09	0.16	0.0	0.47	34.0%
Mar-10	0.16	0.0	0.84	19.0%
Mar-11	0.19	18.8	1.43	13.3%
Mar-12	0.26	36.8	0.90	28.9%
<b>Mar-13</b>	<b>0.35</b>	<b>34.6</b>	<b>0.60</b>	<b>58.7%</b>
Apr-14	0.39	12.0	0.72	54.7%
Apr-15	0.43	10.0	0.76	56.4%
Mar-16	0.47	10.0	0.80	59.1%
Mar-17	0.52	10.0	0.83	62.9%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on AVX Corp, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Baxter Intl BAX FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$71.51**Stock Fair Value Range**  
\$50.00 - \$84.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.8**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.74%**Baxter's dividend looks solid, and it continues to target a dividend payout ratio of about 40%.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$40,975
Avg Weekly Vol (30 wks)	15,446
30-week Range (USD)	63.86 - 73.95
Valuentum Sector	Health Care
Last Fiscal Year Revenue	13,893
Last Fiscal Year EPS	3.88
Last Fiscal Year EBITDA	3,616
Forward Revenue Growth (5-yr)	6.8%
Forward EPS Growth (5-yr)	10.1%

**Dividend Vitals**

Current Annual Dividend Yield %	2.7%
Annual Dividends Per Share	1.96
Forward Dividend Payout Ratio	43.2%
3-yr Historical Dividend CAGR	22.4%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	32.7%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,787.75	49.00
50	3,575.50	98.00
100	7,151.00	196.00
200	14,302.00	392.00
300	21,453.00	588.00
400	28,604.00	784.00
500	35,755.00	980.00
1,000	71,510.00	1,960.00
2,000	143,020.00	3,920.00
5,000	357,550.00	9,800.00
10,000	715,100.00	19,600.00
50,000	3,575,500.00	98,000.00
100,000	7,151,000.00	196,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.8**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Baxter Intl scores a 1.8 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Baxter Intl registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Baxter Intl registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.74%</b>
Annual Dividends per Share	<b>\$1.96</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$274.09</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.8</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

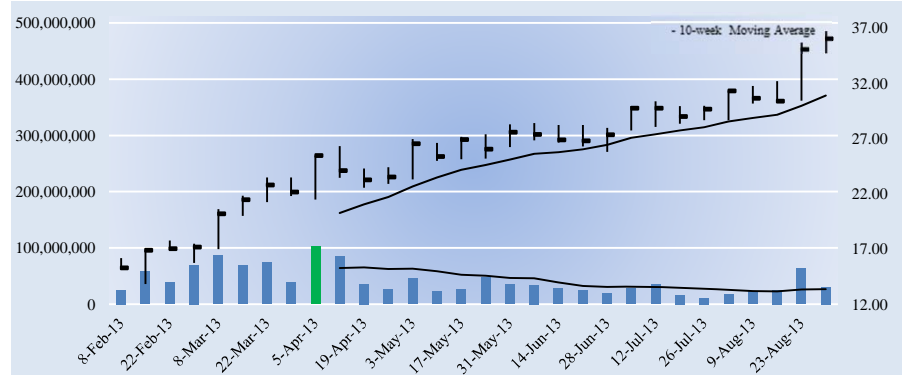
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	NA	0.0	0.53	0.0%
Dec-98	NA	0.0	0.55	0.0%
Dec-99	NA	0.0	1.32	0.0%
Dec-00	NA	0.0	1.24	0.0%
Dec-01	NA	0.0	1.09	0.0%
Dec-02	NA	0.0	1.67	0.0%
Dec-03	NA	0.0	1.52	0.0%
Dec-04	NA	0.0	0.62	0.0%
Dec-05	NA	0.0	1.52	0.0%
Dec-06	NA	0.0	2.13	0.0%
Dec-07	NA	0.0	2.61	0.0%
Dec-08	NA	0.0	3.16	0.0%
Dec-09	1.07	0.0	3.59	29.8%
Dec-10	1.18	10.3	2.39	49.4%
Dec-11	1.27	7.6	3.88	32.7%
<b>Dec-12</b>	<b>1.96</b>	<b>54.3</b>	<b>4.53</b>	<b>43.2%</b>
Dec-13	2.25	15.0	4.71	47.9%
Dec-14	2.52	12.0	5.32	47.5%
Dec-15	2.78	10.0	5.85	47.5%
Dec-16	3.00	8.0	6.28	47.8%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Baxter Intl, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Best Buy BBY FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$36.00**Stock Fair Value Range**  
\$23.00 - \$49.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 4.6**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
1.89%

**Though we like Best Buy's Valuentum Dividend Cushion score, competitive threats from Amazon cannot be ignored.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$12,204
Avg Weekly Vol (30 wks)	41,351
30-week Range (USD)	13.83 - 36.65
Valuentum Sector	Consumer Discretionary
Last Fiscal Year Revenue	49,621
Last Fiscal Year EPS	-0.72
Last Fiscal Year EBITDA	2,357
Forward Revenue Growth (5-yr)	-3.3%
Forward EPS Growth (5-yr)	-233.8%

**Dividend Vitals**

Current Annual Dividend Yield %	1.9%
Annual Dividends Per Share	0.68
Forward Dividend Payout Ratio	28.5%
3-yr Historical Dividend CAGR	5.4%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	-21.5%
15-yr Hist Median Div Payout Ratio	12.9%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	900.00	17.00
50	1,800.00	34.00
100	3,600.00	68.00
200	7,200.00	136.00
300	10,800.00	204.00
400	14,400.00	272.00
500	18,000.00	340.00
1,000	36,000.00	680.00
2,000	72,000.00	1,360.00
5,000	180,000.00	3,400.00
10,000	360,000.00	6,800.00
50,000	1,800,000.00	34,000.00
100,000	3,600,000.00	68,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 4.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Best Buy scores a 4.6 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Best Buy registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$0.93 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Best Buy registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>1.89%</b>
Annual Dividends per Share	<b>\$0.68</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$188.89</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>4.6</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

## Dividend Growth

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Feb-99	0.00	0.0	0.48	0.0%
Feb-00	0.00	0.0	0.73	0.0%
Feb-01	0.00	0.0	0.83	0.0%
Feb-02	0.00	0.0	1.18	0.0%
Feb-03	0.00	0.0	1.27	0.0%
Feb-04	0.27	0.0	1.63	16.6%
Feb-05	0.28	3.7	1.86	15.1%
Feb-06	0.31	10.7	2.27	13.7%
Feb-07	0.36	16.1	2.79	12.9%
Feb-08	0.46	27.8	3.12	14.7%
Feb-09	0.54	17.4	2.39	22.6%
Feb-10	0.56	3.7	3.10	18.1%
Feb-11	0.58	3.6	3.08	18.8%
Feb-12	0.62	6.9	-2.89	-21.5%
Jan-13	0.66	6.5	-0.73	-90.4%
<b>Jan-14</b>	<b>0.68</b>	<b>3.0</b>	<b>2.38</b>	<b>28.5%</b>
Jan-15	0.73	8.0	2.67	27.5%
Jan-16	0.79	8.0	2.85	27.9%
Jan-17	0.86	8.0	2.99	28.7%
Jan-18	0.93	8.0	3.08	30.0%

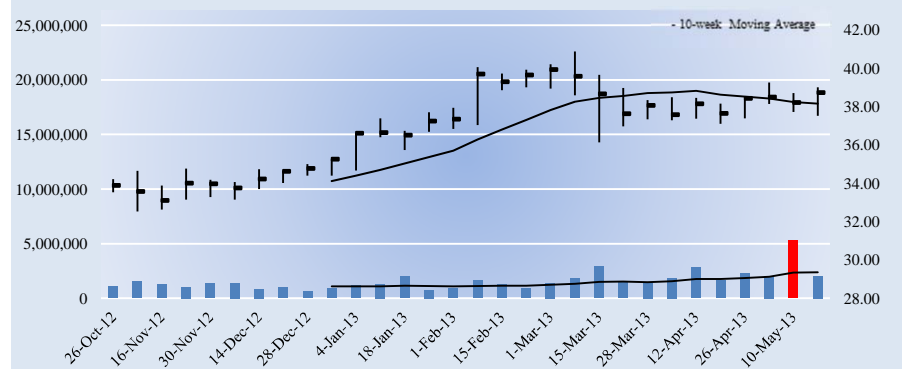
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Best Buy, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Brookfield Infrastructure BIP FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$38.73**Stock Fair Value Range**  
\$21.00 - \$57.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
4.44%

**Brookfield is targeting long-term distribution growth of 3%-7% per annum, though we're expecting upside to that forecast in coming years.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$5,302
Avg Weekly Vol (30 wks)	1,593
30-week Range (USD)	32.52 - 40.88
Valuentum Sector	Energy
Last Fiscal Year Revenue	2,004
Last Fiscal Year EPS	0.58
Last Fiscal Year EBITDA	815
Forward Revenue Growth (5-yr)	12.4%
Forward EPS Growth (5-yr)	46.1%

**Dividend Vitals**

Current Annual Dividend Yield %	4.4%
Annual Dividends Per Share	1.72
Forward Dividend Payout Ratio	195.7%
3-yr Historical Dividend CAGR	16.1%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	116.8%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	968.25	43.00
50	1,936.50	86.00
100	3,873.00	172.00
200	7,746.00	344.00
300	11,619.00	516.00
400	15,492.00	688.00
500	19,365.00	860.00
1,000	38,730.00	1,720.00
2,000	77,460.00	3,440.00
5,000	193,650.00	8,600.00
10,000	387,300.00	17,200.00
50,000	1,936,500.00	86,000.00
100,000	3,873,000.00	172,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Brookfield Infrastructure scores a 1.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Brookfield Infrastructure registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.34 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Brookfield Infrastructure registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>4.44%</b>
Annual Dividends per Share	<b>\$1.72</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$444.10</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.3</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>VERY HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

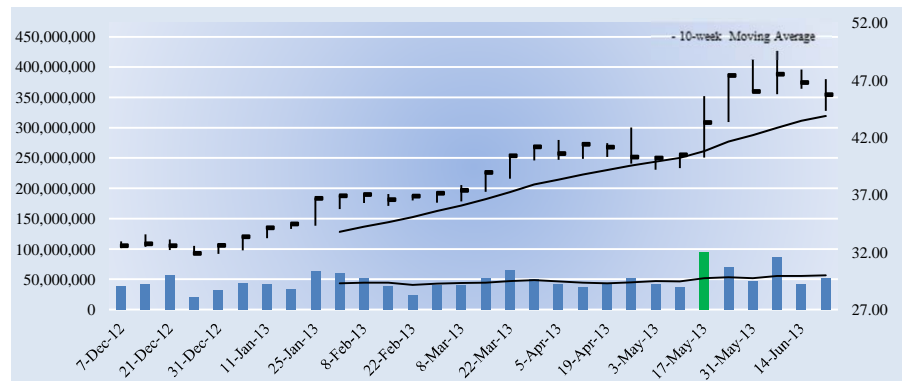
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
Dec-09	0.80	0.0	0.98	81.6%
Dec-10	1.10	37.5	4.25	25.9%
Dec-11	1.32	20.0	1.13	116.8%
Dec-12	1.50	13.6	0.47	319.1%
<b>Dec-13</b>	<b>1.72</b>	<b>14.7</b>	<b>0.88</b>	<b>195.7%</b>
Jan-15	1.86	8.0	1.10	168.7%
Jan-16	2.01	8.0	2.03	99.0%
Dec-16	2.17	8.0	2.96	73.2%
Dec-17	2.34	8.0	3.89	60.2%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Brookfield Infrastructure, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Bristol-Myers Squibb BMJ OVERVALUED 3.8%****Buying Index™ 4****Value Rating****Last Close**  
\$45.73**Stock Fair Value Range**  
\$26.00 - \$44.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.3**Div Growth Potential**  
GOOD**Dividend Yield**  
3.06%

**The growth potential and safety of Bristol-Myers Squibb's dividend are appealing, but the firm's shares look overvalued, exposing us to significant capital risk.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$77,741
Avg Weekly Vol (30 wks)	48,092
30-week Range (USD)	31.85 - 49.57
Valuentum Sector	Health Care
Last Fiscal Year Revenue	21,244
Last Fiscal Year EPS	2.18
Last Fiscal Year EBITDA	7,448
Forward Revenue Growth (5-yr)	-0.9%
Forward EPS Growth (5-yr)	4.3%

**Dividend Vitals**

Current Annual Dividend Yield %	3.1%
Annual Dividends Per Share	1.40
Forward Dividend Payout Ratio	70.4%
3-yr Historical Dividend CAGR	4.1%
15-yr Historical Dividend CAGR	4.2%
3-yr Hist Median Div Payout Ratio	71.5%
15-yr Hist Median Div Payout Ratio	73.7%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,143.25	35.00
50	2,286.50	70.00
100	4,573.00	140.00
200	9,146.00	280.00
300	13,719.00	420.00
400	18,292.00	560.00
500	22,865.00	700.00
1,000	45,730.00	1,400.00
2,000	91,460.00	2,800.00
5,000	228,650.00	7,000.00
10,000	457,300.00	14,000.00
50,000	2,286,500.00	70,000.00
100,000	4,573,000.00	140,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Bristol-Myers Squibb scores a 2.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Bristol-Myers Squibb registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$1.72 per share within the next several years.

**Risk of Capital Loss****HIGH**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Bristol-Myers Squibb registers a score of HIGH on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.06%</b>
Annual Dividends per Share	<b>\$1.40</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$306.14</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.3</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>HIGH</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

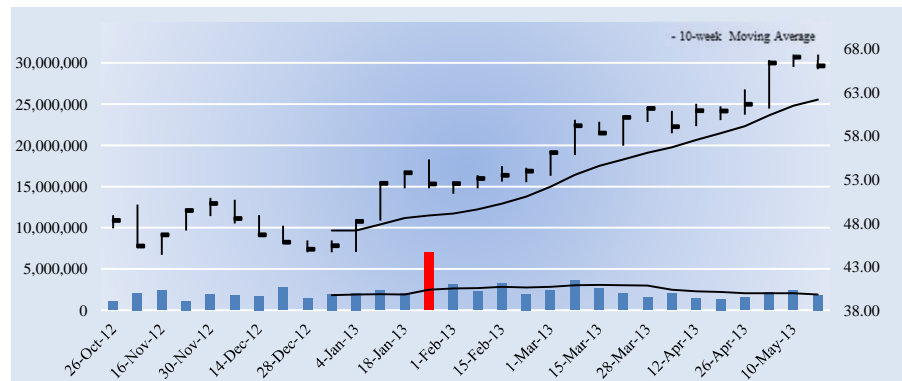
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	0.76	0.0	1.57	48.4%
Dec-98	0.78	2.6	1.55	50.3%
Dec-99	0.86	10.3	2.06	41.7%
Dec-00	0.98	14.0	2.05	47.8%
Dec-01	1.10	12.2	1.04	105.8%
Dec-02	1.12	1.8	1.05	106.7%
Dec-03	1.12	0.0	1.59	70.4%
Dec-04	1.12	0.0	1.21	92.6%
Dec-05	1.12	0.0	1.52	73.7%
Dec-06	1.12	0.0	0.81	138.3%
Dec-07	1.12	0.0	0.99	113.1%
Dec-08	1.24	10.7	1.59	78.0%
Dec-09	1.24	0.0	1.63	76.1%
Dec-10	1.28	3.2	1.79	71.5%
Dec-11	1.28	0.0	2.16	59.3%
<b>Dec-12</b>	<b>1.40</b>	<b>9.4</b>	<b>1.99</b>	<b>70.4%</b>
Dec-13	1.48	6.0	1.83	81.2%
Dec-14	1.56	5.0	2.09	74.5%
Dec-15	1.64	5.0	2.38	68.7%
Dec-16	1.72	5.0	2.70	63.7%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Bristol-Myers Squibb, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Buckeye Partners BPL FAIRLY VALUED****Buying Index™****5****Value Rating****Last Close**  
\$66.05**Stock Fair Value Range**  
\$41.00 - \$79.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.8**Div Growth Potential**  
GOOD**Dividend Yield**  
6.36%

**Though Buckeye Partners scores well on our dividend matrix, its distribution coverage has been trending in the wrong direction recently. We'd be cautious.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$5,995
Avg Weekly Vol (30 wks)	2,243
30-week Range (USD)	44.37 - 67.4
Valuentum Sector	Energy
Last Fiscal Year Revenue	4,760
Last Fiscal Year EPS	1.20
Last Fiscal Year EBITDA	482
Forward Revenue Growth (5-yr)	6.0%
Forward EPS Growth (5-yr)	25.3%

**Dividend Vitals**

Current Annual Dividend Yield %	6.4%
Annual Dividends Per Share	4.20
Forward Dividend Payout Ratio	143.4%
3-yr Historical Dividend CAGR	5.0%
15-yr Historical Dividend CAGR	6.1%
3-yr Hist Median Div Payout Ratio	232.1%
15-yr Hist Median Div Payout Ratio	106.6%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,651.25	105.00
50	3,302.50	210.00
100	6,605.00	420.00
200	13,210.00	840.00
300	19,815.00	1,260.00
400	26,420.00	1,680.00
500	33,025.00	2,100.00
1,000	66,050.00	4,200.00
2,000	132,100.00	8,400.00
5,000	330,250.00	21,000.00
10,000	660,500.00	42,000.00
50,000	3,302,500.00	210,000.00
100,000	6,605,000.00	420,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.8**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Buckeye Partners scores a 1.8 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Buckeye Partners registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$4.91 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Buckeye Partners registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>6.36%</b>
Annual Dividends per Share	<b>\$4.20</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$635.88</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.8</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	1.72	0.0	1.91	90.1%
Dec-98	2.10	22.1	1.92	109.4%
Dec-99	2.18	3.8	2.82	77.3%
Dec-00	2.40	10.1	2.38	100.8%
Dec-01	2.45	2.1	2.55	96.1%
Dec-02	2.50	2.0	2.64	94.7%
Dec-03	2.54	1.6	1.05	241.9%
Dec-04	2.64	3.9	2.75	96.0%
Dec-05	2.83	7.2	2.69	105.2%
Dec-06	3.03	7.1	2.64	114.8%
Dec-07	3.23	6.6	3.03	106.6%
Dec-08	3.43	6.2	3.13	109.6%
Dec-09	3.63	5.8	1.84	197.3%
Dec-10	3.83	5.5	1.65	232.1%
Dec-11	4.03	5.2	1.20	335.8%
<b>Dec-12</b>	<b>4.20</b>	<b>4.2</b>	<b>2.93</b>	<b>143.4%</b>
Dec-13	4.37	4.0	3.35	130.3%
Dec-14	4.54	4.0	3.58	126.7%
Dec-15	4.72	4.0	3.70	127.8%
Dec-16	4.91	4.0	3.69	133.2%

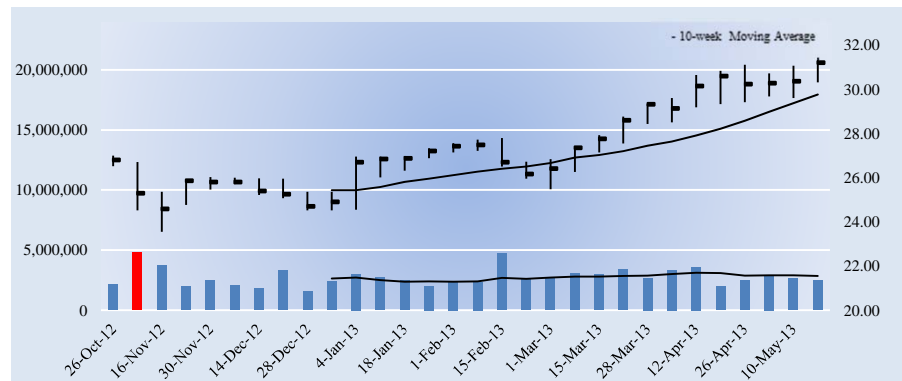
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Buckeye Partners, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Boardwalk Pipeline BWP FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$31.20**Stock Fair Value Range**  
\$21.00 - \$37.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.8**Div Growth Potential**  
GOOD**Dividend Yield**  
6.83%

**Boardwalk Pipeline stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$5,407
Avg Weekly Vol (30 wks)	2,755
30-week Range (USD)	23.55 - 31.44
Valuentum Sector	Energy
Last Fiscal Year Revenue	1,139
Last Fiscal Year EPS	1.27
Last Fiscal Year EBITDA	655
Forward Revenue Growth (5-yr)	6.7%
Forward EPS Growth (5-yr)	2.2%

**Dividend Vitals**

Current Annual Dividend Yield %	6.8%
Annual Dividends Per Share	2.13
Forward Dividend Payout Ratio	148.5%
3-yr Historical Dividend CAGR	3.0%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	192.7%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	780.00	53.25
50	1,560.00	106.50
100	3,120.00	213.00
200	6,240.00	426.00
300	9,360.00	639.00
400	12,480.00	852.00
500	15,600.00	1,065.00
1,000	31,200.00	2,130.00
2,000	62,400.00	4,260.00
5,000	156,000.00	10,650.00
10,000	312,000.00	21,300.00
50,000	1,560,000.00	106,500.00
100,000	3,120,000.00	213,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.8**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Boardwalk Pipeline scores a 1.8 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Boardwalk Pipeline registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$2.49 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Boardwalk Pipeline registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>6.83%</b>
Annual Dividends per Share	<b>\$2.13</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$682.69</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.8</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

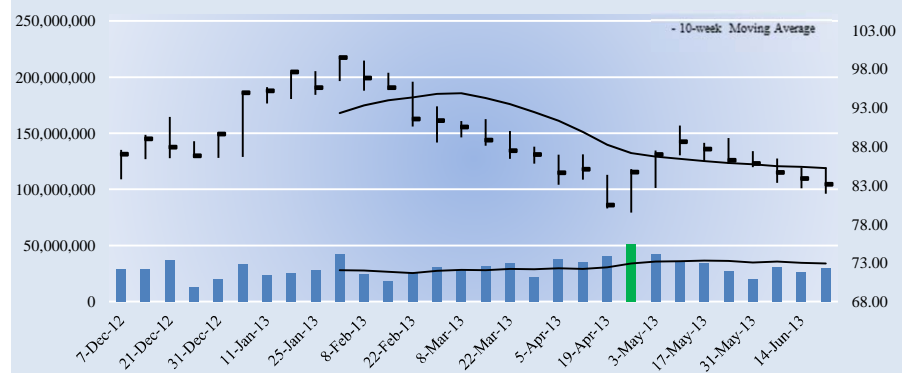
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
Dec-05	0.00	0.0	1.00	0.0%
Dec-06	1.32	0.0	1.85	71.4%
Dec-07	1.74	31.8	1.74	100.0%
Dec-08	1.87	7.5	1.80	103.9%
Dec-09	1.95	4.3	0.88	221.6%
Dec-10	2.03	4.1	1.47	138.1%
Dec-11	2.10	3.4	1.09	192.7%
<b>Dec-12</b>	<b>2.13</b>	<b>1.4</b>	<b>1.43</b>	<b>148.5%</b>
Dec-13	2.22	4.0	1.37	161.3%
Dec-14	2.30	4.0	1.42	161.7%
Dec-15	2.40	4.0	1.44	166.7%
Dec-16	2.49	4.0	1.41	176.3%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Boardwalk Pipeline, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Caterpillar CAT FAIRLY VALUED****Buying Index™****3****Value Rating****Last Close**  
\$83.12**Stock Fair Value Range**  
\$72.00 - \$120.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.4**Div Growth Potential**  
GOOD**Dividend Yield**  
2.89%**Caterpillar's acceleration of dividends into 2012 will make comparisons difficult, but we like its dividend's growth potential.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$55,657
Avg Weekly Vol (30 wks)	30,377
30-week Range (USD)	79.49 - 99.7
Valuentum Sector	Industrials
Last Fiscal Year Revenue	65,875
Last Fiscal Year EPS	8.48
Last Fiscal Year EBITDA	13,248
Forward Revenue Growth (5-yr)	1.6%
Forward EPS Growth (5-yr)	0.6%

**Dividend Vitals**

Current Annual Dividend Yield %	2.9%
Annual Dividends Per Share	2.40
Forward Dividend Payout Ratio	34.5%
3-yr Historical Dividend CAGR	11.7%
15-yr Historical Dividend CAGR	10.3%
3-yr Hist Median Div Payout Ratio	29.2%
15-yr Hist Median Div Payout Ratio	29.2%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,078.00	60.00
50	4,156.00	120.00
100	8,312.00	240.00
200	16,624.00	480.00
300	24,936.00	720.00
400	33,248.00	960.00
500	41,560.00	1,200.00
1,000	83,120.00	2,400.00
2,000	166,240.00	4,800.00
5,000	415,600.00	12,000.00
10,000	831,200.00	24,000.00
50,000	4,156,000.00	120,000.00
100,000	8,312,000.00	240,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.4**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Caterpillar scores a 1.4 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Caterpillar registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$3.03 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Caterpillar registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.89%</b>
Annual Dividends per Share	<b>\$2.40</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$288.74</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.4</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

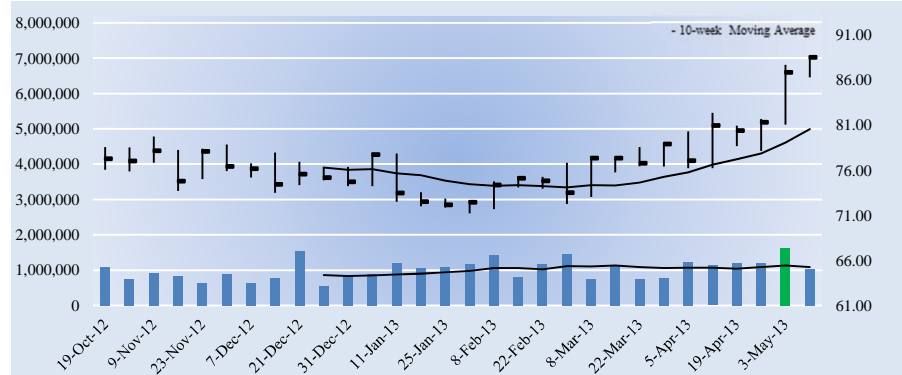
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.55	0.0	2.06	26.7%
Dec-99	0.63	14.5	1.32	47.7%
Dec-00	0.67	6.3	1.51	44.4%
Dec-01	0.69	3.0	1.16	59.5%
Dec-02	0.70	1.4	1.15	60.9%
Dec-03	0.71	1.4	1.57	45.2%
Dec-04	0.78	9.9	2.88	27.1%
Dec-05	0.91	16.7	4.04	22.5%
Dec-06	1.10	20.9	5.17	21.3%
Dec-07	1.32	20.0	5.37	24.6%
Dec-08	1.56	18.2	5.66	27.6%
Dec-09	1.68	7.7	1.43	117.5%
Dec-10	1.72	2.4	4.15	41.4%
Dec-11	1.80	4.7	7.40	24.3%
Dec-12	2.48	37.8	8.48	29.2%
<b>Dec-13</b>	<b>2.40</b>	<b>-3.2</b>	<b>6.95</b>	<b>34.5%</b>
Jan-15	2.57	7.0	8.04	31.9%
Jan-16	2.75	7.0	8.42	32.6%
Dec-16	2.89	5.0	8.66	33.3%
Dec-17	3.03	5.0	8.74	34.6%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Caterpillar, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Compass Minerals CMP FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$88.50**Stock Fair Value Range**  
\$69.00 - \$115.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.46%**Compass Minerals posts a good Valuentum Dividend Cushion score, but it isn't excellent.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$2,932
Avg Weekly Vol (30 wks)	1,020
30-week Range (USD)	71.23 - 88.62
Valuentum Sector	Materials
Last Fiscal Year Revenue	942
Last Fiscal Year EPS	2.68
Last Fiscal Year EBITDA	199
Forward Revenue Growth (5-yr)	7.7%
Forward EPS Growth (5-yr)	20.9%

**Dividend Vitals**

Current Annual Dividend Yield %	2.5%
Annual Dividends Per Share	2.18
Forward Dividend Payout Ratio	51.4%
3-yr Historical Dividend CAGR	11.8%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	40.4%
15-yr Hist Median Div Payout Ratio	28.9%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,212.50	54.50
50	4,425.00	109.00
100	8,850.00	218.00
200	17,700.00	436.00
300	26,550.00	654.00
400	35,400.00	872.00
500	44,250.00	1,090.00
1,000	88,500.00	2,180.00
2,000	177,000.00	4,360.00
5,000	442,500.00	10,900.00
10,000	885,000.00	21,800.00
50,000	4,425,000.00	109,000.00
100,000	8,850,000.00	218,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Compass Minerals scores a 1.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Compass Minerals registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.65 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Compass Minerals registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.46%</b>
Annual Dividends per Share	<b>\$2.18</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$246.33</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.3</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

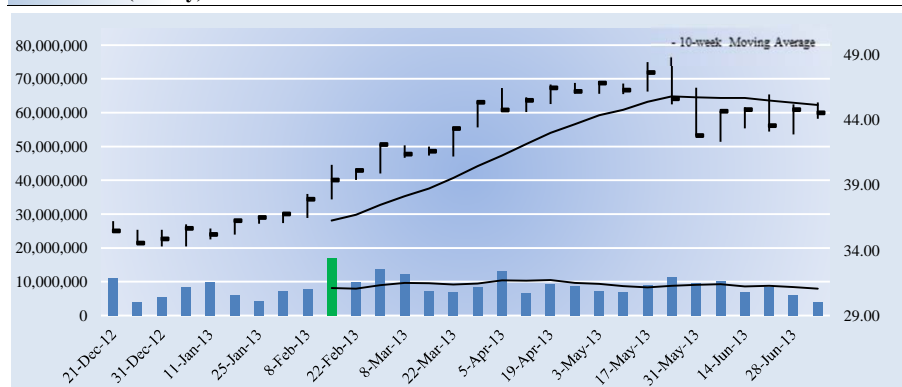
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.23	0.0%
Dec-03	0.00	0.0	1.01	0.0%
Dec-04	0.94	0.0	1.57	59.9%
Dec-05	1.10	17.0	0.84	131.0%
Dec-06	1.22	10.9	1.69	72.2%
Dec-07	1.28	4.9	2.43	52.7%
Dec-08	1.34	4.7	4.81	27.9%
Dec-09	1.42	6.0	4.92	28.9%
Dec-10	1.56	9.9	4.51	34.6%
Dec-11	1.80	15.4	4.45	40.4%
Dec-12	1.98	10.0	2.65	74.7%
<b>Dec-13</b>	<b>2.18</b>	<b>10.1</b>	<b>4.24</b>	<b>51.4%</b>
Jan-15	2.29	5.0	5.13	44.6%
Jan-16	2.40	5.0	5.67	42.4%
Dec-16	2.52	5.0	6.27	40.2%
Dec-17	2.65	5.0	6.94	38.2%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Compass Minerals, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Campbell Soup CPB FAIRLY VALUED****Buying Index™****4****Value Rating****Last Close**  
\$44.56**Stock Fair Value Range**  
\$30.00 - \$46.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.6**Div Growth Potential**  
GOOD**Dividend Yield**  
2.60%

**The growth potential and safety of Campbell Soup's dividend are attractive, and the size of its yield makes the firm worth considering as a potential income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$14,215
Avg Weekly Vol (30 wks)	8,585
30-week Range (USD)	34.3 - 48.83
Valuentum Sector	Consumer Staples
Last Fiscal Year Revenue	7,707
Last Fiscal Year EPS	2.43
Last Fiscal Year EBITDA	1,498
Forward Revenue Growth (5-yr)	5.6%
Forward EPS Growth (5-yr)	9.0%

**Dividend Vitals**

Current Annual Dividend Yield %	2.6%
Annual Dividends Per Share	1.16
Forward Dividend Payout Ratio	44.0%
3-yr Historical Dividend CAGR	2.4%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	47.5%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,114.00	29.00
50	2,228.00	58.00
100	4,456.00	116.00
200	8,912.00	232.00
300	13,368.00	348.00
400	17,824.00	464.00
500	22,280.00	580.00
1,000	44,560.00	1,160.00
2,000	89,120.00	2,320.00
5,000	222,800.00	5,800.00
10,000	445,600.00	11,600.00
50,000	2,228,000.00	58,000.00
100,000	4,456,000.00	116,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Campbell Soup scores a 1.6 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Campbell Soup registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$1.29 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Campbell Soup registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.60%</b>
Annual Dividends per Share	<b>\$1.16</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$260.32</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.6</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Jul-98	NA	0.0	1.50	0.0%
Jul-99	NA	0.0	1.63	0.0%
Jul-00	NA	0.0	1.65	0.0%
Jul-01	NA	0.0	1.55	0.0%
Jul-02	NA	0.0	1.28	0.0%
Jul-03	NA	0.0	1.52	0.0%
Jul-04	NA	0.0	1.57	0.0%
Jul-05	NA	0.0	1.71	0.0%
Jul-06	NA	0.0	1.82	0.0%
Jul-07	NA	0.0	2.08	0.0%
Jul-08	0.86	0.0	1.76	48.9%
Jul-09	1.00	16.3	2.04	49.0%
Jul-10	1.08	8.0	2.42	44.6%
Jul-11	1.15	6.5	2.42	47.5%
Jul-12	1.16	0.9	2.41	48.1%
<b>Jul-13</b>	<b>1.16</b>	<b>0.0</b>	<b>2.64</b>	<b>44.0%</b>
Aug-14	1.17	1.0	2.77	42.3%
Aug-15	1.20	2.0	3.06	39.0%
Jul-16	1.23	3.0	3.38	36.4%
Jul-17	1.29	5.0	3.73	34.6%

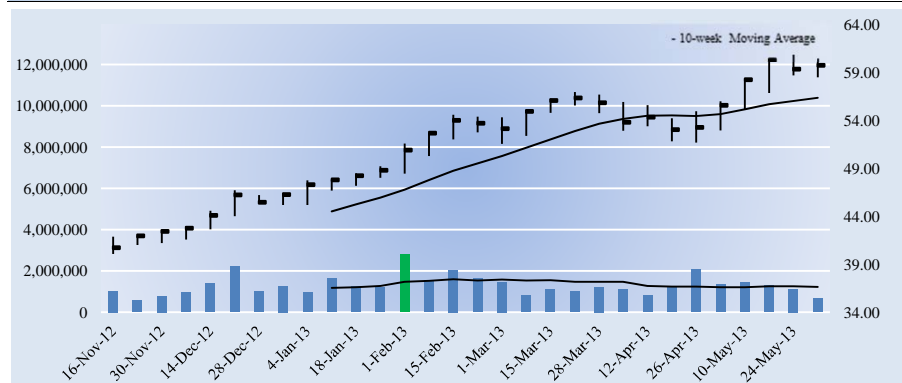
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Campbell Soup, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Crane Co CR FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$59.75**Stock Fair Value Range**  
\$39.00 - \$65.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 2.9**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
1.87%

**We like the potential growth and safety of Crane Co's dividend, but the yield is a bit low to get us excited. We'd wait for a dividend increase or a pullback in the shares to consider it a nice income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$3,537
Avg Weekly Vol (30 wks)	1,297
30-week Range (USD)	40.08 - 60.91
Valuentum Sector	Industrials
Last Fiscal Year Revenue	2,546
Last Fiscal Year EPS	0.44
Last Fiscal Year EBITDA	347
Forward Revenue Growth (5-yr)	3.9%
Forward EPS Growth (5-yr)	64.1%

**Dividend Vitals**

Current Annual Dividend Yield %	1.9%
Annual Dividends Per Share	1.12
Forward Dividend Payout Ratio	30.3%
3-yr Historical Dividend CAGR	11.9%
15-yr Historical Dividend CAGR	8.5%
3-yr Hist Median Div Payout Ratio	35.1%
15-yr Hist Median Div Payout Ratio	22.9%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,493.75	28.00
50	2,987.50	56.00
100	5,975.00	112.00
200	11,950.00	224.00
300	17,925.00	336.00
400	23,900.00	448.00
500	29,875.00	560.00
1,000	59,750.00	1,120.00
2,000	119,500.00	2,240.00
5,000	298,750.00	5,600.00
10,000	597,500.00	11,200.00
50,000	2,987,500.00	56,000.00
100,000	5,975,000.00	112,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 2.9**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Crane Co scores a 2.9 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Crane Co registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.67 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Crane Co registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	1.87%
Annual Dividends per Share	\$1.12
Initial Annual Div's Paid, \$10k Investment	\$187.45
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	2.9
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

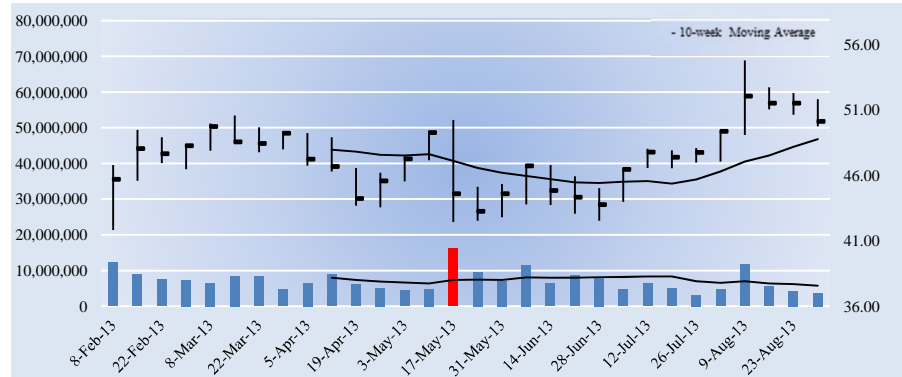
**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	0.33	0.0	1.63	20.2%
Dec-98	0.37	12.1	2.00	18.5%
Dec-99	0.40	8.1	1.50	26.7%
Dec-00	0.40	0.0	2.02	19.8%
Dec-01	0.40	0.0	1.47	27.2%
Dec-02	0.40	0.0	0.28	142.9%
Dec-03	0.40	0.0	1.75	22.9%
Dec-04	0.40	0.0	-1.78	-22.5%
Dec-05	0.45	12.5	2.25	20.0%
Dec-06	0.55	22.2	2.67	20.6%
Dec-07	0.66	20.0	-1.04	-63.5%
Dec-08	0.76	15.2	2.24	33.9%
Dec-09	0.80	5.3	2.28	35.1%
Dec-10	0.86	7.5	2.59	33.2%
Dec-11	0.98	14.0	0.44	222.7%
Dec-12	1.12	14.3	3.70	30.3%
Dec-13	1.25	12.0	4.26	29.4%
Dec-14	1.38	10.0	4.63	29.8%
Dec-15	1.52	10.0	4.98	30.5%
Dec-16	1.67	10.0	5.29	31.6%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Crane Co, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Computer Sciences CSC FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$50.15**Stock Fair Value Range**  
\$37.00 - \$61.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 3.7**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
1.60%**Computer Sciences' dividend has plenty of upside potential.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$7,774
Avg Weekly Vol (30 wks)	7,218
30-week Range (USD)	41.83 - 54.8
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	15,877
Last Fiscal Year EPS	-27.37
Last Fiscal Year EBITDA	-118
Forward Revenue Growth (5-yr)	-1.6%
Forward EPS Growth (5-yr)	-170.0%

**Dividend Vitals**

Current Annual Dividend Yield %	1.6%
Annual Dividends Per Share	0.80
Forward Dividend Payout Ratio	36.7%
3-yr Historical Dividend CAGR	INF
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	0.0%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,253.75	20.00
50	2,507.50	40.00
100	5,015.00	80.00
200	10,030.00	160.00
300	15,045.00	240.00
400	20,060.00	320.00
500	25,075.00	400.00
1,000	50,150.00	800.00
2,000	100,300.00	1,600.00
5,000	250,750.00	4,000.00
10,000	501,500.00	8,000.00
50,000	2,507,500.00	40,000.00
100,000	5,015,000.00	80,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 3.7**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Computer Sciences scores a 3.7 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Computer Sciences registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.09 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Computer Sciences registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>1.60%</b>
Annual Dividends per Share	<b>\$0.80</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$159.52</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>3.7</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

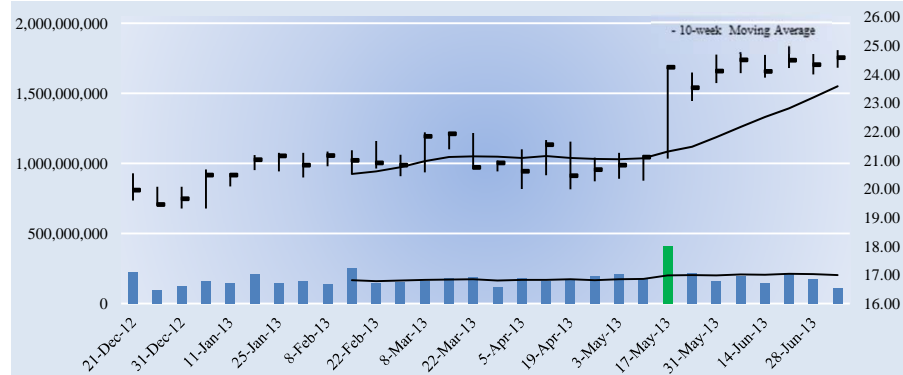
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
Mar-99	0.00	0.0	2.11	0.0%
Mar-00	0.00	0.0	2.37	0.0%
Mar-01	0.00	0.0	1.37	0.0%
Mar-02	0.00	0.0	2.01	0.0%
Mar-03	0.00	0.0	2.54	0.0%
Mar-04	0.00	0.0	2.75	0.0%
Mar-05	0.00	0.0	4.22	0.0%
Mar-06	0.00	0.0	3.07	0.0%
Mar-07	0.00	0.0	2.21	0.0%
Mar-08	0.00	0.0	3.20	0.0%
Mar-09	0.00	0.0	7.31	0.0%
Mar-10	0.00	0.0	5.28	0.0%
Mar-11	0.70	0.0	4.51	15.5%
Mar-12	0.80	14.3	-27.38	-2.9%
Mar-13	0.80	0.0	2.18	36.7%
Apr-14	0.86	8.0	3.72	23.2%
Apr-15	0.93	8.0	4.00	23.3%
Mar-16	1.01	8.0	4.30	23.4%
Mar-17	1.09	8.0	4.61	23.6%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Computer Sciences, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Cisco CSCO FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$24.57**Stock Fair Value Range**  
\$23.00 - \$35.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 3.6**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.77%**We're big fans of Cisco's dividend growth prospects.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$132,776
Avg Weekly Vol (30 wks)	178,620
30-week Range (USD)	19.31 - 24.98
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	46,061
Last Fiscal Year EPS	1.49
Last Fiscal Year EBITDA	12,971
Forward Revenue Growth (5-yr)	4.1%
Forward EPS Growth (5-yr)	10.4%

**Dividend Vitals**

Current Annual Dividend Yield %	2.8%
Annual Dividends Per Share	0.68
Forward Dividend Payout Ratio	33.5%
3-yr Historical Dividend CAGR	INF
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	10.3%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	614.25	17.00
50	1,228.50	34.00
100	2,457.00	68.00
200	4,914.00	136.00
300	7,371.00	204.00
400	9,828.00	272.00
500	12,285.00	340.00
1,000	24,570.00	680.00
2,000	49,140.00	1,360.00
5,000	122,850.00	3,400.00
10,000	245,700.00	6,800.00
50,000	1,228,500.00	34,000.00
100,000	2,457,000.00	68,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 3.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Cisco scores a 3.6 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Cisco registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.35 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Cisco registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	2.77%
Annual Dividends per Share	\$0.68
Initial Annual Div's Paid, \$10k Investment	\$276.76
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	3.6
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	LOW

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

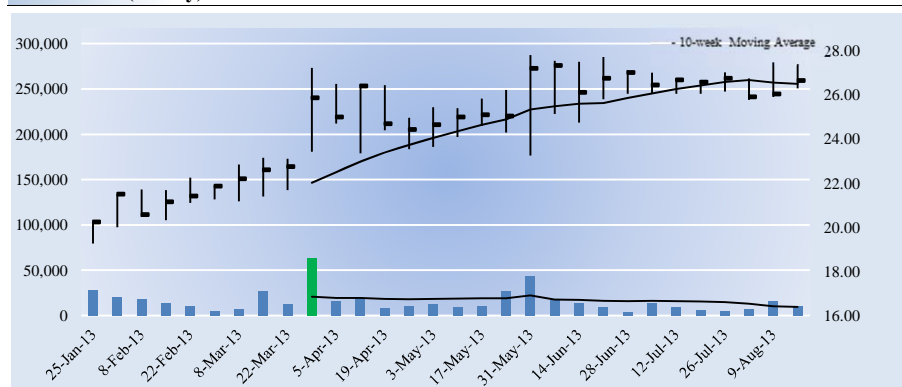
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Jul-98	0.00	0.0	0.21	0.0%
Jul-99	0.00	0.0	0.31	0.0%
Jul-00	0.00	0.0	0.36	0.0%
Jul-01	0.00	0.0	-0.14	0.0%
Jul-02	0.00	0.0	0.25	0.0%
Jul-03	0.00	0.0	0.50	0.0%
Jul-04	0.00	0.0	0.70	0.0%
Jul-05	0.00	0.0	0.87	0.0%
Jul-06	0.00	0.0	0.89	0.0%
Jul-07	0.00	0.0	1.17	0.0%
Jul-08	0.00	0.0	1.31	0.0%
Jul-09	0.00	0.0	1.05	0.0%
Jul-10	0.00	0.0	1.33	0.0%
Jul-11	0.12	0.0	1.17	10.3%
Jul-12	0.28	133.3	1.49	18.8%
Jul-13	0.68	142.9	2.03	33.5%
Aug-14	0.85	25.0	2.13	39.9%
Aug-15	1.02	20.0	2.25	45.2%
Jul-16	1.17	15.0	2.36	49.7%
Jul-17	1.35	15.0	2.44	55.2%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Cisco, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Chicago Rivet CVR FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$26.65**Stock Fair Value Range**  
\$19.00 - \$33.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 4.2**Div Growth Potential**  
GOOD**Dividend Yield**  
2.25%

**Chicago Rivet's dividend growth potential looks great, though its \$0.30 per share extra dividend payment in 2012 will make comparisons difficult. Investors should also be aware of the firm's customer concentration risk.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$26
Avg Weekly Vol (30 wks)	16
30-week Range (USD)	19.26 - 27.8
Valuentum Sector	Consumer Discretionary
Last Fiscal Year Revenue	34
Last Fiscal Year EPS	1.79
Last Fiscal Year EBITDA	3
Forward Revenue Growth (5-yr)	4.6%
Forward EPS Growth (5-yr)	3.8%

**Dividend Vitals**

Current Annual Dividend Yield %	2.3%
Annual Dividends Per Share	0.60
Forward Dividend Payout Ratio	26.3%
3-yr Historical Dividend CAGR	5.6%
15-yr Historical Dividend CAGR	1.1%
3-yr Hist Median Div Payout Ratio	49.7%
15-yr Hist Median Div Payout Ratio	27.6%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	666.25	15.00
50	1,332.50	30.00
100	2,665.00	60.00
200	5,330.00	120.00
300	7,995.00	180.00
400	10,660.00	240.00
500	13,325.00	300.00
1,000	26,650.00	600.00
2,000	53,300.00	1,200.00
5,000	133,250.00	3,000.00
10,000	266,500.00	6,000.00
50,000	1,332,500.00	30,000.00
100,000	2,665,000.00	60,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion EXCELLENT / 4.2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Chicago Rivet scores a 4.2 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Chicago Rivet registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$0.86 per share within the next several years.

**Risk of Capital Loss MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Chicago Rivet registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	2.25%
Annual Dividends per Share	\$0.60
Initial Annual Div's Paid, \$10k Investment	\$225.14
Dividend Track Record	RISKY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	4.2
Dividend Growth Potential	GOOD
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record**

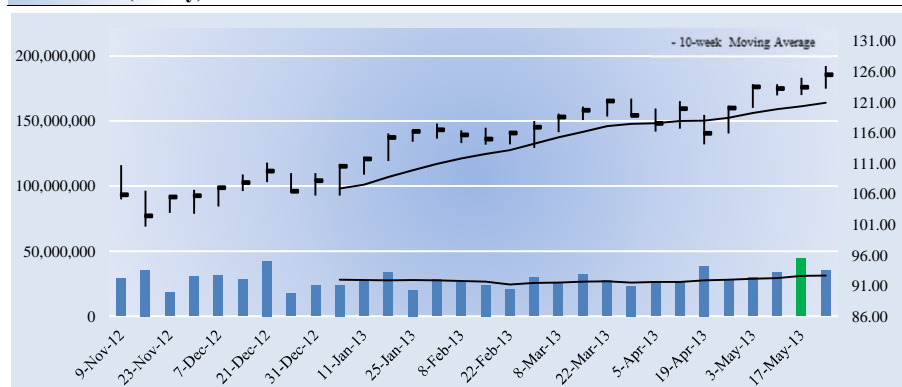
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.51	0.0	2.90	17.6%
Dec-99	0.51	0.0	3.00	17.0%
Dec-00	0.51	0.0	2.60	19.6%
Dec-01	0.51	0.0	1.85	27.6%
Dec-02	0.51	0.0	2.69	19.0%
Dec-03	0.51	0.0	0.85	60.0%
Dec-04	0.51	0.0	1.58	32.3%
Dec-05	0.51	0.0	-0.41	-124.4%
Dec-06	0.51	0.0	1.16	44.0%
Dec-07	0.51	0.0	1.31	38.9%
Dec-08	0.51	0.0	-0.85	-60.0%
Dec-09	0.51	0.0	-1.33	-38.3%
Dec-10	0.51	0.0	0.63	81.0%
Dec-11	0.51	0.0	1.30	39.2%
Dec-12	0.90	76.5	1.81	49.7%
<b>Dec-13</b>	<b>0.60</b>	<b>-33.3</b>	<b>2.28</b>	<b>26.3%</b>
Jan-15	0.67	12.0	2.42	27.7%
Jan-16	0.74	10.0	2.37	31.2%
Dec-16	0.80	8.0	2.28	35.1%
Dec-17	0.86	8.0	2.16	39.9%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Chicago Rivet, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Chevron CVX FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$125.45**Stock Fair Value Range**  
\$101.00 - \$151.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.1**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.19%

**Chevron stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$244,628
Avg Weekly Vol (30 wks)	28,680
30-week Range (USD)	100.66 - 126.98
Valuentum Sector	Energy
Last Fiscal Year Revenue	241,909
Last Fiscal Year EPS	13.43
Last Fiscal Year EBITDA	52,856
Forward Revenue Growth (5-yr)	1.0%
Forward EPS Growth (5-yr)	2.6%

**Dividend Vitals**

Current Annual Dividend Yield %	3.2%
Annual Dividends Per Share	4.00
Forward Dividend Payout Ratio	32.0%
3-yr Historical Dividend CAGR	12.1%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	26.4%
15-yr Hist Median Div Payout Ratio	25.8%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	3,136.25	100.00
50	6,272.50	200.00
100	12,545.00	400.00
200	25,090.00	800.00
300	37,635.00	1,200.00
400	50,180.00	1,600.00
500	62,725.00	2,000.00
1,000	125,450.00	4,000.00
2,000	250,900.00	8,000.00
5,000	627,250.00	20,000.00
10,000	1,254,500.00	40,000.00
50,000	6,272,500.00	200,000.00
100,000	12,545,000.00	400,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.1**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Chevron scores a 2.1 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Chevron registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$5.75 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Chevron registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.19%</b>
Annual Dividends per Share	<b>\$4.00</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$318.85</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.1</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	1.50	0.0%
Dec-00	0.00	0.0	3.61	0.0%
Dec-01	0.35	0.0	1.85	18.9%
Dec-02	1.40	300.0	0.54	259.3%
Dec-03	1.43	2.1	3.57	40.1%
Dec-04	1.53	7.0	6.14	24.9%
Dec-05	1.75	14.4	6.54	26.8%
Dec-06	2.01	14.9	7.80	25.8%
Dec-07	2.26	12.4	8.77	25.8%
Dec-08	2.53	11.9	11.67	21.7%
Dec-09	2.66	5.1	5.24	50.8%
Dec-10	2.84	6.8	9.48	30.0%
Dec-11	3.09	8.8	13.44	23.0%
Dec-12	3.51	13.6	13.32	26.4%
<b>Dec-13</b>	<b>4.00</b>	<b>14.0</b>	<b>12.51</b>	<b>32.0%</b>
Jan-15	4.48	12.0	12.66	35.4%
Jan-16	4.93	10.0	13.34	36.9%
Dec-16	5.32	8.0	14.19	37.5%
Dec-17	5.75	8.0	15.23	37.7%

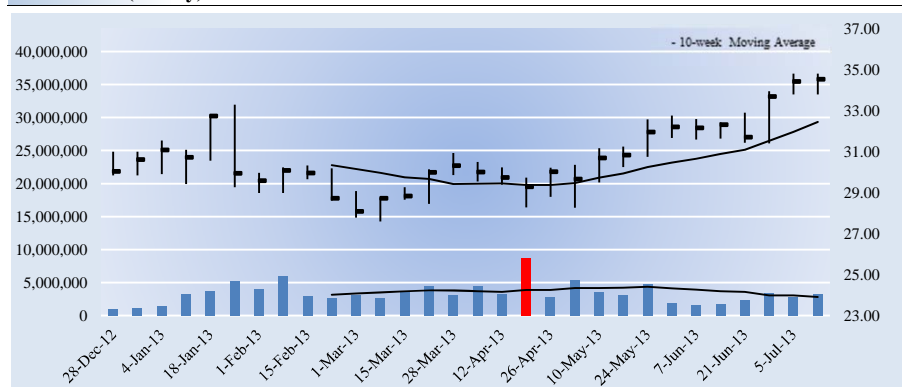
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Chevron, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Diebold DBD FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$34.53**Stock Fair Value Range**  
\$27.00 - \$47.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.4**Div Growth Potential**  
GOOD**Dividend Yield**  
3.33%

**Diebold stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$2,207
Avg Weekly Vol (30 wks)	3,381
30-week Range (USD)	27.59 - 34.81
Valuentum Sector	Industrials
Last Fiscal Year Revenue	2,992
Last Fiscal Year EPS	1.28
Last Fiscal Year EBITDA	218
Forward Revenue Growth (5-yr)	2.7%
Forward EPS Growth (5-yr)	14.9%

**Dividend Vitals**

Current Annual Dividend Yield %	3.3%
Annual Dividends Per Share	1.15
Forward Dividend Payout Ratio	62.2%
3-yr Historical Dividend CAGR	2.1%
15-yr Historical Dividend CAGR	4.9%
3-yr Hist Median Div Payout Ratio	50.2%
15-yr Hist Median Div Payout Ratio	50.9%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	863.25	28.75
50	1,726.50	57.50
100	3,453.00	115.00
200	6,906.00	230.00
300	10,359.00	345.00
400	13,812.00	460.00
500	17,265.00	575.00
1,000	34,530.00	1,150.00
2,000	69,060.00	2,300.00
5,000	172,650.00	5,750.00
10,000	345,300.00	11,500.00
50,000	1,726,500.00	57,500.00
100,000	3,453,000.00	115,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.4**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Diebold scores a 2.4 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Diebold registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$1.26 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Diebold registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.33%</b>
Annual Dividends per Share	<b>\$1.15</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$333.04</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.4</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

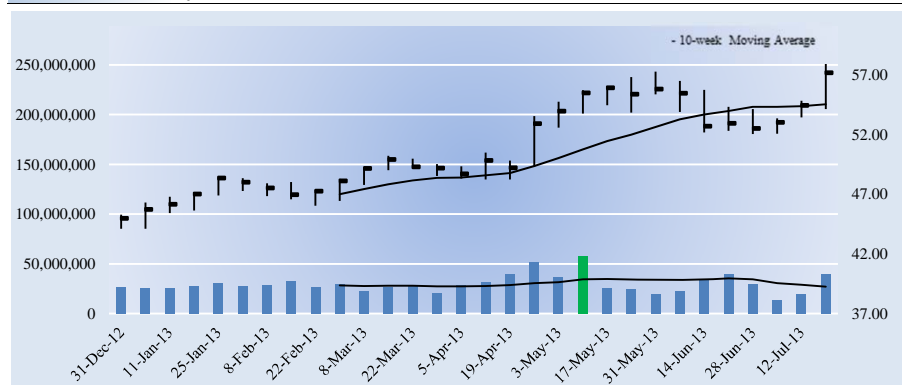
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.56	0.0	1.10	50.9%
Dec-99	0.60	7.1	1.85	32.4%
Dec-00	0.62	3.3	1.92	32.3%
Dec-01	0.64	3.2	0.93	68.8%
Dec-02	0.66	3.1	1.83	36.1%
Dec-03	0.68	3.0	2.40	28.3%
Dec-04	0.74	8.8	2.54	29.1%
Dec-05	0.82	10.8	1.17	70.1%
Dec-06	0.86	4.9	1.29	66.7%
Dec-07	0.94	9.3	0.59	159.3%
Dec-08	1.00	6.4	1.52	65.8%
Dec-09	1.04	4.0	1.09	95.4%
Dec-10	1.08	3.8	-0.31	-348.4%
Dec-11	1.12	3.7	2.23	50.2%
Dec-12	1.14	1.8	1.28	89.1%
<b>Dec-13</b>	<b>1.15</b>	<b>0.9</b>	<b>1.85</b>	<b>62.2%</b>
Jan-15	1.16	1.0	2.22	52.3%
Jan-16	1.18	2.0	2.34	50.6%
Dec-16	1.22	3.0	2.45	49.8%
Dec-17	1.26	3.0	2.56	49.1%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Diebold, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**DuPont DD FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$57.14**Stock Fair Value Range**  
\$43.00 - \$71.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.6**Div Growth Potential**  
GOOD**Dividend Yield**  
3.15%

**DuPont stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$53,837
Avg Weekly Vol (30 wks)	29,890
30-week Range (USD)	44.1 - 57.88
Valuentum Sector	Materials
Last Fiscal Year Revenue	35,310
Last Fiscal Year EPS	2.62
Last Fiscal Year EBITDA	5,287
Forward Revenue Growth (5-yr)	5.0%
Forward EPS Growth (5-yr)	14.5%

**Dividend Vitals**

Current Annual Dividend Yield %	3.2%
Annual Dividends Per Share	1.80
Forward Dividend Payout Ratio	46.9%
3-yr Historical Dividend CAGR	3.2%
15-yr Historical Dividend CAGR	1.8%
3-yr Hist Median Div Payout Ratio	50.0%
15-yr Hist Median Div Payout Ratio	70.5%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,428.50	45.00
50	2,857.00	90.00
100	5,714.00	180.00
200	11,428.00	360.00
300	17,142.00	540.00
400	22,856.00	720.00
500	28,570.00	900.00
1,000	57,140.00	1,800.00
2,000	114,280.00	3,600.00
5,000	285,700.00	9,000.00
10,000	571,400.00	18,000.00
50,000	2,857,000.00	90,000.00
100,000	5,714,000.00	180,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. DuPont scores a 1.6 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. DuPont registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$2.19 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. DuPont registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.15%</b>
Annual Dividends per Share	<b>\$1.80</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$315.02</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.6</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

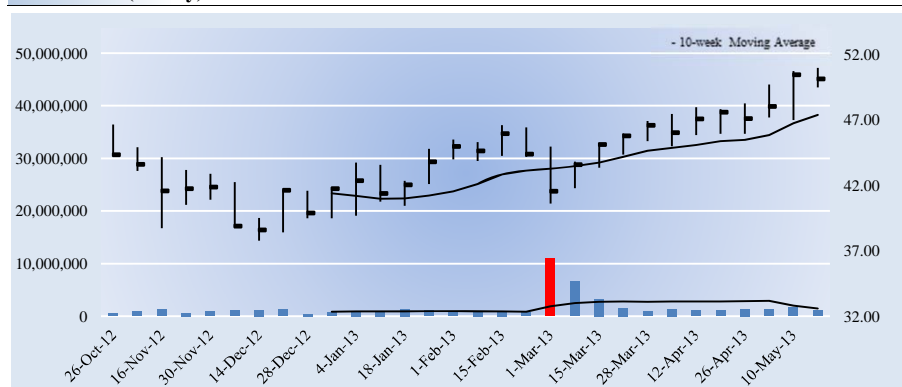
**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	1.37	0.0	1.43	95.8%
Dec-99	1.40	2.2	0.19	736.8%
Dec-00	1.40	0.0	2.19	63.9%
Dec-01	1.40	0.0	4.15	33.7%
Dec-02	1.40	0.0	1.84	76.1%
Dec-03	1.40	0.0	0.99	141.4%
Dec-04	1.40	0.0	1.77	79.1%
Dec-05	1.46	4.3	2.07	70.5%
Dec-06	1.48	1.4	3.38	43.8%
Dec-07	1.52	2.7	3.22	47.2%
Dec-08	1.64	7.9	2.20	74.5%
Dec-09	1.64	0.0	1.92	85.4%
Dec-10	1.64	0.0	3.28	50.0%
Dec-11	1.64	0.0	3.68	44.6%
Dec-12	1.70	3.7	2.61	65.1%
<b>Dec-13</b>	<b>1.80</b>	<b>5.9</b>	<b>3.84</b>	<b>46.9%</b>
Jan-15	1.89	5.0	4.35	43.4%
Jan-16	1.98	5.0	4.63	42.9%
Dec-16	2.08	5.0	4.90	42.5%
Dec-17	2.19	5.0	5.16	42.4%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on DuPont, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**DCP Midstream DPM FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$50.17**Stock Fair Value Range**  
\$33.00 - \$71.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.6**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
5.58%**DCP Midstream has increased its quarterly distribution significantly in recent years.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$2,187
Avg Weekly Vol (30 wks)	1,599
30-week Range (USD)	37.78 - 51
Valuentum Sector	Energy
Last Fiscal Year Revenue	1,570
Last Fiscal Year EPS	2.30
Last Fiscal Year EBITDA	204
Forward Revenue Growth (5-yr)	20.1%
Forward EPS Growth (5-yr)	5.1%

**Dividend Vitals**

Current Annual Dividend Yield %	5.6%
Annual Dividends Per Share	2.80
Forward Dividend Payout Ratio	122.7%
3-yr Historical Dividend CAGR	5.3%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	146.5%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,254.25	70.00
50	2,508.50	140.00
100	5,017.00	280.00
200	10,034.00	560.00
300	15,051.00	840.00
400	20,068.00	1,120.00
500	25,085.00	1,400.00
1,000	50,170.00	2,800.00
2,000	100,340.00	5,600.00
5,000	250,850.00	14,000.00
10,000	501,700.00	28,000.00
50,000	2,508,500.00	140,000.00
100,000	5,017,000.00	280,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. DCP Midstream scores a 2.6 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. DCP Midstream registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.28 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. DCP Midstream registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>5.58%</b>
Annual Dividends per Share	<b>\$2.80</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$558.10</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.6</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

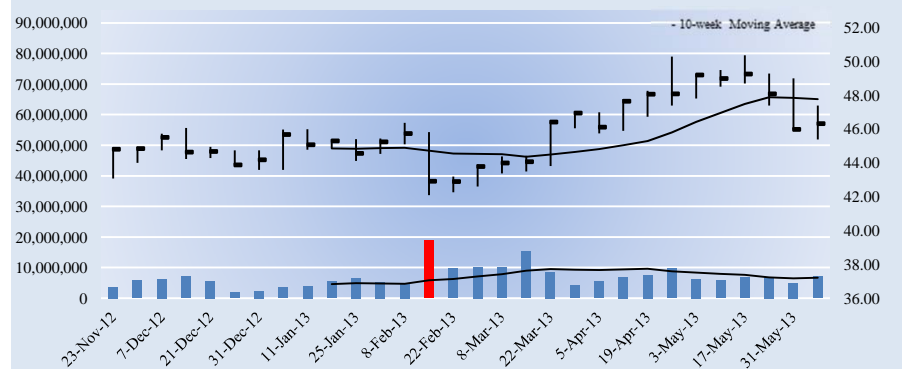
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
Dec-05	0.00	0.0	0.20	0.0%
Dec-06	0.57	0.0	1.90	30.0%
Dec-07	1.98	247.4	-1.05	-188.6%
Dec-08	2.36	19.2	3.25	72.6%
Dec-09	2.40	1.7	-0.99	-242.4%
Dec-10	2.42	0.8	0.86	281.4%
Dec-11	2.52	4.1	1.72	146.5%
<b>Dec-12</b>	<b>2.80</b>	<b>11.1</b>	<b>2.28</b>	<b>122.7%</b>
Dec-13	2.91	4.0	2.12	137.3%
Dec-14	3.03	4.0	2.44	124.0%
Dec-15	3.15	4.0	2.71	116.4%
Dec-16	3.28	4.0	2.96	110.8%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on DCP Midstream, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Dr Pepper Snapple DPS FAIRLY VALUED****Buying Index™****4****Value Rating****Last Close**  
\$46.33**Stock Fair Value Range**  
\$32.00 - \$56.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.28%

**Dr Pepper Snapple stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$10,248
Avg Weekly Vol (30 wks)	6,897
30-week Range (USD)	42.1 - 50.37
Valuentum Sector	Consumer Staples
Last Fiscal Year Revenue	5,903
Last Fiscal Year EPS	2.74
Last Fiscal Year EBITDA	1,267
Forward Revenue Growth (5-yr)	2.7%
Forward EPS Growth (5-yr)	6.9%

**Dividend Vitals**

Current Annual Dividend Yield %	3.3%
Annual Dividends Per Share	1.52
Forward Dividend Payout Ratio	52.1%
3-yr Historical Dividend CAGR	19.1%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	44.2%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,158.25	38.00
50	2,316.50	76.00
100	4,633.00	152.00
200	9,266.00	304.00
300	13,899.00	456.00
400	18,532.00	608.00
500	23,165.00	760.00
1,000	46,330.00	1,520.00
2,000	92,660.00	3,040.00
5,000	231,650.00	7,600.00
10,000	463,300.00	15,200.00
50,000	2,316,500.00	76,000.00
100,000	4,633,000.00	152,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Dr Pepper Snapple scores a 1.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Dr Pepper Snapple registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.95 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Dr Pepper Snapple registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	3.28%
Annual Dividends per Share	\$1.52
Initial Annual Div's Paid, \$10k Investment	\$328.08
Dividend Track Record	HEALTHY
Dividend Safety	GOOD
Valuentum Dividend Cushion™	1.3
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

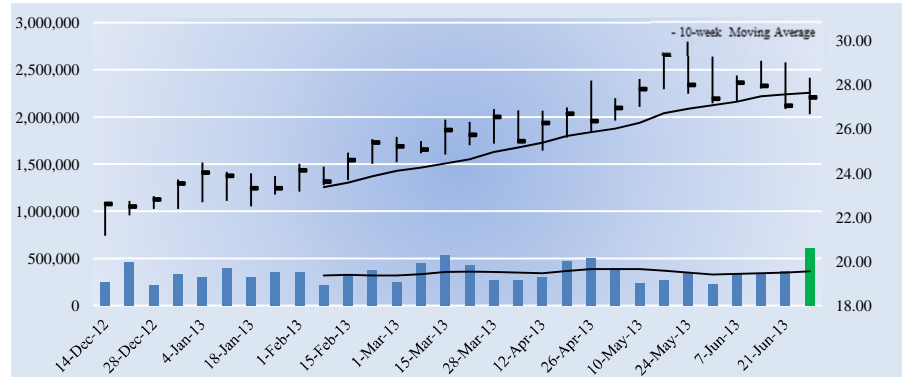
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
Dec-06	0.00	0.0	2.01	0.0%
Dec-07	0.00	0.0	1.79	0.0%
Dec-08	0.90	0.0	-1.23	-73.2%
Dec-09	0.90	0.0	2.17	41.5%
Dec-10	1.21	34.4	2.17	55.8%
Dec-11	1.21	0.0	2.74	44.2%
Dec-12	1.52	25.6	2.92	52.1%
Dec-13	1.64	8.0	3.13	52.4%
Dec-14	1.76	7.0	3.35	52.4%
Dec-15	1.86	6.0	3.59	51.9%
Dec-16	1.95	5.0	3.83	51.0%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Dr Pepper Snapple, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**US Ecology ECOL FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$27.44**Stock Fair Value Range**  
\$19.00 - \$33.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.1**Div Growth Potential**  
GOOD**Dividend Yield**  
2.62%**US Ecology's dividend is stuck in neutral, despite a strong Valuentum Dividend Cushion score.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$500
Avg Weekly Vol (30 wks)	350
30-week Range (USD)	21.16 - 29.97
Valuentum Sector	Industrials
Last Fiscal Year Revenue	155
Last Fiscal Year EPS	1.01
Last Fiscal Year EBITDA	48
Forward Revenue Growth (5-yr)	8.2%
Forward EPS Growth (5-yr)	16.1%

**Dividend Vitals**

Current Annual Dividend Yield %	2.6%
Annual Dividends Per Share	0.72
Forward Dividend Payout Ratio	51.7%
3-yr Historical Dividend CAGR	0.0%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	93.5%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	686.00	18.00
50	1,372.00	36.00
100	2,744.00	72.00
200	5,488.00	144.00
300	8,232.00	216.00
400	10,976.00	288.00
500	13,720.00	360.00
1,000	27,440.00	720.00
2,000	54,880.00	1,440.00
5,000	137,200.00	3,600.00
10,000	274,400.00	7,200.00
50,000	1,372,000.00	36,000.00
100,000	2,744,000.00	72,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.1**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. US Ecology scores a 2.1 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. US Ecology registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$0.79 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. US Ecology registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.62%</b>
Annual Dividends per Share	<b>\$0.72</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$262.39</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.1</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

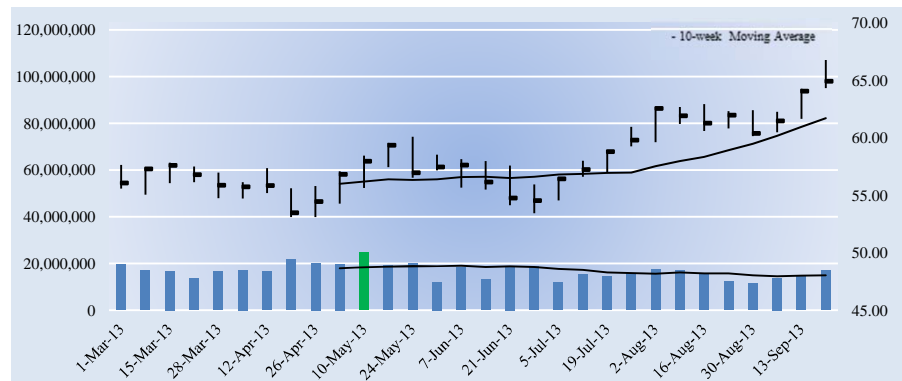
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	NA	0.0	-0.17	0.0%
Dec-98	NA	0.0	0.03	0.0%
Dec-99	NA	0.0	0.27	0.0%
Dec-00	NA	0.0	0.26	0.0%
Dec-01	NA	0.0	0.03	0.0%
Dec-02	NA	0.0	0.99	0.0%
Dec-03	NA	0.0	-0.67	0.0%
Dec-04	NA	0.0	1.26	0.0%
Dec-05	NA	0.0	0.86	0.0%
Dec-06	NA	0.0	0.87	0.0%
Dec-07	NA	0.0	1.06	0.0%
Dec-08	0.48	0.0	1.18	40.7%
Dec-09	0.72	50.0	0.77	93.5%
Dec-10	0.72	0.0	0.69	104.3%
Dec-11	0.72	0.0	1.01	71.3%
<b>Dec-12</b>	<b>0.72</b>	<b>0.0</b>	<b>1.39</b>	<b>51.7%</b>
Dec-13	0.73	2.0	1.52	48.5%
Dec-14	0.75	2.0	1.74	42.9%
Dec-15	0.77	3.0	1.95	39.5%
Dec-16	0.79	3.0	2.13	37.4%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on US Ecology, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Emerson Electric EMR FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$64.92**Stock Fair Value Range**  
\$41.00 - \$69.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.53%**We're huge fans of Emerson's dividend growth profile.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$47,690
Avg Weekly Vol (30 wks)	16,674
30-week Range (USD)	53.09 - 66.79
Valuentum Sector	Industrials
Last Fiscal Year Revenue	24,412
Last Fiscal Year EPS	2.68
Last Fiscal Year EBITDA	5,155
Forward Revenue Growth (5-yr)	2.2%
Forward EPS Growth (5-yr)	11.7%

**Dividend Vitals**

Current Annual Dividend Yield %	2.5%
Annual Dividends Per Share	1.64
Forward Dividend Payout Ratio	46.7%
3-yr Historical Dividend CAGR	7.0%
15-yr Historical Dividend CAGR	7.1%
3-yr Hist Median Div Payout Ratio	51.5%
15-yr Hist Median Div Payout Ratio	39.5%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,623.00	41.00
50	3,246.00	82.00
100	6,492.00	164.00
200	12,984.00	328.00
300	19,476.00	492.00
400	25,968.00	656.00
500	32,460.00	820.00
1,000	64,920.00	1,640.00
2,000	129,840.00	3,280.00
5,000	324,600.00	8,200.00
10,000	649,200.00	16,400.00
50,000	3,246,000.00	82,000.00
100,000	6,492,000.00	164,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Emerson Electric scores a 2.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Emerson Electric registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.05 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Emerson Electric registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.53%</b>
Annual Dividends per Share	<b>\$1.64</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$252.62</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.3</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

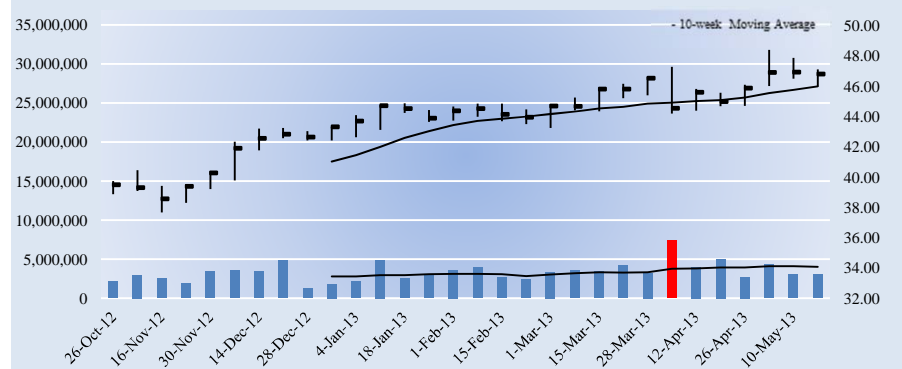
**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Sep-98	0.59	0.0	2.77	21.3%
Sep-99	0.65	10.2	3.00	21.7%
Sep-00	0.72	10.0	3.30	21.7%
Sep-01	0.77	7.0	2.40	31.9%
Sep-02	0.78	1.3	2.52	30.8%
Sep-03	0.79	1.3	2.41	32.6%
Sep-04	0.80	1.9	1.49	53.7%
Sep-05	0.83	3.7	1.70	48.8%
Sep-06	0.89	7.2	2.24	39.7%
Sep-07	1.05	18.0	2.66	39.5%
Sep-08	1.20	14.3	3.11	38.6%
Sep-09	1.32	10.0	2.27	58.1%
Sep-10	1.34	1.5	2.60	51.5%
Sep-11	1.38	3.0	3.24	42.6%
Sep-12	1.60	15.9	2.67	59.9%
<b>Sep-13</b>	<b>1.64</b>	<b>2.5</b>	<b>3.51</b>	<b>46.7%</b>
Sep-14	1.69	3.0	3.92	43.1%
Sep-15	1.77	5.0	4.14	42.8%
Sep-16	1.90	7.0	4.39	43.2%
Sep-17	2.05	8.0	4.66	43.9%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Emerson Electric, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Enbridge ENB FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$46.82**Stock Fair Value Range**  
\$32.00 - \$54.00**Dividend Track Record (in USD)**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.2**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.65%**Enbridge first starting paying distributions in 1953.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$35,630
Avg Weekly Vol (30 wks)	3,338
30-week Range (USD)	37.67 - 48.41
Valuentum Sector	Energy
Last Fiscal Year Revenue	19,054
Last Fiscal Year EPS	1.30
Last Fiscal Year EBITDA	2,777
Forward Revenue Growth (5-yr)	10.5%
Forward EPS Growth (5-yr)	14.3%

**Dividend Vitals**

Current Annual Dividend Yield %	2.6%
Annual Dividends Per Share	1.24
Forward Dividend Payout Ratio	77.7%
3-yr Historical Dividend CAGR	18.8%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	65.9%
15-yr Hist Median Div Payout Ratio	22.4%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,170.50	31.00
50	2,341.00	62.00
100	4,682.00	124.00
200	9,364.00	248.00
300	14,046.00	372.00
400	18,728.00	496.00
500	23,410.00	620.00
1,000	46,820.00	1,240.00
2,000	93,640.00	2,480.00
5,000	234,100.00	6,200.00
10,000	468,200.00	12,400.00
50,000	2,341,000.00	62,000.00
100,000	4,682,000.00	124,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Enbridge scores a 2.2 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Enbridge registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.95 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Enbridge registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.65%</b>
Annual Dividends per Share	<b>\$1.24</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$264.84</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.2</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record (in USD)****HEALTHY**

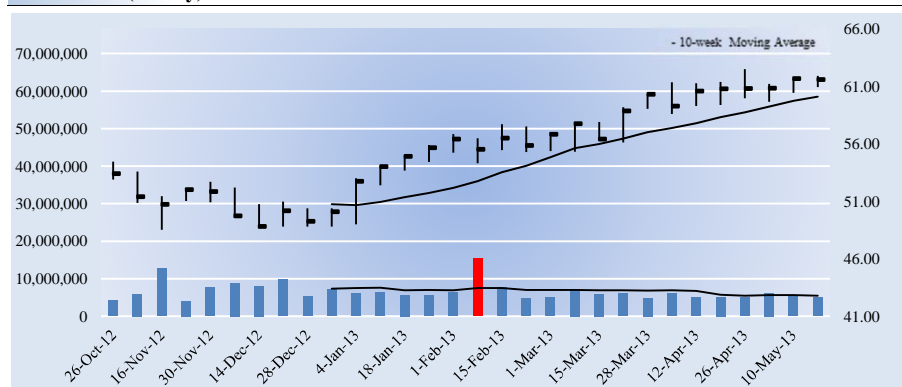
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	NA	0.0	0.55	0.0%
Dec-98	NA	0.0	0.54	0.0%
Dec-99	NA	0.0	0.66	0.0%
Dec-00	NA	0.0	0.85	0.0%
Dec-01	NA	0.0	0.82	0.0%
Dec-02	NA	0.0	0.65	0.0%
Dec-03	NA	0.0	1.55	0.0%
Dec-04	0.46	0.0	1.60	28.6%
Dec-05	0.52	13.7	1.40	37.1%
Dec-06	0.58	10.6	1.54	37.3%
Dec-07	0.62	7.0	1.96	31.4%
Dec-08	0.66	7.3	2.95	22.4%
Dec-09	0.74	12.1	2.03	36.5%
Dec-10	0.85	14.9	1.29	65.9%
Dec-11	0.98	15.3	1.28	76.6%
<b>Dec-12</b>	<b>1.24</b>	<b>26.5</b>	<b>1.60</b>	<b>77.7%</b>
Dec-13	1.39	12.0	1.85	75.1%
Dec-14	1.56	12.0	2.03	76.4%
Dec-15	1.74	12.0	2.26	77.1%
Dec-16	1.95	12.0	2.53	77.1%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Enbridge, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Enterprise Product Partners EPD FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$61.57**Stock Fair Value Range**  
\$43.00 - \$81.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 2.8**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
4.35%

**Enterprise Product Partners stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$52,944
Avg Weekly Vol (30 wks)	6,591
30-week Range (USD)	48.52 - 62.47
Valuentum Sector	Energy
Last Fiscal Year Revenue	44,313
Last Fiscal Year EPS	2.38
Last Fiscal Year EBITDA	3,820
Forward Revenue Growth (5-yr)	6.6%
Forward EPS Growth (5-yr)	5.8%

**Dividend Vitals**

Current Annual Dividend Yield %	4.4%
Annual Dividends Per Share	2.68
Forward Dividend Payout Ratio	99.0%
3-yr Historical Dividend CAGR	7.3%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	125.4%
15-yr Hist Median Div Payout Ratio	125.4%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,539.25	67.00
50	3,078.50	134.00
100	6,157.00	268.00
200	12,314.00	536.00
300	18,471.00	804.00
400	24,628.00	1,072.00
500	30,785.00	1,340.00
1,000	61,570.00	2,680.00
2,000	123,140.00	5,360.00
5,000	307,850.00	13,400.00
10,000	615,700.00	26,800.00
50,000	3,078,500.00	134,000.00
100,000	6,157,000.00	268,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion EXCELLENT / 2.8**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Enterprise Product Partners scores a 2.8 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Enterprise Product Partners registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.26 per share within the next several years.

**Risk of Capital Loss MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Enterprise Product Partners registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	4.35%
Annual Dividends per Share	\$2.68
Initial Annual Div's Paid, \$10k Investment	\$435.28
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	2.8
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
Dec-98	0.16	0.0	0.31	51.6%
Dec-99	0.68	325.0	0.82	82.9%
Dec-00	1.03	51.5	1.32	78.0%
Dec-01	1.16	12.6	1.39	83.5%
Dec-02	1.33	14.7	0.48	277.1%
Dec-03	1.44	8.3	0.41	351.2%
Dec-04	1.51	4.9	0.97	155.7%
Dec-05	1.66	9.9	0.92	180.4%
Dec-06	1.80	8.4	1.22	147.5%
Dec-07	1.92	6.7	0.96	200.0%
Dec-08	2.05	6.8	1.85	110.8%
Dec-09	2.17	5.9	1.73	125.4%
Dec-10	2.29	5.5	1.15	199.1%
Dec-11	2.41	5.2	2.38	101.3%
<b>Dec-12</b>	<b>2.68</b>	<b>11.2</b>	<b>2.71</b>	<b>99.0%</b>
Dec-13	2.81	5.0	2.94	95.7%
Dec-14	2.95	5.0	3.12	94.7%
Dec-15	3.10	5.0	3.19	97.2%
Dec-16	3.26	5.0	3.15	103.3%

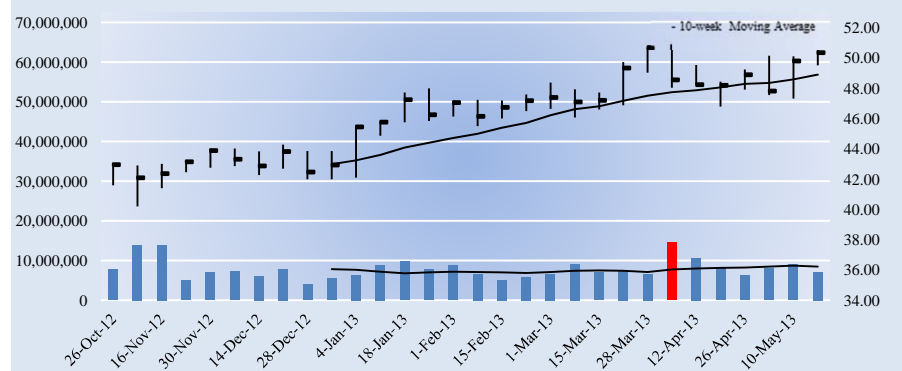
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Enterprise Product Partners, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Energy Transfer Partners ETP FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$50.36**Stock Fair Value Range**  
\$43.00 - \$71.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.7**Div Growth Potential**  
GOOD**Dividend Yield**  
7.11%

**Energy Transfer Partners stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$10,483
Avg Weekly Vol (30 wks)	7,917
30-week Range (USD)	40.19 - 50.95
Valuentum Sector	Energy
Last Fiscal Year Revenue	6,850
Last Fiscal Year EPS	3.21
Last Fiscal Year EBITDA	1,686
Forward Revenue Growth (5-yr)	40.2%
Forward EPS Growth (5-yr)	8.2%

**Dividend Vitals**

Current Annual Dividend Yield %	7.1%
Annual Dividends Per Share	3.58
Forward Dividend Payout Ratio	80.9%
3-yr Historical Dividend CAGR	0.0%
15-yr Historical Dividend CAGR	9.4%
3-yr Hist Median Div Payout Ratio	300.4%
15-yr Hist Median Div Payout Ratio	167.6%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,259.00	89.38
50	2,518.00	178.75
100	5,036.00	357.50
200	10,072.00	715.00
300	15,108.00	1,072.50
400	20,144.00	1,430.00
500	25,180.00	1,787.50
1,000	50,360.00	3,575.00
2,000	100,720.00	7,150.00
5,000	251,800.00	17,875.00
10,000	503,600.00	35,750.00
50,000	2,518,000.00	178,750.00
100,000	5,036,000.00	357,500.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.7**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Energy Transfer Partners scores a 2.7 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Energy Transfer Partners registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$4.10 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Energy Transfer Partners registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	7.11%
Annual Dividends per Share	\$3.58
Initial Annual Div's Paid, \$10k Investment	\$709.89
Dividend Track Record	HEALTHY
Dividend Safety	GOOD
Valuentum Dividend Cushion™	2.7
Dividend Growth Potential	GOOD
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

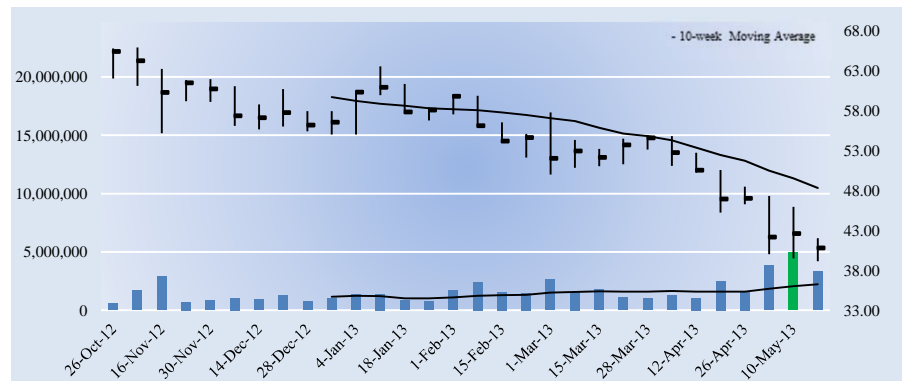
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Aug-97	0.93	0.0	0.32	290.6%
Aug-98	1.00	7.5	0.52	192.3%
Aug-99	1.07	7.0	0.56	191.1%
Aug-00	1.13	5.6	0.33	342.4%
Aug-01	1.19	5.3	0.71	167.6%
Aug-02	1.27	6.7	0.13	976.9%
Aug-03	1.28	0.8	0.90	142.2%
Aug-04	1.38	7.8	1.73	79.8%
Aug-05	1.80	30.4	1.79	100.6%
Aug-06	2.00	11.1	3.15	63.5%
Aug-07	3.00	50.0	3.31	90.6%
Dec-08	3.38	12.5	3.74	90.2%
Dec-09	3.58	5.9	2.53	141.3%
Dec-10	3.58	0.0	1.19	300.4%
Dec-11	3.58	0.0	1.10	325.0%
Dec-12	3.58	0.0	4.42	80.8%
Dec-13	3.61	1.0	2.18	165.5%
Dec-14	3.72	3.0	3.22	115.5%
Dec-15	3.91	5.0	4.08	95.8%
Dec-16	4.10	5.0	4.78	85.9%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Energy Transfer Partners, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**EV Energy EVEP FAIRLY VALUED****Buying Index™****5****Value Rating****Last Close**  
\$40.79**Stock Fair Value Range**  
\$31.00 - \$69.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.5**Div Growth Potential**  
GOOD**Dividend Yield**  
7.53%

**EV Energy's primary business objective is to manage its oil/natural gas assets for the purpose of generating cash flows and providing stability and growth of distributions per unit.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$1,394
Avg Weekly Vol (30 wks)	1,656
30-week Range (USD)	39.15 - 65.89
Valuentum Sector	Energy
Last Fiscal Year Revenue	262
Last Fiscal Year EPS	3.00
Last Fiscal Year EBITDA	123
Forward Revenue Growth (5-yr)	17.3%
Forward EPS Growth (5-yr)	-6.9%

**Dividend Vitals**

Current Annual Dividend Yield %	7.5%
Annual Dividends Per Share	3.07
Forward Dividend Payout Ratio	-799.9%
3-yr Historical Dividend CAGR	0.7%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	90.7%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,019.75	76.75
50	2,039.50	153.50
100	4,079.00	307.00
200	8,158.00	614.00
300	12,237.00	921.00
400	16,316.00	1,228.00
500	20,395.00	1,535.00
1,000	40,790.00	3,070.00
2,000	81,580.00	6,140.00
5,000	203,950.00	15,350.00
10,000	407,900.00	30,700.00
50,000	2,039,500.00	153,500.00
100,000	4,079,000.00	307,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.5**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. EV Energy scores a 1.5 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. EV Energy registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$3.62 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. EV Energy registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>7.53%</b>
Annual Dividends per Share	<b>\$3.07</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$752.64</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.5</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

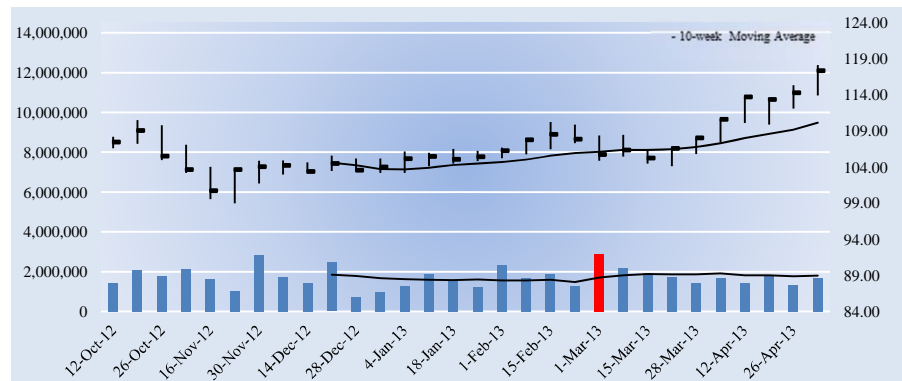
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
Dec-06	0.00	0.0	0.43	0.0%
Dec-07	1.92	0.0	0.74	259.5%
Dec-08	2.67	39.1	11.14	24.0%
Dec-09	3.01	12.7	-0.29	-1037.9%
Dec-10	3.03	0.7	3.34	90.7%
Dec-11	3.04	0.3	2.68	113.4%
<b>Dec-12</b>	<b>3.07</b>	<b>1.0</b>	<b>-0.38</b>	<b>-799.9%</b>
Dec-13	3.10	1.0	0.01	30700.0%
Dec-14	3.19	3.0	0.68	466.7%
Dec-15	3.35	5.0	1.39	240.6%
Dec-16	3.62	8.0	2.09	172.9%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on EV Energy, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Federal Realty FRT FAIRLY VALUED****Buying Index™ 6****Value Rating****Last Close**  
\$117.37**Stock Fair Value Range**  
\$62.00 - \$130.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.7**Div Growth Potential**  
GOOD**Dividend Yield**  
2.49%

**We like the potential growth and safety of Federal Realty's dividend, but the yield is a bit low to get us excited. We'd wait for a dividend increase or a pullback in the shares to consider it a nice income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$7,348
Avg Weekly Vol (30 wks)	1,714
30-week Range (USD)	99 - 118.13
Valuentum Sector	Financials
Last Fiscal Year Revenue	553
Last Fiscal Year EPS	2.01
Last Fiscal Year EBITDA	256
Forward Revenue Growth (5-yr)	6.0%
Forward EPS Growth (5-yr)	27.3%

**Dividend Vitals**

Current Annual Dividend Yield %	2.5%
Annual Dividends Per Share	2.92
Forward Dividend Payout Ratio	67.7%
3-yr Historical Dividend CAGR	3.7%
15-yr Historical Dividend CAGR	3.7%
3-yr Hist Median Div Payout Ratio	136.7%
15-yr Hist Median Div Payout Ratio	148.7%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,934.25	73.00
50	5,868.50	146.00
100	11,737.00	292.00
200	23,474.00	584.00
300	35,211.00	876.00
400	46,948.00	1,168.00
500	58,685.00	1,460.00
1,000	117,370.00	2,920.00
2,000	234,740.00	5,840.00
5,000	586,850.00	14,600.00
10,000	1,173,700.00	29,200.00
50,000	5,868,500.00	146,000.00
100,000	11,737,000.00	292,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.7**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Federal Realty scores a 2.7 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Federal Realty registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$3.55 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Federal Realty registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.49%</b>
Annual Dividends per Share	<b>\$2.92</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$248.79</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.7</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

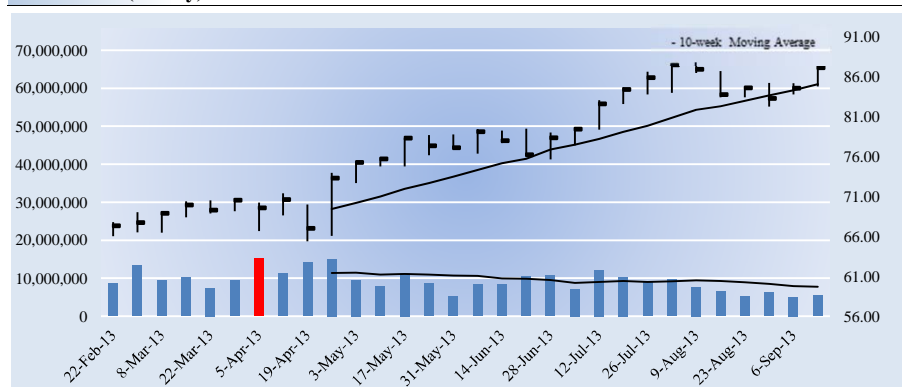
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	1.69	0.0	1.14	148.2%
Dec-98	1.73	2.4	0.94	184.0%
Dec-99	1.77	2.3	1.19	148.7%
Dec-00	1.82	2.8	1.26	144.4%
Dec-01	1.89	3.8	1.52	124.3%
Dec-02	1.93	2.1	0.60	321.7%
Dec-03	1.95	1.0	1.15	169.6%
Dec-04	1.98	1.5	1.12	176.8%
Dec-05	2.32	17.2	1.39	166.9%
Dec-06	2.44	5.2	1.48	164.9%
Dec-07	2.44	0.0	1.70	143.5%
Dec-08	2.48	1.6	1.95	127.2%
Dec-09	2.62	5.6	1.60	163.8%
Dec-10	2.66	1.5	1.96	135.7%
Dec-11	2.72	2.3	1.99	136.7%
<b>Dec-12</b>	<b>2.92</b>	<b>7.4</b>	<b>4.31</b>	<b>67.7%</b>
Dec-13	3.07	5.0	4.64	66.1%
Dec-14	3.22	5.0	5.30	60.8%
Dec-15	3.38	5.0	5.99	56.5%
Dec-16	3.55	5.0	6.71	52.9%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Federal Realty, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**General Dynamics GD FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$87.13**Stock Fair Value Range**  
\$65.00 - \$108.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.7**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.57%

**The growth potential and safety of General Dynamics' dividend are attractive, and the size of its yield makes the firm worth considering as a potential income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$30,783
Avg Weekly Vol (30 wks)	9,298
30-week Range (USD)	65.37 - 87.85
Valuentum Sector	Industrials
Last Fiscal Year Revenue	31,513
Last Fiscal Year EPS	-0.94
Last Fiscal Year EBITDA	3,447
Forward Revenue Growth (5-yr)	1.2%
Forward EPS Growth (5-yr)	-253.5%

**Dividend Vitals**

Current Annual Dividend Yield %	2.6%
Annual Dividends Per Share	2.24
Forward Dividend Payout Ratio	31.9%
3-yr Historical Dividend CAGR	11.0%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	24.0%
15-yr Hist Median Div Payout Ratio	21.5%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,178.25	56.00
50	4,356.50	112.00
100	8,713.00	224.00
200	17,426.00	448.00
300	26,139.00	672.00
400	34,852.00	896.00
500	43,565.00	1,120.00
1,000	87,130.00	2,240.00
2,000	174,260.00	4,480.00
5,000	435,650.00	11,200.00
10,000	871,300.00	22,400.00
50,000	4,356,500.00	112,000.00
100,000	8,713,000.00	224,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.7**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. General Dynamics scores a 2.7 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. General Dynamics registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.13 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. General Dynamics registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.57%</b>
Annual Dividends per Share	<b>\$2.24</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$257.09</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.7</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	NA	0.0	1.43	0.0%
Dec-99	NA	0.0	2.18	0.0%
Dec-00	NA	0.0	2.24	0.0%
Dec-01	NA	0.0	2.33	0.0%
Dec-02	NA	0.0	2.59	0.0%
Dec-03	0.63	0.0	2.50	25.2%
Dec-04	0.70	11.1	2.99	23.4%
Dec-05	0.78	11.4	3.63	21.5%
Dec-06	1.12	43.6	4.20	26.7%
Dec-07	1.12	0.0	5.10	22.0%
Dec-08	1.12	0.0	6.22	18.0%
Dec-09	1.49	33.0	6.20	24.0%
Dec-10	1.64	10.1	6.82	24.0%
Dec-11	1.83	11.6	6.94	26.4%
Dec-12	2.04	11.5	-0.94	-217.0%
<b>Dec-13</b>	<b>2.24</b>	<b>9.8</b>	<b>7.03</b>	<b>31.9%</b>
Jan-15	2.44	9.0	7.31	33.4%
Jan-16	2.66	9.0	7.43	35.8%
Dec-16	2.90	9.0	7.66	37.9%
Dec-17	3.13	8.0	8.01	39.1%

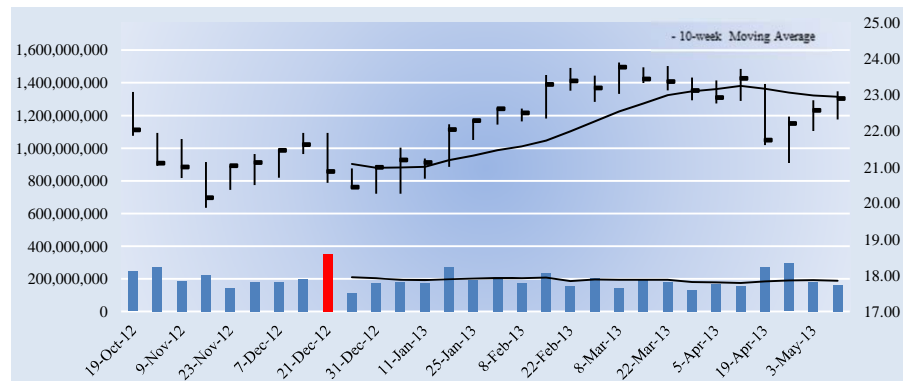
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on General Dynamics, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**General Electric GE FAIRLY VALUED****Buying Index™****4****Value Rating****Last Close**  
\$22.90**Stock Fair Value Range**  
\$22.00 - \$34.00**Dividend Track Record**  
RISKY**Dividend Safety / Cushion™**  
GOOD / 2.2**Div Growth Potential**  
GOOD**Dividend Yield**  
3.32%

**General Electric stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$241,916
Avg Weekly Vol (30 wks)	198,227
30-week Range (USD)	19.87 - 23.9
Valuentum Sector	Industrials
Last Fiscal Year Revenue	147,359
Last Fiscal Year EPS	1.39
Last Fiscal Year EBITDA	39,260
Forward Revenue Growth (5-yr)	1.6%
Forward EPS Growth (5-yr)	12.7%

**Dividend Vitals**

Current Annual Dividend Yield %	3.3%
Annual Dividends Per Share	0.76
Forward Dividend Payout Ratio	45.3%
3-yr Historical Dividend CAGR	18.2%
15-yr Historical Dividend CAGR	9.3%
3-yr Hist Median Div Payout Ratio	49.6%
15-yr Hist Median Div Payout Ratio	40.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	572.50	19.00
50	1,145.00	38.00
100	2,290.00	76.00
200	4,580.00	152.00
300	6,870.00	228.00
400	9,160.00	304.00
500	11,450.00	380.00
1,000	22,900.00	760.00
2,000	45,800.00	1,520.00
5,000	114,500.00	3,800.00
10,000	229,000.00	7,600.00
50,000	1,145,000.00	38,000.00
100,000	2,290,000.00	76,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. General Electric scores a 2.2 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. General Electric registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$1.09 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. General Electric registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.32%</b>
Annual Dividends per Share	<b>\$0.76</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$331.88</b>
Dividend Track Record	<b>RISKY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.2</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****RISKY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.20	0.0	0.93	21.5%
Dec-99	0.24	17.5	1.07	22.0%
Dec-00	0.28	17.0	1.27	21.7%
Dec-01	0.32	16.4	1.41	22.7%
Dec-02	0.36	12.5	1.51	23.8%
Dec-03	0.38	5.6	1.55	24.5%
Dec-04	0.60	57.9	1.59	37.7%
Dec-05	0.88	46.7	1.72	51.2%
Dec-06	1.00	13.6	1.99	50.3%
Dec-07	1.12	12.0	2.20	50.9%
Dec-08	1.24	10.7	1.78	69.7%
Dec-09	0.61	-50.8	1.03	59.2%
Dec-10	0.46	-24.6	1.15	40.0%
Dec-11	0.61	32.6	1.23	49.6%
Dec-12	0.70	14.8	1.39	50.4%
<b>Dec-13</b>	<b>0.76</b>	<b>8.6</b>	<b>1.68</b>	<b>45.3%</b>
Jan-15	0.85	12.0	1.84	46.3%
Jan-16	0.94	10.0	2.06	45.5%
Dec-16	1.01	8.0	2.28	44.3%
Dec-17	1.09	8.0	2.52	43.3%

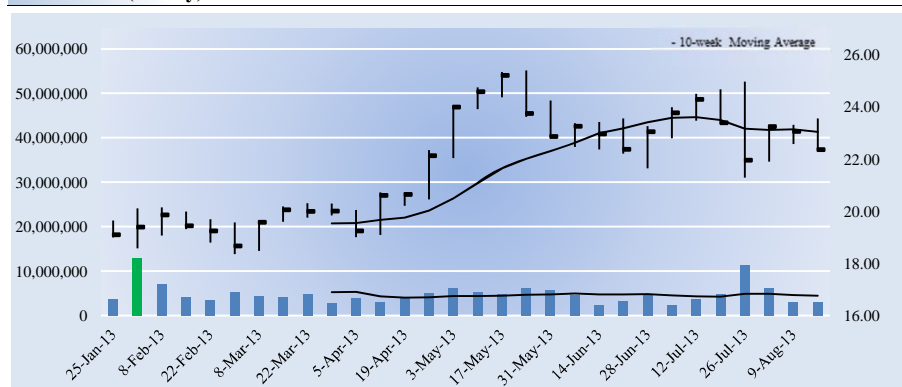
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on General Electric, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Gentex GNTX FAIRLY VALUED****Buying Index™****3****Value Rating****Last Close**  
\$22.36**Stock Fair Value Range**  
\$17.00 - \$29.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.50%

**Gentex boasts a solid dividend, but its exposure to the cyclical automotive end market could cause volatility in future growth relative to our forecasts.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$3,219
Avg Weekly Vol (30 wks)	4,901
30-week Range (USD)	18.36 - 25.4
Valuentum Sector	Consumer Discretionary
Last Fiscal Year Revenue	1,100
Last Fiscal Year EPS	1.17
Last Fiscal Year EBITDA	290
Forward Revenue Growth (5-yr)	6.5%
Forward EPS Growth (5-yr)	7.6%

**Dividend Vitals**

Current Annual Dividend Yield %	2.5%
Annual Dividends Per Share	0.56
Forward Dividend Payout Ratio	41.4%
3-yr Historical Dividend CAGR	8.4%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	43.6%
15-yr Hist Median Div Payout Ratio	43.1%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	559.00	14.00
50	1,118.00	28.00
100	2,236.00	56.00
200	4,472.00	112.00
300	6,708.00	168.00
400	8,944.00	224.00
500	11,180.00	280.00
1,000	22,360.00	560.00
2,000	44,720.00	1,120.00
5,000	111,800.00	2,800.00
10,000	223,600.00	5,600.00
50,000	1,118,000.00	28,000.00
100,000	2,236,000.00	56,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Gentex scores a 3 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Gentex registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$0.77 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Gentex registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.50%</b>
Annual Dividends per Share	<b>\$0.56</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$250.45</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>3.0</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

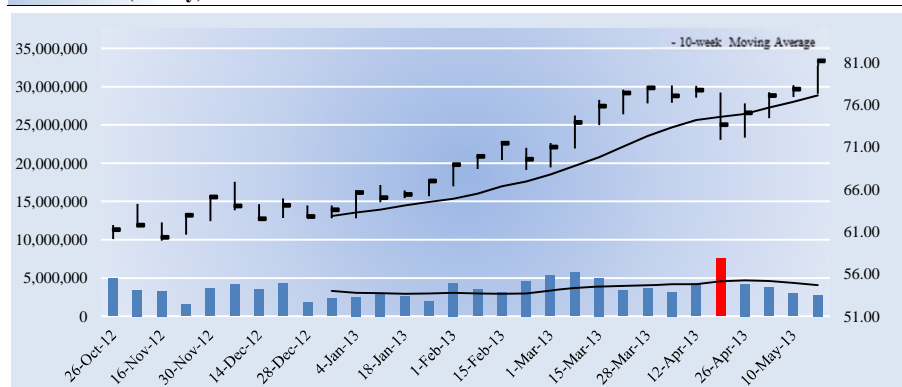
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.00	0.0	0.34	0.0%
Dec-99	0.00	0.0	0.43	0.0%
Dec-00	0.00	0.0	0.47	0.0%
Dec-01	0.00	0.0	0.43	0.0%
Dec-02	0.00	0.0	0.56	0.0%
Dec-03	0.08	0.0	0.69	11.6%
Dec-04	0.31	287.5	0.72	43.1%
Dec-05	0.35	12.9	0.70	50.0%
Dec-06	0.37	5.7	0.73	50.7%
Dec-07	0.39	5.4	0.85	45.9%
Dec-08	0.43	10.3	0.44	97.7%
Dec-09	0.44	2.3	0.47	93.6%
Dec-10	0.44	0.0	0.98	44.9%
Dec-11	0.47	6.8	1.14	41.2%
Dec-12	0.51	8.5	1.17	43.6%
<b>Dec-13</b>	<b>0.56</b>	<b>9.8</b>	<b>1.35</b>	<b>41.4%</b>
Jan-15	0.61	9.0	1.45	42.0%
Jan-16	0.66	8.0	1.56	42.4%
Dec-16	0.71	8.0	1.64	43.5%
Dec-17	0.77	8.0	1.69	45.6%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Gentex, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Genuine Parts GPC FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$81.25**Stock Fair Value Range**  
\$53.00 - \$89.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.6**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.65%

**The growth potential and safety of Genuine Parts' dividend are attractive, and the size of its yield makes the firm worth considering as a potential income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$12,810
Avg Weekly Vol (30 wks)	3,673
30-week Range (USD)	59.93 - 81.27
Valuentum Sector	Consumer Discretionary
Last Fiscal Year Revenue	12,459
Last Fiscal Year EPS	3.58
Last Fiscal Year EBITDA	998
Forward Revenue Growth (5-yr)	6.1%
Forward EPS Growth (5-yr)	14.3%

**Dividend Vitals**

Current Annual Dividend Yield %	2.6%
Annual Dividends Per Share	2.15
Forward Dividend Payout Ratio	51.9%
3-yr Historical Dividend CAGR	10.4%
15-yr Historical Dividend CAGR	5.7%
3-yr Hist Median Div Payout Ratio	54.7%
15-yr Hist Median Div Payout Ratio	50.3%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,031.25	53.75
50	4,062.50	107.50
100	8,125.00	215.00
200	16,250.00	430.00
300	24,375.00	645.00
400	32,500.00	860.00
500	40,625.00	1,075.00
1,000	81,250.00	2,150.00
2,000	162,500.00	4,300.00
5,000	406,250.00	10,750.00
10,000	812,500.00	21,500.00
50,000	4,062,500.00	107,500.00
100,000	8,125,000.00	215,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Genuine Parts scores a 1.6 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Genuine Parts registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.09 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Genuine Parts registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.65%</b>
Annual Dividends per Share	<b>\$2.15</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$264.62</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.6</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

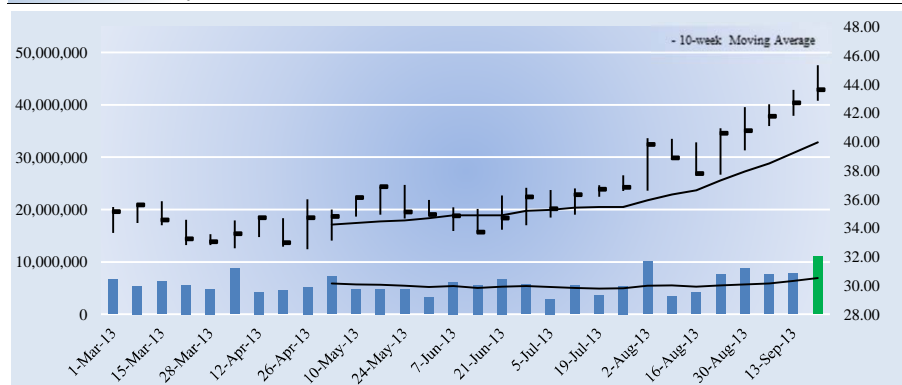
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	0.94	NA	1.90	49.5%
Dec-98	0.99	5.3	1.98	50.0%
Dec-99	1.03	4.0	2.11	48.8%
Dec-00	1.09	5.8	2.20	49.5%
Dec-01	1.13	3.7	1.71	66.1%
Dec-02	1.16	2.7	2.10	55.2%
Dec-03	1.18	1.7	2.03	58.1%
Dec-04	1.20	1.7	2.25	53.3%
Dec-05	1.24	3.3	2.50	49.6%
Dec-06	1.33	7.3	2.76	48.2%
Dec-07	1.43	7.5	2.98	48.0%
Dec-08	1.54	7.7	2.92	52.7%
Dec-09	1.60	3.9	2.50	64.0%
Dec-10	1.64	2.5	3.00	54.7%
Dec-11	1.80	9.8	3.58	50.3%
<b>Dec-12</b>	<b>2.15</b>	<b>19.4</b>	<b>4.14</b>	<b>51.9%</b>
Dec-13	2.41	12.0	4.55	53.0%
Dec-14	2.65	10.0	5.33	49.7%
Dec-15	2.86	8.0	6.15	46.5%
Dec-16	3.09	8.0	6.98	44.3%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Genuine Parts, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Garmin GRMN FAIRLY VALUED****Buying Index™****5****Value Rating****Last Close**  
\$43.61**Stock Fair Value Range**  
\$31.00 - \$47.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
4.13%

**Garmin stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$8,557
Avg Weekly Vol (30 wks)	5,930
30-week Range (USD)	32.52 - 45.33
Valuentum Sector	Industrials
Last Fiscal Year Revenue	2,716
Last Fiscal Year EPS	2.76
Last Fiscal Year EBITDA	695
Forward Revenue Growth (5-yr)	0.2%
Forward EPS Growth (5-yr)	0.4%

**Dividend Vitals**

Current Annual Dividend Yield %	4.1%
Annual Dividends Per Share	1.80
Forward Dividend Payout Ratio	74.3%
3-yr Historical Dividend CAGR	6.3%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	59.9%
15-yr Hist Median Div Payout Ratio	21.3%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,090.25	45.00
50	2,180.50	90.00
100	4,361.00	180.00
200	8,722.00	360.00
300	13,083.00	540.00
400	17,444.00	720.00
500	21,805.00	900.00
1,000	43,610.00	1,800.00
2,000	87,220.00	3,600.00
5,000	218,050.00	9,000.00
10,000	436,100.00	18,000.00
50,000	2,180,500.00	90,000.00
100,000	4,361,000.00	180,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Garmin scores a 2 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Garmin registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.49 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Garmin registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>4.13%</b>
Annual Dividends per Share	<b>\$1.80</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$412.75</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.0</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

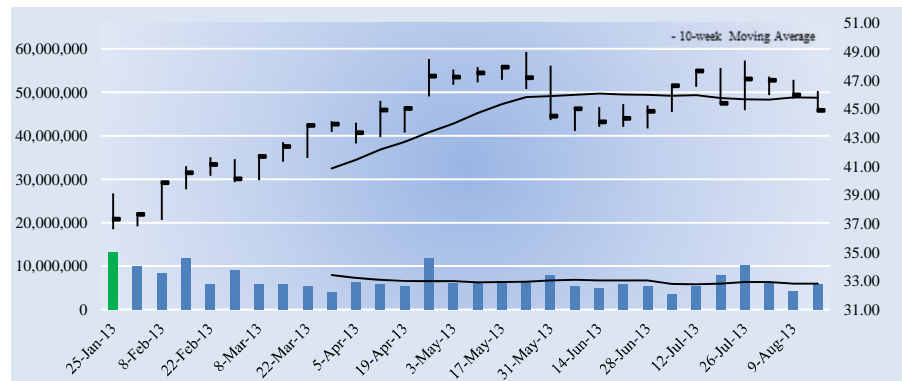
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.32	0.0%
Dec-00	0.00	0.0	0.53	0.0%
Dec-01	0.00	0.0	0.53	0.0%
Dec-02	0.00	0.0	0.66	0.0%
Dec-03	0.25	0.0	0.82	30.5%
Dec-04	0.25	0.0	0.95	26.3%
Dec-05	0.25	0.0	1.43	17.5%
Dec-06	0.50	100.0	2.35	21.3%
Dec-07	0.75	50.0	3.89	19.3%
Dec-08	0.75	0.0	3.48	21.6%
Dec-09	0.75	0.0	3.50	21.4%
Dec-10	1.50	100.0	2.95	50.8%
Dec-11	1.60	6.7	2.67	59.9%
Dec-12	1.75	9.4	2.76	63.4%
<b>Dec-13</b>	<b>1.80</b>	<b>2.9</b>	<b>2.42</b>	<b>74.3%</b>
Dec-14	1.98	10.0	2.46	80.3%
Dec-15	2.14	8.0	2.55	83.9%
Dec-16	2.31	8.0	2.67	86.6%
Dec-17	2.49	8.0	2.82	88.6%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Garmin, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Hasbro HAS UNDERVALUED 0.2%****Buying Index™****6****Value Rating****Last Close**  
\$44.90**Stock Fair Value Range**  
\$45.00 - \$75.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.56%

**Hasbro has been paying dividends since 1977. The company paid an extra quarterly dividend in 2012, which makes comparisons difficult, but we like its future dividend growth prospects.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$5,923
Avg Weekly Vol (30 wks)	6,926
30-week Range (USD)	36.6 - 48.97
Valuentum Sector	Consumer Discretionary
Last Fiscal Year Revenue	4,089
Last Fiscal Year EPS	2.55
Last Fiscal Year EBITDA	786
Forward Revenue Growth (5-yr)	2.1%
Forward EPS Growth (5-yr)	15.8%

**Dividend Vitals**

Current Annual Dividend Yield %	3.6%
Annual Dividends Per Share	1.60
Forward Dividend Payout Ratio	54.8%
3-yr Historical Dividend CAGR	19.0%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	40.8%
15-yr Hist Median Div Payout Ratio	30.3%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,122.50	40.00
50	2,245.00	80.00
100	4,490.00	160.00
200	8,980.00	320.00
300	13,470.00	480.00
400	17,960.00	640.00
500	22,450.00	800.00
1,000	44,900.00	1,600.00
2,000	89,800.00	3,200.00
5,000	224,500.00	8,000.00
10,000	449,000.00	16,000.00
50,000	2,245,000.00	80,000.00
100,000	4,490,000.00	160,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Hasbro scores a 2 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Hasbro registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.18 per share within the next several years.

**Risk of Capital Loss****LOW**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Hasbro registers a score of LOW on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.56%</b>
Annual Dividends per Share	<b>\$1.60</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$356.35</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.0</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>LOW</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	NA	0.0	1.01	0.0%
Dec-99	NA	0.0	0.93	0.0%
Dec-00	NA	0.0	-0.82	0.0%
Dec-01	NA	0.0	0.35	0.0%
Dec-02	0.12	0.0	0.43	27.9%
Dec-03	0.12	0.0	0.98	12.2%
Dec-04	0.21	75.0	0.96	21.9%
Dec-05	0.33	57.1	1.09	30.3%
Dec-06	0.45	36.4	1.29	34.9%
Dec-07	0.60	33.3	1.97	30.5%
Dec-08	0.76	26.7	2.00	38.0%
Dec-09	0.80	5.3	2.48	32.3%
Dec-10	0.95	18.8	2.74	34.7%
Dec-11	1.15	21.1	2.82	40.8%
Dec-12	1.74	51.3	2.55	68.2%
<b>Dec-13</b>	<b>1.60</b>	<b>-8.0</b>	<b>2.92</b>	<b>54.8%</b>
Jan-15	1.73	8.0	3.24	53.3%
Jan-16	1.87	8.0	3.94	47.4%
Dec-16	2.02	8.0	4.64	43.5%
Dec-17	2.18	8.0	5.30	41.0%

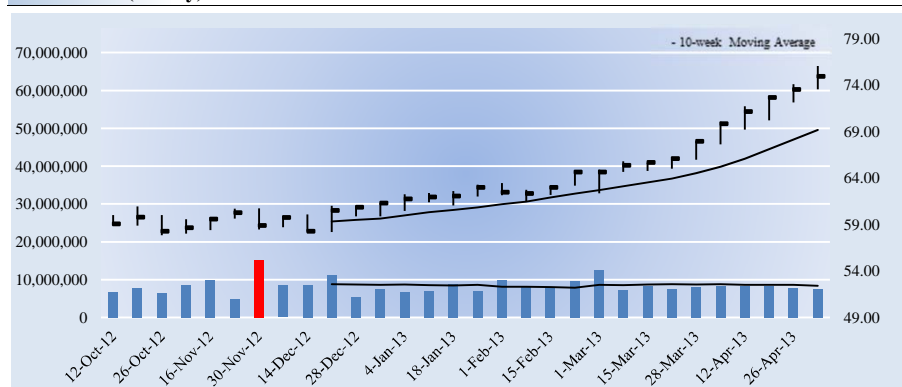
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Hasbro, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Health Care REIT HCN FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$74.90**Stock Fair Value Range**  
\$53.00 - \$95.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 3.6**Div Growth Potential**  
GOOD**Dividend Yield**  
4.09%

**Health Care REIT stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$13,063
Avg Weekly Vol (30 wks)	8,353
30-week Range (USD)	57.82 - 76
Valuentum Sector	Financials
Last Fiscal Year Revenue	1,380
Last Fiscal Year EPS	2.75
Last Fiscal Year EBITDA	852
Forward Revenue Growth (5-yr)	17.0%
Forward EPS Growth (5-yr)	6.1%

**Dividend Vitals**

Current Annual Dividend Yield %	4.1%
Annual Dividends Per Share	3.06
Forward Dividend Payout Ratio	86.8%
3-yr Historical Dividend CAGR	4.0%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	473.3%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,872.50	76.50
50	3,745.00	153.00
100	7,490.00	306.00
200	14,980.00	612.00
300	22,470.00	918.00
400	29,960.00	1,224.00
500	37,450.00	1,530.00
1,000	74,900.00	3,060.00
2,000	149,800.00	6,120.00
5,000	374,500.00	15,300.00
10,000	749,000.00	30,600.00
50,000	3,745,000.00	153,000.00
100,000	7,490,000.00	306,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion EXCELLENT / 3.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Health Care REIT scores a 3.6 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Health Care REIT registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$3.72 per share within the next several years.

**Risk of Capital Loss MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Health Care REIT registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	4.09%
Annual Dividends per Share	\$3.06
Initial Annual Div's Paid, \$10k Investment	\$408.54
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	3.6
Dividend Growth Potential	GOOD
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

		Dividend Growth			
Dividend Safety		Very Poor	Poor	Good	Excellent
Excellent					
Good					
Poor					
Very Poor					

Firms that have safe and growing dividends score at the top right of our scale.

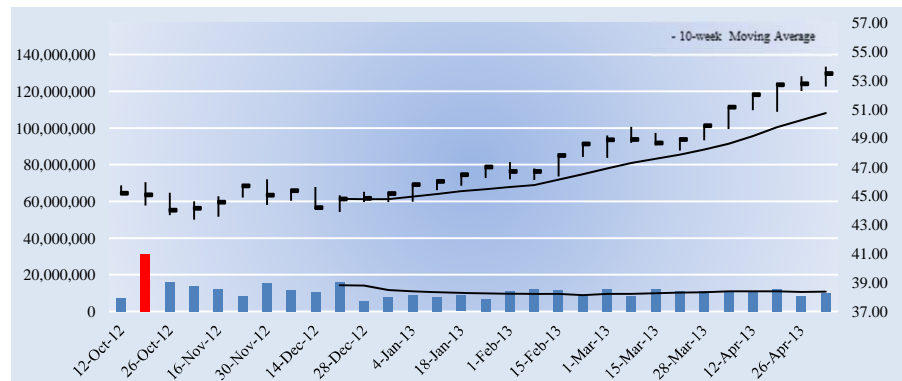
**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	NA	0.0	2.12	0.0%
Dec-98	NA	0.0	2.24	0.0%
Dec-99	NA	0.0	2.21	0.0%
Dec-00	NA	0.0	1.91	0.0%
Dec-01	NA	0.0	1.52	0.0%
Dec-02	NA	0.0	1.47	0.0%
Dec-03	NA	0.0	1.44	0.0%
Dec-04	NA	0.0	1.38	0.0%
Dec-05	NA	0.0	1.06	0.0%
Dec-06	NA	0.0	1.32	0.0%
Dec-07	2.28	0.0	1.26	181.0%
Dec-08	2.70	18.4	1.35	200.0%
Dec-09	2.72	0.7	1.22	223.0%
Dec-10	2.74	0.7	0.49	559.2%
Dec-11	2.84	3.6	0.60	473.3%
<b>Dec-12</b>	<b>3.06</b>	<b>7.7</b>	<b>3.52</b>	<b>86.8%</b>
Dec-13	3.21	5.0	3.80	84.6%
Dec-14	3.37	5.0	3.84	87.9%
Dec-15	3.54	5.0	3.80	93.2%
Dec-16	3.72	5.0	3.69	100.7%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Health Care REIT, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**HCP HCP FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$53.47**Stock Fair Value Range**  
\$38.00 - \$68.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 4.4**Div Growth Potential**  
GOOD**Dividend Yield**  
3.93%**HCP has an enviable track record of raising its dividend, and the firm's dividend metrics remain strong.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$21,400
Avg Weekly Vol (30 wks)	11,323
30-week Range (USD)	43.35 - 53.96
Valuentum Sector	Financials
Last Fiscal Year Revenue	1,601
Last Fiscal Year EPS	2.42
Last Fiscal Year EBITDA	1,281
Forward Revenue Growth (5-yr)	10.5%
Forward EPS Growth (5-yr)	2.6%

**Dividend Vitals**

Current Annual Dividend Yield %	3.9%
Annual Dividends Per Share	2.10
Forward Dividend Payout Ratio	75.6%
3-yr Historical Dividend CAGR	4.5%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	200.0%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,336.75	52.50
50	2,673.50	105.00
100	5,347.00	210.00
200	10,694.00	420.00
300	16,041.00	630.00
400	21,388.00	840.00
500	26,735.00	1,050.00
1,000	53,470.00	2,100.00
2,000	106,940.00	4,200.00
5,000	267,350.00	10,500.00
10,000	534,700.00	21,000.00
50,000	2,673,500.00	105,000.00
100,000	5,347,000.00	210,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 4.4**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. HCP scores a 4.4 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. HCP registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$2.55 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. HCP registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.93%</b>
Annual Dividends per Share	<b>\$2.10</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$392.74</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>4.4</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

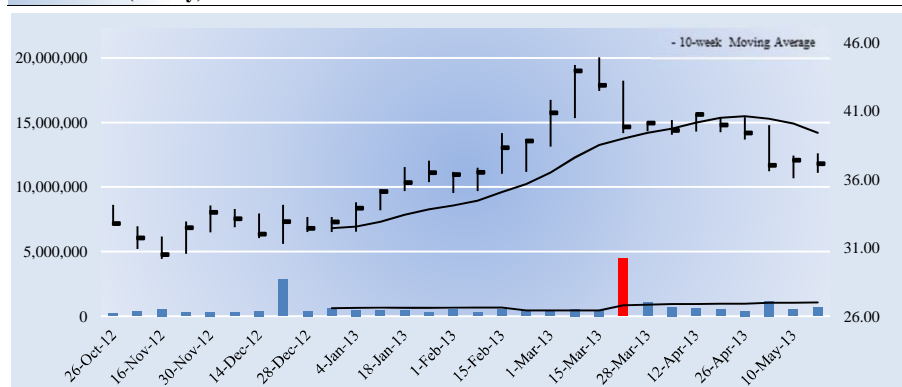
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	NA	0.0	1.10	0.0%
Dec-98	NA	0.0	1.27	0.0%
Dec-99	NA	0.0	1.13	0.0%
Dec-00	NA	0.0	1.07	0.0%
Dec-01	NA	0.0	0.89	0.0%
Dec-02	NA	0.0	0.97	0.0%
Dec-03	NA	0.0	0.94	0.0%
Dec-04	NA	0.0	1.03	0.0%
Dec-05	NA	0.0	1.02	0.0%
Dec-06	NA	0.0	0.57	0.0%
Dec-07	1.78	0.0	0.67	265.7%
Dec-08	1.82	2.2	0.77	236.4%
Dec-09	1.84	1.1	0.25	736.0%
Dec-10	1.86	1.1	0.93	200.0%
Dec-11	1.92	3.2	1.28	150.0%
<b>Dec-12</b>	<b>2.10</b>	<b>9.4</b>	<b>2.78</b>	<b>75.6%</b>
Dec-13	2.21	5.0	3.01	73.3%
Dec-14	2.32	5.0	2.98	77.7%
Dec-15	2.43	5.0	2.90	84.0%
Dec-16	2.55	5.0	2.76	92.6%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on HCP, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Holly Energy HEP FAIRLY VALUED****Buying Index™****3****Value Rating****Last Close**  
\$37.15**Stock Fair Value Range**  
\$30.00 - \$54.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 2.9**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
5.14%**Holly's distribution has increased every quarter since its IPO (30+ quarters).****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$1,697
Avg Weekly Vol (30 wks)	707
30-week Range (USD)	30.19 - 44.9
Valuentum Sector	Energy
Last Fiscal Year Revenue	214
Last Fiscal Year EPS	3.42
Last Fiscal Year EBITDA	147
Forward Revenue Growth (5-yr)	13.3%
Forward EPS Growth (5-yr)	-0.1%

**Dividend Vitals**

Current Annual Dividend Yield %	5.1%
Annual Dividends Per Share	1.91
Forward Dividend Payout Ratio	147.7%
3-yr Historical Dividend CAGR	7.0%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	73.6%
15-yr Hist Median Div Payout Ratio	55.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	928.75	47.75
50	1,857.50	95.50
100	3,715.00	191.00
200	7,430.00	382.00
300	11,145.00	573.00
400	14,860.00	764.00
500	18,575.00	955.00
1,000	37,150.00	1,910.00
2,000	74,300.00	3,820.00
5,000	185,750.00	9,550.00
10,000	371,500.00	19,100.00
50,000	1,857,500.00	95,500.00
100,000	3,715,000.00	191,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 2.9**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Holly Energy scores a 2.9 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Holly Energy registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.28 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Holly Energy registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	5.14%
Annual Dividends per Share	\$1.91
Initial Annual Div's Paid, \$10k Investment	\$514.13
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	2.9
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

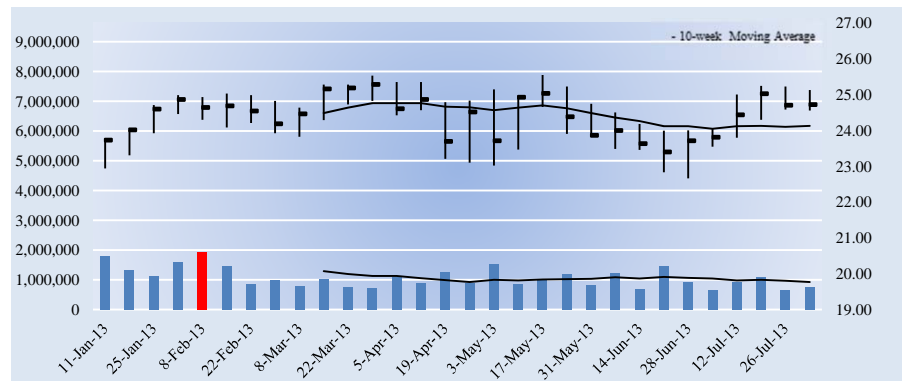
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
Dec-04	0.44	0.0	0.80	55.0%
Dec-05	1.12	153.4	1.70	65.6%
Dec-06	1.30	16.1	1.60	80.9%
Dec-07	1.40	7.7	2.26	61.7%
Dec-08	1.48	6.1	1.34	110.4%
Dec-09	1.56	5.4	2.12	73.6%
Dec-10	1.64	5.1	2.12	77.4%
Dec-11	1.72	4.9	2.68	64.2%
Dec-12	1.91	11.0	1.29	147.7%
Dec-13	2.01	5.0	1.27	157.6%
Dec-14	2.11	5.0	1.96	107.3%
Dec-15	2.19	4.0	2.68	81.8%
Dec-16	2.28	4.0	3.39	67.1%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Holly Energy, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Hillenbrand HI FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$24.72**Stock Fair Value Range**  
\$19.00 - \$31.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.5**Div Growth Potential**  
GOOD**Dividend Yield**  
3.16%

**Hillenbrand's dividend profile isn't bad, though future growth in the dividend looks like it will be meager.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$1,543
Avg Weekly Vol (30 wks)	1,080
30-week Range (USD)	22.66 - 25.54
Valuentum Sector	Consumer Discretionary
Last Fiscal Year Revenue	983
Last Fiscal Year EPS	1.68
Last Fiscal Year EBITDA	189
Forward Revenue Growth (5-yr)	15.9%
Forward EPS Growth (5-yr)	10.1%

**Dividend Vitals**

Current Annual Dividend Yield %	3.2%
Annual Dividends Per Share	0.78
Forward Dividend Payout Ratio	40.9%
3-yr Historical Dividend CAGR	1.3%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	45.8%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	618.00	19.50
50	1,236.00	39.00
100	2,472.00	78.00
200	4,944.00	156.00
300	7,416.00	234.00
400	9,888.00	312.00
500	12,360.00	390.00
1,000	24,720.00	780.00
2,000	49,440.00	1,560.00
5,000	123,600.00	3,900.00
10,000	247,200.00	7,800.00
50,000	1,236,000.00	39,000.00
100,000	2,472,000.00	78,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.5**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Hillenbrand scores a 1.5 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Hillenbrand registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$0.81 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Hillenbrand registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.16%</b>
Annual Dividends per Share	<b>\$0.78</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$315.53</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.5</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

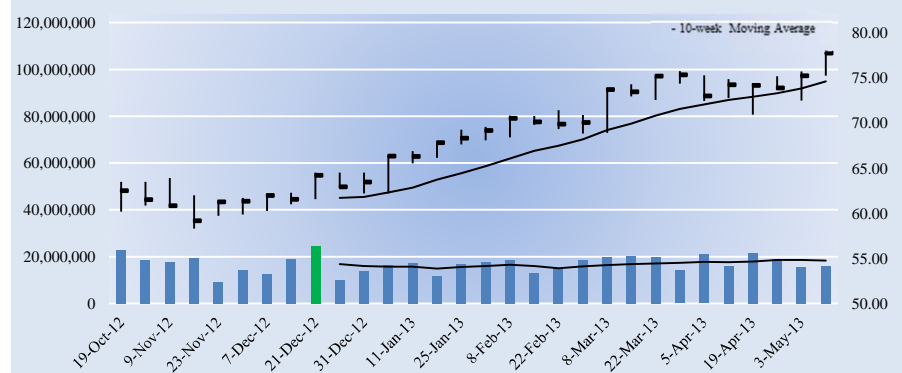
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	1.49	0.0%
Sep-09	0.74	0.0	1.66	44.6%
Sep-10	0.75	1.4	1.49	50.3%
Sep-11	0.76	1.3	1.71	44.4%
Sep-12	0.77	1.3	1.68	45.8%
<b>Sep-13</b>	<b>0.78</b>	<b>1.3</b>	<b>1.91</b>	<b>40.9%</b>
Oct-14	0.79	1.0	2.12	37.1%
Oct-15	0.80	1.0	2.37	33.6%
Sep-16	0.80	1.0	2.57	31.3%
Sep-17	0.81	1.0	2.71	29.9%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Hillenbrand, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Honeywell HON FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$77.74**Stock Fair Value Range**  
\$56.00 - \$94.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 2.9**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.11%

**We like the potential growth and safety of Honeywell's dividend, but the yield is a bit low to get us excited. We'd wait for a dividend increase or a pullback in the shares to consider it a nice income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$61,562
Avg Weekly Vol (30 wks)	17,020
30-week Range (USD)	58.29 - 78.08
Valuentum Sector	Industrials
Last Fiscal Year Revenue	37,665
Last Fiscal Year EPS	3.69
Last Fiscal Year EBITDA	5,082
Forward Revenue Growth (5-yr)	4.4%
Forward EPS Growth (5-yr)	11.5%

**Dividend Vitals**

Current Annual Dividend Yield %	2.1%
Annual Dividends Per Share	1.64
Forward Dividend Payout Ratio	32.8%
3-yr Historical Dividend CAGR	10.7%
15-yr Historical Dividend CAGR	6.9%
3-yr Hist Median Div Payout Ratio	46.7%
15-yr Hist Median Div Payout Ratio	36.6%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,943.50	41.00
50	3,887.00	82.00
100	7,774.00	164.00
200	15,548.00	328.00
300	23,322.00	492.00
400	31,096.00	656.00
500	38,870.00	820.00
1,000	77,740.00	1,640.00
2,000	155,480.00	3,280.00
5,000	388,700.00	8,200.00
10,000	777,400.00	16,400.00
50,000	3,887,000.00	82,000.00
100,000	7,774,000.00	164,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 2.9**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Honeywell scores a 2.9 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Honeywell registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.23 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Honeywell registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	2.11%
Annual Dividends per Share	\$1.64
Initial Annual Div's Paid, \$10k Investment	\$210.96
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	2.9
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.60	0.0	2.32	25.9%
Dec-99	0.68	13.3	1.90	35.8%
Dec-00	0.75	10.3	2.05	36.6%
Dec-01	0.75	0.0	-0.12	-625.0%
Dec-02	0.75	0.0	-0.27	-277.8%
Dec-03	0.75	0.0	1.56	48.1%
Dec-04	0.75	0.0	1.49	50.3%
Dec-05	0.83	10.7	1.86	44.6%
Dec-06	0.91	9.6	2.51	36.3%
Dec-07	1.00	9.9	3.16	31.6%
Dec-08	1.10	10.0	3.76	29.3%
Dec-09	1.21	10.0	2.85	42.5%
Dec-10	1.21	0.0	2.59	46.7%
Dec-11	1.37	13.2	2.35	58.3%
Dec-12	1.53	11.7	3.69	41.5%
<b>Dec-13</b>	<b>1.64</b>	<b>7.2</b>	<b>5.00</b>	<b>32.8%</b>
Jan-15	1.77	8.0	5.58	31.8%
Jan-16	1.91	8.0	5.88	32.5%
Dec-16	2.07	8.0	6.15	33.6%
Dec-17	2.23	8.0	6.36	35.1%

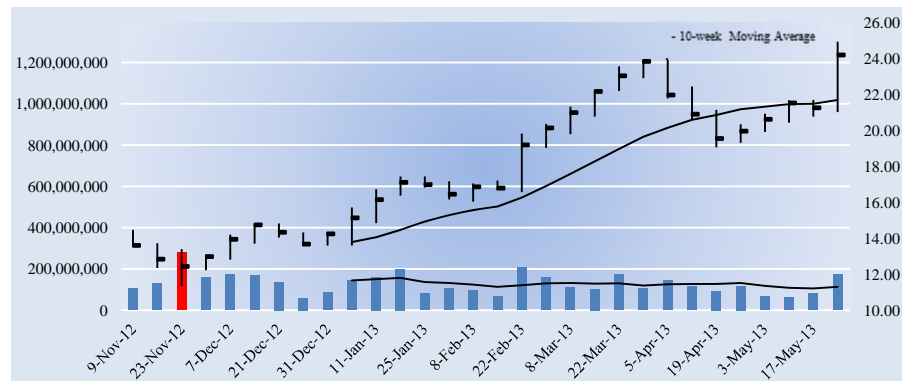
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Honeywell, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Hewlett-Packard HPQ FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$24.21**Stock Fair Value Range**  
\$20.00 - \$41.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 4**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.40%

**Though Hewlett-Packard scores well on the Dividend Cushion, the firm's turnaround could make the dividend more risky than our projections suggest. We'd still be cautious, and we're not adding it to our portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$47,791
Avg Weekly Vol (30 wks)	128,560
30-week Range (USD)	11.35 - 24.95
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	120,357
Last Fiscal Year EPS	-6.41
Last Fiscal Year EBITDA	14,384
Forward Revenue Growth (5-yr)	-1.6%
Forward EPS Growth (5-yr)	-190.1%

**Dividend Vitals**

Current Annual Dividend Yield %	2.4%
Annual Dividends Per Share	0.58
Forward Dividend Payout Ratio	16.1%
3-yr Historical Dividend CAGR	21.9%
15-yr Historical Dividend CAGR	4.5%
3-yr Hist Median Div Payout Ratio	8.7%
15-yr Hist Median Div Payout Ratio	14.7%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	605.25	14.50
50	1,210.50	29.00
100	2,421.00	58.00
200	4,842.00	116.00
300	7,263.00	174.00
400	9,684.00	232.00
500	12,105.00	290.00
1,000	24,210.00	580.00
2,000	48,420.00	1,160.00
5,000	121,050.00	2,900.00
10,000	242,100.00	5,800.00
50,000	1,210,500.00	29,000.00
100,000	2,421,000.00	58,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****EXCELLENT / 4**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Hewlett-Packard scores a 4 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Hewlett-Packard registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$0.67 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Hewlett-Packard registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.40%</b>
Annual Dividends per Share	<b>\$0.58</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$239.57</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>4.0</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

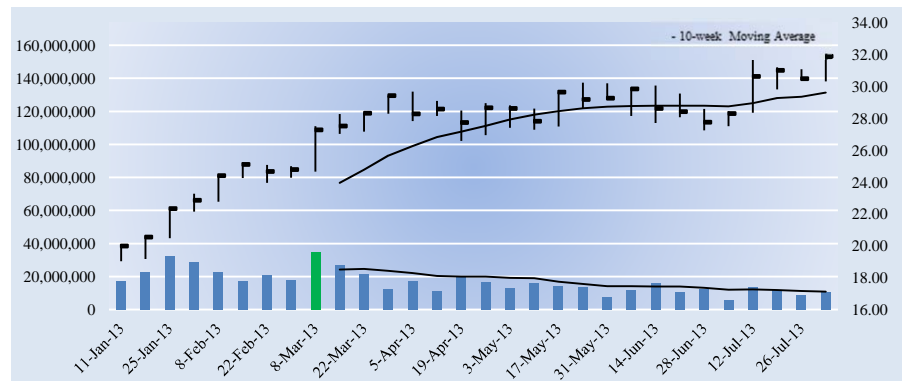
**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Oct-98	0.30	0.0	1.39	21.6%
Oct-99	0.32	6.7	1.49	21.5%
Oct-00	0.32	0.0	1.73	18.5%
Oct-01	0.32	0.0	0.32	100.0%
Oct-02	0.32	0.0	-0.37	-86.5%
Oct-03	0.32	0.0	0.83	38.6%
Oct-04	0.32	0.0	1.15	27.8%
Oct-05	0.32	0.0	0.82	39.0%
Oct-06	0.32	0.0	2.18	14.7%
Oct-07	0.32	0.0	2.68	11.9%
Oct-08	0.32	0.0	3.25	9.8%
Oct-09	0.32	0.0	3.14	10.2%
Oct-10	0.32	0.0	3.69	8.7%
Oct-11	0.40	25.0	3.32	12.0%
Oct-12	0.50	25.0	-6.41	-7.8%
<b>Oct-13</b>	<b>0.58</b>	<b>16.0</b>	<b>3.60</b>	<b>16.1%</b>
Nov-14	0.61	6.0	3.69	16.7%
Nov-15	0.65	6.0	3.74	17.4%
Oct-16	0.67	3.0	3.78	17.7%
Oct-17	0.67	0.0	3.81	17.6%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Hewlett-Packard, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**H&R Block HRB FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$31.89**Stock Fair Value Range**  
\$23.00 - \$38.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 3.6**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.51%**H&R Block's Dividend Cushion score is excellent.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$9,522
Avg Weekly Vol (30 wks)	16,904
30-week Range (USD)	19.04 - 32.09
Valuentum Sector	Consumer Discretionary
Last Fiscal Year Revenue	2,894
Last Fiscal Year EPS	1.16
Last Fiscal Year EBITDA	670
Forward Revenue Growth (5-yr)	2.9%
Forward EPS Growth (5-yr)	14.2%

**Dividend Vitals**

Current Annual Dividend Yield %	2.5%
Annual Dividends Per Share	0.80
Forward Dividend Payout Ratio	50.5%
3-yr Historical Dividend CAGR	10.1%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	44.4%
15-yr Hist Median Div Payout Ratio	38.6%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	797.25	20.00
50	1,594.50	40.00
100	3,189.00	80.00
200	6,378.00	160.00
300	9,567.00	240.00
400	12,756.00	320.00
500	15,945.00	400.00
1,000	31,890.00	800.00
2,000	63,780.00	1,600.00
5,000	159,450.00	4,000.00
10,000	318,900.00	8,000.00
50,000	1,594,500.00	40,000.00
100,000	3,189,000.00	80,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 3.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. H&R Block scores a 3.6 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. H&R Block registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.13 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. H&R Block registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.51%</b>
Annual Dividends per Share	<b>\$0.80</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$250.86</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>3.6</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

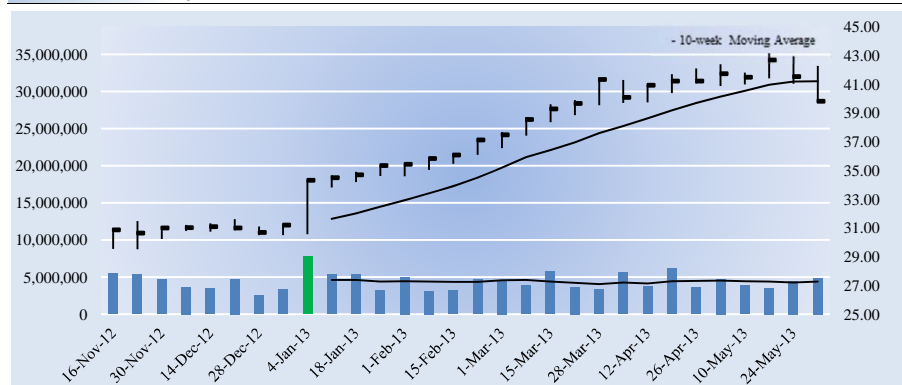
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Apr-98	NA	0.0	0.41	0.0%
Apr-99	NA	0.0	0.59	0.0%
Apr-00	0.27	0.0	0.64	42.2%
Apr-01	0.29	7.4	0.75	38.7%
Apr-02	0.32	10.3	1.16	27.6%
Apr-03	0.35	9.4	1.58	22.2%
Apr-04	0.39	11.4	1.95	20.0%
Apr-05	0.43	10.3	1.89	22.8%
Apr-06	0.49	14.0	1.47	33.3%
Apr-07	0.53	8.2	1.15	46.1%
Apr-08	0.56	5.7	1.39	40.3%
Apr-09	0.59	5.4	1.53	38.6%
Apr-10	0.60	1.7	1.46	41.1%
Apr-11	0.60	0.0	1.35	44.4%
Apr-12	0.70	16.7	1.16	60.3%
<b>Apr-13</b>	<b>0.80</b>	<b>14.3</b>	<b>1.59</b>	<b>50.5%</b>
May-14	0.88	10.0	1.88	46.8%
May-15	0.97	10.0	2.00	48.4%
Apr-16	1.05	8.0	2.12	49.2%
Apr-17	1.13	8.0	2.25	50.2%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on H&R Block, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Hormel Foods HRL FAIRLY VALUED****Buying Index™****3****Value Rating****Last Close**  
\$39.82**Stock Fair Value Range**  
\$24.00 - \$40.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 3.3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
1.71%**Hormel has posted over 45+ years of consecutive dividend increases.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$10,707
Avg Weekly Vol (30 wks)	4,425
30-week Range (USD)	29.53 - 43.17
Valuentum Sector	Consumer Staples
Last Fiscal Year Revenue	8,231
Last Fiscal Year EPS	1.86
Last Fiscal Year EBITDA	845
Forward Revenue Growth (5-yr)	5.2%
Forward EPS Growth (5-yr)	10.2%

**Dividend Vitals**

Current Annual Dividend Yield %	1.7%
Annual Dividends Per Share	0.68
Forward Dividend Payout Ratio	33.8%
3-yr Historical Dividend CAGR	17.4%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	29.3%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	995.50	17.00
50	1,991.00	34.00
100	3,982.00	68.00
200	7,964.00	136.00
300	11,946.00	204.00
400	15,928.00	272.00
500	19,910.00	340.00
1,000	39,820.00	680.00
2,000	79,640.00	1,360.00
5,000	199,100.00	3,400.00
10,000	398,200.00	6,800.00
50,000	1,991,000.00	34,000.00
100,000	3,982,000.00	68,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 3.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Hormel Foods scores a 3.3 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Hormel Foods registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$0.98 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Hormel Foods registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	1.71%
Annual Dividends per Share	\$0.68
Initial Annual Div's Paid, \$10k Investment	\$170.77
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	3.3
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

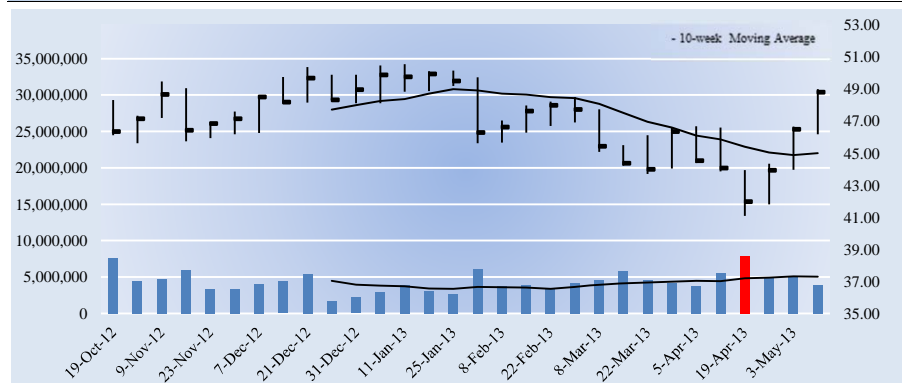
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Oct-98	NA	0.0	0.93	0.0%
Oct-99	NA	0.0	1.11	0.0%
Oct-00	NA	0.0	1.20	0.0%
Oct-01	NA	0.0	1.30	0.0%
Oct-02	NA	0.0	1.35	0.0%
Oct-03	NA	0.0	1.33	0.0%
Oct-04	NA	0.0	1.65	0.0%
Oct-05	NA	0.0	1.82	0.0%
Oct-06	NA	0.0	2.05	0.0%
Oct-07	NA	0.0	2.17	0.0%
Oct-08	0.38	0.0	2.08	18.3%
Oct-09	0.42	0.0	1.27	33.1%
Oct-10	0.42	0.0	1.46	28.8%
Oct-11	0.51	21.4	1.74	29.3%
Oct-12	0.60	17.6	1.86	32.3%
<b>Oct-13</b>	<b>0.68</b>	<b>13.3</b>	<b>2.01</b>	<b>33.8%</b>
Oct-14	0.76	12.0	2.27	33.5%
Oct-15	0.84	10.0	2.52	33.3%
Oct-16	0.90	8.0	2.77	32.7%
Oct-17	0.98	8.0	3.02	32.4%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Hormel Foods, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Harris Corp HRS FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$48.79**Stock Fair Value Range**  
\$37.00 - \$69.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.03%**Harris continues to raise its dividend at a nice clip.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$5,601
Avg Weekly Vol (30 wks)	4,399
30-week Range (USD)	41.08 - 50.53
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	5,451
Last Fiscal Year EPS	4.87
Last Fiscal Year EBITDA	1,201
Forward Revenue Growth (5-yr)	-1.0%
Forward EPS Growth (5-yr)	0.8%

**Dividend Vitals**

Current Annual Dividend Yield %	3.0%
Annual Dividends Per Share	1.48
Forward Dividend Payout Ratio	31.4%
3-yr Historical Dividend CAGR	18.9%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	21.7%
15-yr Hist Median Div Payout Ratio	18.4%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,219.75	37.00
50	2,439.50	74.00
100	4,879.00	148.00
200	9,758.00	296.00
300	14,637.00	444.00
400	19,516.00	592.00
500	24,395.00	740.00
1,000	48,790.00	1,480.00
2,000	97,580.00	2,960.00
5,000	243,950.00	7,400.00
10,000	487,900.00	14,800.00
50,000	2,439,500.00	74,000.00
100,000	4,879,000.00	148,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Harris Corp scores a 1.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Harris Corp registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.31 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Harris Corp registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.03%</b>
Annual Dividends per Share	<b>\$1.48</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$303.34</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.3</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

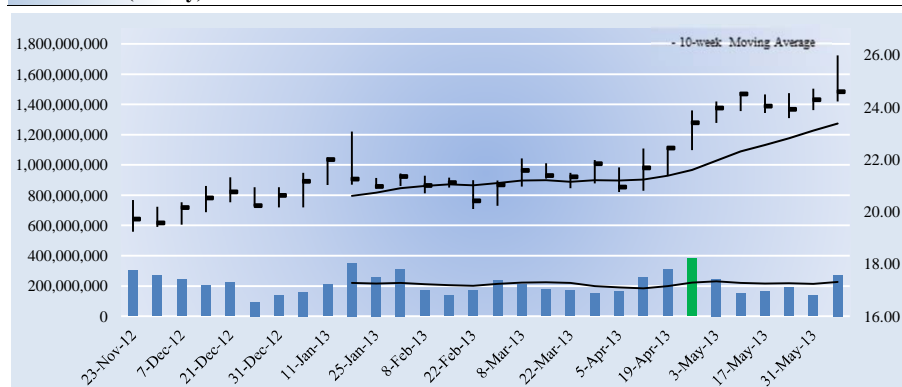
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Jun-98	NA	0.0	0.83	0.0%
Jun-99	NA	0.0	0.32	0.0%
Jun-00	NA	0.0	0.17	0.0%
Jun-01	NA	0.0	0.16	0.0%
Jun-02	0.10	0.0	0.63	15.9%
Jun-03	0.16	60.0	0.45	35.6%
Jun-04	0.20	25.0	0.94	21.3%
Jun-05	0.24	20.0	1.46	16.4%
Jun-06	0.32	33.3	1.71	18.7%
Jun-07	0.44	37.5	3.43	12.8%
Jun-08	0.60	36.4	3.26	18.4%
Jun-09	0.80	33.3	2.35	34.0%
Jun-10	0.88	10.0	4.28	20.6%
Jun-11	1.00	13.6	4.60	21.7%
Jun-12	1.22	22.0	4.80	25.4%
<b>Jun-13</b>	<b>1.48</b>	<b>21.3</b>	<b>4.71</b>	<b>31.4%</b>
Jul-14	1.70	15.0	4.70	36.2%
Jul-15	1.91	12.0	4.80	39.7%
Jun-16	2.10	10.0	4.92	42.6%
Jun-17	2.31	10.0	5.06	45.6%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Harris Corp, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Intel INTC FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$24.59**Stock Fair Value Range**  
\$22.00 - \$34.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.66%

**Intel stands out to us as one of the better income plays on the market today.**  
**We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$133,056
Avg Weekly Vol (30 wks)	215,334
30-week Range (USD)	19.23 - 25.98
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	53,999
Last Fiscal Year EPS	2.39
Last Fiscal Year EBITDA	23,541
Forward Revenue Growth (5-yr)	1.3%
Forward EPS Growth (5-yr)	-0.5%

**Dividend Vitals**

Current Annual Dividend Yield %	3.7%
Annual Dividends Per Share	0.90
Forward Dividend Payout Ratio	42.2%
3-yr Historical Dividend CAGR	17.1%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	32.6%
15-yr Hist Median Div Payout Ratio	13.8%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	614.75	22.50
50	1,229.50	45.00
100	2,459.00	90.00
200	4,918.00	180.00
300	7,377.00	270.00
400	9,836.00	360.00
500	12,295.00	450.00
1,000	24,590.00	900.00
2,000	49,180.00	1,800.00
5,000	122,950.00	4,500.00
10,000	245,900.00	9,000.00
50,000	1,229,500.00	45,000.00
100,000	2,459,000.00	90,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Intel scores a 2.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Intel registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.29 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Intel registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.66%</b>
Annual Dividends per Share	<b>\$0.90</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$366.00</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.3</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	NA	0.0	0.97	0.0%
Dec-98	NA	0.0	0.87	0.0%
Dec-99	NA	0.0	1.06	0.0%
Dec-00	NA	0.0	1.51	0.0%
Dec-01	NA	0.0	0.19	0.0%
Dec-02	NA	0.0	0.46	0.0%
Dec-03	0.08	0.0	0.85	9.4%
Dec-04	0.16	100.0	1.16	13.8%
Dec-05	0.32	100.0	1.40	22.9%
Dec-06	0.40	25.0	0.86	46.5%
Dec-07	0.45	12.5	1.18	38.1%
Dec-08	0.55	22.2	0.92	59.8%
Dec-09	0.56	1.8	0.77	72.7%
Dec-10	0.63	12.5	2.01	31.3%
Dec-11	0.78	23.8	2.39	32.6%
<b>Dec-12</b>	<b>0.90</b>	<b>15.4</b>	<b>2.13</b>	<b>42.2%</b>
Dec-13	1.01	12.0	1.89	53.4%
Dec-14	1.11	10.0	2.01	55.0%
Dec-15	1.20	8.0	2.16	55.4%
Dec-16	1.29	8.0	2.33	55.6%

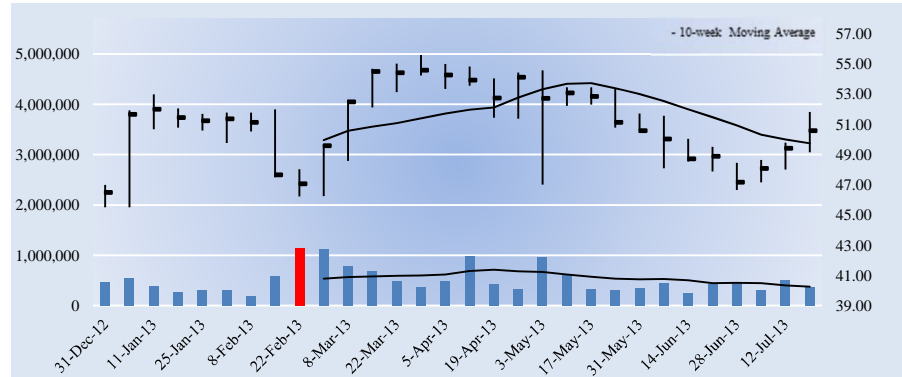
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Intel, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Innophos IPHS FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$50.59**Stock Fair Value Range**  
\$41.00 - \$61.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.5**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.77%

The growth potential and safety of Innophos' dividend are attractive, and the size of its yield makes the firm worth considering as a potential income play.

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$1,137
Avg Weekly Vol (30 wks)	508
30-week Range (USD)	45.51 - 55.6
Valuentum Sector	Materials
Last Fiscal Year Revenue	862
Last Fiscal Year EPS	3.30
Last Fiscal Year EBITDA	153
Forward Revenue Growth (5-yr)	4.4%
Forward EPS Growth (5-yr)	7.1%

**Dividend Vitals**

Current Annual Dividend Yield %	2.8%
Annual Dividends Per Share	1.40
Forward Dividend Payout Ratio	43.9%
3-yr Historical Dividend CAGR	27.2%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	33.7%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,264.75	35.00
50	2,529.50	70.00
100	5,059.00	140.00
200	10,118.00	280.00
300	15,177.00	420.00
400	20,236.00	560.00
500	25,295.00	700.00
1,000	50,590.00	1,400.00
2,000	101,180.00	2,800.00
5,000	252,950.00	7,000.00
10,000	505,900.00	14,000.00
50,000	2,529,500.00	70,000.00
100,000	5,059,000.00	140,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.5**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Innophos scores a 1.5 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Innophos registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.85 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Innophos registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	2.77%
Annual Dividends per Share	\$1.40
Initial Annual Div's Paid, \$10k Investment	\$276.73
Dividend Track Record	HEALTHY
Dividend Safety	GOOD
Valuentum Dividend Cushion™	1.5
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	LOW

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

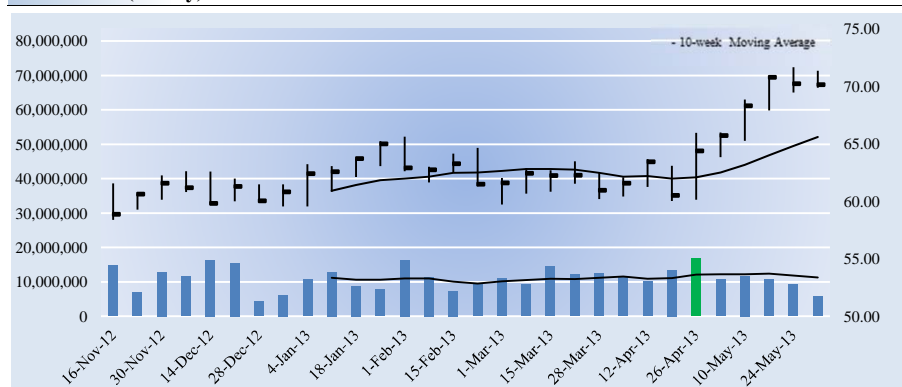
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	-0.24	0.0%
Dec-06	0.00	0.0	-0.39	0.0%
Dec-07	0.62	0.0	-0.27	-229.6%
Dec-08	0.68	9.7	9.54	7.1%
Dec-09	0.68	0.0	2.87	23.7%
Dec-10	0.68	0.0	2.02	33.7%
Dec-11	0.92	35.3	3.83	24.0%
Dec-12	1.14	23.9	3.30	34.5%
<b>Dec-13</b>	<b>1.40</b>	<b>22.8</b>	<b>3.19</b>	<b>43.9%</b>
Jan-15	1.57	12.0	4.14	37.9%
Jan-16	1.68	7.0	4.35	38.6%
Dec-16	1.76	5.0	4.52	39.0%
Dec-17	1.85	5.0	4.65	39.8%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Innophos, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Illinois Tool Works ITW FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$70.13**Stock Fair Value Range**  
\$43.00 - \$71.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.2**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.17%

**We like the potential growth and safety of Illinois Tool Works' dividend, but the yield is a bit low to get us excited. We'd wait for a dividend increase or a pullback in the shares to consider it a nice income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$34,690
Avg Weekly Vol (30 wks)	11,072
30-week Range (USD)	58.39 - 71.64
Valuentum Sector	Industrials
Last Fiscal Year Revenue	17,787
Last Fiscal Year EPS	4.08
Last Fiscal Year EBITDA	3,325
Forward Revenue Growth (5-yr)	3.3%
Forward EPS Growth (5-yr)	5.9%

**Dividend Vitals**

Current Annual Dividend Yield %	2.2%
Annual Dividends Per Share	1.52
Forward Dividend Payout Ratio	37.4%
3-yr Historical Dividend CAGR	7.0%
15-yr Historical Dividend CAGR	13.8%
3-yr Hist Median Div Payout Ratio	42.9%
15-yr Hist Median Div Payout Ratio	27.7%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,753.25	38.00
50	3,506.50	76.00
100	7,013.00	152.00
200	14,026.00	304.00
300	21,039.00	456.00
400	28,052.00	608.00
500	35,065.00	760.00
1,000	70,130.00	1,520.00
2,000	140,260.00	3,040.00
5,000	350,650.00	7,600.00
10,000	701,300.00	15,200.00
50,000	3,506,500.00	76,000.00
100,000	7,013,000.00	152,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Illinois Tool Works scores a 2.2 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Illinois Tool Works registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.99 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Illinois Tool Works registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	2.17%
Annual Dividends per Share	\$1.52
Initial Annual Div's Paid, \$10k Investment	\$216.74
Dividend Track Record	HEALTHY
Dividend Safety	GOOD
Valuentum Dividend Cushion™	2.2
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

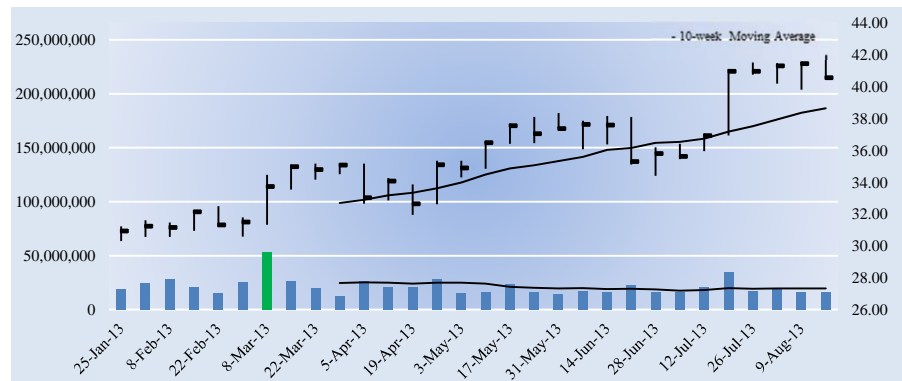
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	0.22	0.0	1.17	18.8%
Dec-98	0.26	18.2	1.34	19.4%
Dec-99	0.32	23.1	1.38	23.2%
Dec-00	0.37	15.6	1.58	23.4%
Dec-01	0.41	10.8	1.31	31.3%
Dec-02	0.45	9.8	1.51	29.8%
Dec-03	0.47	4.4	1.69	27.8%
Dec-04	0.50	6.4	2.20	22.7%
Dec-05	0.59	18.0	2.60	22.7%
Dec-06	0.71	20.3	3.01	23.6%
Dec-07	0.91	28.2	3.28	27.7%
Dec-08	1.15	26.4	3.04	37.8%
Dec-09	1.24	7.8	1.93	64.2%
Dec-10	1.30	4.8	3.03	42.9%
Dec-11	1.40	7.7	4.08	34.3%
<b>Dec-12</b>	<b>1.52</b>	<b>8.6</b>	<b>4.06</b>	<b>37.4%</b>
Dec-13	1.63	7.0	4.28	38.0%
Dec-14	1.74	7.0	4.68	37.2%
Dec-15	1.86	7.0	5.07	36.8%
Dec-16	1.99	7.0	5.44	36.6%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Illinois Tool Works, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Johnson Controls JCI FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$40.54**Stock Fair Value Range**  
\$25.00 - \$46.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
1.87%**Johnson Controls boasts a healthy dividend payout, but its Dividend Cushion score could be better.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$27,916
Avg Weekly Vol (30 wks)	21,433
30-week Range (USD)	30.3 - 42.01
Valuentum Sector	Consumer Discretionary
Last Fiscal Year Revenue	41,955
Last Fiscal Year EPS	1.78
Last Fiscal Year EBITDA	2,604
Forward Revenue Growth (5-yr)	3.8%
Forward EPS Growth (5-yr)	16.7%

**Dividend Vitals**

Current Annual Dividend Yield %	1.9%
Annual Dividends Per Share	0.76
Forward Dividend Payout Ratio	28.3%
3-yr Historical Dividend CAGR	13.5%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	27.1%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,013.50	19.00
50	2,027.00	38.00
100	4,054.00	76.00
200	8,108.00	152.00
300	12,162.00	228.00
400	16,216.00	304.00
500	20,270.00	380.00
1,000	40,540.00	760.00
2,000	81,080.00	1,520.00
5,000	202,700.00	3,800.00
10,000	405,400.00	7,600.00
50,000	2,027,000.00	38,000.00
100,000	4,054,000.00	76,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Johnson Controls scores a 2 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Johnson Controls registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$0.92 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Johnson Controls registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>1.87%</b>
Annual Dividends per Share	<b>\$0.76</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$187.47</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.0</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

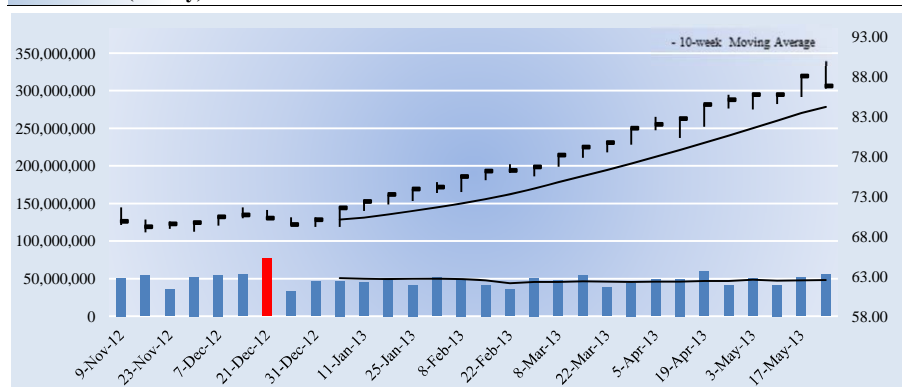
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Sep-98	NA	0.0	1.82	0.0%
Sep-99	NA	0.0	2.24	0.0%
Sep-00	NA	0.0	2.55	0.0%
Sep-01	NA	0.0	2.56	0.0%
Sep-02	NA	0.0	3.18	0.0%
Sep-03	NA	0.0	3.60	0.0%
Sep-04	NA	0.0	4.24	0.0%
Sep-05	NA	0.0	1.30	0.0%
Sep-06	NA	0.0	1.75	0.0%
Sep-07	NA	0.0	2.16	0.0%
Sep-08	0.43	0.0	1.63	26.4%
Sep-09	0.52	20.9	-0.57	-91.2%
Sep-10	0.52	0.0	2.19	23.7%
Sep-11	0.64	23.1	2.36	27.1%
Sep-12	0.72	12.5	1.78	40.4%
Sep-13	0.76	5.6	2.69	28.3%
Oct-14	0.80	5.0	3.27	24.4%
Oct-15	0.84	5.0	3.45	24.3%
Sep-16	0.88	5.0	3.64	24.2%
Sep-17	0.92	5.0	3.85	24.0%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Johnson Controls, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Johnson & Johnson JNJ FAIRLY VALUED****Buying Index™****5****Value Rating****Last Close**  
\$86.82**Stock Fair Value Range**  
\$74.00 - \$110.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.2**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.04%

**J&J's dividend track record has been very impressive, and the company is one of our very favorite dividend growth ideas.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$244,190
Avg Weekly Vol (30 wks)	48,348
30-week Range (USD)	68.51 - 89.99
Valuentum Sector	Consumer Staples
Last Fiscal Year Revenue	67,224
Last Fiscal Year EPS	3.45
Last Fiscal Year EBITDA	20,698
Forward Revenue Growth (5-yr)	4.4%
Forward EPS Growth (5-yr)	13.2%

**Dividend Vitals**

Current Annual Dividend Yield %	3.0%
Annual Dividends Per Share	2.64
Forward Dividend Payout Ratio	48.3%
3-yr Historical Dividend CAGR	7.8%
15-yr Historical Dividend CAGR	11.9%
3-yr Hist Median Div Payout Ratio	62.2%
15-yr Hist Median Div Payout Ratio	39.1%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,170.50	66.00
50	4,341.00	132.00
100	8,682.00	264.00
200	17,364.00	528.00
300	26,046.00	792.00
400	34,728.00	1,056.00
500	43,410.00	1,320.00
1,000	86,820.00	2,640.00
2,000	173,640.00	5,280.00
5,000	434,100.00	13,200.00
10,000	868,200.00	26,400.00
50,000	4,341,000.00	132,000.00
100,000	8,682,000.00	264,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Johnson & Johnson scores a 2.2 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Johnson & Johnson registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.59 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Johnson & Johnson registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.04%</b>
Annual Dividends per Share	<b>\$2.64</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$304.08</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.2</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.49	0.0	1.12	43.8%
Dec-99	0.55	12.2	1.47	37.4%
Dec-00	0.62	12.7	1.70	36.5%
Dec-01	0.70	12.9	1.84	38.0%
Dec-02	0.80	14.3	2.16	37.0%
Dec-03	0.93	16.3	2.40	38.8%
Dec-04	1.10	18.3	2.84	38.7%
Dec-05	1.28	16.4	3.46	37.0%
Dec-06	1.46	14.1	3.73	39.1%
Dec-07	1.62	11.0	3.63	44.6%
Dec-08	1.80	11.1	4.57	39.4%
Dec-09	1.93	7.2	4.40	43.9%
Dec-10	2.11	9.3	4.78	44.1%
Dec-11	2.25	6.6	3.49	64.5%
Dec-12	2.40	6.7	3.86	62.2%
<b>Dec-13</b>	<b>2.64</b>	<b>10.0</b>	<b>5.46</b>	<b>48.3%</b>
Jan-15	2.85	8.0	5.85	48.8%
Jan-16	3.08	8.0	6.07	50.7%
Dec-16	3.33	8.0	6.26	53.1%
Dec-17	3.59	8.0	6.42	56.0%

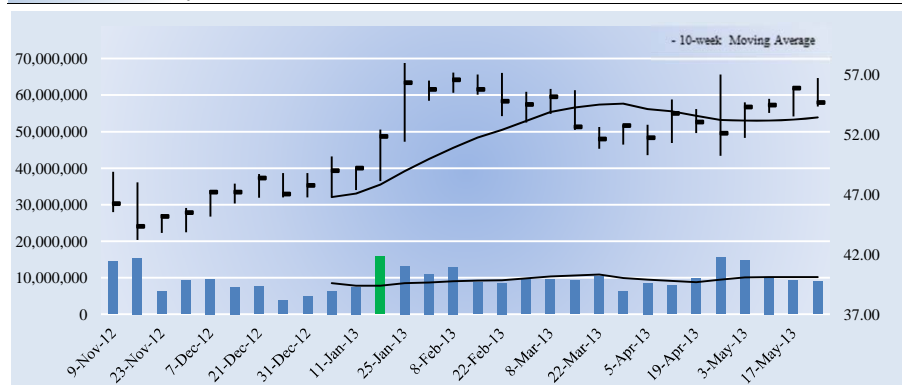
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Johnson & Johnson, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**KLA-Tencor KLAC FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$54.67**Stock Fair Value Range**  
\$47.00 - \$78.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 3.2**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.93%

**We like KLA-Tencor's dividend growth potential, but its ties to the volatile semiconductor industry give us pause.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$9,302
Avg Weekly Vol (30 wks)	9,741
30-week Range (USD)	43.21 - 57.97
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	3,172
Last Fiscal Year EPS	4.44
Last Fiscal Year EBITDA	1,108
Forward Revenue Growth (5-yr)	3.9%
Forward EPS Growth (5-yr)	2.4%

**Dividend Vitals**

Current Annual Dividend Yield %	2.9%
Annual Dividends Per Share	1.60
Forward Dividend Payout Ratio	48.7%
3-yr Historical Dividend CAGR	38.7%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	31.5%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,366.75	40.00
50	2,733.50	80.00
100	5,467.00	160.00
200	10,934.00	320.00
300	16,401.00	480.00
400	21,868.00	640.00
500	27,335.00	800.00
1,000	54,670.00	1,600.00
2,000	109,340.00	3,200.00
5,000	273,350.00	8,000.00
10,000	546,700.00	16,000.00
50,000	2,733,500.00	80,000.00
100,000	5,467,000.00	160,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 3.2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. KLA-Tencor scores a 3.2 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. KLA-Tencor registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.32 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. KLA-Tencor registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.93%</b>
Annual Dividends per Share	<b>\$1.60</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$292.67</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>3.2</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

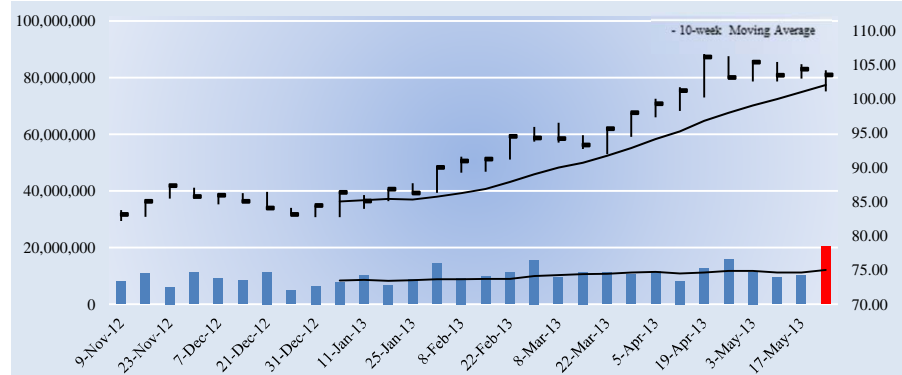
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Jun-98	0.00	0.0	0.76	0.0%
Jun-99	0.00	0.0	0.22	0.0%
Jun-00	0.00	0.0	1.32	0.0%
Jun-01	0.00	0.0	1.93	0.0%
Jun-02	0.00	0.0	1.10	0.0%
Jun-03	0.00	0.0	0.70	0.0%
Jun-04	0.00	0.0	1.21	0.0%
Jun-05	0.12	0.0	2.32	5.2%
Jun-06	0.48	300.0	1.86	25.8%
Jun-07	0.48	0.0	2.61	18.4%
Jun-08	0.60	25.0	1.95	30.8%
Jun-09	0.60	0.0	-3.07	-19.5%
Jun-10	0.60	0.0	1.23	48.8%
Jun-11	1.00	66.7	4.66	21.5%
Jun-12	1.40	40.0	4.44	31.5%
<b>Jun-13</b>	<b>1.60</b>	<b>14.3</b>	<b>3.28</b>	<b>48.7%</b>
Jul-14	1.79	12.0	4.14	43.3%
Jul-15	1.97	10.0	4.54	43.4%
Jun-16	2.15	9.0	4.84	44.4%
Jun-17	2.32	8.0	5.00	46.4%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on KLA-Tencor, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Kimberly-Clark KMB FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$103.51**Stock Fair Value Range**  
\$66.00 - \$110.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.13%

**Kimberly-Clark boasts a nice dividend yield, and the firm's Dividend Cushion score suggests decent future dividend growth.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$41,000
Avg Weekly Vol (30 wks)	10,404
30-week Range (USD)	82.15 - 106.54
Valuentum Sector	Consumer Staples
Last Fiscal Year Revenue	21,063
Last Fiscal Year EPS	4.42
Last Fiscal Year EBITDA	3,537
Forward Revenue Growth (5-yr)	3.2%
Forward EPS Growth (5-yr)	11.1%

**Dividend Vitals**

Current Annual Dividend Yield %	3.1%
Annual Dividends Per Share	3.24
Forward Dividend Payout Ratio	56.0%
3-yr Historical Dividend CAGR	7.1%
15-yr Historical Dividend CAGR	8.2%
3-yr Hist Median Div Payout Ratio	67.0%
15-yr Hist Median Div Payout Ratio	50.9%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,587.75	81.00
50	5,175.50	162.00
100	10,351.00	324.00
200	20,702.00	648.00
300	31,053.00	972.00
400	41,404.00	1,296.00
500	51,755.00	1,620.00
1,000	103,510.00	3,240.00
2,000	207,020.00	6,480.00
5,000	517,550.00	16,200.00
10,000	1,035,100.00	32,400.00
50,000	5,175,500.00	162,000.00
100,000	10,351,000.00	324,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Kimberly-Clark scores a 1.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Kimberly-Clark registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$4.09 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Kimberly-Clark registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	3.13%
Annual Dividends per Share	\$3.24
Initial Annual Div's Paid, \$10k Investment	\$313.01
Dividend Track Record	HEALTHY
Dividend Safety	GOOD
Valuentum Dividend Cushion™	1.3
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

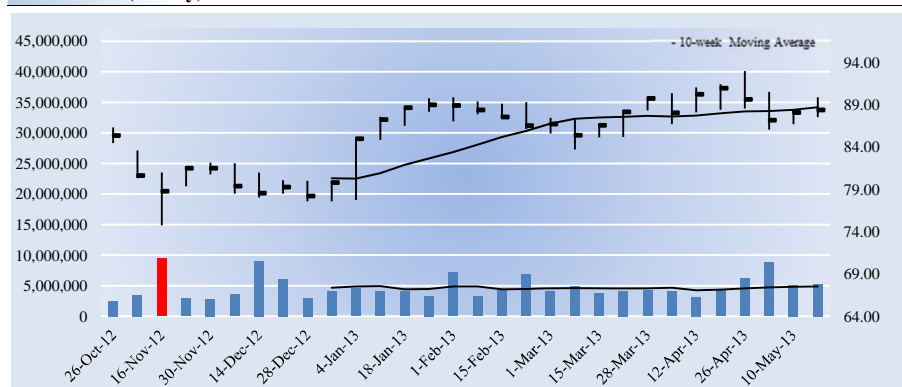
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.99	0.0	2.13	46.5%
Dec-99	1.03	4.0	3.09	33.3%
Dec-00	1.07	3.9	3.31	32.3%
Dec-01	1.11	3.7	3.05	36.4%
Dec-02	1.18	6.3	3.24	36.4%
Dec-03	1.32	11.9	3.33	39.6%
Dec-04	1.54	16.7	3.55	43.4%
Dec-05	1.75	13.6	3.31	52.9%
Dec-06	1.92	9.7	3.25	59.1%
Dec-07	2.08	8.3	4.09	50.9%
Dec-08	2.27	9.1	4.06	55.9%
Dec-09	2.40	5.7	4.52	53.1%
Dec-10	2.64	10.0	4.45	59.3%
Dec-11	2.80	6.1	3.99	70.2%
Dec-12	2.96	5.7	4.42	67.0%
<b>Dec-13</b>	<b>3.24</b>	<b>9.5</b>	<b>5.79</b>	<b>56.0%</b>
Jan-15	3.43	6.0	6.18	55.6%
Jan-16	3.64	6.0	6.62	55.0%
Dec-16	3.86	6.0	7.05	54.7%
Dec-17	4.09	6.0	7.48	54.7%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Kimberly-Clark, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Kinder Morgan Partners KMP FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$88.38**Stock Fair Value Range**  
\$67.00 - \$111.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.4**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
5.88%

**Given Kinder Morgan's cash-flow profile and access to capital markets, we expect its already robust distribution to continue to increase.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$28,821
Avg Weekly Vol (30 wks)	4,737
30-week Range (USD)	74.76 - 92.99
Valuentum Sector	Energy
Last Fiscal Year Revenue	8,211
Last Fiscal Year EPS	3.86
Last Fiscal Year EBITDA	2,614
Forward Revenue Growth (5-yr)	14.0%
Forward EPS Growth (5-yr)	5.8%

**Dividend Vitals**

Current Annual Dividend Yield %	5.9%
Annual Dividends Per Share	5.20
Forward Dividend Payout Ratio	224.8%
3-yr Historical Dividend CAGR	7.4%
15-yr Historical Dividend CAGR	13.1%
3-yr Hist Median Div Payout Ratio	355.9%
15-yr Hist Median Div Payout Ratio	133.3%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,209.50	130.00
50	4,419.00	260.00
100	8,838.00	520.00
200	17,676.00	1,040.00
300	26,514.00	1,560.00
400	35,352.00	2,080.00
500	44,190.00	2,600.00
1,000	88,380.00	5,200.00
2,000	176,760.00	10,400.00
5,000	441,900.00	26,000.00
10,000	883,800.00	52,000.00
50,000	4,419,000.00	260,000.00
100,000	8,838,000.00	520,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.4**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Kinder Morgan Partners scores a 1.4 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Kinder Morgan Partners registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$6.69 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Kinder Morgan Partners registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	5.88%
Annual Dividends per Share	\$5.20
Initial Annual Div's Paid, \$10k Investment	\$588.37
Dividend Track Record	HEALTHY
Dividend Safety	GOOD
Valuentum Dividend Cushion™	1.4
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

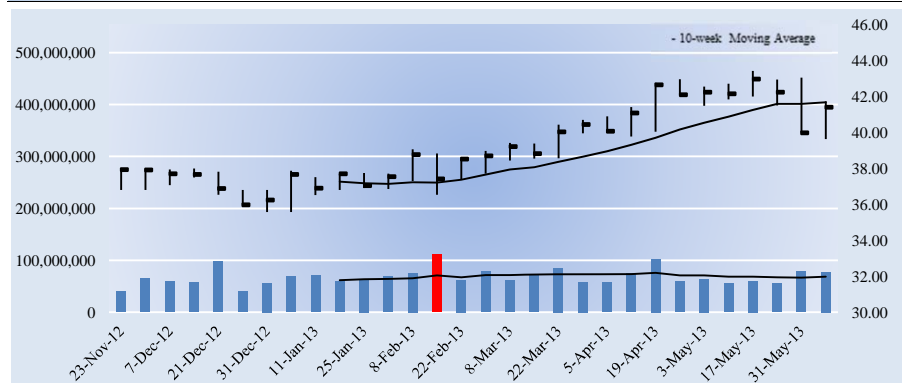
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	0.82	0.0	0.51	160.8%
Dec-98	0.91	11.0	1.05	86.7%
Dec-99	1.38	51.6	1.32	104.5%
Dec-00	1.60	15.9	1.34	119.4%
Dec-01	2.08	30.0	1.56	133.3%
Dec-02	2.36	13.5	1.96	120.4%
Dec-03	2.58	9.3	1.98	130.3%
Dec-04	2.81	8.9	2.22	126.6%
Dec-05	3.07	9.3	1.58	194.3%
Dec-06	3.23	5.2	2.04	158.3%
Dec-07	3.39	5.0	-0.82	-413.4%
Dec-08	3.89	14.7	1.94	200.5%
Dec-09	4.20	8.0	1.18	355.9%
Dec-10	4.32	2.9	1.40	308.6%
Dec-11	4.58	6.0	0.25	1832.0%
<b>Dec-12</b>	<b>5.20</b>	<b>13.5</b>	<b>2.31</b>	<b>224.8%</b>
Dec-13	5.62	8.0	2.67	210.6%
Dec-14	6.01	7.0	3.65	164.7%
Dec-15	6.37	6.0	4.50	141.4%
Dec-16	6.69	5.0	5.11	130.8%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Kinder Morgan Partners, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Coca-Cola KO FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$41.41**Stock Fair Value Range**  
\$29.00 - \$43.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.7**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.70%**Coca-Cola has raised its dividend in each of the past 50+ years.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$192,391
Avg Weekly Vol (30 wks)	67,714
30-week Range (USD)	35.58 - 43.43
Valuentum Sector	Consumer Staples
Last Fiscal Year Revenue	46,542
Last Fiscal Year EPS	1.85
Last Fiscal Year EBITDA	12,108
Forward Revenue Growth (5-yr)	4.8%
Forward EPS Growth (5-yr)	7.9%

**Dividend Vitals**

Current Annual Dividend Yield %	2.7%
Annual Dividends Per Share	1.12
Forward Dividend Payout Ratio	55.7%
3-yr Historical Dividend CAGR	11.0%
15-yr Historical Dividend CAGR	9.7%
3-yr Hist Median Div Payout Ratio	50.9%
15-yr Hist Median Div Payout Ratio	50.9%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,035.25	28.00
50	2,070.50	56.00
100	4,141.00	112.00
200	8,282.00	224.00
300	12,423.00	336.00
400	16,564.00	448.00
500	20,705.00	560.00
1,000	41,410.00	1,120.00
2,000	82,820.00	2,240.00
5,000	207,050.00	5,600.00
10,000	414,100.00	11,200.00
50,000	2,070,500.00	56,000.00
100,000	4,141,000.00	112,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.7**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Coca-Cola scores a 1.7 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Coca-Cola registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.61 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Coca-Cola registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.70%</b>
Annual Dividends per Share	<b>\$1.12</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$270.47</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.7</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	0.28	0.0	0.82	34.1%
Dec-98	0.30	7.1	0.71	42.3%
Dec-99	0.32	6.7	0.49	65.3%
Dec-00	0.34	6.3	0.44	77.3%
Dec-01	0.36	5.9	0.80	45.0%
Dec-02	0.40	11.1	0.80	50.0%
Dec-03	0.44	10.0	0.89	49.7%
Dec-04	0.50	13.6	1.00	50.0%
Dec-05	0.56	12.0	1.02	54.9%
Dec-06	0.62	10.7	1.08	57.4%
Dec-07	0.68	9.7	1.29	52.9%
Dec-08	0.76	11.8	1.25	61.0%
Dec-09	0.82	7.9	1.47	56.0%
Dec-10	0.88	7.3	2.53	34.8%
Dec-11	0.94	6.8	1.85	50.9%
<b>Dec-12</b>	<b>1.12</b>	<b>19.1</b>	<b>2.01</b>	<b>55.7%</b>
Dec-13	1.25	12.0	2.16	58.0%
Dec-14	1.38	10.0	2.33	59.1%
Dec-15	1.49	8.0	2.51	59.3%
Dec-16	1.61	8.0	2.70	59.6%

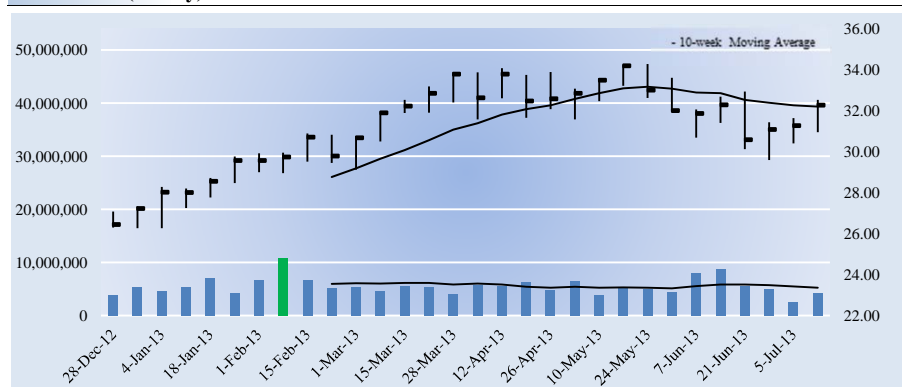
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Coca-Cola, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Leggett & Platt LEG FAIRLY VALUED****Buying Index™****3****Value Rating****Last Close**  
\$32.27**Stock Fair Value Range**  
\$24.00 - \$36.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.3**Div Growth Potential**  
GOOD**Dividend Yield**  
3.59%

**Leggett & Platt's dividend should expand at a low-single-digit annual pace in coming years, as it targets a dividend payout between 50%-60%.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$4,710
Avg Weekly Vol (30 wks)	5,531
30-week Range (USD)	26.26 - 34.28
Valuentum Sector	Consumer Discretionary
Last Fiscal Year Revenue	3,721
Last Fiscal Year EPS	1.68
Last Fiscal Year EBITDA	458
Forward Revenue Growth (5-yr)	3.8%
Forward EPS Growth (5-yr)	6.7%

**Dividend Vitals**

Current Annual Dividend Yield %	3.6%
Annual Dividends Per Share	1.16
Forward Dividend Payout Ratio	71.8%
3-yr Historical Dividend CAGR	3.1%
15-yr Historical Dividend CAGR	9.0%
3-yr Hist Median Div Payout Ratio	91.4%
15-yr Hist Median Div Payout Ratio	50.5%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	806.75	29.00
50	1,613.50	58.00
100	3,227.00	116.00
200	6,454.00	232.00
300	9,681.00	348.00
400	12,908.00	464.00
500	16,135.00	580.00
1,000	32,270.00	1,160.00
2,000	64,540.00	2,320.00
5,000	161,350.00	5,800.00
10,000	322,700.00	11,600.00
50,000	1,613,500.00	58,000.00
100,000	3,227,000.00	116,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Leggett & Platt scores a 1.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Leggett & Platt registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$1.26 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Leggett & Platt registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.59%</b>
Annual Dividends per Share	<b>\$1.16</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$359.47</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.3</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

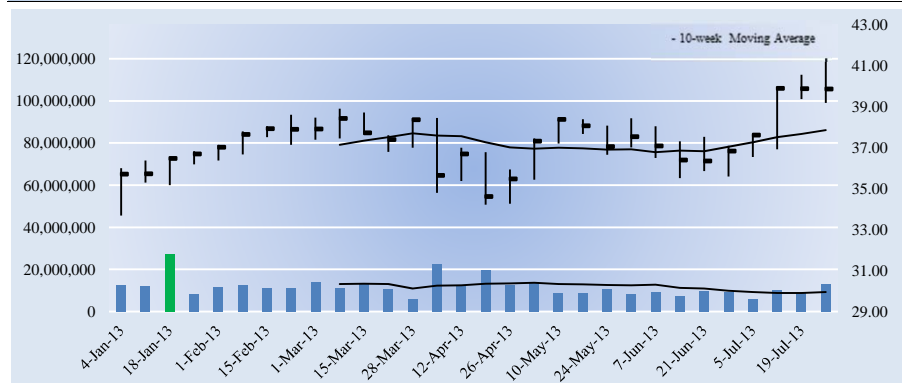
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.32	0.0	1.24	25.8%
Dec-99	0.36	12.5	1.45	24.8%
Dec-00	0.42	16.7	1.32	31.8%
Dec-01	0.48	14.3	0.94	51.1%
Dec-02	0.50	4.2	1.17	42.7%
Dec-03	0.53	6.0	1.05	50.5%
Dec-04	0.57	7.5	1.45	39.3%
Dec-05	0.62	8.8	1.30	47.7%
Dec-06	0.66	6.5	1.61	41.0%
Dec-07	0.70	6.1	0.28	250.0%
Dec-08	1.00	42.9	0.73	137.0%
Dec-09	1.02	2.0	0.74	137.8%
Dec-10	1.06	3.9	1.16	91.4%
Dec-11	1.10	3.8	1.04	105.8%
Dec-12	1.14	3.6	1.68	67.9%
<b>Dec-13</b>	<b>1.16</b>	<b>1.8</b>	<b>1.62</b>	<b>71.8%</b>
Jan-15	1.18	2.0	1.84	64.4%
Jan-16	1.21	2.0	1.99	60.5%
Dec-16	1.23	2.0	2.16	57.0%
Dec-17	1.26	2.0	2.33	53.8%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Leggett & Platt, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Linear Technology LLTC FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$39.86**Stock Fair Value Range**  
\$23.00 - \$49.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.3**Div Growth Potential**  
GOOD**Dividend Yield**  
2.61%**Linear Tech boasts an attractive Valuentum Dividend Cushion score.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$9,339
Avg Weekly Vol (30 wks)	11,792
30-week Range (USD)	33.69 - 41.39
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	1,267
Last Fiscal Year EPS	1.70
Last Fiscal Year EBITDA	658
Forward Revenue Growth (5-yr)	6.5%
Forward EPS Growth (5-yr)	7.7%

**Dividend Vitals**

Current Annual Dividend Yield %	2.6%
Annual Dividends Per Share	1.04
Forward Dividend Payout Ratio	58.5%
3-yr Historical Dividend CAGR	4.9%
15-yr Historical Dividend CAGR	20.9%
3-yr Hist Median Div Payout Ratio	57.0%
15-yr Hist Median Div Payout Ratio	28.4%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	996.50	26.00
50	1,993.00	52.00
100	3,986.00	104.00
200	7,972.00	208.00
300	11,958.00	312.00
400	15,944.00	416.00
500	19,930.00	520.00
1,000	39,860.00	1,040.00
2,000	79,720.00	2,080.00
5,000	199,300.00	5,200.00
10,000	398,600.00	10,400.00
50,000	1,993,000.00	52,000.00
100,000	3,986,000.00	104,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Linear Technology scores a 2.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Linear Technology registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$1.31 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Linear Technology registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.61%</b>
Annual Dividends per Share	<b>\$1.04</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$260.91</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.3</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

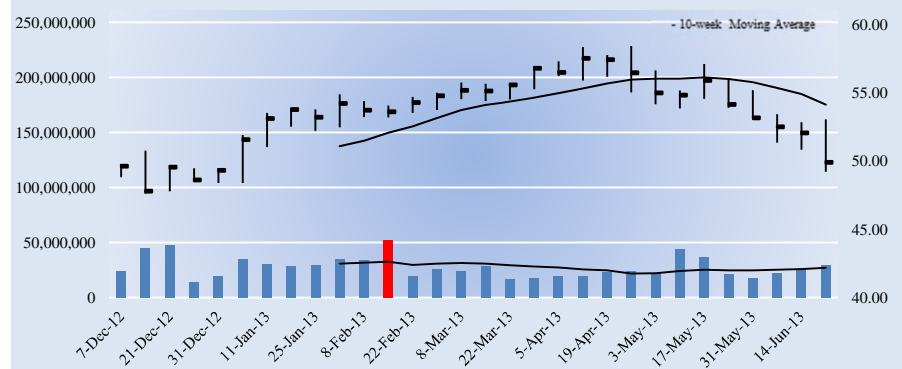
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.06	0.0	0.57	0.0%
Jun-99	0.08	33.3	0.61	13.1%
Jun-00	0.09	12.5	0.88	10.2%
Jun-01	0.13	44.4	1.29	10.1%
Jun-02	0.17	30.8	0.60	28.3%
Jun-03	0.21	23.5	0.74	28.4%
Jun-04	0.28	33.3	1.02	27.5%
Jun-05	0.36	28.6	1.38	26.1%
Jun-06	0.50	38.9	1.37	36.5%
Jun-07	0.66	32.0	1.39	47.5%
Jun-08	0.78	18.2	1.71	45.6%
Jun-09	0.86	10.3	1.41	61.0%
Jun-10	0.90	4.7	1.58	57.0%
Jun-11	0.94	4.4	2.50	37.6%
Jun-12	0.98	4.3	1.70	57.6%
<b>Jun-13</b>	<b>1.04</b>	<b>6.1</b>	<b>1.78</b>	<b>58.5%</b>
Jul-14	1.10	6.0	2.01	54.8%
Jul-15	1.17	6.0	2.19	53.3%
Jun-16	1.24	6.0	2.35	52.8%
Jun-17	1.31	6.0	2.46	53.4%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Linear Technology, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Eli Lilly LLY FAIRLY VALUED****Buying Index™****4****Value Rating****Last Close**  
\$49.91**Stock Fair Value Range**  
\$38.00 - \$64.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.8**Div Growth Potential**  
GOOD**Dividend Yield**  
3.93%

**Eli Lilly stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$55,598
Avg Weekly Vol (30 wks)	27,854
30-week Range (USD)	47.61 - 58.41
Valuentum Sector	Health Care
Last Fiscal Year Revenue	24,287
Last Fiscal Year EPS	4.25
Last Fiscal Year EBITDA	7,692
Forward Revenue Growth (5-yr)	0.7%
Forward EPS Growth (5-yr)	1.2%

**Dividend Vitals**

Current Annual Dividend Yield %	3.9%
Annual Dividends Per Share	1.96
Forward Dividend Payout Ratio	57.8%
3-yr Historical Dividend CAGR	0.0%
15-yr Historical Dividend CAGR	6.7%
3-yr Hist Median Div Payout Ratio	49.7%
15-yr Hist Median Div Payout Ratio	49.6%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,247.75	49.00
50	2,495.50	98.00
100	4,991.00	196.00
200	9,982.00	392.00
300	14,973.00	588.00
400	19,964.00	784.00
500	24,955.00	980.00
1,000	49,910.00	1,960.00
2,000	99,820.00	3,920.00
5,000	249,550.00	9,800.00
10,000	499,100.00	19,600.00
50,000	2,495,500.00	98,000.00
100,000	4,991,000.00	196,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.8**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Eli Lilly scores a 1.8 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Eli Lilly registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$2.38 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Eli Lilly registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.93%</b>
Annual Dividends per Share	<b>\$1.96</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$392.71</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.8</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

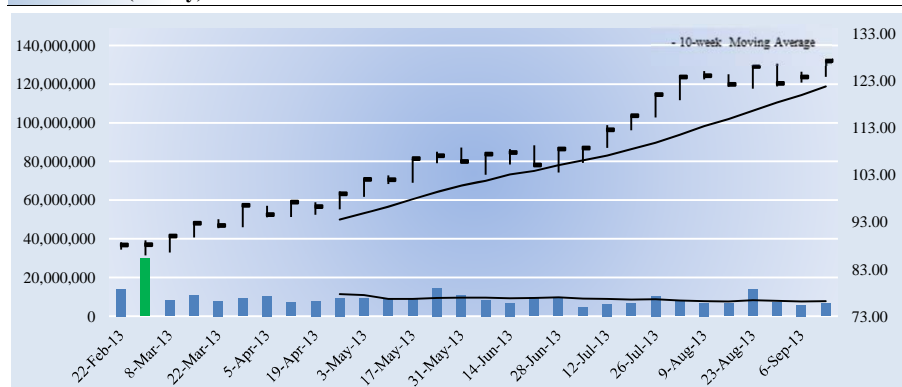
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	0.74	0.0	-0.35	-211.4%
Dec-98	0.80	8.1	1.87	42.8%
Dec-99	0.92	15.0	2.30	40.0%
Dec-00	1.04	13.0	2.79	37.3%
Dec-01	1.12	7.7	2.58	43.4%
Dec-02	1.24	10.7	2.50	49.6%
Dec-03	1.34	8.1	2.37	56.5%
Dec-04	1.42	6.0	1.66	85.5%
Dec-05	1.52	7.0	1.83	83.1%
Dec-06	1.60	5.3	2.45	65.3%
Dec-07	1.70	6.3	2.71	62.7%
Dec-08	1.88	10.6	-1.89	-99.5%
Dec-09	1.96	4.3	3.94	49.7%
Dec-10	1.96	0.0	4.58	42.8%
Dec-11	1.96	0.0	3.90	50.3%
<b>Dec-12</b>	<b>1.96</b>	<b>0.0</b>	<b>3.39</b>	<b>57.8%</b>
Dec-13	2.06	5.0	3.97	51.8%
Dec-14	2.16	5.0	4.14	52.2%
Dec-15	2.27	5.0	4.32	52.5%
Dec-16	2.38	5.0	4.51	52.9%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Eli Lilly, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Lockheed Martin LMT FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$127.25**Stock Fair Value Range**  
\$80.00 - \$133.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.5**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.61%

**Lockheed Martin stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$41,789
Avg Weekly Vol (30 wks)	9,492
30-week Range (USD)	85.91 - 127.39
Valuentum Sector	Industrials
Last Fiscal Year Revenue	47,182
Last Fiscal Year EPS	8.36
Last Fiscal Year EBITDA	5,184
Forward Revenue Growth (5-yr)	-0.8%
Forward EPS Growth (5-yr)	5.4%

**Dividend Vitals**

Current Annual Dividend Yield %	3.6%
Annual Dividends Per Share	4.60
Forward Dividend Payout Ratio	48.0%
3-yr Historical Dividend CAGR	20.3%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	41.4%
15-yr Hist Median Div Payout Ratio	30.5%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	3,181.25	115.00
50	6,362.50	230.00
100	12,725.00	460.00
200	25,450.00	920.00
300	38,175.00	1,380.00
400	50,900.00	1,840.00
500	63,625.00	2,300.00
1,000	127,250.00	4,600.00
2,000	254,500.00	9,200.00
5,000	636,250.00	23,000.00
10,000	1,272,500.00	46,000.00
50,000	6,362,500.00	230,000.00
100,000	12,725,000.00	460,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.5**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Lockheed Martin scores a 1.5 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Lockheed Martin registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$7.04 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Lockheed Martin registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.61%</b>
Annual Dividends per Share	<b>\$4.60</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$361.49</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.5</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	NA	0.0	2.63	0.0%
Dec-99	NA	0.0	1.92	0.0%
Dec-00	NA	0.0	-1.05	0.0%
Dec-01	0.44	0.0	0.18	244.4%
Dec-02	0.44	0.0	1.18	37.3%
Dec-03	0.58	31.8	2.34	24.8%
Dec-04	0.91	56.9	2.83	32.2%
Dec-05	1.05	15.4	4.10	25.6%
Dec-06	1.25	19.0	5.80	21.6%
Dec-07	1.47	17.6	7.10	20.7%
Dec-08	2.40	63.3	7.86	30.5%
Dec-09	2.40	0.0	7.78	30.8%
Dec-10	2.64	10.0	7.18	36.8%
Dec-11	3.25	23.1	7.85	41.4%
Dec-12	4.15	27.7	8.36	49.6%
<b>Dec-13</b>	<b>4.60</b>	<b>10.8</b>	<b>9.57</b>	<b>48.0%</b>
Jan-15	5.29	15.0	9.74	54.3%
Jan-16	5.92	12.0	9.90	59.9%
Dec-16	6.52	10.0	10.28	63.4%
Dec-17	7.04	8.0	10.89	64.6%

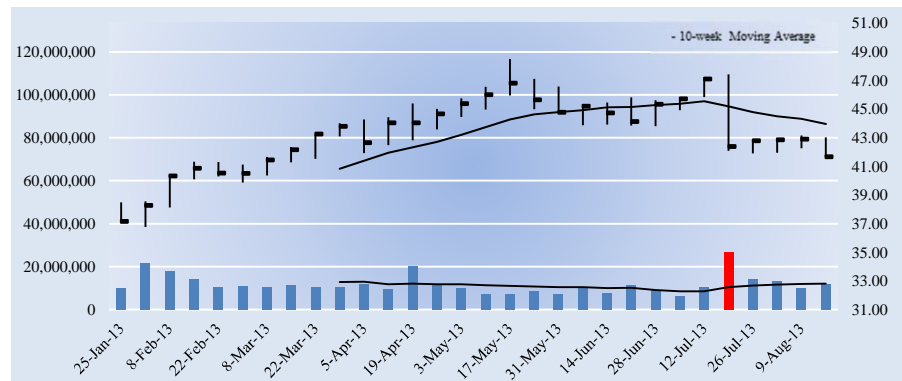
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Lockheed Martin, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Mattel MAT FAIRLY VALUED****Buying Index™****3****Value Rating****Last Close**  
\$41.65**Stock Fair Value Range**  
\$29.00 - \$49.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.7**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.46%

**We like Mattel's dividend growth potential, but Hasbro boasts a slightly stronger Valuentum Dividend Cushion score.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$14,417
Avg Weekly Vol (30 wks)	11,782
30-week Range (USD)	36.75 - 48.48
Valuentum Sector	Consumer Discretionary
Last Fiscal Year Revenue	6,421
Last Fiscal Year EPS	2.24
Last Fiscal Year EBITDA	1,195
Forward Revenue Growth (5-yr)	4.0%
Forward EPS Growth (5-yr)	9.5%

**Dividend Vitals**

Current Annual Dividend Yield %	3.5%
Annual Dividends Per Share	1.44
Forward Dividend Payout Ratio	53.0%
3-yr Historical Dividend CAGR	20.2%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	44.6%
15-yr Hist Median Div Payout Ratio	42.2%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,041.25	36.00
50	2,082.50	72.00
100	4,165.00	144.00
200	8,330.00	288.00
300	12,495.00	432.00
400	16,660.00	576.00
500	20,825.00	720.00
1,000	41,650.00	1,440.00
2,000	83,300.00	2,880.00
5,000	208,250.00	7,200.00
10,000	416,500.00	14,400.00
50,000	2,082,500.00	72,000.00
100,000	4,165,000.00	144,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.7**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Mattel scores a 1.7 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Mattel registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.24 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Mattel registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.46%</b>
Annual Dividends per Share	<b>\$1.44</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$345.74</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.7</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

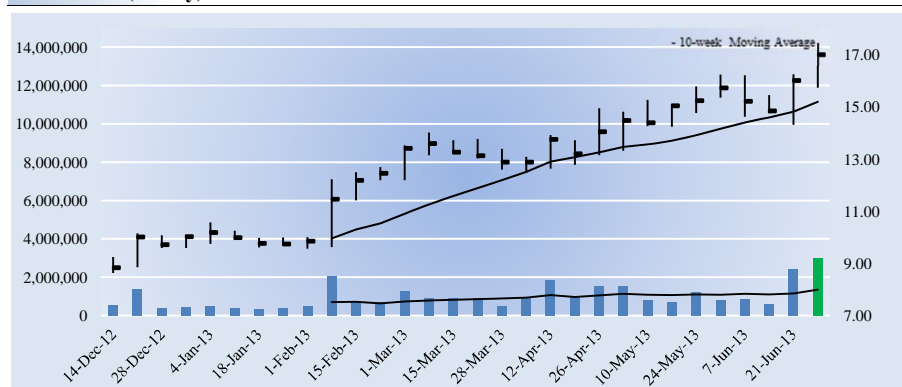
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	NA	0.0	1.10	0.0%
Dec-99	NA	0.0	-0.21	0.0%
Dec-00	NA	0.0	0.40	0.0%
Dec-01	NA	0.0	0.71	0.0%
Dec-02	0.05	0.0	1.03	4.9%
Dec-03	0.40	700.0	1.22	32.8%
Dec-04	0.45	12.5	1.35	33.3%
Dec-05	0.50	11.1	1.01	49.5%
Dec-06	0.65	30.0	1.53	42.5%
Dec-07	0.75	15.4	1.54	48.7%
Dec-08	0.75	0.0	1.05	71.4%
Dec-09	0.75	0.0	1.45	51.7%
Dec-10	0.83	10.7	1.86	44.6%
Dec-11	0.92	10.8	2.18	42.2%
Dec-12	1.24	34.8	2.22	55.9%
<b>Dec-13</b>	<b>1.44</b>	<b>16.1</b>	<b>2.72</b>	<b>53.0%</b>
Jan-15	1.66	15.0	3.04	54.5%
Jan-16	1.85	12.0	3.21	57.8%
Dec-16	2.04	10.0	3.38	60.4%
Dec-17	2.24	10.0	3.53	63.5%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Mattel, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Methode Electronics MEI FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$17.01**Stock Fair Value Range**  
\$12.00 - \$22.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 3**Div Growth Potential**  
GOOD**Dividend Yield**  
1.65%**Methode Electronics has the capacity to raise its dividend in a material way.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$639
Avg Weekly Vol (30 wks)	1,007
30-week Range (USD)	8.63 - 17.44
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	465
Last Fiscal Year EPS	0.22
Last Fiscal Year EBITDA	28
Forward Revenue Growth (5-yr)	13.6%
Forward EPS Growth (5-yr)	41.0%

**Dividend Vitals**

Current Annual Dividend Yield %	1.6%
Annual Dividends Per Share	0.28
Forward Dividend Payout Ratio	50.4%
3-yr Historical Dividend CAGR	0.0%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	75.7%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	425.25	7.00
50	850.50	14.00
100	1,701.00	28.00
200	3,402.00	56.00
300	5,103.00	84.00
400	6,804.00	112.00
500	8,505.00	140.00
1,000	17,010.00	280.00
2,000	34,020.00	560.00
5,000	85,050.00	1,400.00
10,000	170,100.00	2,800.00
50,000	850,500.00	14,000.00
100,000	1,701,000.00	28,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Methode Electronics scores a 3 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Methode Electronics registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$0.33 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Methode Electronics registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>1.65%</b>
Annual Dividends per Share	<b>\$0.28</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$164.61</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>3.0</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

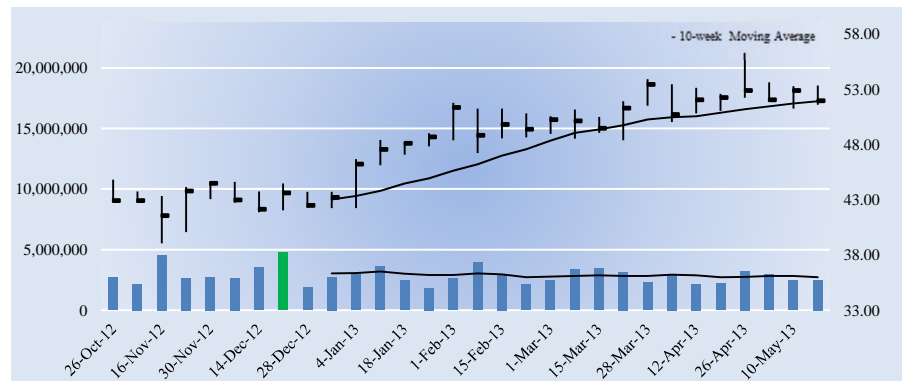
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.71	0.0%
Apr-06	NA	0.0	0.47	0.0%
Apr-07	NA	0.0	0.71	0.0%
Apr-08	NA	0.0	1.06	0.0%
Apr-09	0.24	0.0	-3.05	-7.9%
Apr-10	0.28	16.7	0.37	75.7%
Apr-11	0.28	0.0	0.50	56.0%
Apr-12	0.28	0.0	0.22	127.3%
<b>Apr-13</b>	<b>0.28</b>	<b>0.0</b>	<b>0.56</b>	<b>50.4%</b>
May-14	0.28	1.0	1.06	26.7%
May-15	0.29	3.0	1.19	24.5%
Apr-16	0.31	5.0	1.24	24.7%
Apr-17	0.33	8.0	1.24	26.6%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Methode Electronics, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Magellan Midstream MMP FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$51.95**Stock Fair Value Range**  
\$39.00 - \$65.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.9**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.91%

**Magellan Midstream stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$6,163
Avg Weekly Vol (30 wks)	2,868
30-week Range (USD)	39.06 - 56.29
Valuentum Sector	Energy
Last Fiscal Year Revenue	1,749
Last Fiscal Year EPS	3.66
Last Fiscal Year EBITDA	640
Forward Revenue Growth (5-yr)	8.2%
Forward EPS Growth (5-yr)	-3.3%

**Dividend Vitals**

Current Annual Dividend Yield %	3.9%
Annual Dividends Per Share	2.03
Forward Dividend Payout Ratio	100.5%
3-yr Historical Dividend CAGR	12.7%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	51.1%
15-yr Hist Median Div Payout Ratio	42.5%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,298.75	50.75
50	2,597.50	101.50
100	5,195.00	203.00
200	10,390.00	406.00
300	15,585.00	609.00
400	20,780.00	812.00
500	25,975.00	1,015.00
1,000	51,950.00	2,030.00
2,000	103,900.00	4,060.00
5,000	259,750.00	10,150.00
10,000	519,500.00	20,300.00
50,000	2,597,500.00	101,500.00
100,000	5,195,000.00	203,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.9**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Magellan Midstream scores a 1.9 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Magellan Midstream registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.86 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Magellan Midstream registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.91%</b>
Annual Dividends per Share	<b>\$2.03</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$390.76</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.9</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

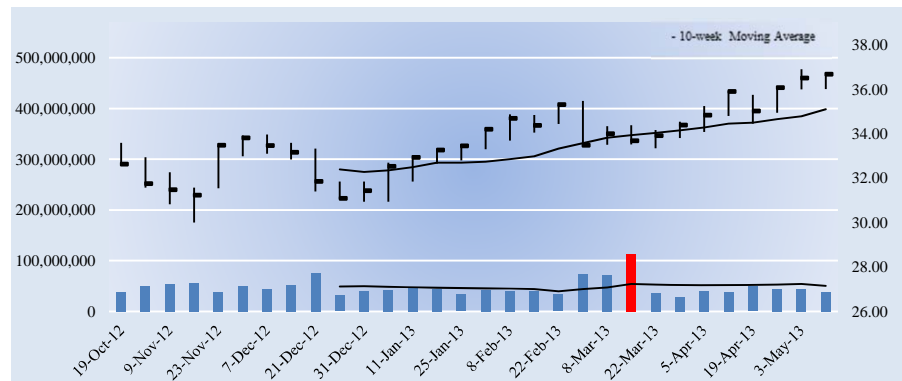
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
Dec-01	0.36	0.0	0.94	38.3%
Dec-02	0.65	79.2	1.84	35.1%
Dec-03	0.77	18.6	1.66	46.1%
Dec-04	0.86	12.4	1.72	50.0%
Dec-05	0.99	14.5	2.03	48.5%
Dec-06	1.15	16.2	2.24	51.1%
Dec-07	1.25	8.7	2.60	47.9%
Dec-08	1.36	9.2	3.27	41.6%
Dec-09	1.42	4.4	2.22	64.0%
Dec-10	1.46	2.5	2.85	51.1%
Dec-11	1.56	6.9	3.66	42.5%
<b>Dec-12</b>	<b>2.03</b>	<b>30.5</b>	<b>2.02</b>	<b>100.5%</b>
Dec-13	2.27	12.0	2.27	100.0%
Dec-14	2.50	10.0	2.56	97.9%
Dec-15	2.70	8.0	2.83	95.5%
Dec-16	2.86	6.0	3.09	92.7%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Magellan Midstream, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Altria Group MO FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$36.68**Stock Fair Value Range**  
\$32.00 - \$48.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
4.80%**Altria's Valuentum Dividend Cushion score remains above 1.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$74,240
Avg Weekly Vol (30 wks)	47,978
30-week Range (USD)	30.01 - 36.91
Valuentum Sector	Consumer Staples
Last Fiscal Year Revenue	17,500
Last Fiscal Year EPS	2.07
Last Fiscal Year EBITDA	14,605
Forward Revenue Growth (5-yr)	2.0%
Forward EPS Growth (5-yr)	7.0%

**Dividend Vitals**

Current Annual Dividend Yield %	4.8%
Annual Dividends Per Share	1.76
Forward Dividend Payout Ratio	72.4%
3-yr Historical Dividend CAGR	10.1%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	82.5%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	917.00	44.00
50	1,834.00	88.00
100	3,668.00	176.00
200	7,336.00	352.00
300	11,004.00	528.00
400	14,672.00	704.00
500	18,340.00	880.00
1,000	36,680.00	1,760.00
2,000	73,360.00	3,520.00
5,000	183,400.00	8,800.00
10,000	366,800.00	17,600.00
50,000	1,834,000.00	88,000.00
100,000	3,668,000.00	176,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Altria Group scores a 1.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Altria Group registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.02 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Altria Group registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>4.80%</b>
Annual Dividends per Share	<b>\$1.76</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$479.83</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.3</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

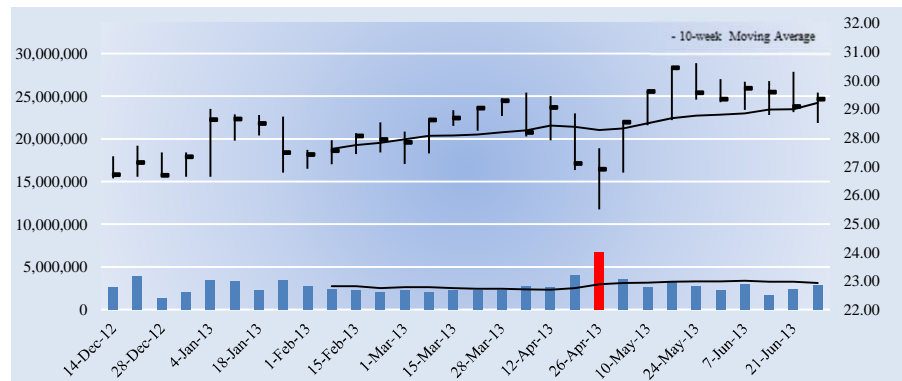
**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	NA	0.0	2.20	0.0%
Dec-99	NA	0.0	3.19	0.0%
Dec-00	NA	0.0	3.75	0.0%
Dec-01	NA	0.0	3.88	0.0%
Dec-02	NA	0.0	5.21	0.0%
Dec-03	NA	0.0	4.52	0.0%
Dec-04	NA	0.0	4.57	0.0%
Dec-05	NA	0.0	5.10	0.0%
Dec-06	NA	0.0	5.71	0.0%
Dec-07	NA	0.0	4.33	0.0%
Dec-08	NA	0.0	1.48	0.0%
Dec-09	1.32	0.0	1.54	0.0%
Dec-10	1.32	0.0	1.87	0.0%
Dec-11	1.46	10.6	1.64	89.0%
Dec-12	1.70	16.4	2.06	82.5%
<b>Dec-13</b>	<b>1.76</b>	<b>3.5</b>	<b>2.43</b>	<b>72.4%</b>
Jan-15	1.83	4.0	2.48	73.7%
Jan-16	1.90	4.0	2.61	72.9%
Dec-16	1.96	3.0	2.75	71.4%
Dec-17	2.02	3.0	2.89	69.8%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Altria Group, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Molex MOLX FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$29.34**Stock Fair Value Range**  
\$19.00 - \$35.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.1**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.27%**Molex continues to raise its dividend at a nice pace.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$5,204
Avg Weekly Vol (30 wks)	2,800
30-week Range (USD)	25.49 - 30.59
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	3,489
Last Fiscal Year EPS	1.59
Last Fiscal Year EBITDA	648
Forward Revenue Growth (5-yr)	5.0%
Forward EPS Growth (5-yr)	4.5%

**Dividend Vitals**

Current Annual Dividend Yield %	3.3%
Annual Dividends Per Share	0.96
Forward Dividend Payout Ratio	65.1%
3-yr Historical Dividend CAGR	16.3%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	51.6%
15-yr Hist Median Div Payout Ratio	17.3%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	733.50	24.00
50	1,467.00	48.00
100	2,934.00	96.00
200	5,868.00	192.00
300	8,802.00	288.00
400	11,736.00	384.00
500	14,670.00	480.00
1,000	29,340.00	960.00
2,000	58,680.00	1,920.00
5,000	146,700.00	4,800.00
10,000	293,400.00	9,600.00
50,000	1,467,000.00	48,000.00
100,000	2,934,000.00	96,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.1**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Molex scores a 2.1 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Molex registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.33 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Molex registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	3.27%
Annual Dividends per Share	\$0.96
Initial Annual Div's Paid, \$10k Investment	\$327.20
Dividend Track Record	HEALTHY
Dividend Safety	GOOD
Valuentum Dividend Cushion™	2.1
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

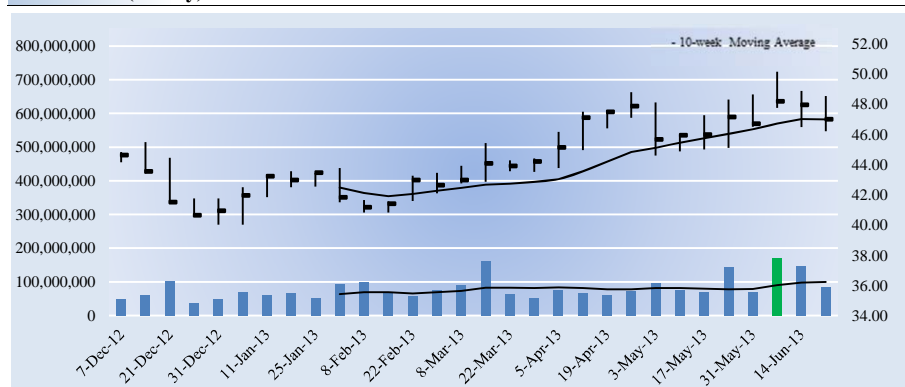
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	NA	0.0	NA	0.0%
Jun-99	0.05	0.0	0.91	5.5%
Jun-00	0.09	80.0	1.12	8.0%
Jun-01	0.10	11.1	1.03	9.7%
Jun-02	0.10	0.0	0.39	25.6%
Jun-03	0.10	0.0	0.44	22.7%
Jun-04	0.10	0.0	0.92	10.9%
Jun-05	0.14	40.0	0.81	17.3%
Jun-06	0.19	35.7	1.26	15.1%
Jun-07	0.30	57.9	1.30	23.1%
Jun-08	0.41	36.7	1.19	34.5%
Jun-09	0.61	48.8	-1.84	-33.2%
Jun-10	0.61	0.0	0.44	138.6%
Jun-11	0.70	14.8	1.70	41.2%
Jun-12	0.82	17.1	1.59	51.6%
Jun-13	0.96	17.1	1.47	65.1%
Jul-14	1.06	10.0	1.69	62.6%
Jul-15	1.14	8.0	1.79	63.8%
Jun-16	1.23	8.0	1.88	65.4%
Jun-17	1.33	8.0	1.97	67.5%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Molex, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Merck MRK FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$47.00**Stock Fair Value Range**  
\$27.00 - \$55.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2**Div Growth Potential**  
GOOD**Dividend Yield**  
3.66%

**Merck stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$145,418
Avg Weekly Vol (30 wks)	81,745
30-week Range (USD)	40.02 - 50.16
Valuentum Sector	Health Care
Last Fiscal Year Revenue	48,047
Last Fiscal Year EPS	2.03
Last Fiscal Year EBITDA	11,614
Forward Revenue Growth (5-yr)	-1.3%
Forward EPS Growth (5-yr)	10.1%

**Dividend Vitals**

Current Annual Dividend Yield %	3.7%
Annual Dividends Per Share	1.72
Forward Dividend Payout Ratio	45.1%
3-yr Historical Dividend CAGR	4.2%
15-yr Historical Dividend CAGR	4.8%
3-yr Hist Median Div Payout Ratio	77.2%
15-yr Hist Median Div Payout Ratio	45.5%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,175.00	43.00
50	2,350.00	86.00
100	4,700.00	172.00
200	9,400.00	344.00
300	14,100.00	516.00
400	18,800.00	688.00
500	23,500.00	860.00
1,000	47,000.00	1,720.00
2,000	94,000.00	3,440.00
5,000	235,000.00	8,600.00
10,000	470,000.00	17,200.00
50,000	2,350,000.00	86,000.00
100,000	4,700,000.00	172,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Merck scores a 2 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Merck registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$2.09 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Merck registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.66%</b>
Annual Dividends per Share	<b>\$1.72</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$365.96</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.0</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

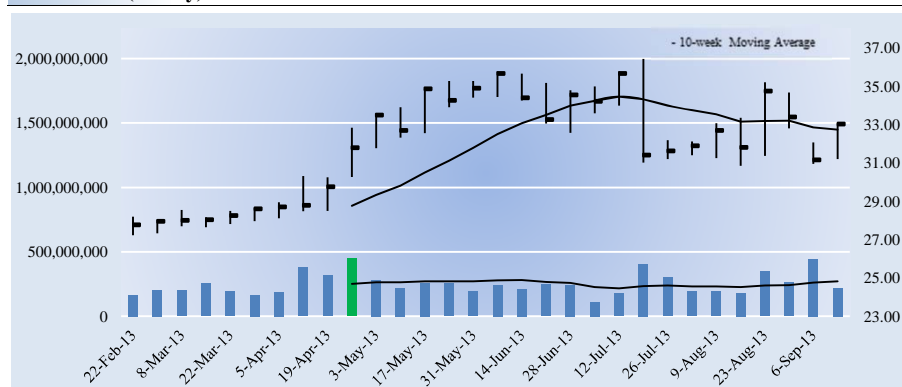
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	0.85	0.0	1.87	45.5%
Dec-98	0.95	11.8	2.15	44.2%
Dec-99	1.10	15.8	2.45	44.9%
Dec-00	1.21	10.0	2.90	41.7%
Dec-01	1.37	13.2	3.14	43.6%
Dec-02	1.41	2.9	3.14	44.9%
Dec-03	1.45	2.8	2.92	49.7%
Dec-04	1.49	2.8	2.61	57.1%
Dec-05	1.52	2.0	2.10	72.4%
Dec-06	1.52	0.0	2.03	74.9%
Dec-07	1.52	0.0	1.49	102.0%
Dec-08	1.52	0.0	3.64	41.8%
Dec-09	1.52	0.0	5.65	26.9%
Dec-10	1.52	0.0	0.28	542.9%
Dec-11	1.56	2.6	2.02	77.2%
Dec-12	1.72	10.3	3.82	45.1%
Dec-13	1.81	5.0	3.54	51.1%
Dec-14	1.90	5.0	3.40	55.8%
Dec-15	1.99	5.0	3.32	60.1%
Dec-16	2.09	5.0	3.28	63.7%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Merck, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Microsoft MSFT UNDERVALUED 15%****Buying Index™****3****Value Rating****Last Close**  
\$33.03**Stock Fair Value Range**  
\$38.00 - \$56.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 3.4**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.39%

**We think Microsoft is a slam-dunk dividend play. The firm is undervalued, its yield is attractive, and the dividend has strong growth prospects, in our opinion.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$279,764
Avg Weekly Vol (30 wks)	249,563
30-week Range (USD)	27.23 - 36.43
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	77,849
Last Fiscal Year EPS	2.58
Last Fiscal Year EBITDA	30,519
Forward Revenue Growth (5-yr)	5.2%
Forward EPS Growth (5-yr)	6.7%

**Dividend Vitals**

Current Annual Dividend Yield %	3.4%
Annual Dividends Per Share	1.12
Forward Dividend Payout Ratio	40.2%
3-yr Historical Dividend CAGR	22.5%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	34.5%
15-yr Hist Median Div Payout Ratio	23.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	825.75	28.00
50	1,651.50	56.00
100	3,303.00	112.00
200	6,606.00	224.00
300	9,909.00	336.00
400	13,212.00	448.00
500	16,515.00	560.00
1,000	33,030.00	1,120.00
2,000	66,060.00	2,240.00
5,000	165,150.00	5,600.00
10,000	330,300.00	11,200.00
50,000	1,651,500.00	56,000.00
100,000	3,303,000.00	112,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 3.4**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Microsoft scores a 3.4 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Microsoft registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.81 per share within the next several years.

**Risk of Capital Loss** **LOW**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Microsoft registers a score of LOW on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.39%</b>
Annual Dividends per Share	<b>\$1.12</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$339.09</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>3.4</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>LOW</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

		Dividend Growth			
Dividend Safety		Very Poor	Poor	Good	Excellent
Excellent					
Good					
Poor					
Very Poor					

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

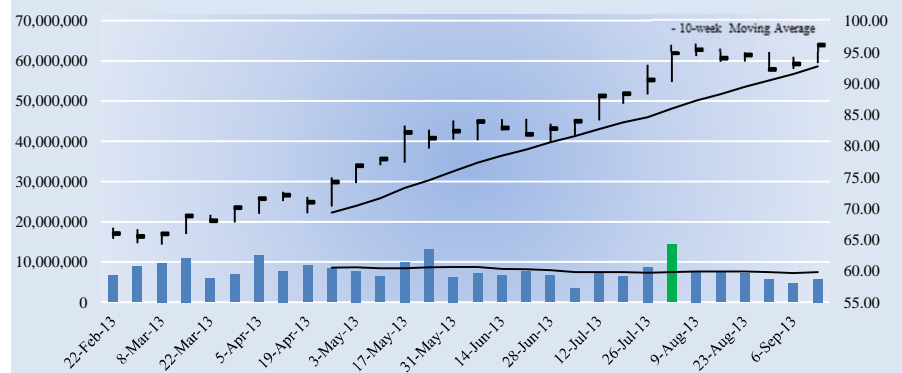
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Jun-99	0.00	0.0	0.71	0.0%
Jun-00	0.00	0.0	0.85	0.0%
Jun-01	0.00	0.0	0.69	0.0%
Jun-02	0.00	0.0	0.71	0.0%
Jun-03	0.08	0.0	0.92	8.7%
Jun-04	0.16	100.0	0.75	21.3%
Jun-05	0.34	112.5	1.12	30.4%
Jun-06	0.34	0.0	1.20	28.3%
Jun-07	0.34	0.0	1.42	23.9%
Jun-08	0.43	26.5	1.87	23.0%
Jun-09	0.50	16.3	1.62	30.9%
Jun-10	0.52	4.0	2.10	24.8%
Jun-11	0.61	17.3	2.69	22.7%
Jun-12	0.76	24.6	2.00	38.0%
Jun-13	0.89	17.1	2.58	34.5%
<b>Jun-14</b>	<b>1.12</b>	<b>25.8</b>	<b>2.79</b>	<b>40.2%</b>
Jun-15	1.29	15.0	3.05	42.2%
Jun-16	1.44	12.0	3.25	44.3%
Jun-17	1.62	12.0	3.43	47.2%
Jun-18	1.81	12.0	3.56	50.8%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Microsoft, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Northrop Grumman NOC FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$96.19**Stock Fair Value Range**  
\$62.00 - \$116.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 2.8**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.54%

**The growth potential and safety of Northrop Grumman's dividend are attractive, and the size of its yield makes the firm worth considering as a potential income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$24,375
Avg Weekly Vol (30 wks)	7,856
30-week Range (USD)	64.2 - 96.42
Valuentum Sector	Industrials
Last Fiscal Year Revenue	25,218
Last Fiscal Year EPS	7.81
Last Fiscal Year EBITDA	3,640
Forward Revenue Growth (5-yr)	-1.4%
Forward EPS Growth (5-yr)	0.1%

**Dividend Vitals**

Current Annual Dividend Yield %	2.5%
Annual Dividends Per Share	2.44
Forward Dividend Payout Ratio	31.1%
3-yr Historical Dividend CAGR	9.9%
15-yr Historical Dividend CAGR	7.7%
3-yr Hist Median Div Payout Ratio	27.2%
15-yr Hist Median Div Payout Ratio	27.5%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,404.75	61.00
50	4,809.50	122.00
100	9,619.00	244.00
200	19,238.00	488.00
300	28,857.00	732.00
400	38,476.00	976.00
500	48,095.00	1,220.00
1,000	96,190.00	2,440.00
2,000	192,380.00	4,880.00
5,000	480,950.00	12,200.00
10,000	961,900.00	24,400.00
50,000	4,809,500.00	122,000.00
100,000	9,619,000.00	244,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 2.8**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Northrop Grumman scores a 2.8 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Northrop Grumman registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.41 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Northrop Grumman registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.54%</b>
Annual Dividends per Share	<b>\$2.44</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$253.66</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>2.8</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.80	0.0	1.40	57.1%
Dec-99	0.80	0.0	3.47	23.1%
Dec-00	0.80	0.0	4.41	18.1%
Dec-01	0.80	0.0	2.40	33.3%
Dec-02	0.80	0.0	2.86	28.0%
Dec-03	0.80	0.0	2.16	37.0%
Dec-04	0.89	11.3	3.06	29.1%
Dec-05	1.01	13.5	3.81	26.5%
Dec-06	1.16	14.9	4.44	26.1%
Dec-07	1.57	35.3	5.16	30.4%
Dec-08	1.57	0.0	-3.83	-41.0%
Dec-09	1.69	7.6	4.87	34.7%
Dec-10	1.84	8.9	6.77	27.2%
Dec-11	1.97	7.1	7.41	26.6%
Dec-12	2.15	9.1	7.81	27.5%
<b>Dec-13</b>	<b>2.44</b>	<b>13.5</b>	<b>7.85</b>	<b>31.1%</b>
Jan-15	2.68	10.0	8.04	33.4%
Jan-16	2.93	9.0	7.79	37.5%
Dec-16	3.16	8.0	7.73	40.9%
Dec-17	3.41	8.0	7.84	43.5%

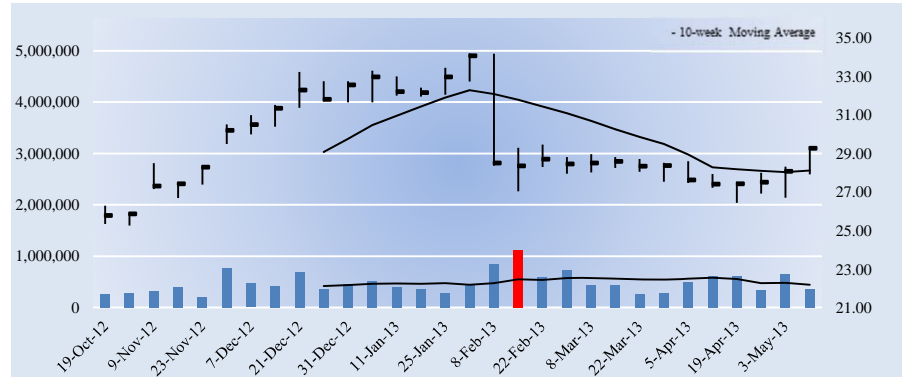
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Northrop Grumman, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Inspirity NSP FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$29.27**Stock Fair Value Range**  
\$29.00 - \$48.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 6.6**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.32%

**Inspirity's special dividend in 2012 will make future comparisons difficult, but we like its dividend growth prospects from here.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$734
Avg Weekly Vol (30 wks)	479
30-week Range (USD)	25.25 - 34.2
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	2,159
Last Fiscal Year EPS	1.61
Last Fiscal Year EBITDA	92
Forward Revenue Growth (5-yr)	6.4%
Forward EPS Growth (5-yr)	6.5%

**Dividend Vitals**

Current Annual Dividend Yield %	2.3%
Annual Dividends Per Share	0.68
Forward Dividend Payout Ratio	43.7%
3-yr Historical Dividend CAGR	9.4%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	60.5%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	731.75	17.00
50	1,463.50	34.00
100	2,927.00	68.00
200	5,854.00	136.00
300	8,781.00	204.00
400	11,708.00	272.00
500	14,635.00	340.00
1,000	29,270.00	680.00
2,000	58,540.00	1,360.00
5,000	146,350.00	3,400.00
10,000	292,700.00	6,800.00
50,000	1,463,500.00	34,000.00
100,000	2,927,000.00	68,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion EXCELLENT / 6.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Inspirity scores a 6.6 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Inspirity registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.07 per share within the next several years.

**Risk of Capital Loss MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Inspirity registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	2.32%
Annual Dividends per Share	\$0.68
Initial Annual Div's Paid, \$10k Investment	\$232.32
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	6.6
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

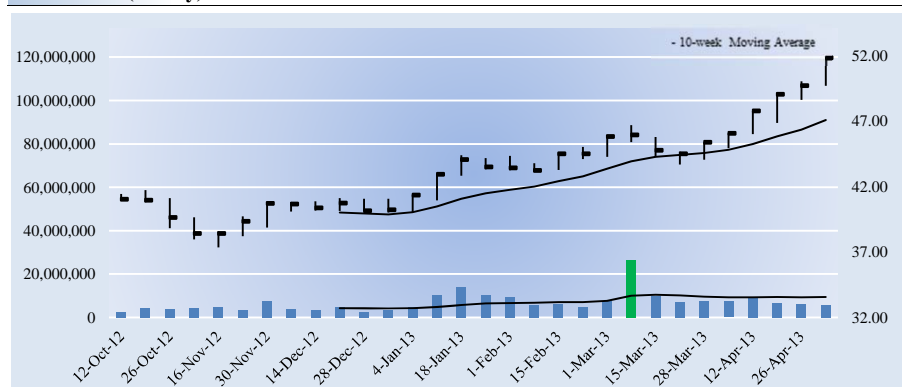
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.52	0.0	0.66	0.0%
Dec-10	0.52	0.0	0.86	60.5%
Dec-11	0.60	15.4	1.16	51.7%
Dec-12	1.66	176.7	1.56	106.4%
<b>Dec-13</b>	<b>0.68</b>	<b>-59.0</b>	<b>1.56</b>	<b>43.7%</b>
Jan-15	0.76	12.0	1.86	41.0%
Jan-16	0.85	12.0	2.01	42.4%
Dec-16	0.96	12.0	2.13	44.8%
Dec-17	1.07	12.0	2.21	48.4%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Inspirity, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Realty Income Corp O FAIRLY VALUED****Buying Index™****5****Value Rating****Last Close**  
\$51.78**Stock Fair Value Range**  
\$43.00 - \$71.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.2**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
4.19%**Realty Income has a 40+ year track record of providing dependable monthly income.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$6,534
Avg Weekly Vol (30 wks)	6,959
30-week Range (USD)	37.33 - 51.78
Valuentum Sector	Financials
Last Fiscal Year Revenue	421
Last Fiscal Year EPS	1.05
Last Fiscal Year EBITDA	381
Forward Revenue Growth (5-yr)	15.5%
Forward EPS Growth (5-yr)	26.3%

**Dividend Vitals**

Current Annual Dividend Yield %	4.2%
Annual Dividends Per Share	2.17
Forward Dividend Payout Ratio	107.7%
3-yr Historical Dividend CAGR	8.3%
15-yr Historical Dividend CAGR	5.7%
3-yr Hist Median Div Payout Ratio	172.3%
15-yr Hist Median Div Payout Ratio	131.1%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,294.50	54.25
50	2,589.00	108.50
100	5,178.00	217.00
200	10,356.00	434.00
300	15,534.00	651.00
400	20,712.00	868.00
500	25,890.00	1,085.00
1,000	51,780.00	2,170.00
2,000	103,560.00	4,340.00
5,000	258,900.00	10,850.00
10,000	517,800.00	21,700.00
50,000	2,589,000.00	108,500.00
100,000	5,178,000.00	217,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Realty Income Corp scores a 2.2 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Realty Income Corp registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.54 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Realty Income Corp registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>4.19%</b>
Annual Dividends per Share	<b>\$2.17</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$419.08</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.2</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

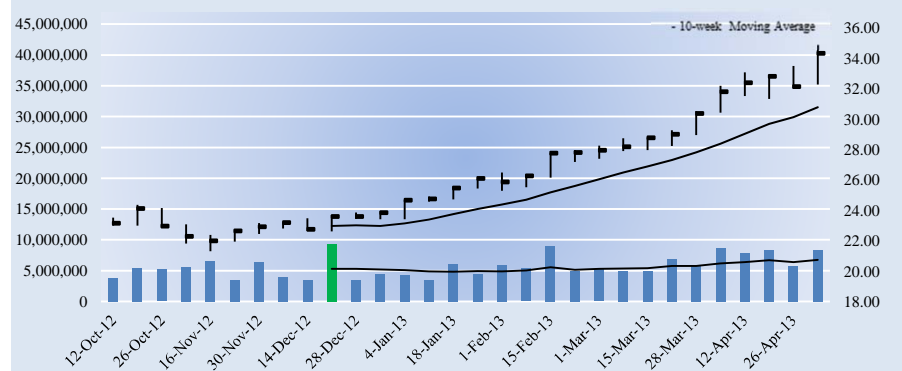
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	0.95	0.0	0.74	128.4%
Dec-98	0.98	3.2	0.78	125.6%
Dec-99	1.04	6.1	0.77	135.1%
Dec-00	1.09	4.8	0.85	128.2%
Dec-01	1.12	2.8	0.99	113.1%
Dec-02	1.15	2.7	0.93	123.7%
Dec-03	1.18	2.6	0.98	120.4%
Dec-04	1.18	0.0	0.90	131.1%
Dec-05	1.29	9.3	1.00	129.0%
Dec-06	1.44	11.6	1.05	137.1%
Dec-07	1.56	8.3	1.03	151.5%
Dec-08	1.66	6.4	0.91	182.4%
Dec-09	1.71	3.0	1.03	166.0%
Dec-10	1.72	0.6	0.92	187.0%
Dec-11	1.74	1.2	1.01	172.3%
<b>Dec-12</b>	<b>2.17</b>	<b>24.7</b>	<b>2.02</b>	<b>107.7%</b>
Dec-13	2.26	4.0	2.95	76.6%
Dec-14	2.35	4.0	3.29	71.2%
Dec-15	2.44	4.0	3.32	73.6%
Dec-16	2.54	4.0	3.38	75.0%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Realty Income Corp, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Omega Healthcare OHI FAIRLY VALUED****Buying Index™****5****Value Rating****Last Close**  
\$34.33**Stock Fair Value Range**  
\$33.00 - \$53.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.7**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
5.36%

**Omega Healthcare stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$3,508
Avg Weekly Vol (30 wks)	5,726
30-week Range (USD)	21.3 - 34.9
Valuentum Sector	Financials
Last Fiscal Year Revenue	291
Last Fiscal Year EPS	1.34
Last Fiscal Year EBITDA	263
Forward Revenue Growth (5-yr)	11.2%
Forward EPS Growth (5-yr)	12.3%

**Dividend Vitals**

Current Annual Dividend Yield %	5.4%
Annual Dividends Per Share	1.84
Forward Dividend Payout Ratio	84.0%
3-yr Historical Dividend CAGR	15.3%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	263.5%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	858.25	46.00
50	1,716.50	92.00
100	3,433.00	184.00
200	6,866.00	368.00
300	10,299.00	552.00
400	13,732.00	736.00
500	17,165.00	920.00
1,000	34,330.00	1,840.00
2,000	68,660.00	3,680.00
5,000	171,650.00	9,200.00
10,000	343,300.00	18,400.00
50,000	1,716,500.00	92,000.00
100,000	3,433,000.00	184,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.7**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Omega Healthcare scores a 2.7 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Omega Healthcare registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.55 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Omega Healthcare registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>5.36%</b>
Annual Dividends per Share	<b>\$1.84</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$535.97</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.7</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

## Dividend Growth

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

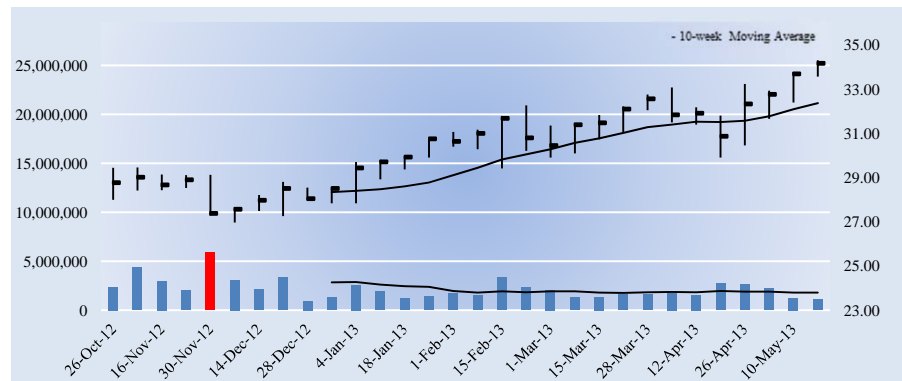
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	NA	0.0	NA	0.0%
Dec-98	NA	0.0	NA	0.0%
Dec-99	NA	0.0	NA	0.0%
Dec-00	NA	0.0	NA	0.0%
Dec-01	NA	0.0	NA	0.0%
Dec-02	NA	0.0	NA	0.0%
Dec-03	NA	0.0	NA	0.0%
Dec-04	NA	0.0	NA	0.0%
Dec-05	NA	0.0	NA	0.0%
Dec-06	NA	0.0	NA	0.0%
Dec-07	NA	0.0	NA	0.0%
Dec-08	1.19	0.0	0.93	128.0%
Dec-09	1.20	0.8	0.87	137.9%
Dec-10	1.37	14.2	0.52	263.5%
Dec-11	1.55	13.1	0.46	337.0%
<b>Dec-12</b>	<b>1.84</b>	<b>18.7</b>	<b>2.19</b>	<b>84.0%</b>
Dec-13	2.02	10.0	2.47	81.8%
Dec-14	2.19	8.0	2.49	87.8%
Dec-15	2.36	8.0	2.46	96.1%
Dec-16	2.55	8.0	2.38	107.1%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Omega Healthcare, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Owens & Minor OMI FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$34.16**Stock Fair Value Range**  
\$27.00 - \$45.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.9**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.81%

**The growth potential and safety of Owens & Minor's dividend are attractive, and the size of its yield makes the firm worth considering as a potential income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$2,147
Avg Weekly Vol (30 wks)	2,192
30-week Range (USD)	26.97 - 34.3
Valuentum Sector	Health Care
Last Fiscal Year Revenue	8,908
Last Fiscal Year EPS	1.73
Last Fiscal Year EBITDA	242
Forward Revenue Growth (5-yr)	3.1%
Forward EPS Growth (5-yr)	11.2%

**Dividend Vitals**

Current Annual Dividend Yield %	2.8%
Annual Dividends Per Share	0.96
Forward Dividend Payout Ratio	50.0%
3-yr Historical Dividend CAGR	10.6%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	44.2%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	854.00	24.00
50	1,708.00	48.00
100	3,416.00	96.00
200	6,832.00	192.00
300	10,248.00	288.00
400	13,664.00	384.00
500	17,080.00	480.00
1,000	34,160.00	960.00
2,000	68,320.00	1,920.00
5,000	170,800.00	4,800.00
10,000	341,600.00	9,600.00
50,000	1,708,000.00	48,000.00
100,000	3,416,000.00	96,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.9**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Owens & Minor scores a 1.9 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Owens & Minor registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.36 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Owens & Minor registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.81%</b>
Annual Dividends per Share	<b>\$0.96</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$281.03</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.9</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

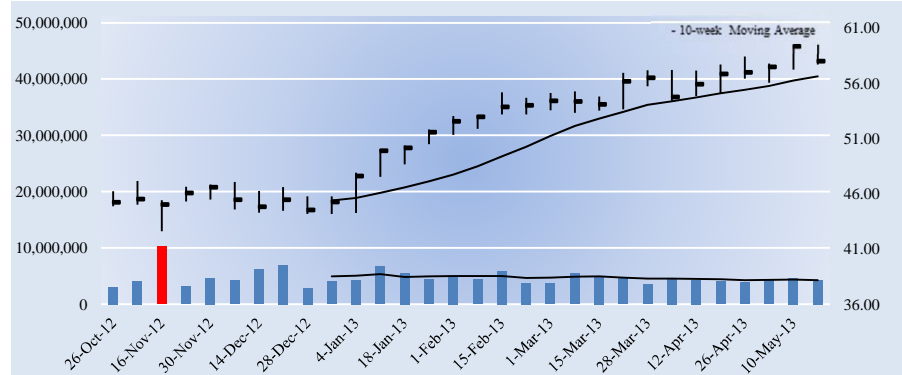
**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	NA	0.0	0.56	0.0%
Dec-99	NA	0.0	0.82	0.0%
Dec-00	NA	0.0	0.94	0.0%
Dec-01	NA	0.0	0.85	0.0%
Dec-02	NA	0.0	1.26	0.0%
Dec-03	NA	0.0	1.42	0.0%
Dec-04	NA	0.0	1.53	0.0%
Dec-05	NA	0.0	1.61	0.0%
Dec-06	NA	0.0	1.20	0.0%
Dec-07	NA	0.0	1.79	0.0%
Dec-08	NA	0.0	1.63	0.0%
Dec-09	0.61	0.0	1.86	32.8%
Dec-10	0.71	16.4	1.75	40.6%
Dec-11	0.80	12.7	1.81	44.2%
Dec-12	0.88	10.0	1.72	51.2%
<b>Dec-13</b>	<b>0.96</b>	<b>9.1</b>	<b>1.92</b>	<b>50.0%</b>
Jan-15	1.05	9.0	2.08	50.3%
Jan-16	1.14	9.0	2.36	48.4%
Dec-16	1.24	9.0	2.65	46.9%
Dec-17	1.36	9.0	2.96	45.9%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Owens & Minor, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Plains All American PAA FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$57.98**Stock Fair Value Range**  
\$40.00 - \$72.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 4.4**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.97%**Plains All American's distribution has advanced at roughly a 7.5% CAGR since 2001.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$18,907
Avg Weekly Vol (30 wks)	4,711
30-week Range (USD)	42.6 - 59.5
Valuentum Sector	Energy
Last Fiscal Year Revenue	34,275
Last Fiscal Year EPS	6.44
Last Fiscal Year EBITDA	1,547
Forward Revenue Growth (5-yr)	6.0%
Forward EPS Growth (5-yr)	-8.5%

**Dividend Vitals**

Current Annual Dividend Yield %	4.0%
Annual Dividends Per Share	2.30
Forward Dividend Payout Ratio	68.6%
3-yr Historical Dividend CAGR	8.3%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	54.5%
15-yr Hist Median Div Payout Ratio	54.5%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,449.50	57.50
50	2,899.00	115.00
100	5,798.00	230.00
200	11,596.00	460.00
300	17,394.00	690.00
400	23,192.00	920.00
500	28,990.00	1,150.00
1,000	57,980.00	2,300.00
2,000	115,960.00	4,600.00
5,000	289,900.00	11,500.00
10,000	579,800.00	23,000.00
50,000	2,899,000.00	115,000.00
100,000	5,798,000.00	230,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion EXCELLENT / 4.4**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Plains All American scores a 4.4 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Plains All American registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.13 per share within the next several years.

**Risk of Capital Loss MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Plains All American registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	3.97%
Annual Dividends per Share	\$2.30
Initial Annual Div's Paid, \$10k Investment	\$396.69
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	4.4
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

		Dividend Growth			
Dividend Safety		Very Poor	Poor	Good	Excellent
Excellent					
Good					
Poor					
Very Poor					

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

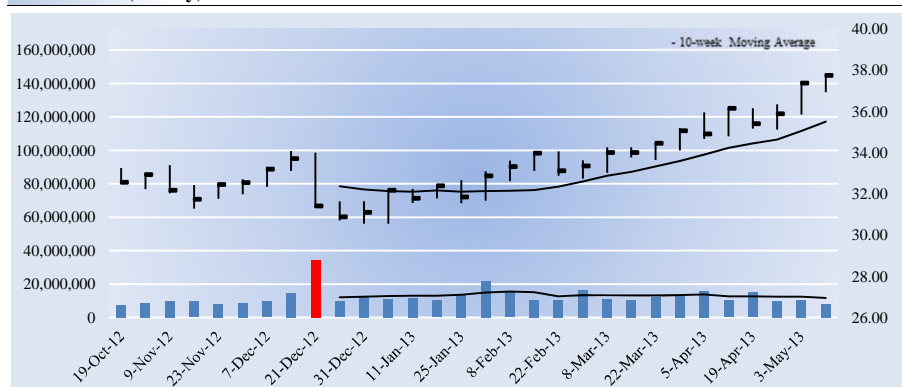
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
Dec-98	0.00	0.0	0.14	0.0%
Dec-99	0.80	0.0	-3.16	-25.2%
Dec-00	0.92	15.1	2.64	34.7%
Dec-01	0.98	6.6	1.12	87.1%
Dec-02	1.06	8.2	1.34	78.7%
Dec-03	1.10	3.8	1.00	109.5%
Dec-04	1.15	5.0	1.94	59.3%
Dec-05	1.29	12.2	2.72	47.4%
Dec-06	1.44	11.2	2.81	51.1%
Dec-07	1.64	14.3	2.52	65.1%
Dec-08	1.75	6.7	2.67	65.5%
Dec-09	1.81	3.4	3.32	54.5%
Dec-10	1.88	3.9	2.40	78.3%
Dec-11	1.96	4.0	4.88	40.1%
Dec-12	2.30	17.6	3.35	68.6%
Dec-13	2.48	8.0	3.07	80.9%
Dec-14	2.68	8.0	3.48	77.0%
Dec-15	2.90	8.0	3.84	75.5%
Dec-16	3.13	8.0	4.13	75.8%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Plains All American, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Paychex PAYX FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$37.74**Stock Fair Value Range**  
\$27.00 - \$45.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 3.2**Div Growth Potential**  
GOOD**Dividend Yield**  
3.50%

**Paychex stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$13,700
Avg Weekly Vol (30 wks)	12,336
30-week Range (USD)	30.55 - 37.76
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	2,230
Last Fiscal Year EPS	1.51
Last Fiscal Year EBITDA	951
Forward Revenue Growth (5-yr)	5.4%
Forward EPS Growth (5-yr)	5.8%

**Dividend Vitals**

Current Annual Dividend Yield %	3.5%
Annual Dividends Per Share	1.32
Forward Dividend Payout Ratio	81.7%
3-yr Historical Dividend CAGR	2.1%
15-yr Historical Dividend CAGR	18.8%
3-yr Hist Median Div Payout Ratio	87.3%
15-yr Hist Median Div Payout Ratio	57.5%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	943.50	33.00
50	1,887.00	66.00
100	3,774.00	132.00
200	7,548.00	264.00
300	11,322.00	396.00
400	15,096.00	528.00
500	18,870.00	660.00
1,000	37,740.00	1,320.00
2,000	75,480.00	2,640.00
5,000	188,700.00	6,600.00
10,000	377,400.00	13,200.00
50,000	1,887,000.00	66,000.00
100,000	3,774,000.00	132,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 3.2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Paychex scores a 3.2 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Paychex registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$1.54 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Paychex registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.50%</b>
Annual Dividends per Share	<b>\$1.32</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$349.76</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>3.2</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

		Dividend Growth			
Dividend Safety		Very Poor	Poor	Good	Excellent
Excellent					
Good					
Poor					
Very Poor					

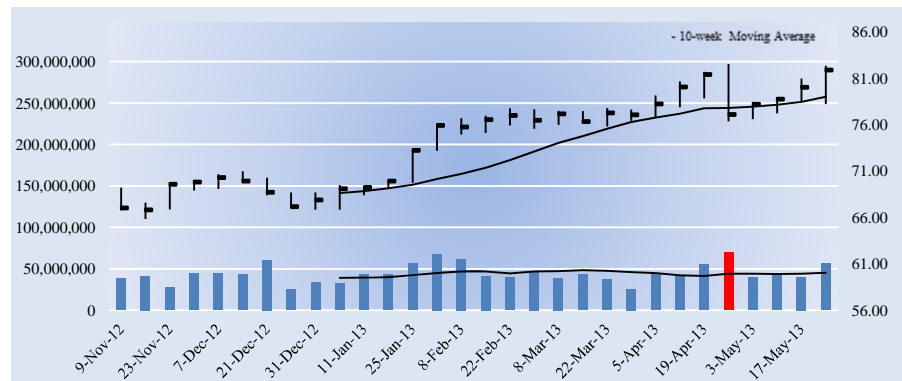
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
May-98	0.10	0.0	0.27	37.0%
May-99	0.15	50.0	0.37	40.5%
May-00	0.22	46.7	0.51	43.1%
May-01	0.33	50.0	0.68	48.5%
May-02	0.42	27.3	0.73	57.5%
May-03	0.44	4.8	0.78	56.4%
May-04	0.47	6.8	0.80	58.8%
May-05	0.51	8.5	0.97	52.6%
May-06	0.61	19.6	1.22	50.0%
May-07	0.79	29.5	1.35	58.5%
May-08	1.20	51.9	1.56	76.9%
May-09	1.24	3.3	1.48	83.8%
May-10	1.24	0.0	1.32	93.9%
May-11	1.24	0.0	1.42	87.3%
May-12	1.27	2.4	1.51	84.1%
<b>May-13</b>	<b>1.32</b>	<b>3.9</b>	<b>1.62</b>	<b>81.7%</b>
Jun-14	1.37	4.0	1.74	79.0%
Jun-15	1.43	4.0	1.84	77.6%
May-16	1.48	4.0	1.93	77.0%
May-17	1.54	4.0	2.00	77.0%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Paychex, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Procter & Gamble PG FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$81.88**Stock Fair Value Range**  
\$58.00 - \$88.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.4**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.94%**Procter & Gamble boasts 120+ consecutive years of dividend payments and 55+ consecutive years of dividend increases. Its payout is rock-solid.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$240,825
Avg Weekly Vol (30 wks)	44,177
30-week Range (USD)	65.83 - 82.54
Valuentum Sector	Consumer Staples
Last Fiscal Year Revenue	83,680
Last Fiscal Year EPS	3.12
Last Fiscal Year EBITDA	18,072
Forward Revenue Growth (5-yr)	4.0%
Forward EPS Growth (5-yr)	14.4%

**Dividend Vitals**

Current Annual Dividend Yield %	2.9%
Annual Dividends Per Share	2.41
Forward Dividend Payout Ratio	59.1%
3-yr Historical Dividend CAGR	10.2%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	51.0%
15-yr Hist Median Div Payout Ratio	44.3%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,047.00	60.25
50	4,094.00	120.50
100	8,188.00	241.00
200	16,376.00	482.00
300	24,564.00	723.00
400	32,752.00	964.00
500	40,940.00	1,205.00
1,000	81,880.00	2,410.00
2,000	163,760.00	4,820.00
5,000	409,400.00	12,050.00
10,000	818,800.00	24,100.00
50,000	4,094,000.00	120,500.00
100,000	8,188,000.00	241,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.4**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Procter & Gamble scores a 1.4 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Procter & Gamble registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.28 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Procter & Gamble registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.94%</b>
Annual Dividends per Share	<b>\$2.41</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$294.33</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.4</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

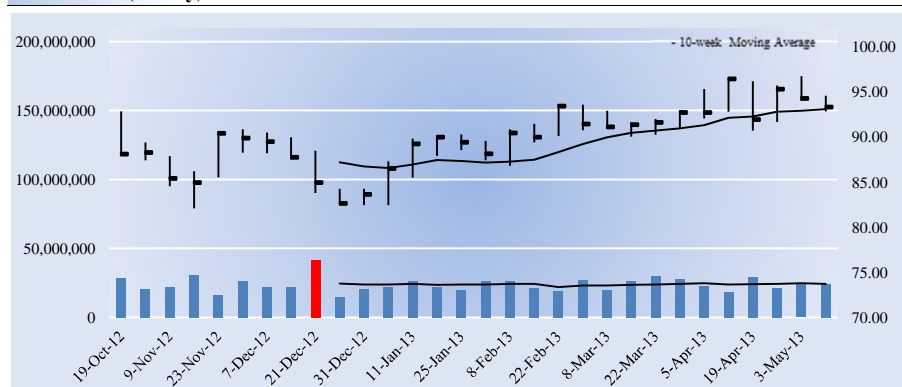
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	NA	0.0	NA	0.0%
Jun-99	0.57	0.0	1.30	43.8%
Jun-00	0.64	12.3	1.24	51.6%
Jun-01	0.70	9.4	1.04	67.3%
Jun-02	0.76	8.6	1.55	49.0%
Jun-03	0.82	7.9	1.85	44.3%
Jun-04	0.93	13.4	2.32	40.1%
Jun-05	1.03	10.8	2.66	38.7%
Jun-06	1.15	11.7	2.64	43.6%
Jun-07	1.28	11.3	3.04	42.1%
Jun-08	1.45	13.3	3.64	39.8%
Jun-09	1.64	13.1	3.58	45.8%
Jun-10	1.80	9.8	3.53	51.0%
Jun-11	1.97	9.4	3.93	50.1%
Jun-12	2.14	8.6	3.12	68.6%
<b>Jun-13</b>	<b>2.41</b>	<b>12.6</b>	<b>4.08</b>	<b>59.1%</b>
Jul-14	2.60	8.0	4.44	58.6%
Jul-15	2.81	8.0	4.97	56.5%
Jun-16	3.04	8.0	5.53	54.9%
Jun-17	3.28	8.0	6.11	53.7%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Procter & Gamble, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Philip Morris PM FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$93.32**Stock Fair Value Range**  
\$56.00 - \$104.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.5**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.64%

**Philip Morris stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$157,897
Avg Weekly Vol (30 wks)	24,087
30-week Range (USD)	82.1 - 96.73
Valuentum Sector	Consumer Staples
Last Fiscal Year Revenue	77,393
Last Fiscal Year EPS	5.20
Last Fiscal Year EBITDA	14,827
Forward Revenue Growth (5-yr)	4.8%
Forward EPS Growth (5-yr)	10.5%

**Dividend Vitals**

Current Annual Dividend Yield %	3.6%
Annual Dividends Per Share	3.40
Forward Dividend Payout Ratio	59.9%
3-yr Historical Dividend CAGR	11.7%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	62.2%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,333.00	85.00
50	4,666.00	170.00
100	9,332.00	340.00
200	18,664.00	680.00
300	27,996.00	1,020.00
400	37,328.00	1,360.00
500	46,660.00	1,700.00
1,000	93,320.00	3,400.00
2,000	186,640.00	6,800.00
5,000	466,600.00	17,000.00
10,000	933,200.00	34,000.00
50,000	4,666,000.00	170,000.00
100,000	9,332,000.00	340,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.5**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Philip Morris scores a 1.5 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Philip Morris registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$4.13 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Philip Morris registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.64%</b>
Annual Dividends per Share	<b>\$3.40</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$364.34</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.5</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	40.97	0.0%
NA	0.00	0.0	40.17	0.0%
NA	1.00	0.0	0.00	0.0%
NA	2.24	124.0	0.00	0.0%
Dec-10	2.44	8.9	3.92	62.2%
Dec-11	2.82	15.6	4.85	58.1%
Dec-12	3.24	14.9	5.17	62.7%
<b>Dec-13</b>	<b>3.40</b>	<b>4.9</b>	<b>5.68</b>	<b>59.9%</b>
Jan-15	3.57	5.0	6.34	56.3%
Jan-16	3.75	5.0	7.07	53.0%
Dec-16	3.94	5.0	7.81	50.4%
Dec-17	4.13	5.0	8.56	48.3%

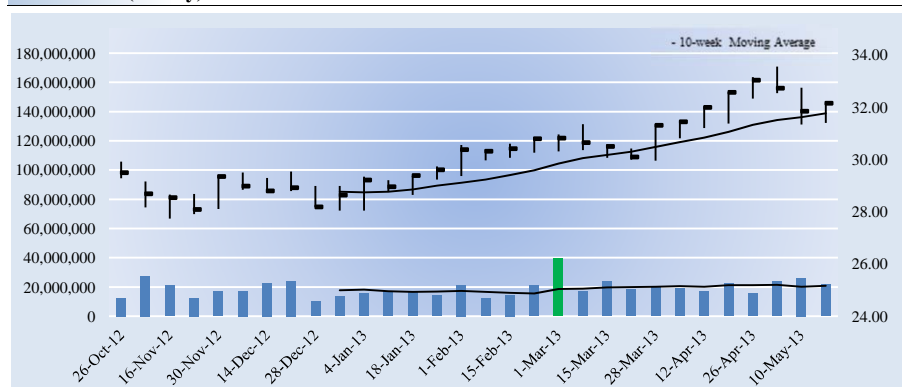
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Philip Morris, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**PPL PPL FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$32.15**Stock Fair Value Range**  
\$26.00 - \$43.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
VERY POOR / -0.7**Div Growth Potential**  
VERY POOR**Dividend Yield**  
4.57%

**Though we're not overly enthused by PPL's dividend, we hold the firm in the portfolio of our Dividend Growth Newsletter to achieve diversification in the utilities industry.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$18,699
Avg Weekly Vol (30 wks)	19,135
30-week Range (USD)	27.74 - 33.55
Valuentum Sector	Energy
Last Fiscal Year Revenue	12,286
Last Fiscal Year EPS	2.63
Last Fiscal Year EBITDA	4,395
Forward Revenue Growth (5-yr)	2.0%
Forward EPS Growth (5-yr)	-1.6%

**Dividend Vitals**

Current Annual Dividend Yield %	4.6%
Annual Dividends Per Share	1.47
Forward Dividend Payout Ratio	63.0%
3-yr Historical Dividend CAGR	1.6%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	55.2%
15-yr Hist Median Div Payout Ratio	47.9%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	803.75	36.75
50	1,607.50	73.50
100	3,215.00	147.00
200	6,430.00	294.00
300	9,645.00	441.00
400	12,860.00	588.00
500	16,075.00	735.00
1,000	32,150.00	1,470.00
2,000	64,300.00	2,940.00
5,000	160,750.00	7,350.00
10,000	321,500.00	14,700.00
50,000	1,607,500.00	73,500.00
100,000	3,215,000.00	147,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **VERY POOR / -0.7**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. PPL scores a -0.7 on our Dividend Cushion™, which is VERY POOR.

**Dividend Growth Potential** **VERY POOR**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. PPL registers an VERY POOR rating on our scale, and we think the firm's annual dividend will be \$1.65 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. PPL registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>4.57%</b>
Annual Dividends per Share	<b>\$1.47</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$457.23</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>VERY POOR</b>
Valuentum Dividend Cushion™	<b>-0.7</b>
Dividend Growth Potential	<b>VERY POOR</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

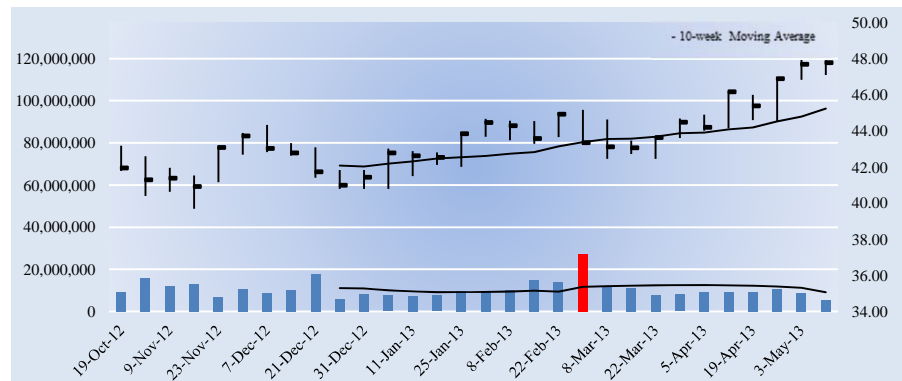
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	NA	0.0	1.15	0.0%
Dec-99	NA	0.0	1.18	0.0%
Dec-00	NA	0.0	1.69	0.0%
Dec-01	0.53	0.0	0.61	86.9%
Dec-02	0.67	26.4	1.18	56.8%
Dec-03	0.76	13.4	2.08	36.5%
Dec-04	0.81	6.6	1.89	42.9%
Dec-05	0.92	13.6	1.92	47.9%
Dec-06	1.08	17.4	2.29	47.2%
Dec-07	1.19	10.2	2.63	45.2%
Dec-08	1.31	10.1	2.45	53.5%
Dec-09	1.38	5.3	1.18	116.9%
Dec-10	1.40	1.4	2.20	63.6%
Dec-11	1.40	0.0	2.70	51.9%
Dec-12	1.44	2.9	2.61	55.2%
<b>Dec-13</b>	<b>1.47</b>	<b>2.1</b>	<b>2.33</b>	<b>63.0%</b>
Jan-15	1.51	3.0	2.19	69.1%
Jan-16	1.56	3.0	2.28	68.5%
Dec-16	1.61	3.0	2.36	68.2%
Dec-17	1.65	3.0	2.43	68.1%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on PPL, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Reynolds American RAI FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$47.78**Stock Fair Value Range**  
\$32.00 - \$60.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.3**Div Growth Potential**  
GOOD**Dividend Yield**  
4.94%

**Reynolds American stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$27,133
Avg Weekly Vol (30 wks)	10,588
30-week Range (USD)	39.7 - 47.95
Valuentum Sector	Consumer Staples
Last Fiscal Year Revenue	8,304
Last Fiscal Year EPS	2.24
Last Fiscal Year EBITDA	2,644
Forward Revenue Growth (5-yr)	2.1%
Forward EPS Growth (5-yr)	12.4%

**Dividend Vitals**

Current Annual Dividend Yield %	4.9%
Annual Dividends Per Share	2.36
Forward Dividend Payout Ratio	72.8%
3-yr Historical Dividend CAGR	8.7%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	89.6%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,194.50	59.00
50	2,389.00	118.00
100	4,778.00	236.00
200	9,556.00	472.00
300	14,334.00	708.00
400	19,112.00	944.00
500	23,890.00	1,180.00
1,000	47,780.00	2,360.00
2,000	95,560.00	4,720.00
5,000	238,900.00	11,800.00
10,000	477,800.00	23,600.00
50,000	2,389,000.00	118,000.00
100,000	4,778,000.00	236,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Reynolds American scores a 1.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Reynolds American registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$2.76 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Reynolds American registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>4.94%</b>
Annual Dividends per Share	<b>\$2.36</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$493.93</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.3</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

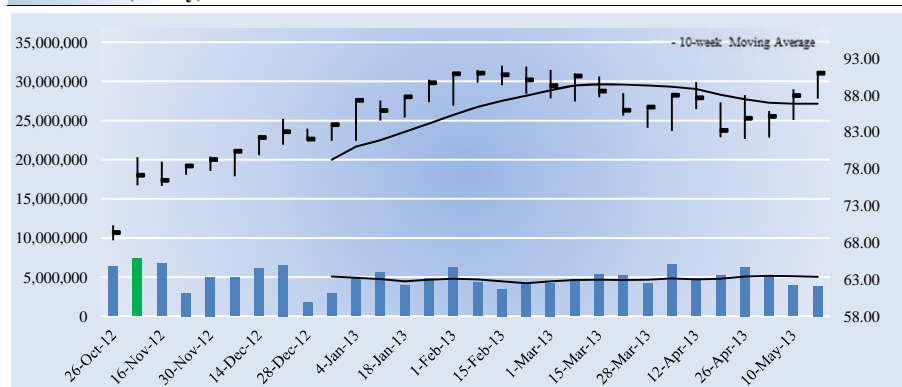
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	NA	NA	-2.39	0.0%
Dec-99	NA	NA	0.90	0.0%
Dec-00	NA	NA	1.73	0.0%
Dec-01	NA	NA	2.24	0.0%
Dec-02	NA	NA	2.32	0.0%
Dec-03	NA	NA	-22.04	0.0%
Dec-04	NA	NA	2.83	0.0%
Dec-05	NA	NA	3.34	0.0%
Dec-06	NA	NA	3.85	0.0%
Dec-07	NA	NA	4.43	0.0%
Dec-08	NA	NA	2.29	0.0%
Dec-09	NA	NA	1.65	0.0%
Dec-10	1.84	0.0	2.27	81.1%
Dec-11	2.15	16.8	2.40	89.6%
Dec-12	2.33	8.4	2.24	104.0%
<b>Dec-13</b>	<b>2.36</b>	<b>1.3</b>	<b>3.24</b>	<b>72.8%</b>
Jan-15	2.45	4.0	3.43	71.5%
Jan-16	2.55	4.0	3.61	70.8%
Dec-16	2.65	4.0	3.80	69.9%
Dec-17	2.76	4.0	4.02	68.8%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Reynolds American, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Rockwell Automation ROK FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$90.95**Stock Fair Value Range**  
\$62.00 - \$103.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.4**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.29%

**Rockwell's balance sheet and future expected cash flows put it in a good position for future dividend increases.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$13,042
Avg Weekly Vol (30 wks)	4,909
30-week Range (USD)	68.3 - 91.99
Valuentum Sector	Industrials
Last Fiscal Year Revenue	6,259
Last Fiscal Year EPS	5.14
Last Fiscal Year EBITDA	1,170
Forward Revenue Growth (5-yr)	3.9%
Forward EPS Growth (5-yr)	7.4%

**Dividend Vitals**

Current Annual Dividend Yield %	2.3%
Annual Dividends Per Share	2.08
Forward Dividend Payout Ratio	37.4%
3-yr Historical Dividend CAGR	19.5%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	34.1%
15-yr Hist Median Div Payout Ratio	29.7%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,273.75	52.00
50	4,547.50	104.00
100	9,095.00	208.00
200	18,190.00	416.00
300	27,285.00	624.00
400	36,380.00	832.00
500	45,475.00	1,040.00
1,000	90,950.00	2,080.00
2,000	181,900.00	4,160.00
5,000	454,750.00	10,400.00
10,000	909,500.00	20,800.00
50,000	4,547,500.00	104,000.00
100,000	9,095,000.00	208,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.4**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Rockwell Automation scores a 2.4 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Rockwell Automation registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.18 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Rockwell Automation registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.29%</b>
Annual Dividends per Share	<b>\$2.08</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$228.70</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.4</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

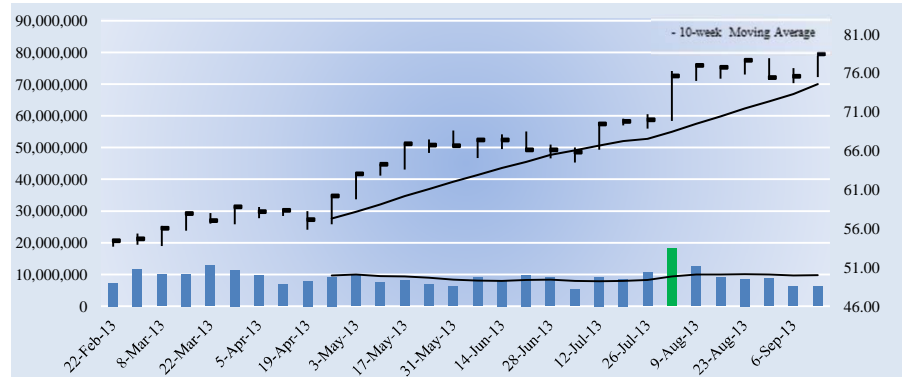
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Sep-98	NA	0.0	-0.55	0.0%
Sep-99	NA	0.0	3.01	0.0%
Sep-00	NA	0.0	3.35	0.0%
Sep-01	NA	0.0	0.68	0.0%
Sep-02	NA	0.0	1.20	0.0%
Sep-03	0.66	0.0	1.49	44.3%
Sep-04	0.66	0.0	1.85	35.7%
Sep-05	0.78	18.2	2.77	28.2%
Sep-06	0.90	15.4	3.49	25.8%
Sep-07	1.16	28.9	3.53	32.9%
Sep-08	1.16	0.0	3.90	29.7%
Sep-09	1.16	0.0	1.53	75.8%
Sep-10	1.22	5.2	3.05	40.0%
Sep-11	1.48	21.3	4.79	30.9%
Sep-12	1.75	18.2	5.13	34.1%
<b>Sep-13</b>	<b>2.08</b>	<b>18.9</b>	<b>5.57</b>	<b>37.4%</b>
Oct-14	2.39	15.0	6.14	39.0%
Oct-15	2.68	12.0	6.57	40.8%
Sep-16	2.95	10.0	6.98	42.2%
Sep-17	3.18	8.0	7.36	43.3%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Rockwell Automation, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Raytheon RTN FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$78.48**Stock Fair Value Range**  
\$54.00 - \$82.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.1**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.80%**Raytheon has a nice combination of yield and dividend growth.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$26,228
Avg Weekly Vol (30 wks)	9,162
30-week Range (USD)	53.66 - 78.67
Valuentum Sector	Industrials
Last Fiscal Year Revenue	24,414
Last Fiscal Year EPS	5.65
Last Fiscal Year EBITDA	3,444
Forward Revenue Growth (5-yr)	-0.8%
Forward EPS Growth (5-yr)	2.7%

**Dividend Vitals**

Current Annual Dividend Yield %	2.8%
Annual Dividends Per Share	2.20
Forward Dividend Payout Ratio	38.5%
3-yr Historical Dividend CAGR	24.9%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	23.6%
15-yr Hist Median Div Payout Ratio	26.5%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,962.00	55.00
50	3,924.00	110.00
100	7,848.00	220.00
200	15,696.00	440.00
300	23,544.00	660.00
400	31,392.00	880.00
500	39,240.00	1,100.00
1,000	78,480.00	2,200.00
2,000	156,960.00	4,400.00
5,000	392,400.00	11,000.00
10,000	784,800.00	22,000.00
50,000	3,924,000.00	110,000.00
100,000	7,848,000.00	220,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.1**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Raytheon scores a 2.1 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Raytheon registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.37 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Raytheon registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.80%</b>
Annual Dividends per Share	<b>\$2.20</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$280.33</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.1</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	NA	0.0	2.53	0.0%
Dec-99	NA	0.0	1.34	0.0%
Dec-00	NA	0.0	1.46	0.0%
Dec-01	NA	0.0	0.01	0.0%
Dec-02	0.80	0.0	1.85	43.2%
Dec-03	0.80	0.0	1.29	62.0%
Dec-04	0.80	0.0	0.99	80.8%
Dec-05	0.86	7.5	2.08	41.3%
Dec-06	0.94	9.3	2.46	38.2%
Dec-07	1.01	7.4	3.80	26.6%
Dec-08	1.12	10.9	3.95	28.4%
Dec-09	1.12	0.0	4.89	22.9%
Dec-10	1.13	0.9	4.79	23.6%
Dec-11	1.24	9.7	5.28	23.5%
Dec-12	1.50	21.0	5.65	26.5%
<b>Dec-13</b>	<b>2.20</b>	<b>46.7</b>	<b>5.72</b>	<b>38.5%</b>
Dec-14	2.53	15.0	5.99	42.2%
Dec-15	2.83	12.0	6.03	47.0%
Dec-16	3.12	10.0	6.18	50.4%
Dec-17	3.37	8.0	6.47	52.1%

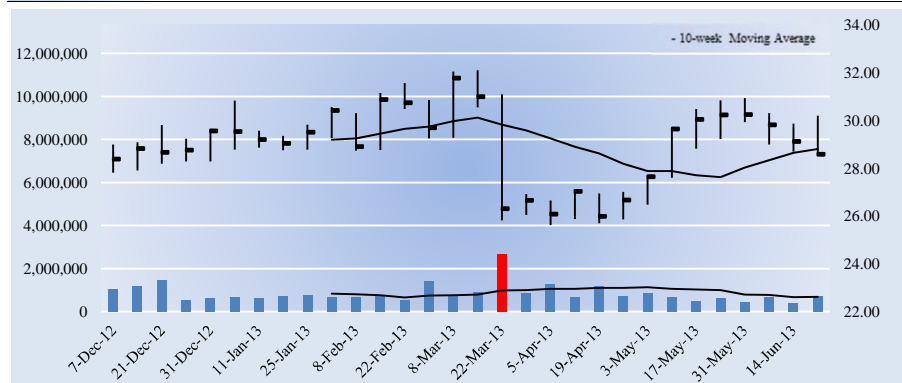
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Raytheon, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Scholastic Corp SCHL FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$28.58**Stock Fair Value Range**  
\$26.00 - \$40.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 5.2**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
1.75%

**We like the potential growth and safety of Scholastic Corp's dividend, but the yield is a bit low to get us excited. We'd wait for a dividend increase or a pullback in the shares to consider it a nice income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$906
Avg Weekly Vol (30 wks)	855
30-week Range (USD)	25.62 - 32.09
Valuentum Sector	Consumer Discretionary
Last Fiscal Year Revenue	2,149
Last Fiscal Year EPS	3.43
Last Fiscal Year EBITDA	332
Forward Revenue Growth (5-yr)	-2.3%
Forward EPS Growth (5-yr)	-3.8%

**Dividend Vitals**

Current Annual Dividend Yield %	1.7%
Annual Dividends Per Share	0.50
Forward Dividend Payout Ratio	49.0%
3-yr Historical Dividend CAGR	18.6%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	18.9%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	714.50	12.50
50	1,429.00	25.00
100	2,858.00	50.00
200	5,716.00	100.00
300	8,574.00	150.00
400	11,432.00	200.00
500	14,290.00	250.00
1,000	28,580.00	500.00
2,000	57,160.00	1,000.00
5,000	142,900.00	2,500.00
10,000	285,800.00	5,000.00
50,000	1,429,000.00	25,000.00
100,000	2,858,000.00	50,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 5.2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Scholastic Corp scores a 5.2 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Scholastic Corp registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$0.71 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Scholastic Corp registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>1.75%</b>
Annual Dividends per Share	<b>\$0.50</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$174.95</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>EXCELLENT</b>
Valuentum Dividend Cushion™	<b>5.2</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

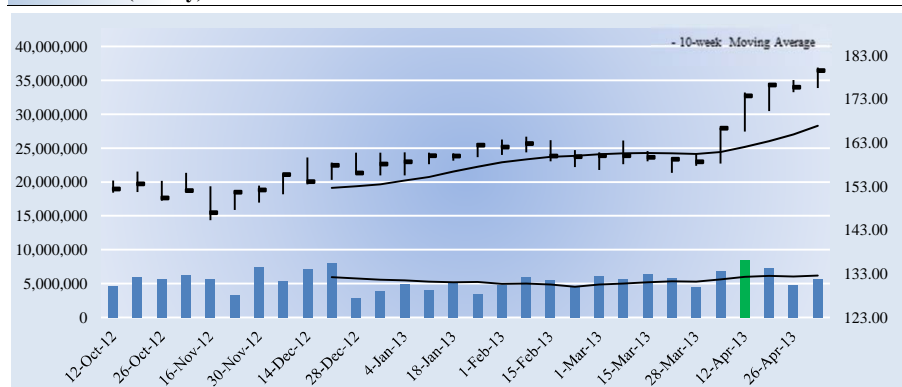
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
May-99	0.00	0.0	1.10	0.0%
May-00	0.00	0.0	1.48	0.0%
May-01	0.00	0.0	1.01	0.0%
May-02	0.00	0.0	2.51	0.0%
May-03	0.00	0.0	1.46	0.0%
May-04	0.00	0.0	1.46	0.0%
May-05	0.00	0.0	1.58	0.0%
May-06	0.00	0.0	1.63	0.0%
May-07	0.00	0.0	1.42	0.0%
May-08	0.00	0.0	2.82	0.0%
May-09	0.23	0.0	0.35	65.7%
May-10	0.30	30.4	1.59	18.9%
May-11	0.35	16.7	1.29	27.1%
May-12	0.45	28.6	3.41	13.2%
May-13	0.50	11.1	1.02	49.0%
Jun-14	0.55	10.0	2.22	24.8%
Jun-15	0.61	10.0	2.41	25.1%
May-16	0.65	8.0	2.61	25.0%
May-17	0.71	8.0	2.83	25.0%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Scholastic Corp, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Simon Property SPG FAIRLY VALUED****Buying Index™ 7****Value Rating****Last Close**  
\$179.44**Stock Fair Value Range**  
\$111.00 - \$231.00**Dividend Track Record**  
RISKY**Dividend Safety / Cushion™**  
GOOD / 2.2**Div Growth Potential**  
GOOD**Dividend Yield**  
2.56%

**The growth potential and safety of Simon Property's dividend are attractive, and the size of its yield makes the firm worth considering as a potential income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$52,679
Avg Weekly Vol (30 wks)	5,549
30-week Range (USD)	145.21 - 180.12
Valuentum Sector	Financials
Last Fiscal Year Revenue	4,306
Last Fiscal Year EPS	3.49
Last Fiscal Year EBITDA	2,281
Forward Revenue Growth (5-yr)	7.0%
Forward EPS Growth (5-yr)	25.9%

**Dividend Vitals**

Current Annual Dividend Yield %	2.6%
Annual Dividends Per Share	4.60
Forward Dividend Payout Ratio	57.7%
3-yr Historical Dividend CAGR	44.6%
15-yr Historical Dividend CAGR	5.7%
3-yr Hist Median Div Payout Ratio	123.8%
15-yr Hist Median Div Payout Ratio	174.1%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	4,486.00	115.00
50	8,972.00	230.00
100	17,944.00	460.00
200	35,888.00	920.00
300	53,832.00	1,380.00
400	71,776.00	1,840.00
500	89,720.00	2,300.00
1,000	179,440.00	4,600.00
2,000	358,880.00	9,200.00
5,000	897,200.00	23,000.00
10,000	1,794,400.00	46,000.00
50,000	8,972,000.00	230,000.00
100,000	17,944,000.00	460,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Simon Property scores a 2.2 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Simon Property registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$6.72 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Simon Property registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.56%</b>
Annual Dividends per Share	<b>\$4.60</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$256.35</b>
Dividend Track Record	<b>RISKY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.2</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****RISKY**

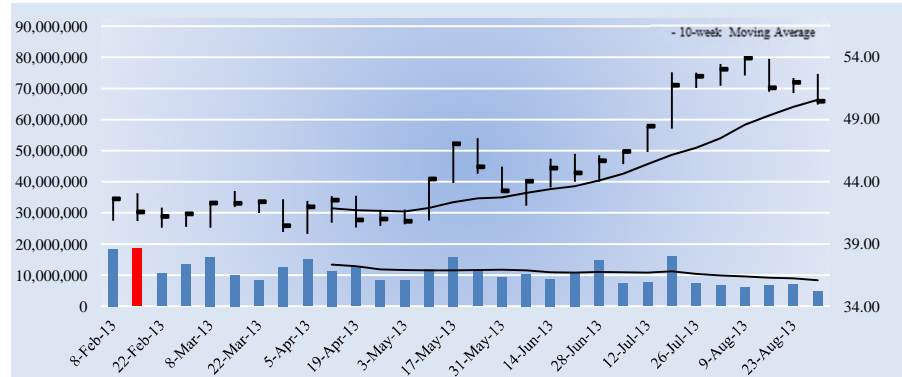
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	2.01	0.0	1.08	186.1%
Dec-98	2.02	0.5	1.01	200.0%
Dec-99	2.02	0.0	1.00	202.0%
Dec-00	2.02	0.0	1.16	174.1%
Dec-01	2.08	3.0	0.86	241.9%
Dec-02	2.18	4.8	1.93	113.0%
Dec-03	2.40	10.1	1.53	156.9%
Dec-04	2.60	8.3	1.44	180.6%
Dec-05	2.80	7.7	1.27	220.5%
Dec-06	3.04	8.6	2.19	138.8%
Dec-07	3.36	10.5	2.08	161.5%
Dec-08	3.60	7.1	1.87	192.5%
Dec-09	1.52	-57.8	1.05	144.8%
Dec-10	2.60	71.1	2.10	123.8%
Dec-11	3.50	34.6	3.48	100.6%
<b>Dec-12</b>	<b>4.60</b>	<b>31.4</b>	<b>7.98</b>	<b>57.7%</b>
Dec-13	5.29	15.0	8.73	60.6%
Dec-14	5.92	12.0	9.42	62.9%
Dec-15	6.40	8.0	10.19	62.8%
Dec-16	6.72	5.0	11.04	60.9%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Simon Property, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**St. Jude STJ FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$50.41**Stock Fair Value Range**  
\$38.00 - \$64.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.7**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
1.98%

**We like the potential growth and safety of St. Jude's dividend, but the yield is a bit low to get us excited. We'd wait for a dividend increase or a pullback in the shares to consider it a nice income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$15,869
Avg Weekly Vol (30 wks)	10,881
30-week Range (USD)	39.79 - 54.06
Valuentum Sector	Health Care
Last Fiscal Year Revenue	5,503
Last Fiscal Year EPS	2.39
Last Fiscal Year EBITDA	1,671
Forward Revenue Growth (5-yr)	2.2%
Forward EPS Growth (5-yr)	13.5%

**Dividend Vitals**

Current Annual Dividend Yield %	2.0%
Annual Dividends Per Share	1.00
Forward Dividend Payout Ratio	26.6%
3-yr Historical Dividend CAGR	INF
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	33.3%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,260.25	25.00
50	2,520.50	50.00
100	5,041.00	100.00
200	10,082.00	200.00
300	15,123.00	300.00
400	20,164.00	400.00
500	25,205.00	500.00
1,000	50,410.00	1,000.00
2,000	100,820.00	2,000.00
5,000	252,050.00	5,000.00
10,000	504,100.00	10,000.00
50,000	2,520,500.00	50,000.00
100,000	5,041,000.00	100,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.7**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. St. Jude scores a 2.7 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. St. Jude registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.57 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. St. Jude registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>1.98%</b>
Annual Dividends per Share	<b>\$1.00</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$198.37</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.7</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

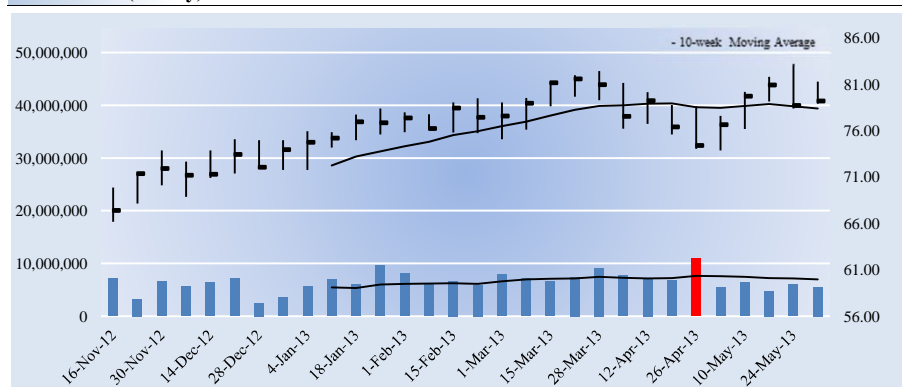
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.00	0.0	0.38	0.0%
Dec-99	0.00	0.0	0.07	0.0%
Dec-00	0.00	0.0	0.38	0.0%
Dec-01	0.00	0.0	0.48	0.0%
Dec-02	0.00	0.0	0.76	0.0%
Dec-03	0.00	0.0	0.92	0.0%
Dec-04	0.00	0.0	1.10	0.0%
Dec-05	0.00	0.0	1.04	0.0%
Dec-06	0.00	0.0	1.47	0.0%
Dec-07	0.00	0.0	1.59	0.0%
Dec-08	0.00	0.0	1.10	0.0%
Dec-09	0.00	0.0	2.26	0.0%
Dec-10	0.00	0.0	2.75	0.0%
Dec-11	0.84	0.0	2.52	33.3%
Dec-12	0.92	9.5	2.39	38.5%
<b>Dec-13</b>	<b>1.00</b>	<b>INF</b>	<b>3.76</b>	<b>26.6%</b>
Jan-15	1.12	12.0	4.01	27.9%
Jan-16	1.25	12.0	4.17	30.1%
Dec-16	1.40	12.0	4.33	32.4%
Dec-17	1.57	12.0	4.50	35.0%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on St. Jude, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Stanley SWK FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$79.22**Stock Fair Value Range**  
\$50.00 - \$102.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.5**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.47%

**We like the potential growth and safety of Stanley's dividend, but the yield is a bit low to get us excited. We'd wait for a dividend increase or a pullback in the shares to consider it a nice income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$13,476
Avg Weekly Vol (30 wks)	6,539
30-week Range (USD)	66.18 - 83.26
Valuentum Sector	Industrials
Last Fiscal Year Revenue	10,376
Last Fiscal Year EPS	4.06
Last Fiscal Year EBITDA	1,653
Forward Revenue Growth (5-yr)	4.4%
Forward EPS Growth (5-yr)	9.4%

**Dividend Vitals**

Current Annual Dividend Yield %	2.5%
Annual Dividends Per Share	1.96
Forward Dividend Payout Ratio	42.0%
3-yr Historical Dividend CAGR	14.7%
15-yr Historical Dividend CAGR	6.4%
3-yr Hist Median Div Payout Ratio	46.1%
15-yr Hist Median Div Payout Ratio	44.7%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,980.50	49.00
50	3,961.00	98.00
100	7,922.00	196.00
200	15,844.00	392.00
300	23,766.00	588.00
400	31,688.00	784.00
500	39,610.00	980.00
1,000	79,220.00	1,960.00
2,000	158,440.00	3,920.00
5,000	396,100.00	9,800.00
10,000	792,200.00	19,600.00
50,000	3,961,000.00	98,000.00
100,000	7,922,000.00	196,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.5**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Stanley scores a 1.5 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Stanley registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.82 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Stanley registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	2.47%
Annual Dividends per Share	\$1.96
Initial Annual Div's Paid, \$10k Investment	\$247.41
Dividend Track Record	HEALTHY
Dividend Safety	GOOD
Valuentum Dividend Cushion™	1.5
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	HIGH

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

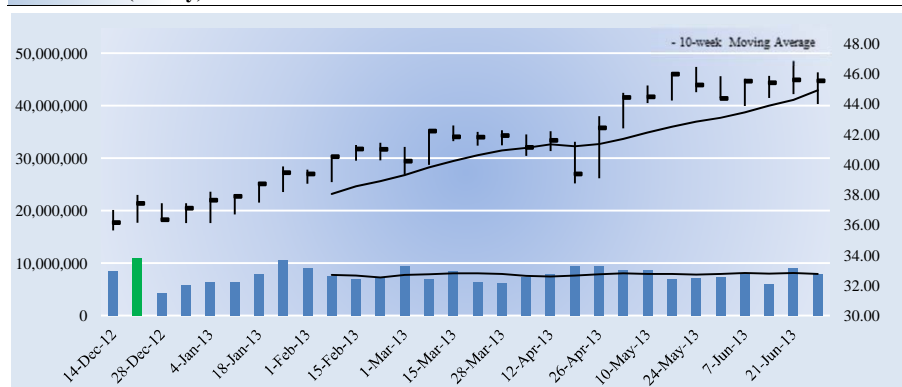
**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	0.77	0.0	-0.47	-163.8%
Dec-98	0.83	7.8	1.53	54.2%
Dec-99	0.87	4.8	1.67	52.1%
Dec-00	0.90	3.4	2.22	40.5%
Dec-01	0.94	4.4	1.81	51.9%
Dec-02	0.99	5.3	2.10	47.1%
Dec-03	1.03	4.0	1.14	90.4%
Dec-04	1.08	4.9	2.85	37.9%
Dec-05	1.14	5.6	3.18	35.8%
Dec-06	1.18	3.5	3.47	34.0%
Dec-07	1.22	3.4	4.00	30.5%
Dec-08	1.26	3.3	2.82	44.7%
Dec-09	1.30	3.2	2.82	46.1%
Dec-10	1.34	3.1	1.32	101.5%
Dec-11	1.64	22.4	4.06	40.4%
<b>Dec-12</b>	<b>1.96</b>	<b>19.5</b>	<b>4.67</b>	<b>42.0%</b>
Dec-13	2.20	12.0	5.49	40.0%
Dec-14	2.41	10.0	5.89	41.0%
Dec-15	2.61	8.0	6.19	42.1%
Dec-16	2.82	8.0	6.36	44.3%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Stanley, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**TE Connectivity TEL FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$45.54**Stock Fair Value Range**  
\$32.00 - \$54.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 2.9**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.20%**TE Connectivity's dividend boasts a strong combination of safety and growth potential.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$19,582
Avg Weekly Vol (30 wks)	7,776
30-week Range (USD)	35.64 - 46.89
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	13,282
Last Fiscal Year EPS	2.70
Last Fiscal Year EBITDA	2,282
Forward Revenue Growth (5-yr)	3.8%
Forward EPS Growth (5-yr)	9.0%

**Dividend Vitals**

Current Annual Dividend Yield %	2.2%
Annual Dividends Per Share	1.00
Forward Dividend Payout Ratio	31.4%
3-yr Historical Dividend CAGR	INF
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	18.4%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,138.50	25.00
50	2,277.00	50.00
100	4,554.00	100.00
200	9,108.00	200.00
300	13,662.00	300.00
400	18,216.00	400.00
500	22,770.00	500.00
1,000	45,540.00	1,000.00
2,000	91,080.00	2,000.00
5,000	227,700.00	5,000.00
10,000	455,400.00	10,000.00
50,000	2,277,000.00	50,000.00
100,000	4,554,000.00	100,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion EXCELLENT / 2.9**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. TE Connectivity scores a 2.9 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. TE Connectivity registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.36 per share within the next several years.

**Risk of Capital Loss MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. TE Connectivity registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	2.20%
Annual Dividends per Share	\$1.00
Initial Annual Div's Paid, \$10k Investment	\$219.59
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	2.9
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

		Dividend Growth			
Dividend Safety		Very Poor	Poor	Good	Excellent
Excellent					
Good					
Poor					
Very Poor					

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record**

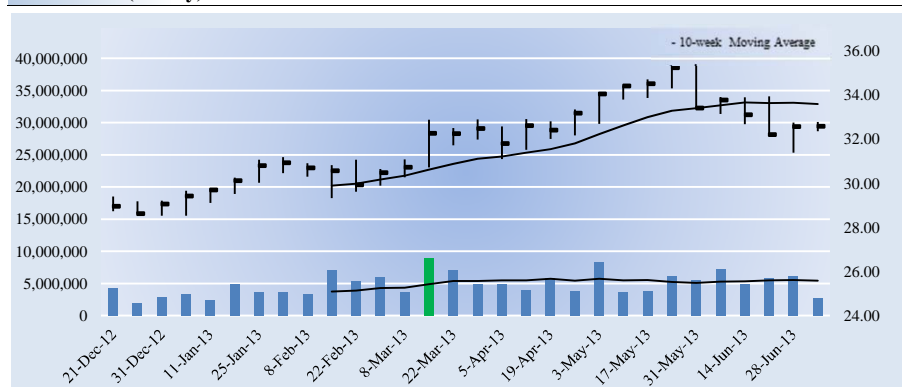
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
Sep-11	0.52	0.0	2.82	18.4%
Sep-12	0.78	50.0	2.70	28.9%
Sep-13	1.00	28.2	3.18	31.4%
Oct-14	1.08	8.0	3.59	30.1%
Oct-15	1.17	8.0	3.81	30.6%
Sep-16	1.26	8.0	4.00	31.5%
Sep-17	1.36	8.0	4.16	32.7%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on TE Connectivity, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Thomson Reuters Corp TRI FAIRLY VALUED****Buying Index™****4****Value Rating****Last Close**  
\$32.58**Stock Fair Value Range**  
\$27.00 - \$47.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.3**Div Growth Potential**  
GOOD**Dividend Yield**  
3.99%

Though we note Thomson Reuters has a good Valuentum Dividend Cushion score, the measure is near the threshold of good/poor.

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$27,028
Avg Weekly Vol (30 wks)	4,873
30-week Range (USD)	28.53 - 35.41
Valuentum Sector	Financials
Last Fiscal Year Revenue	13,278
Last Fiscal Year EPS	2.49
Last Fiscal Year EBITDA	3,516
Forward Revenue Growth (5-yr)	3.2%
Forward EPS Growth (5-yr)	1.0%

**Dividend Vitals**

Current Annual Dividend Yield %	4.0%
Annual Dividends Per Share	1.30
Forward Dividend Payout Ratio	70.7%
3-yr Historical Dividend CAGR	3.9%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	51.4%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	814.50	32.50
50	1,629.00	65.00
100	3,258.00	130.00
200	6,516.00	260.00
300	9,774.00	390.00
400	13,032.00	520.00
500	16,290.00	650.00
1,000	32,580.00	1,300.00
2,000	65,160.00	2,600.00
5,000	162,900.00	6,500.00
10,000	325,800.00	13,000.00
50,000	1,629,000.00	65,000.00
100,000	3,258,000.00	130,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Thomson Reuters Corp scores a 1.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Thomson Reuters Corp registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$1.44 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Thomson Reuters Corp registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.99%</b>
Annual Dividends per Share	<b>\$1.30</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$399.02</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.3</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

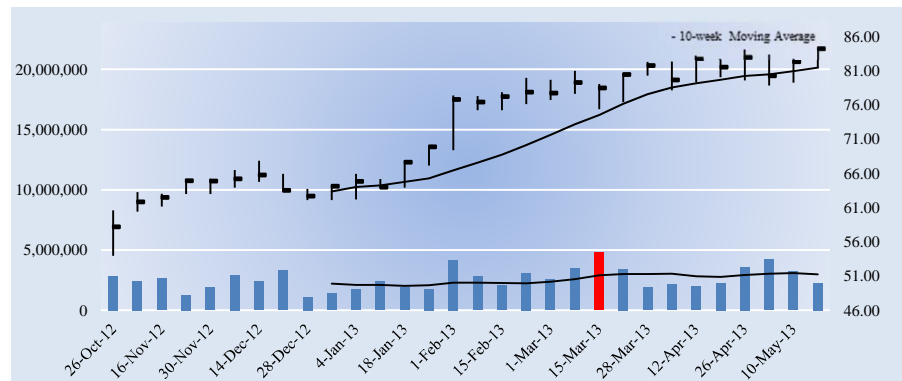
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	-3.12	0.0%
Dec-00	0.00	0.0	0.13	0.0%
Dec-01	0.00	0.0	0.10	0.0%
Dec-02	0.00	0.0	1.89	0.0%
Dec-03	0.00	0.0	1.32	0.0%
Dec-04	0.00	0.0	1.80	0.0%
Dec-05	0.00	0.0	2.74	0.0%
Dec-06	0.88	0.0	1.41	62.4%
Dec-07	0.98	11.4	1.69	58.0%
Dec-08	1.08	10.2	1.81	59.7%
Dec-09	1.12	3.7	0.99	113.1%
Dec-10	1.16	3.6	1.08	107.4%
Dec-11	1.24	6.9	-1.68	-73.8%
Dec-12	1.28	3.2	2.49	51.4%
<b>Dec-13</b>	<b>1.30</b>	<b>1.6</b>	<b>1.84</b>	<b>70.7%</b>
Jan-15	1.32	1.6	2.03	65.1%
Jan-16	1.35	2.0	2.22	60.8%
Dec-16	1.39	3.0	2.41	57.5%
Dec-17	1.44	4.0	2.62	55.0%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Thomson Reuters Corp, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Tupperware TUP FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$84.24**Stock Fair Value Range**  
\$55.00 - \$101.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.6**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.94%

**The growth potential and safety of Tupperware's dividend are attractive, and the size of its yield makes the firm worth considering as a potential income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$5,172
Avg Weekly Vol (30 wks)	2,592
30-week Range (USD)	53.93 - 84.24
Valuentum Sector	Materials
Last Fiscal Year Revenue	2,585
Last Fiscal Year EPS	3.56
Last Fiscal Year EBITDA	434
Forward Revenue Growth (5-yr)	2.7%
Forward EPS Growth (5-yr)	14.1%

**Dividend Vitals**

Current Annual Dividend Yield %	2.9%
Annual Dividends Per Share	2.48
Forward Dividend Payout Ratio	49.7%
3-yr Historical Dividend CAGR	39.7%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	33.1%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,106.00	62.00
50	4,212.00	124.00
100	8,424.00	248.00
200	16,848.00	496.00
300	25,272.00	744.00
400	33,696.00	992.00
500	42,120.00	1,240.00
1,000	84,240.00	2,480.00
2,000	168,480.00	4,960.00
5,000	421,200.00	12,400.00
10,000	842,400.00	24,800.00
50,000	4,212,000.00	124,000.00
100,000	8,424,000.00	248,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Tupperware scores a 1.6 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Tupperware registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$4.11 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Tupperware registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.94%</b>
Annual Dividends per Share	<b>\$2.48</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$294.40</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.6</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

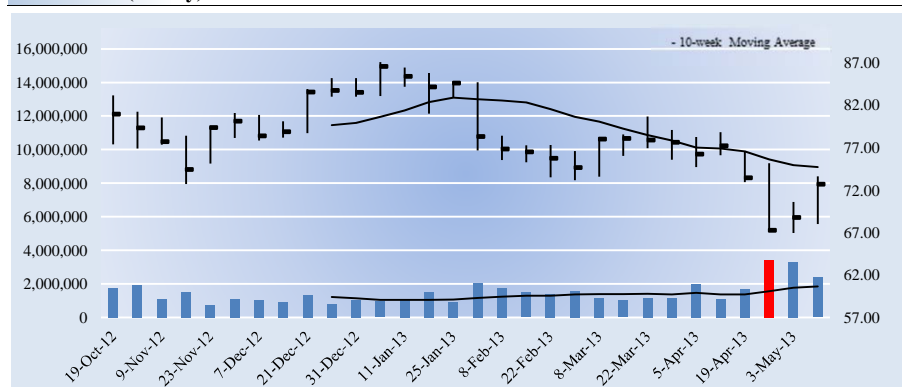
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	NA	0.0	1.32	0.0%
Dec-98	NA	0.0	1.18	0.0%
Dec-99	NA	0.0	1.37	0.0%
Dec-00	NA	0.0	1.29	0.0%
Dec-01	NA	0.0	1.04	0.0%
Dec-02	NA	0.0	1.54	0.0%
Dec-03	NA	0.0	0.82	0.0%
Dec-04	NA	0.0	1.48	0.0%
Dec-05	0.88	0.0	1.42	62.0%
Dec-06	0.88	0.0	1.54	57.1%
Dec-07	0.88	0.0	1.87	47.1%
Dec-08	0.88	0.0	2.56	34.4%
Dec-09	0.91	3.4	2.75	33.1%
Dec-10	1.05	15.4	3.53	29.7%
Dec-11	1.20	14.3	3.55	33.8%
<b>Dec-12</b>	<b>2.48</b>	<b>106.7</b>	<b>4.99</b>	<b>49.7%</b>
Dec-13	2.85	15.0	5.69	50.2%
Dec-14	3.28	15.0	6.08	53.9%
Dec-15	3.67	12.0	6.48	56.7%
Dec-16	4.11	12.0	6.88	59.8%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Tupperware, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Domtar UFS FAIRLY VALUED****Buying Index™****4****Value Rating****Last Close**  
\$72.68**Stock Fair Value Range**  
\$62.00 - \$116.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.6**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.03%**Domtar sports a decent dividend yield. We'd prefer a higher payout, however.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$2,624
Avg Weekly Vol (30 wks)	1,482
30-week Range (USD)	66.94 - 87.08
Valuentum Sector	Materials
Last Fiscal Year Revenue	5,482
Last Fiscal Year EPS	4.76
Last Fiscal Year EBITDA	803
Forward Revenue Growth (5-yr)	-0.8%
Forward EPS Growth (5-yr)	8.0%

**Dividend Vitals**

Current Annual Dividend Yield %	3.0%
Annual Dividends Per Share	2.20
Forward Dividend Payout Ratio	41.1%
3-yr Historical Dividend CAGR	INF
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	12.6%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,817.00	55.00
50	3,634.00	110.00
100	7,268.00	220.00
200	14,536.00	440.00
300	21,804.00	660.00
400	29,072.00	880.00
500	36,340.00	1,100.00
1,000	72,680.00	2,200.00
2,000	145,360.00	4,400.00
5,000	363,400.00	11,000.00
10,000	726,800.00	22,000.00
50,000	3,634,000.00	110,000.00
100,000	7,268,000.00	220,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Domtar scores a 1.6 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Domtar registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.83 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Domtar registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	3.03%
Annual Dividends per Share	\$2.20
Initial Annual Div's Paid, \$10k Investment	\$302.70
Dividend Track Record	HEALTHY
Dividend Safety	GOOD
Valuentum Dividend Cushion™	1.6
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	-1.45	0.0%
NA	0.00	0.0	-1.45	0.0%
NA	0.00	0.0	0.00	0.0%
Dec-08	0.00	0.0	-13.32	0.0%
Dec-09	0.00	0.0	7.18	0.0%
Dec-10	0.64	0.0	14.00	4.6%
Dec-11	1.14	78.1	9.08	12.6%
Dec-12	1.58	38.6	4.76	33.2%
<b>Dec-13</b>	<b>2.20</b>	<b>39.2</b>	<b>5.35</b>	<b>41.1%</b>
Jan-15	2.75	25.0	6.75	40.8%
Jan-16	3.16	15.0	6.80	46.5%
Dec-16	3.54	12.0	6.88	51.5%
Dec-17	3.83	8.0	7.00	54.7%

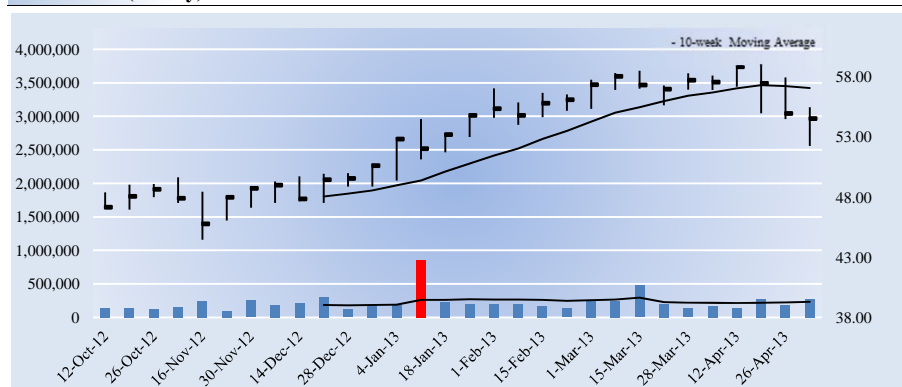
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Domtar, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Universal Health Realty UHT FAIRLY VALUED****Buying Index™****3****Value Rating****Last Close**  
\$54.52**Stock Fair Value Range**  
\$27.00 - \$55.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.2**Div Growth Potential**  
GOOD**Dividend Yield**  
4.55%

**Universal Health Realty stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$690
Avg Weekly Vol (30 wks)	223
30-week Range (USD)	44.46 - 59.09
Valuentum Sector	Financials
Last Fiscal Year Revenue	29
Last Fiscal Year EPS	5.83
Last Fiscal Year EBITDA	20
Forward Revenue Growth (5-yr)	8.3%
Forward EPS Growth (5-yr)	-21.5%

**Dividend Vitals**

Current Annual Dividend Yield %	4.5%
Annual Dividends Per Share	2.48
Forward Dividend Payout Ratio	245.5%
3-yr Historical Dividend CAGR	1.4%
15-yr Historical Dividend CAGR	2.5%
3-yr Hist Median Div Payout Ratio	152.6%
15-yr Hist Median Div Payout Ratio	108.7%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,363.00	62.00
50	2,726.00	124.00
100	5,452.00	248.00
200	10,904.00	496.00
300	16,356.00	744.00
400	21,808.00	992.00
500	27,260.00	1,240.00
1,000	54,520.00	2,480.00
2,000	109,040.00	4,960.00
5,000	272,600.00	12,400.00
10,000	545,200.00	24,800.00
50,000	2,726,000.00	124,000.00
100,000	5,452,000.00	248,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Universal Health Realty scores a 2.2 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Universal Health Realty registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$2.79 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Universal Health Realty registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>4.55%</b>
Annual Dividends per Share	<b>\$2.48</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$454.88</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.2</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

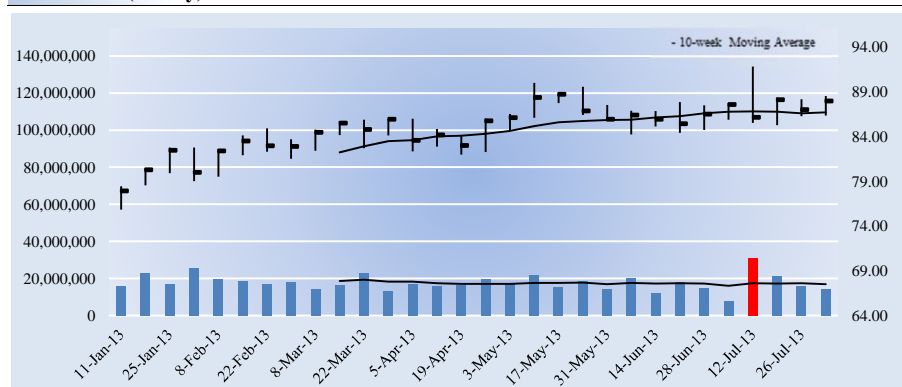
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	1.71	0.0	1.56	109.6%
Dec-98	1.76	2.9	1.60	110.0%
Dec-99	1.81	2.8	1.56	116.0%
Dec-00	1.84	1.7	1.81	101.7%
Dec-01	1.88	2.2	1.74	108.0%
Dec-02	1.92	2.1	1.84	104.3%
Dec-03	1.96	2.1	2.07	94.7%
Dec-04	2.00	2.0	1.84	108.7%
Dec-05	2.18	9.0	2.15	101.4%
Dec-06	2.26	3.7	2.92	77.4%
Dec-07	2.30	1.8	1.66	138.6%
Dec-08	2.34	1.7	0.98	238.8%
Dec-09	2.38	1.7	1.56	152.6%
Dec-10	2.42	1.7	1.33	182.0%
Dec-11	2.43	0.4	5.83	41.7%
<b>Dec-12</b>	<b>2.48</b>	<b>2.1</b>	<b>1.01</b>	<b>245.5%</b>
Dec-13	2.53	2.0	1.26	200.4%
Dec-14	2.58	2.0	1.40	183.9%
Dec-15	2.66	3.0	1.56	170.2%
Dec-16	2.79	5.0	1.74	160.3%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Universal Health Realty, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**United Parcel Service UPS FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$87.92**Stock Fair Value Range**  
\$63.00 - \$105.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.82%**United Parcel Services' dividend is poised for continued expansion.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$85,194
Avg Weekly Vol (30 wks)	17,813
30-week Range (USD)	75.81 - 91.78
Valuentum Sector	Industrials
Last Fiscal Year Revenue	54,127
Last Fiscal Year EPS	0.83
Last Fiscal Year EBITDA	7,451
Forward Revenue Growth (5-yr)	3.6%
Forward EPS Growth (5-yr)	52.8%

**Dividend Vitals**

Current Annual Dividend Yield %	2.8%
Annual Dividends Per Share	2.48
Forward Dividend Payout Ratio	51.7%
3-yr Historical Dividend CAGR	9.7%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	54.2%
15-yr Hist Median Div Payout Ratio	18.6%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,198.00	62.00
50	4,396.00	124.00
100	8,792.00	248.00
200	17,584.00	496.00
300	26,376.00	744.00
400	35,168.00	992.00
500	43,960.00	1,240.00
1,000	87,920.00	2,480.00
2,000	175,840.00	4,960.00
5,000	439,600.00	12,400.00
10,000	879,200.00	24,800.00
50,000	4,396,000.00	124,000.00
100,000	8,792,000.00	248,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. United Parcel Service scores a 2 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. United Parcel Service registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.44 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. United Parcel Service registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.82%</b>
Annual Dividends per Share	<b>\$2.48</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$282.07</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.0</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

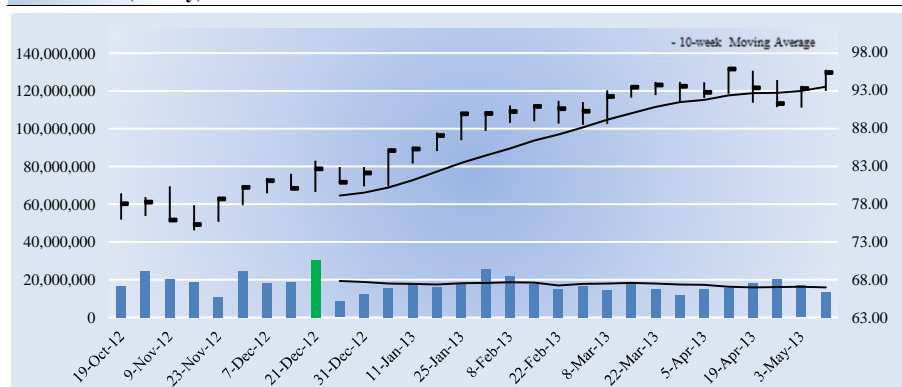
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	NA	0.0	1.57	0.0%
Dec-99	NA	0.0	0.77	0.0%
Dec-00	NA	0.0	2.50	0.0%
Dec-01	NA	0.0	2.12	0.0%
Dec-02	0.38	0.0	2.84	13.4%
Dec-03	0.43	13.2	2.55	16.9%
Dec-04	0.55	26.7	2.93	18.6%
Dec-05	0.64	16.5	3.47	18.3%
Dec-06	0.74	15.7	3.86	19.0%
Dec-07	0.82	11.6	0.36	227.8%
Dec-08	1.11	35.4	2.94	37.8%
Dec-09	1.80	62.2	2.14	84.1%
Dec-10	1.88	4.4	3.48	54.0%
Dec-11	2.08	10.6	3.84	54.2%
Dec-12	2.28	9.6	0.83	274.7%
<b>Dec-13</b>	<b>2.48</b>	<b>8.8</b>	<b>4.80</b>	<b>51.7%</b>
Jan-15	2.70	9.0	5.52	48.9%
Jan-16	2.95	9.0	6.01	49.0%
Dec-16	3.18	8.0	6.48	49.1%
Dec-17	3.44	8.0	6.94	49.5%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on United Parcel Service, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**United Technologies UTX FAIRLY VALUED****Buying Index™****7****Value Rating****Last Close**  
\$95.25**Stock Fair Value Range**  
\$74.00 - \$123.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.8**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.25%**We like United Technologies' dividend growth prospects.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$86,354
Avg Weekly Vol (30 wks)	17,697
30-week Range (USD)	74.44 - 95.84
Valuentum Sector	Industrials
Last Fiscal Year Revenue	57,708
Last Fiscal Year EPS	5.34
Last Fiscal Year EBITDA	8,256
Forward Revenue Growth (5-yr)	6.8%
Forward EPS Growth (5-yr)	12.7%

**Dividend Vitals**

Current Annual Dividend Yield %	2.2%
Annual Dividends Per Share	2.14
Forward Dividend Payout Ratio	34.7%
3-yr Historical Dividend CAGR	8.0%
15-yr Historical Dividend CAGR	12.8%
3-yr Hist Median Div Payout Ratio	35.9%
15-yr Hist Median Div Payout Ratio	27.6%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,381.25	53.50
50	4,762.50	107.00
100	9,525.00	214.00
200	19,050.00	428.00
300	28,575.00	642.00
400	38,100.00	856.00
500	47,625.00	1,070.00
1,000	95,250.00	2,140.00
2,000	190,500.00	4,280.00
5,000	476,250.00	10,700.00
10,000	952,500.00	21,400.00
50,000	4,762,500.00	107,000.00
100,000	9,525,000.00	214,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.8**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. United Technologies scores a 1.8 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. United Technologies registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.08 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. United Technologies registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.25%</b>
Annual Dividends per Share	<b>\$2.14</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$224.67</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.8</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

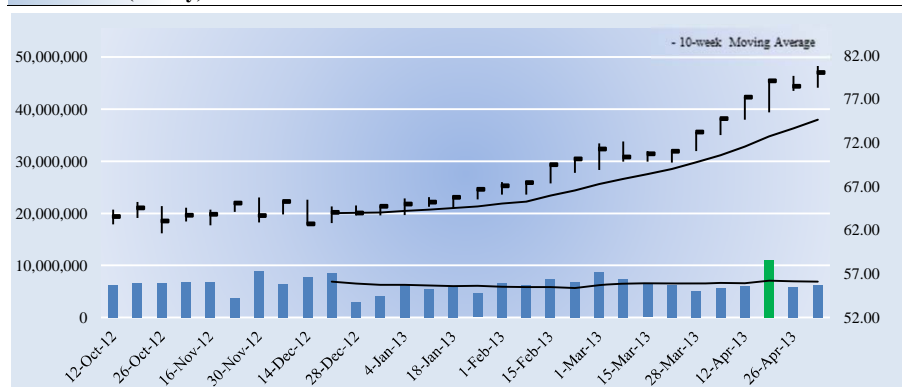
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.35	0.0	1.27	27.6%
Dec-99	0.38	8.6	0.83	45.8%
Dec-00	0.42	10.5	1.78	23.6%
Dec-01	0.45	7.1	1.92	23.4%
Dec-02	0.49	8.9	2.21	22.2%
Dec-03	0.57	16.3	2.35	24.3%
Dec-04	0.70	22.8	2.76	25.4%
Dec-05	0.88	25.7	3.12	28.2%
Dec-06	1.02	15.9	3.71	27.5%
Dec-07	1.17	14.7	4.27	27.4%
Dec-08	1.35	15.4	4.90	27.6%
Dec-09	1.54	14.1	4.12	37.4%
Dec-10	1.70	10.4	4.74	35.9%
Dec-11	1.87	10.0	5.49	34.1%
Dec-12	2.03	8.6	5.35	37.9%
<b>Dec-13</b>	<b>2.14</b>	<b>5.4</b>	<b>6.17</b>	<b>34.7%</b>
Jan-15	2.31	8.0	7.01	33.0%
Jan-16	2.54	10.0	7.86	32.4%
Dec-16	2.80	10.0	8.75	32.0%
Dec-17	3.08	10.0	9.69	31.7%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on United Technologies, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Ventas VTR FAIRLY VALUED****Buying Index™****5****Value Rating****Last Close**  
\$79.98**Stock Fair Value Range**  
\$56.00 - \$94.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 5.5**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.35%

**Ventas stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$18,459
Avg Weekly Vol (30 wks)	6,456
30-week Range (USD)	61.61 - 80.82
Valuentum Sector	Financials
Last Fiscal Year Revenue	1,765
Last Fiscal Year EPS	2.59
Last Fiscal Year EBITDA	1,178
Forward Revenue Growth (5-yr)	13.5%
Forward EPS Growth (5-yr)	2.1%

**Dividend Vitals**

Current Annual Dividend Yield %	3.4%
Annual Dividends Per Share	2.68
Forward Dividend Payout Ratio	70.6%
3-yr Historical Dividend CAGR	9.3%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	155.1%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,999.50	67.00
50	3,999.00	134.00
100	7,998.00	268.00
200	15,996.00	536.00
300	23,994.00	804.00
400	31,992.00	1,072.00
500	39,990.00	1,340.00
1,000	79,980.00	2,680.00
2,000	159,960.00	5,360.00
5,000	399,900.00	13,400.00
10,000	799,800.00	26,800.00
50,000	3,999,000.00	134,000.00
100,000	7,998,000.00	268,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion** **EXCELLENT / 5.5**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Ventas scores a 5.5 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential** **EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Ventas registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.65 per share within the next several years.

**Risk of Capital Loss** **MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Ventas registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	3.35%
Annual Dividends per Share	\$2.68
Initial Annual Div's Paid, \$10k Investment	\$335.08
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	5.5
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

	Dividend Growth			
Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	NA	0.0	NA	0.0%
Dec-98	NA	0.0	NA	0.0%
Dec-99	NA	0.0	NA	0.0%
Dec-00	NA	0.0	NA	0.0%
Dec-01	NA	0.0	NA	0.0%
Dec-02	NA	0.0	NA	0.0%
Dec-03	NA	0.0	NA	0.0%
Dec-04	NA	0.0	NA	0.0%
Dec-05	NA	0.0	NA	0.0%
Dec-06	NA	0.0	NA	0.0%
Dec-07	NA	0.0	NA	0.0%
Dec-08	2.05	0.0	1.30	157.7%
Dec-09	2.05	0.0	1.27	161.4%
Dec-10	2.14	4.4	1.38	155.1%
Dec-11	2.30	7.5	1.57	146.5%
<b>Dec-12</b>	<b>2.68</b>	<b>16.5</b>	<b>3.80</b>	<b>70.6%</b>
Dec-13	2.89	8.0	4.11	70.4%
Dec-14	3.13	8.0	3.69	84.8%
Dec-15	3.38	8.0	3.27	103.1%
Dec-16	3.65	8.0	2.88	126.5%

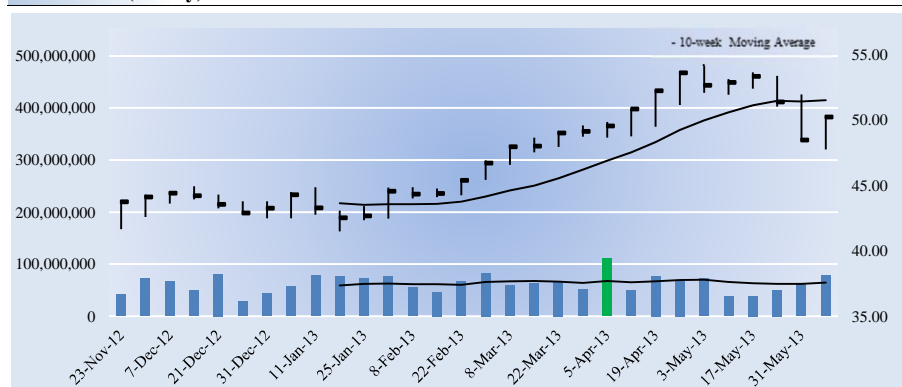
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Ventas, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Verizon Comm VZ FAIRLY VALUED****Buying Index™****3****Value Rating****Last Close**  
\$50.24**Stock Fair Value Range**  
\$38.00 - \$64.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.1**Div Growth Potential**  
GOOD**Dividend Yield**  
4.10%

**Verizon Comm stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$143,787
Avg Weekly Vol (30 wks)	62,605
30-week Range (USD)	41.5 - 54.31
Valuentum Sector	Telecom Services
Last Fiscal Year Revenue	115,846
Last Fiscal Year EPS	0.31
Last Fiscal Year EBITDA	29,620
Forward Revenue Growth (5-yr)	4.0%
Forward EPS Growth (5-yr)	66.8%

**Dividend Vitals**

Current Annual Dividend Yield %	4.1%
Annual Dividends Per Share	2.06
Forward Dividend Payout Ratio	74.2%
3-yr Historical Dividend CAGR	2.6%
15-yr Historical Dividend CAGR	2.0%
3-yr Hist Median Div Payout Ratio	230.6%
15-yr Hist Median Div Payout Ratio	86.8%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,256.00	51.50
50	2,512.00	103.00
100	5,024.00	206.00
200	10,048.00	412.00
300	15,072.00	618.00
400	20,096.00	824.00
500	25,120.00	1,030.00
1,000	50,240.00	2,060.00
2,000	100,480.00	4,120.00
5,000	251,200.00	10,300.00
10,000	502,400.00	20,600.00
50,000	2,512,000.00	103,000.00
100,000	5,024,000.00	206,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.1**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Verizon Comm scores a 2.1 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Verizon Comm registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$2.41 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Verizon Comm registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>4.10%</b>
Annual Dividends per Share	<b>\$2.06</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$410.03</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.1</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

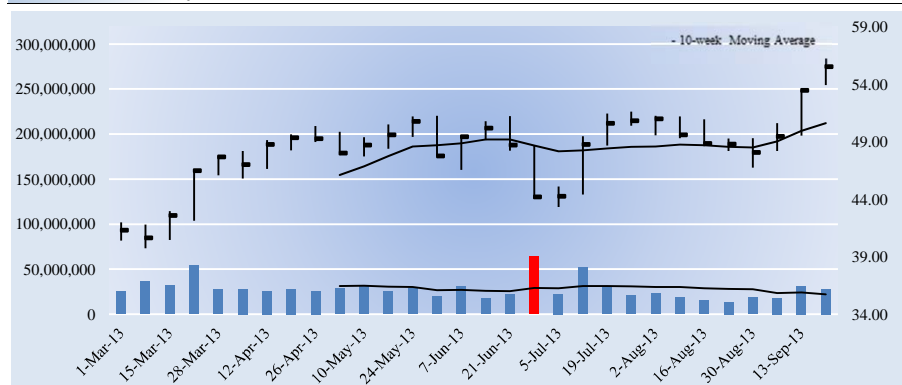
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	1.54	0.0	1.87	82.4%
Dec-99	1.54	0.0	2.66	57.9%
Dec-00	1.54	0.0	3.95	39.0%
Dec-01	1.54	0.0	0.22	700.0%
Dec-02	1.54	0.0	1.67	92.2%
Dec-03	1.54	0.0	1.27	121.3%
Dec-04	1.54	0.0	2.59	59.5%
Dec-05	1.60	3.9	2.65	60.4%
Dec-06	1.62	1.3	1.88	86.2%
Dec-07	1.65	1.9	1.90	86.8%
Dec-08	1.75	6.1	2.26	77.4%
Dec-09	1.86	6.3	1.29	144.2%
Dec-10	1.91	2.7	0.90	212.2%
Dec-11	1.96	2.6	0.85	230.6%
Dec-12	2.02	3.1	0.31	651.6%
<b>Dec-13</b>	<b>2.06</b>	<b>2.0</b>	<b>2.78</b>	<b>74.2%</b>
Jan-15	2.14	4.0	3.18	67.3%
Jan-16	2.23	4.0	3.47	64.3%
Dec-16	2.32	4.0	3.72	62.3%
Dec-17	2.41	4.0	3.94	61.1%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Verizon Comm, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Walgreen WAG FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$55.52**Stock Fair Value Range**  
\$38.00 - \$58.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.6**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.27%**Walgreen's dividend growth profile is worth a look.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$48,863
Avg Weekly Vol (30 wks)	28,074
30-week Range (USD)	39.74 - 56.26
Valuentum Sector	Consumer Staples
Last Fiscal Year Revenue	71,633
Last Fiscal Year EPS	2.42
Last Fiscal Year EBITDA	4,630
Forward Revenue Growth (5-yr)	3.6%
Forward EPS Growth (5-yr)	12.7%

**Dividend Vitals**

Current Annual Dividend Yield %	2.3%
Annual Dividends Per Share	1.26
Forward Dividend Payout Ratio	40.0%
3-yr Historical Dividend CAGR	28.8%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	27.8%
15-yr Hist Median Div Payout Ratio	16.3%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,388.00	31.50
50	2,776.00	63.00
100	5,552.00	126.00
200	11,104.00	252.00
300	16,656.00	378.00
400	22,208.00	504.00
500	27,760.00	630.00
1,000	55,520.00	1,260.00
2,000	111,040.00	2,520.00
5,000	277,600.00	6,300.00
10,000	555,200.00	12,600.00
50,000	2,776,000.00	63,000.00
100,000	5,552,000.00	126,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.6**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Walgreen scores a 1.6 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Walgreen registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$2.23 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Walgreen registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.27%</b>
Annual Dividends per Share	<b>\$1.26</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$226.95</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.6</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

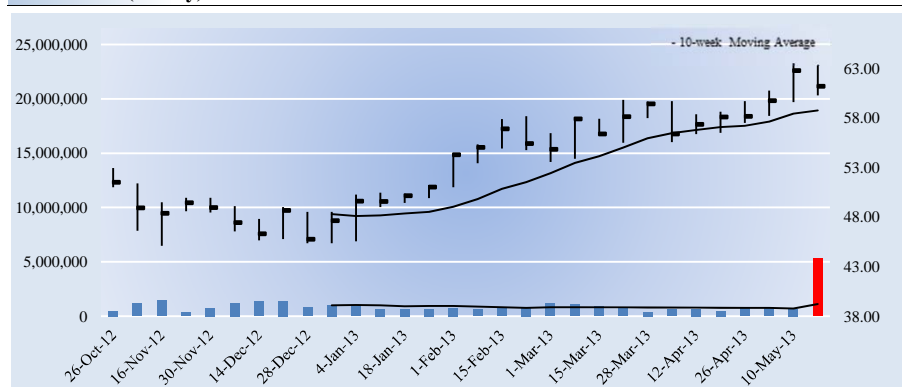
Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Aug-98	NA	0.0	0.54	0.0%
Aug-99	0.13	0.0	0.62	21.0%
Aug-00	0.13	0.0	0.76	17.1%
Aug-01	0.14	7.7	0.86	16.3%
Aug-02	0.14	0.0	0.99	14.1%
Aug-03	0.15	7.1	1.14	13.2%
Aug-04	0.17	13.3	1.32	12.9%
Aug-05	0.21	23.5	1.52	13.8%
Aug-06	0.26	23.8	1.72	15.1%
Aug-07	0.31	19.2	2.03	15.3%
Aug-08	0.38	22.6	2.17	17.5%
Aug-09	0.48	26.3	2.02	23.8%
Aug-10	0.59	22.9	2.12	27.8%
Aug-11	0.75	27.1	2.94	25.5%
Aug-12	0.95	26.7	2.42	39.3%
<b>Aug-13</b>	<b>1.26</b>	<b>32.6</b>	<b>3.15</b>	<b>40.0%</b>
Aug-14	1.58	25.0	3.58	44.1%
Aug-15	1.81	15.0	3.85	47.1%
Aug-16	2.03	12.0	4.12	49.2%
Aug-17	2.23	10.0	4.39	50.8%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Walgreen, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Western Gas WES FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$61.20**Stock Fair Value Range**  
\$36.00 - \$74.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.5**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.53%**Western Gas' primary business objective is to increase its cash distribution per unit over time.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$4,121
Avg Weekly Vol (30 wks)	984
30-week Range (USD)	45.1 - 63.57
Valuentum Sector	Energy
Last Fiscal Year Revenue	664
Last Fiscal Year EPS	2.12
Last Fiscal Year EBITDA	264
Forward Revenue Growth (5-yr)	21.5%
Forward EPS Growth (5-yr)	9.1%

**Dividend Vitals**

Current Annual Dividend Yield %	3.5%
Annual Dividends Per Share	2.16
Forward Dividend Payout Ratio	257.7%
3-yr Historical Dividend CAGR	20.6%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	97.6%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,530.00	54.00
50	3,060.00	108.00
100	6,120.00	216.00
200	12,240.00	432.00
300	18,360.00	648.00
400	24,480.00	864.00
500	30,600.00	1,080.00
1,000	61,200.00	2,160.00
2,000	122,400.00	4,320.00
5,000	306,000.00	10,800.00
10,000	612,000.00	21,600.00
50,000	3,060,000.00	108,000.00
100,000	6,120,000.00	216,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.5**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Western Gas scores a 1.5 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Western Gas registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.37 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Western Gas registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.53%</b>
Annual Dividends per Share	<b>\$2.16</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$352.94</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.5</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>HIGH</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

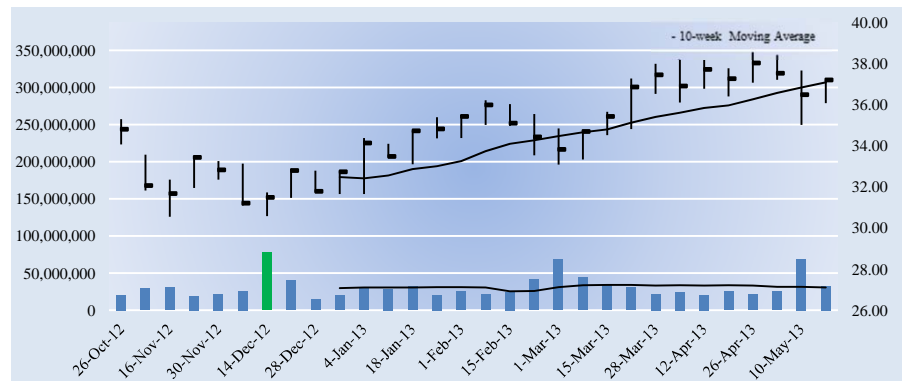
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
NA	0.00	0.0	0.00	0.0%
Dec-07	0.00	0.0	0.90	0.0%
Dec-08	0.46	0.0	0.77	59.7%
Dec-09	1.23	167.4	1.24	99.2%
Dec-10	1.39	13.0	1.64	84.8%
Dec-11	1.60	15.1	1.64	97.6%
<b>Dec-12</b>	<b>2.16</b>	<b>35.0</b>	<b>0.84</b>	<b>257.7%</b>
Dec-13	2.48	15.0	1.58	157.7%
Dec-14	2.78	12.0	2.12	131.5%
Dec-15	3.06	10.0	2.70	113.4%
Dec-16	3.37	10.0	3.29	102.4%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Western Gas, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Williams Co WMB FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$37.21**Stock Fair Value Range**  
\$26.00 - \$43.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.3**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.65%

**Williams Co stands out to us as one of the better income plays on the market today. We'd consider adding it to our dividend growth portfolio.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$22,258
Avg Weekly Vol (30 wks)	31,274
30-week Range (USD)	30.55 - 38.57
Valuentum Sector	Energy
Last Fiscal Year Revenue	7,930
Last Fiscal Year EPS	1.33
Last Fiscal Year EBITDA	3,482
Forward Revenue Growth (5-yr)	2.5%
Forward EPS Growth (5-yr)	4.6%

**Dividend Vitals**

Current Annual Dividend Yield %	3.7%
Annual Dividends Per Share	1.36
Forward Dividend Payout Ratio	122.4%
3-yr Historical Dividend CAGR	45.7%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	58.2%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	930.25	34.00
50	1,860.50	68.00
100	3,721.00	136.00
200	7,442.00	272.00
300	11,163.00	408.00
400	14,884.00	544.00
500	18,605.00	680.00
1,000	37,210.00	1,360.00
2,000	74,420.00	2,720.00
5,000	186,050.00	6,800.00
10,000	372,100.00	13,600.00
50,000	1,860,500.00	68,000.00
100,000	3,721,000.00	136,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Williams Co scores a 1.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Williams Co registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.85 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Williams Co registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.65%</b>
Annual Dividends per Share	<b>\$1.36</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$365.49</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.3</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

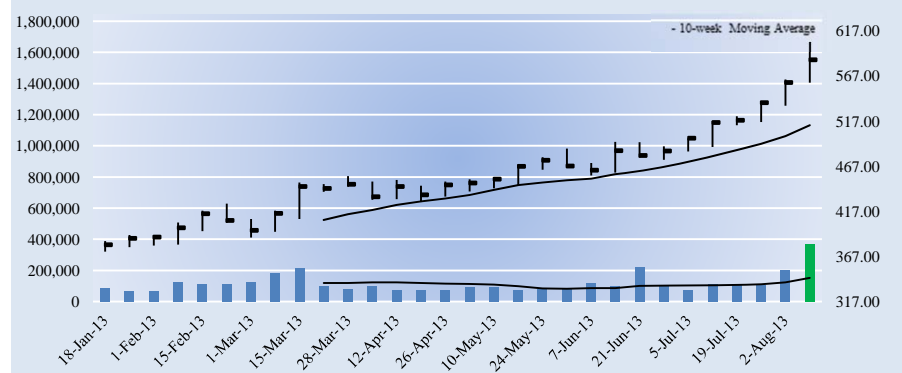
**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-97	NA	0.0	1.04	0.0%
Dec-98	NA	0.0	0.32	0.0%
Dec-99	NA	0.0	0.36	0.0%
Dec-00	NA	0.0	1.95	0.0%
Dec-01	NA	0.0	1.67	0.0%
Dec-02	NA	0.0	-1.14	0.0%
Dec-03	NA	0.0	-0.03	0.0%
Dec-04	0.08	0.0	0.18	44.4%
Dec-05	0.25	212.5	0.53	47.2%
Dec-06	0.35	40.0	0.55	63.6%
Dec-07	0.39	11.4	1.40	27.9%
Dec-08	0.43	10.3	2.26	19.0%
Dec-09	0.44	2.3	0.75	58.7%
Dec-10	0.49	11.4	-1.87	-26.2%
Dec-11	0.78	59.2	1.34	58.2%
<b>Dec-12</b>	<b>1.36</b>	<b>74.4</b>	<b>1.11</b>	<b>122.4%</b>
Dec-13	1.47	8.0	0.87	169.1%
Dec-14	1.59	8.0	1.10	144.1%
Dec-15	1.71	8.0	1.36	125.8%
Dec-16	1.85	8.0	1.66	111.4%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Williams Co, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Washington Post WPO OVERVALUED 8%****Buying Index™ 2****Value Rating****Last Close**  
\$584.97**Stock Fair Value Range**  
\$323.00 - \$538.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
EXCELLENT / 4.7**Div Growth Potential**  
GOOD**Dividend Yield**  
1.68%**Washington Post's special dividend in 2012 will make future dividend growth comparisons difficult.****Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$4,331
Avg Weekly Vol (30 wks)	118
30-week Range (USD)	372.37 - 605.18
Valuentum Sector	Consumer Discretionary
Last Fiscal Year Revenue	4,018
Last Fiscal Year EPS	6.61
Last Fiscal Year EBITDA	548
Forward Revenue Growth (5-yr)	-3.2%
Forward EPS Growth (5-yr)	38.5%

**Dividend Vitals**

Current Annual Dividend Yield %	1.7%
Annual Dividends Per Share	9.80
Forward Dividend Payout Ratio	41.2%
3-yr Historical Dividend CAGR	2.9%
15-yr Historical Dividend CAGR	4.6%
3-yr Hist Median Div Payout Ratio	61.7%
15-yr Hist Median Div Payout Ratio	24.8%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	14,624.25	245.00
50	29,248.50	490.00
100	58,497.00	980.00
200	116,994.00	1,960.00
300	175,491.00	2,940.00
400	233,988.00	3,920.00
500	292,485.00	4,900.00
1,000	584,970.00	9,800.00
2,000	1,169,940.00	19,600.00
5,000	2,924,850.00	49,000.00
10,000	5,849,700.00	98,000.00
50,000	29,248,500.00	490,000.00
100,000	58,497,000.00	980,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion EXCELLENT / 4.7**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Washington Post scores a 4.7 on our Dividend Cushion™, which is EXCELLENT.

**Dividend Growth Potential GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Washington Post registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$11.03 per share within the next several years.

**Risk of Capital Loss HIGH**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Washington Post registers a score of HIGH on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	1.68%
Annual Dividends per Share	\$9.80
Initial Annual Div's Paid, \$10k Investment	\$167.53
Dividend Track Record	HEALTHY
Dividend Safety	EXCELLENT
Valuentum Dividend Cushion™	4.7
Dividend Growth Potential	GOOD
Risk of Capital Loss	HIGH
ValueRisk™ (Equity Margin of Safety)	MEDIUM

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength**

Dividend Safety	Dividend Growth			
	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record**

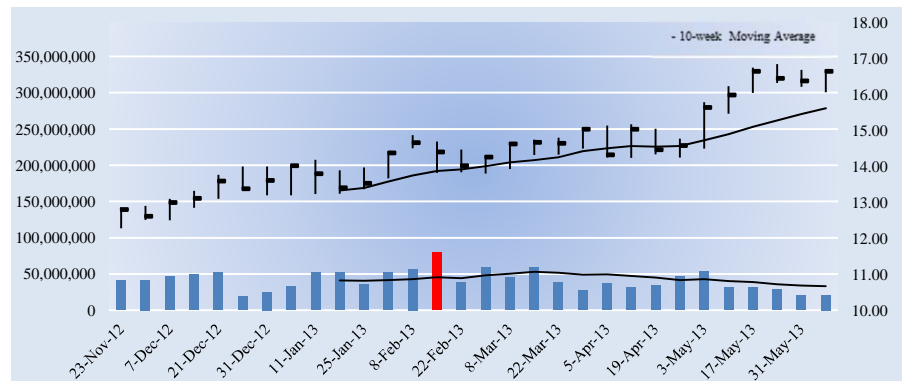
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	5.00	0.0	41.10	12.2%
Dec-99	5.20	4.0	22.30	23.3%
Dec-00	5.40	3.8	14.32	37.7%
Dec-01	5.60	3.7	24.06	23.3%
Dec-02	5.60	0.0	22.61	24.8%
Dec-03	5.80	3.6	25.12	23.1%
Dec-04	7.00	20.7	34.59	20.2%
Dec-05	7.40	5.7	32.59	22.7%
Dec-06	7.80	5.4	34.21	22.8%
Dec-07	8.20	5.1	30.19	27.2%
Dec-08	8.60	4.9	6.87	125.2%
Dec-09	8.60	0.0	9.78	87.9%
Dec-10	9.00	4.7	34.26	26.3%
Dec-11	9.40	4.4	15.23	61.7%
Dec-12	19.60	108.5	6.09	321.8%
<b>Dec-13</b>	<b>9.80</b>	<b>-50.0</b>	<b>23.80</b>	<b>41.2%</b>
Jan-15	10.09	3.0	25.25	40.0%
Jan-16	10.40	3.0	27.61	37.7%
Dec-16	10.71	3.0	30.38	35.2%
Dec-17	11.03	3.0	33.71	32.7%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Washington Post, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Western Union WU FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$16.65**Stock Fair Value Range**  
\$11.00 - \$19.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.4**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
3.00%

**Though Western Union scores well on our dividend metrics, competitive pressures to its business cannot be ignored.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$10,559
Avg Weekly Vol (30 wks)	41,167
30-week Range (USD)	12.28 - 16.85
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	5,491
Last Fiscal Year EPS	1.84
Last Fiscal Year EBITDA	1,578
Forward Revenue Growth (5-yr)	-0.6%
Forward EPS Growth (5-yr)	-4.5%

**Dividend Vitals**

Current Annual Dividend Yield %	3.0%
Annual Dividends Per Share	0.50
Forward Dividend Payout Ratio	28.8%
3-yr Historical Dividend CAGR	102.7%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	16.8%
15-yr Hist Median Div Payout Ratio	0.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	416.25	12.50
50	832.50	25.00
100	1,665.00	50.00
200	3,330.00	100.00
300	4,995.00	150.00
400	6,660.00	200.00
500	8,325.00	250.00
1,000	16,650.00	500.00
2,000	33,300.00	1,000.00
5,000	83,250.00	2,500.00
10,000	166,500.00	5,000.00
50,000	832,500.00	25,000.00
100,000	1,665,000.00	50,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.4**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Western Union scores a 2.4 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Western Union registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$0.77 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Western Union registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>3.00%</b>
Annual Dividends per Share	<b>\$0.50</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$300.30</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.4</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

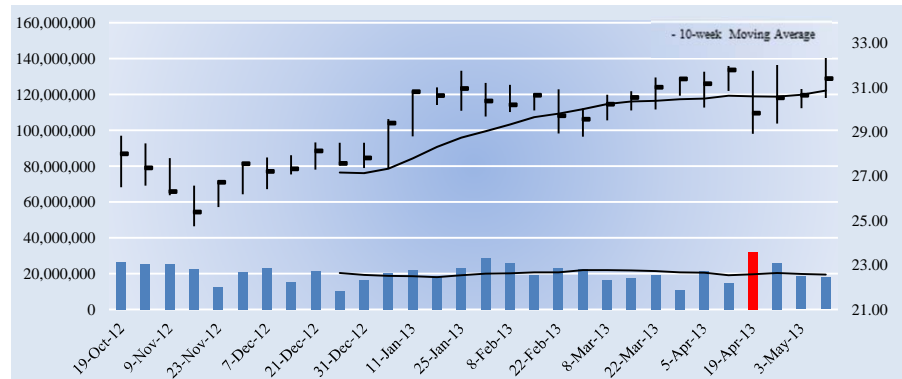
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
NA	NA	0.0	0.00	0.0%
Dec-04	0.00	0.0	0.00	0.0%
Dec-05	0.00	0.0	0.98	0.0%
Dec-06	0.01	0.0	1.19	0.8%
Dec-07	0.04	300.0	1.11	3.6%
Dec-08	0.04	0.0	1.24	3.2%
Dec-09	0.06	50.0	1.21	5.0%
Dec-10	0.25	316.7	1.36	18.4%
Dec-11	0.31	24.0	1.84	16.8%
<b>Dec-12</b>	<b>0.50</b>	<b>61.3</b>	<b>1.74</b>	<b>28.8%</b>
Dec-13	0.58	15.0	1.42	40.4%
Dec-14	0.63	10.0	1.44	43.9%
Dec-15	0.70	10.0	1.45	47.8%
Dec-16	0.77	10.0	1.46	52.4%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Western Union, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Weyerhaeuser WY FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$31.39**Stock Fair Value Range**  
\$20.00 - \$34.00**Dividend Track Record**  
RISKY**Dividend Safety / Cushion™**  
GOOD / 2.3**Div Growth Potential**  
GOOD**Dividend Yield**  
2.55%

**The growth potential and safety of Weyerhaeuser's dividend are attractive, and the size of its yield makes the firm worth considering as a potential income play. However, we'd be really excited if its shares were undervalued, too.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$17,023
Avg Weekly Vol (30 wks)	20,589
30-week Range (USD)	24.75 - 32.33
Valuentum Sector	Materials
Last Fiscal Year Revenue	7,059
Last Fiscal Year EPS	0.71
Last Fiscal Year EBITDA	1,043
Forward Revenue Growth (5-yr)	8.7%
Forward EPS Growth (5-yr)	21.8%

**Dividend Vitals**

Current Annual Dividend Yield %	2.5%
Annual Dividends Per Share	0.80
Forward Dividend Payout Ratio	62.9%
3-yr Historical Dividend CAGR	78.8%
15-yr Historical Dividend CAGR	-4.5%
3-yr Hist Median Div Payout Ratio	87.3%
15-yr Hist Median Div Payout Ratio	87.3%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	784.75	20.00
50	1,569.50	40.00
100	3,139.00	80.00
200	6,278.00	160.00
300	9,417.00	240.00
400	12,556.00	320.00
500	15,695.00	400.00
1,000	31,390.00	800.00
2,000	62,780.00	1,600.00
5,000	156,950.00	4,000.00
10,000	313,900.00	8,000.00
50,000	1,569,500.00	40,000.00
100,000	3,139,000.00	80,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.3**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Weyerhaeuser scores a 2.3 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****GOOD**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Weyerhaeuser registers an GOOD rating on our scale, and we think the firm's annual dividend will be \$1.15 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Weyerhaeuser registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.55%</b>
Annual Dividends per Share	<b>\$0.80</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$254.86</b>
Dividend Track Record	<b>RISKY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>2.3</b>
Dividend Growth Potential	<b>GOOD</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>MEDIUM</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****RISKY**

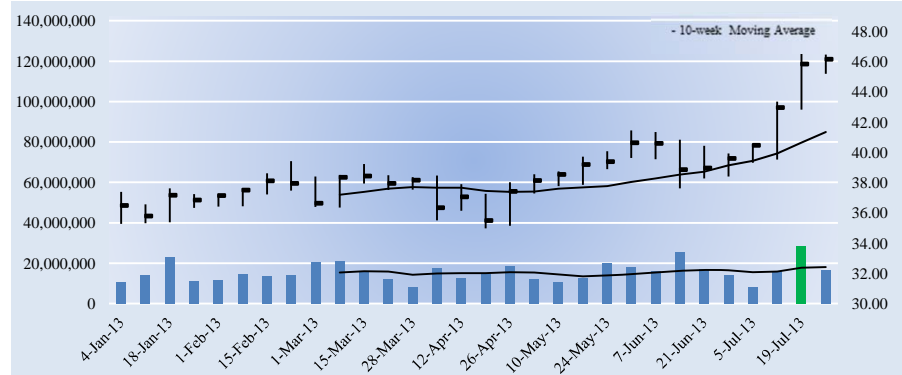
Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	1.60	0.0	1.47	108.8%
Dec-99	1.60	0.0	2.98	53.7%
Dec-00	1.60	0.0	3.72	43.0%
Dec-01	1.60	0.0	1.61	99.4%
Dec-02	1.60	0.0	1.09	146.8%
Dec-03	1.60	0.0	1.30	123.1%
Dec-04	1.60	0.0	5.43	29.5%
Dec-05	1.90	18.8	2.36	80.5%
Dec-06	2.20	15.8	1.44	152.8%
Dec-07	2.40	9.1	0.23	1043.5%
Dec-08	2.40	0.0	-8.61	-27.9%
Dec-09	0.22	-90.8	-0.95	-23.2%
Dec-10	0.14	-36.4	3.99	3.5%
Dec-11	0.60	328.6	0.59	101.7%
Dec-12	0.62	3.3	0.71	87.3%
<b>Dec-13</b>	<b>0.80</b>	<b>29.0</b>	<b>1.27</b>	<b>62.9%</b>
Jan-15	0.90	12.0	1.54	58.4%
Jan-16	0.99	10.0	1.67	59.2%
Dec-16	1.06	8.0	1.79	59.5%
Dec-17	1.15	8.0	1.91	60.3%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Weyerhaeuser, please visit our website at [www.valuentum.com](http://www.valuentum.com)

**Xilinx XLNX FAIRLY VALUED****Buying Index™ 5****Value Rating****Last Close**  
\$46.18**Stock Fair Value Range**  
\$26.00 - \$54.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 2.7**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.17%

**We like the potential growth and safety of Xilinx's dividend, but the yield is a bit low to get us excited. We'd wait for a dividend increase or a pullback in the shares to consider it a nice income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$12,568
Avg Weekly Vol (30 wks)	15,700
30-week Range (USD)	34.98 - 46.54
Valuentum Sector	Information Technology
Last Fiscal Year Revenue	2,241
Last Fiscal Year EPS	1.95
Last Fiscal Year EBITDA	734
Forward Revenue Growth (5-yr)	6.4%
Forward EPS Growth (5-yr)	9.9%

**Dividend Vitals**

Current Annual Dividend Yield %	2.2%
Annual Dividends Per Share	1.00
Forward Dividend Payout Ratio	55.9%
3-yr Historical Dividend CAGR	18.6%
15-yr Historical Dividend CAGR	NA
3-yr Hist Median Div Payout Ratio	39.0%
15-yr Hist Median Div Payout Ratio	23.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	1,154.50	25.00
50	2,309.00	50.00
100	4,618.00	100.00
200	9,236.00	200.00
300	13,854.00	300.00
400	18,472.00	400.00
500	23,090.00	500.00
1,000	46,180.00	1,000.00
2,000	92,360.00	2,000.00
5,000	230,900.00	5,000.00
10,000	461,800.00	10,000.00
50,000	2,309,000.00	50,000.00
100,000	4,618,000.00	100,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 2.7**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Xilinx scores a 2.7 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Xilinx registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$1.49 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Xilinx registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	2.17%
Annual Dividends per Share	\$1.00
Initial Annual Div's Paid, \$10k Investment	\$216.54
Dividend Track Record	HEALTHY
Dividend Safety	GOOD
Valuentum Dividend Cushion™	2.7
Dividend Growth Potential	EXCELLENT
Risk of Capital Loss	MEDIUM
ValueRisk™ (Equity Margin of Safety)	HIGH

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Mar-98	0.00	0.0	0.40	0.0%
Mar-99	0.00	0.0	0.42	0.0%
Mar-00	0.00	0.0	1.90	0.0%
Mar-01	0.00	0.0	0.10	0.0%
Mar-02	0.00	0.0	-0.34	0.0%
Mar-03	0.00	0.0	0.36	0.0%
Mar-04	0.00	0.0	0.85	0.0%
Mar-05	0.20	0.0	0.87	23.0%
Mar-06	0.28	40.0	1.00	28.0%
Mar-07	0.36	28.6	1.02	35.3%
Mar-08	0.48	33.3	1.25	38.4%
Mar-09	0.56	16.7	1.36	41.2%
Mar-10	0.60	7.1	1.29	46.5%
Mar-11	0.64	6.7	2.39	26.8%
Mar-12	0.76	18.8	1.95	39.0%
Mar-13	1.00	31.6	1.79	55.9%
Apr-14	1.12	12.0	2.24	50.0%
Apr-15	1.23	10.0	2.55	48.3%
Mar-16	1.36	10.0	2.85	47.5%
Mar-17	1.49	10.0	3.12	47.8%

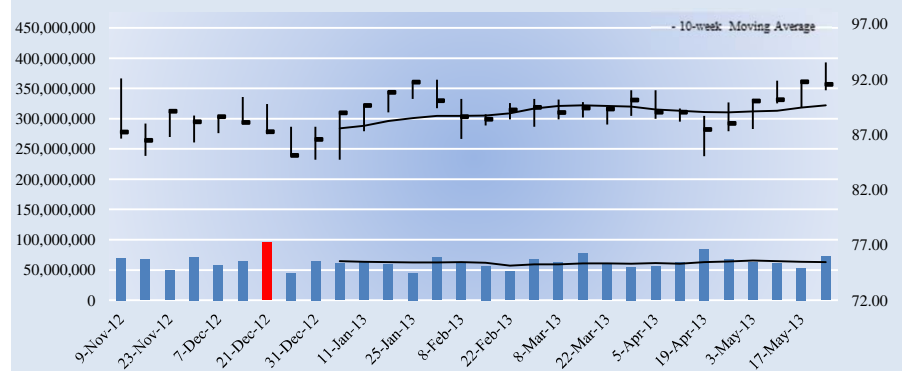
Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Xilinx, please visit our website at [www.valuentum.com](http://www.valuentum.com)



**Exxon Mobil XOM FAIRLY VALUED****Buying Index™****6****Value Rating****Last Close**  
\$91.53**Stock Fair Value Range**  
\$74.00 - \$112.00**Dividend Track Record**  
HEALTHY**Dividend Safety / Cushion™**  
GOOD / 1.9**Div Growth Potential**  
EXCELLENT**Dividend Yield**  
2.75%

**The growth potential and safety of Exxon Mobil's dividend are attractive, and the size of its yield makes the firm worth considering as a potential income play.**

**Stock Chart (weekly)****Company Vitals**

Market Cap (USD)	\$423,601
Avg Weekly Vol (30 wks)	62,870
30-week Range (USD)	84.7 - 93.5
Valuentum Sector	Energy
Last Fiscal Year Revenue	482,295
Last Fiscal Year EPS	9.70
Last Fiscal Year EBITDA	94,941
Forward Revenue Growth (5-yr)	1.1%
Forward EPS Growth (5-yr)	-2.8%

**Dividend Vitals**

Current Annual Dividend Yield %	2.8%
Annual Dividends Per Share	2.52
Forward Dividend Payout Ratio	31.0%
3-yr Historical Dividend CAGR	13.1%
15-yr Historical Dividend CAGR	7.8%
3-yr Hist Median Div Payout Ratio	22.5%
15-yr Hist Median Div Payout Ratio	28.0%

NMF = Not Meaningful; Est. = Estimated; FY = Fiscal Year

**Initial Annual Income Per Investment (\$)**

# of Shares	Investment (\$)	Annual Div's (\$)
25	2,288.25	63.00
50	4,576.50	126.00
100	9,153.00	252.00
200	18,306.00	504.00
300	27,459.00	756.00
400	36,612.00	1,008.00
500	45,765.00	1,260.00
1,000	91,530.00	2,520.00
2,000	183,060.00	5,040.00
5,000	457,650.00	12,600.00
10,000	915,300.00	25,200.00
50,000	4,576,500.00	126,000.00
100,000	9,153,000.00	252,000.00

Initial annual income is based on the firm's current forward annual dividend yield and could be subject to change.

**Dividend Safety / Cushion****GOOD / 1.9**

We assess the safety of a firm's dividend by adding the company's net cash to our forecast of its free cash flows over the next five years. We then divide that sum by the total expected dividends over the next five years. This process results in our Dividend Cushion™ ratio. A Dividend Cushion™ above 1 indicates a firm can cover its future dividends with net cash on hand and future free cash flow, while a score below 1 signals trouble may be on the horizon. And by extension, the greater the score, the safer the dividend, as excess cash can be used to offset any unexpected earnings shortfall. Exxon Mobil scores a 1.9 on our Dividend Cushion™, which is GOOD.

**Dividend Growth Potential****EXCELLENT**

We judge the future potential growth of the dividend by evaluating the capacity for future increases, as measured by the Dividend Cushion™, and management's willingness to consistently raise the dividend, as measured by the firm's dividend track record. Exxon Mobil registers an EXCELLENT rating on our scale, and we think the firm's annual dividend will be \$3.62 per share within the next several years.

**Risk of Capital Loss****MEDIUM**

We assess the risk of capital loss based on our analysis of a firm's intrinsic value at this point in time. If the stock is undervalued (based on our DCF process), we think the risk of failing to recoup one's original capital investment (ex dividends) is relatively LOW. If the stock is fairly valued (it falls within our fair value estimate range), we think the likelihood of losing capital (ex dividends) is MEDIUM. If the stock is trading above our estimate of its intrinsic value, we think the likelihood of losing at least a portion of one's original investment (ex dividends) is HIGH. Exxon Mobil registers a score of MEDIUM on our scale.

**Key Dividend Considerations**

Current Annual Dividend Yield	<b>2.75%</b>
Annual Dividends per Share	<b>\$2.52</b>
Initial Annual Div's Paid, \$10k Investment	<b>\$275.32</b>
Dividend Track Record	<b>HEALTHY</b>
Dividend Safety	<b>GOOD</b>
Valuentum Dividend Cushion™	<b>1.9</b>
Dividend Growth Potential	<b>EXCELLENT</b>
Risk of Capital Loss	<b>MEDIUM</b>
ValueRisk™ (Equity Margin of Safety)	<b>LOW</b>

The Valuentum Dividend Cushion is a ratio that compares the firm's excess cash and cash flow to its future dividend stream. A score above 1 indicates cash flow is sufficient to cover future dividends (higher is better).

**Dividend Strength****Dividend Growth**

Dividend Safety	Very Poor	Poor	Good	Excellent
Excellent				
Good				
Poor				
Very Poor				

Firms that have safe and growing dividends score at the top right of our scale.

**Dividend Track Record****HEALTHY**

Fiscal Year	Div's/Share (\$)	Div Growth %	EPS (\$)	Payout Ratio
Dec-98	0.82	0.0	1.31	62.6%
Dec-99	0.84	2.4	1.13	74.3%
Dec-00	0.88	4.8	2.28	38.6%
Dec-01	0.91	3.4	2.18	41.7%
Dec-02	0.92	1.1	1.61	57.1%
Dec-03	0.98	6.5	3.15	31.1%
Dec-04	1.06	8.2	3.89	27.2%
Dec-05	1.14	7.5	5.71	20.0%
Dec-06	1.28	12.3	6.62	19.3%
Dec-07	1.37	7.0	7.28	18.8%
Dec-08	1.55	13.1	8.69	17.8%
Dec-09	1.66	7.1	3.98	41.7%
Dec-10	1.74	4.8	6.22	28.0%
Dec-11	1.85	6.3	8.42	22.0%
Dec-12	2.18	17.8	9.70	22.5%
<b>Dec-13</b>	<b>2.52</b>	<b>15.6</b>	<b>8.13</b>	<b>31.0%</b>
Jan-15	2.82	12.0	8.32	33.9%
Jan-16	3.10	10.0	8.33	37.3%
Dec-16	3.35	8.0	8.36	40.1%
Dec-17	3.62	8.0	8.41	43.1%

Light green shading denotes a dividend increase, while light red shading denotes a dividend decrease. Heavy green shading denotes a significant dividend increase, while heavy red shading denotes a significant dividend decrease or an excessive payout ratio. NA = Not Applicable.

To view our full 16-page equity report on Exxon Mobil, please visit our website at [www.valuentum.com](http://www.valuentum.com)

# The Case for the Valuentum Style of Investing

Brian Nelson, CFA \*

First Version: May 2012

## Abstract

The benefits of value and momentum strategies on an individual basis have been well-documented in financial literature. Academic research has also concluded that a simply-constructed portfolio consisting 50% of a long-short value-oriented portfolio and 50% of a long-short momentum-oriented portfolio produces a higher Sharpe ratio and lower volatility than either value or momentum alone. We study the reasons behind this phenomenon and strive to answer the question: what are the types of stocks that drive such outperformance? Though the benefits of using a combined value and momentum approach in a portfolio management setting have been widely-accepted, we believe we are the first to identify the abnormal-return benefits of investing in a cohort of individual stocks that have both good value and good momentum qualities while shorting a cohort of individual stocks that have both poor value and poor momentum qualities. We also reveal the inherent link between the diverse backing of combined value and momentum strategies in financial literature and our stock-selection methodology, the Valuentum Buying Index, which identifies undervalued firms with strong momentum qualities.

© Valuentum Securities. All rights reserved.

-----

\* Brian Nelson, MBA Graduate School of Business, University of Chicago, is President of Equity Research and ETF Analysis at Valuentum Securites, Inc, an independent investment research firm serving individual investors, financial advisors, and institutional money-managers. Special thanks to Elizabeth Nelson, Director of Knowledge Management at Valuentum Securities, Inc for her retrieval of relevant documentation to make this paper possible and to the dozens of analysts and colleagues at Morningstar and Driehaus Capital Management for the thoughts and comments during the past several years that ultimately shaped this analysis.

## I. Introduction

The work of Asness, et al (2009) offers the following context with respect to value versus growth and high positive momentum versus low positive momentum as it relates to individual equities.

A long literature finds that, on average, value stocks (with high book or accounting values relative to market values) outperform growth stocks (with low book-to-market ratios) and stocks with high positive momentum (high 12-month past returns) outperform stocks with low positive momentum (Stattman (1980), Fama-French (1992), Jegadeesh and Titman (1993), Asness (1994), Grinblatt and Moskowitz (2004)). This evidence has been extended to stocks in other countries (Fama and French (1998), Rouwenhorst (1998), Liew and Vassalou (2000), Griffin, Ji, and Martin (2003), Chui, Wei, and Titman (2000)), and to country equity indices (Asness, Liew, and Stevens (1997), Bhojraj and Swaminathan (2006)).

Please note the breadth of academic research supporting the risk-adjusted return superiority of value versus growth investing and high positive momentum stocks versus low positive momentum stocks. Throughout this paper, we show that a combined value and momentum portfolio – a ‘Valuentum’ portfolio – outperforms the individual strategies of value, growth, momentum, and a combined portfolio of growth-momentum, on average.

Asness, et al (2009) concluded that “the negative correlation between value and momentum strategies and their high expected returns makes a simple equal-weighted combination of the two a powerful strategy that produces a significantly higher Sharpe ratio than either stand alone and makes the combination portfolio far more stable across markets and time periods than either value or momentum alone.” Academic work that combines the framework of two or more methodologies is embraced within the Valuentum community of investors, and in our view, provides a unique perspective on the potential abnormal return benefits of cross-methodological approaches.

We also posit that, within a combined value-momentum portfolio, the embedded subset of firms that have both good value characteristics and good momentum characteristics is the key driver behind outperformance on the long side. And similarly, the embedded subset of firms that have poor value characteristics and poor momentum characteristics is the key driver behind outperformance on the short side. These two subsets represent the major driver of outperformance behind the combined value and momentum approach, in our view. We reveal such a phenomenon within this paper.

Plotted on the next page are the cumulative returns to value, momentum, and a 50/50 combination of value and momentum strategies among a global basket of individual stocks. According to Asness, et al (2009), the ‘Value’ (blue) line represents the returns of a long-short portfolio that has long positions in stocks with good value characteristics (a high ratio of the book value of equity to the market value of equity) and short positions in those with poor value

characteristics (a low ratio of the book value of equity to the market value of equity). The ‘Momentum’ (green) line represents the returns of a long-short portfolio that goes long stocks that recently performed well and short those that recently performed poorly. The ‘Combo’ portfolio represents a 50/50 combination of the above value and momentum portfolios.

The following results regarding the Asness, et al (2009) study are quite intriguing (see below), and we suspect these findings have yet to reach the mainstream financial community (outside of academia). The work largely provides the broad framework to justify the benefits of the combination of value and momentum strategies in a portfolio setting. However, we seek to dig deeper to uncover the qualities of individual equities that generate the value-momentum portfolio’s significant outperformance versus other strategies via our own statistical work.

We think individual investors, financial advisors, and institutional money-managers are increasingly interested in the characteristics of underlying equities that drive outsize returns in broad-based investment strategies to further augment the performance of individual portfolios.

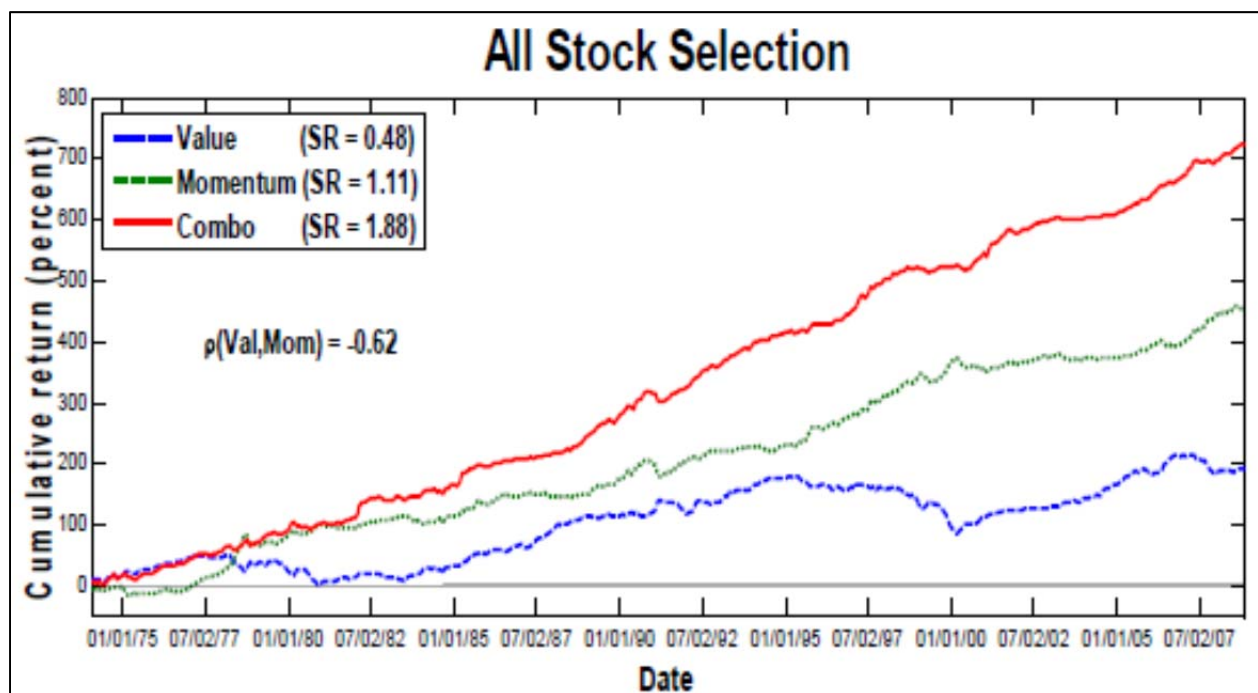


Image Source: Asness, et al (2009)



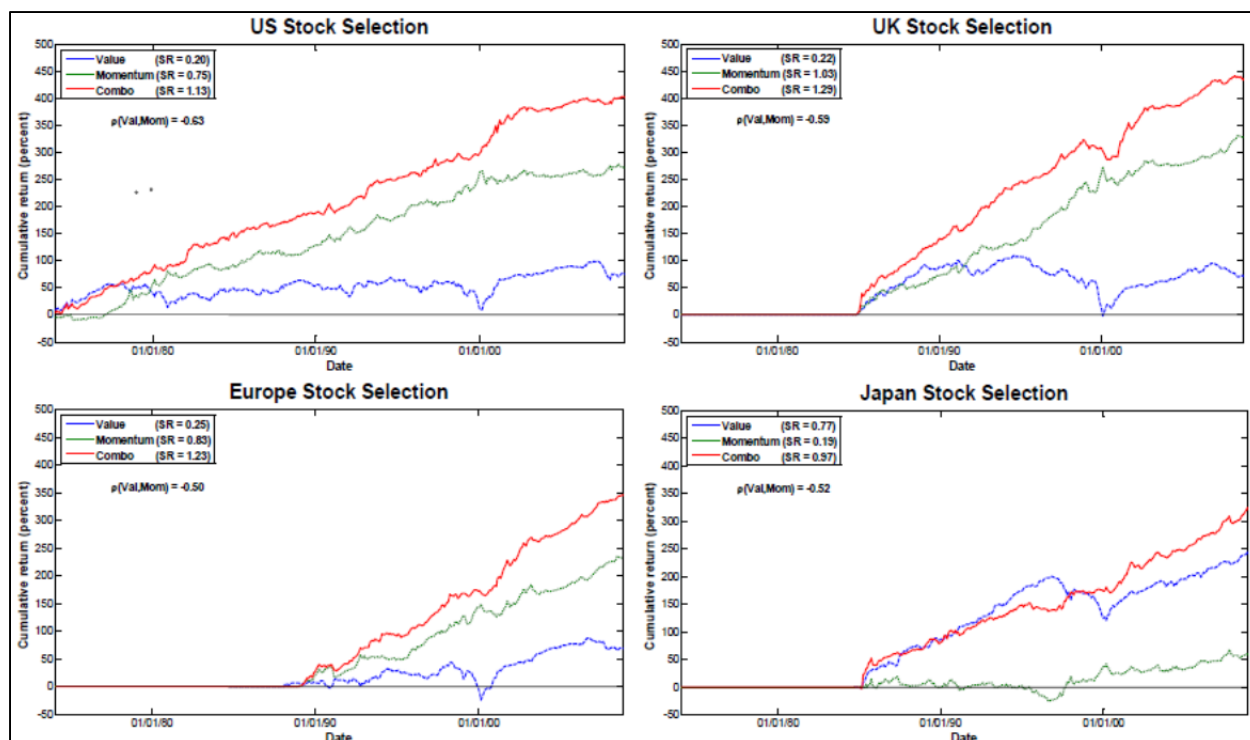


Image Source: Asness, et al (2009)

By extending the conclusions of previous academic works (Statman (1980), Fama-French (1992), Jegadeesh and Titman (1993), Asness (1994, 2009), Grinblatt and Moskowitz (2004)), we hypothesize that the subset of stocks that have overlapping qualities of good value characteristics and good momentum characteristics not only outperform traditional value, growth, and momentum methodologies, alone, but also are the key driver behind the positive abnormal returns of the value-momentum combination portfolio. We also hypothesize that the subset of stocks that have overlapping qualities of poor value characteristics and poor momentum characteristics will underperform not only the combined value-momentum portfolio but also value, growth, and momentum on an individual basis.

We have substantiated our hypotheses by identifying and highlighting outperformers in a combination portfolio – a ‘Valuentum’ portfolio – using historical fundamental and pricing data of non-financial firms in the current Dow Jones Industrial Average (DJIA). As Asness, et al (2009) presents, the ‘Combo’ portfolio of value and momentum outperforms everywhere (US, UK, Europe, Japan), and we use the DJIA as a way to identify the qualities of those stocks that are key performance drivers behind such a value-momentum combination portfolio’s abnormal returns. We chose the DJIA because firms in it are both liquid and well known.

We define firms that generate such significant outperformance as ‘Valuentum’ stocks – stocks on the long side that are both undervalued and exhibit bullish momentum characteristics and stocks on the short side that are both overvalued and exhibit bearish momentum characteristics – and we define the combined approach the Valuentum Style of Investing.

Though previous works have examined the efficacy of value and momentum separately and within one asset class at a single point in time and have analyzed value and momentum together from a long-short portfolio perspective across asset classes, we believe we are the first to identify the benefits of investing in (shorting) a cohort of stocks with both good (poor) value and momentum qualities and identifying such stocks through a systematic methodology, the Valuentum Buying Index.

Subsequent research may show that a combined value-momentum portfolio's outperformance may be further augmented by lagging certain variables, as there is a defined positive correlation between value and momentum (value in one year may lead to momentum in the next for the exact same stock), or by implementing the oversight of a portfolio manager. Our research concludes that due to data interpretation, the benefits of applying a portfolio manager to this process cannot be underestimated. The performance of the portfolio of our Best Ideas Newsletter showcases this benefit.

## II. The 50/50 Value-Momentum Long-Short Portfolio Construction

In order to establish the case for Valuentum investing, the reader must first become familiar with the structure of the 50/50 value-momentum long-short portfolio as widely disseminated in financial literature.

*Value Portfolio: We generate portfolios sorted on value and examine zero-cost portfolios that go long stocks with "good" value characteristics, that is, high BM, and short those with low BM (Asness et al, 2009).*

*Momentum Portfolio: We construct portfolios sorted on momentum and examine zero-cost portfolios that are long the assets that recently performed relatively well and short those that performed relatively poorly (Asness et al, 2009).*

The combination portfolio represents a 50% weighting of the value portfolio and a 50% weighting of the momentum portfolio:

$$r_t^{COMBO} = s_t ( 0.5 r_t^{VALUE} + 0.5 r_t^{MOM2-12} )$$

Image Source: Asness, et al (2009)

## III. Results of the Combination Portfolio

Asness, et al (2009) indicates the following conclusions with respect to the combination portfolio:

The results highlight the power and robustness of combining value and momentum everywhere and, in particular, the power of combining value/momentum combo portfolios everywhere...Because of their positive average returns and negative correlation between them, the combination of value and momentum in every asset class

produces powerful performance results, generating information ratios consistently greater than either of the stand alone strategies in all markets and asset classes...Combining value and momentum results in about 60 percent of all stock selection profits coming from the short side and about an even split between long and short contributions for all non-stock selection. For the all combination strategy, the contribution from longs and shorts is also about equal.

As it relates to portfolio return attribution in previous academic literature, Asness, et al (2009) concludes that roughly 60% of stock-selection profits from the combined value and momentum strategy come from the short side. This suggests that stocks with poor value characteristics and poor momentum characteristics offer a stronger signal for a downward move in price than stocks with good value and good momentum characteristics do for an upward move in price. However, our research indicates more upside potential from the long side in a combination portfolio (long return versus average return), though we admit there are substantial and material differences between the data set and time period applied.

In either case, since shorting stocks may not be a viable strategy for every type of investor, we seek to capture such a phenomenon via put options (synthetic short exposure) in the portfolio of our Best Ideas Newsletter.

#### **IV. Outperforming Equities in the Value-Momentum Combined Portfolio**

Though the tremendous benefits of using a combined value and momentum approach in a portfolio setting have been well-documented in financial literature, we seek to identify the common qualities of the particular equities that drive the significant abnormal returns in a value-momentum combination portfolio relative to the value and momentum (and by extension growth) portfolios, individually.

At any particular point in time, the 'Value' portfolio will consist of long positions of stocks that represent good value and short positions of stocks that have poor value characteristics. Further, at the same point in time, the 'Momentum' portfolio will consist of long positions of stocks that have good recent performance and short positions of stocks that have poor recent performance.

And at the same time, the 'Combo' portfolio, by extension, will have a 50% long position in stocks that have good value characteristics and in stocks that have good momentum characteristics. A combination portfolio will also have a 50% short position in stocks that have poor value characteristics and in stocks that have poor momentum characteristics.

Historical back-testing lends itself to a few defensible assumptions on which we build our hypotheses:

- 1) Unlike forward projections of equity prices, the returns on individual stocks in the past are fixed. Across the universe of stocks used in the results presented by Asness, et al

(2009), we can conclude that the same basket is applied to the ‘Value’, ‘Momentum’, and ‘Combo’ portfolios.

- 2) The selection of stocks in the ‘Value’ portfolio will be identical to those representing the value component in the ‘Combo’ portfolio. The selection of stocks in the ‘Momentum’ portfolio will be identical to those representing the momentum component of the ‘Combo’ portfolio. As such, stock selection can be assumed to be static across the components of the ‘Combo’ portfolio and the ‘Value’ and ‘Momentum’ portfolios with respect to each return data point in the analysis presented by Asness, et al (2009).
- 3) The outperformance of a combination portfolio relative to the value and momentum portfolios, individually, is the result of not just the weightings of the value and momentum portfolios within the combination portfolio but, more importantly, the particular stocks within the combination portfolio that may be “over-weighted.”

We posit that the abnormal returns of any combination portfolio are driven by the “over-weightings” of particular equities when compared to their relative weightings in the individual portfolios, respectively. Said differently, in a combination portfolio, firms that have both good value characteristics and good momentum characteristics are “over-weighted” (when compared to other holdings in a combination portfolio) on the long side (given the overlap), while firms that have poor value characteristics and poor momentum characteristics are “over-weighted” (when compared to other holdings in a combination portfolio) on the short side (given the overlap).

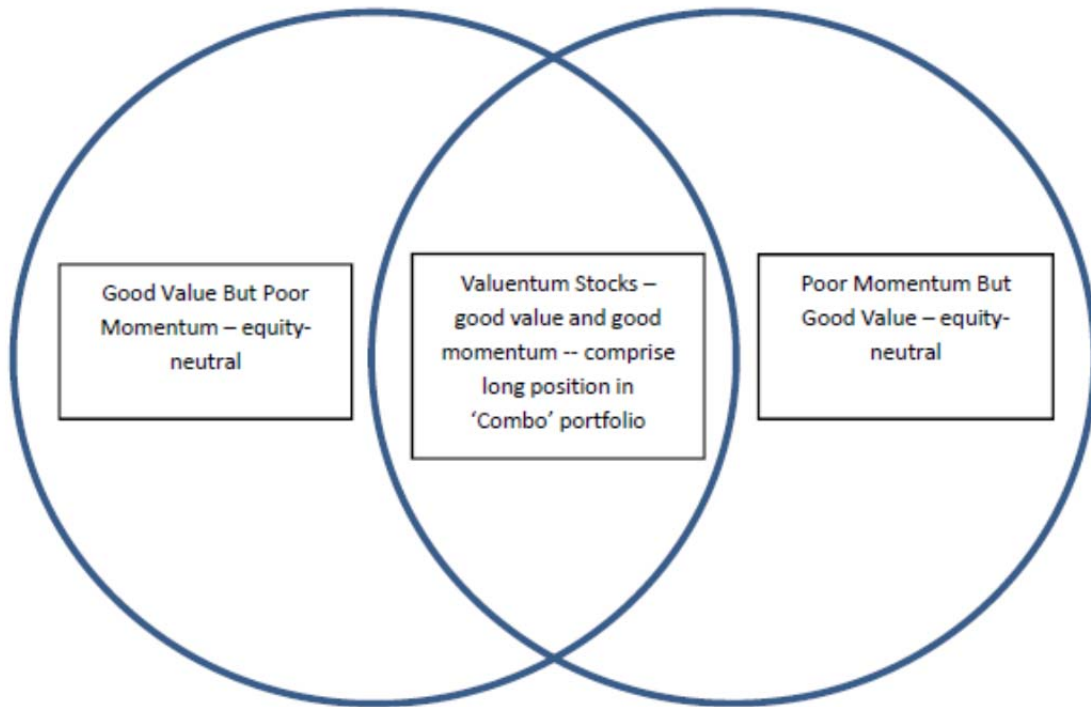
The Venn diagram on the next page displays this particular phenomenon. For a single stock that is both good value and good momentum, it will have an outsize weighting in a combination portfolio on the long side, while for a single stock that is both poor value and poor momentum, it will have an outsize weighting in a combination portfolio on the short side.

For stocks that have good value but poor momentum or for stocks that have poor value but good momentum, the portfolio will be equity-neutral, as long and short exposure will negate the position. Based on our interpretation, the work of Asness, et al (2009) notes this particular occurrence: “some of the securities (appear) on the long (short) side of value and short (long) side of momentum (page 11).” We take this to mean an equity-neutral strategy on certain positions, but confirmation of such is not material to our conclusions.

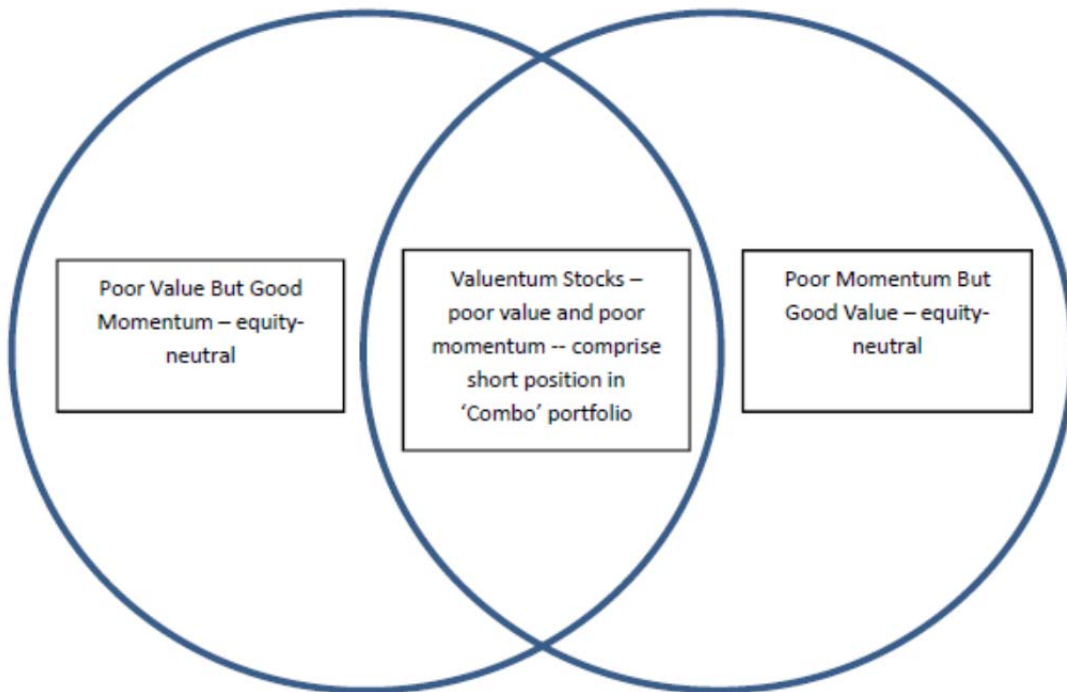
By extension and for the sake of simplification, the long side of a combination portfolio can be viewed as a collection of equities with good value and good momentum characteristics and the short side of a combination portfolio can be viewed as a collection of equities with poor value and poor momentum characteristics.



### Long Side of 'Combo' Portfolio



### Short Side of 'Combo' Portfolio



We seek to further analyze our combined portfolio – a ‘Valuentum’ portfolio – to identify the qualities of portfolio constituents that generate the majority of abnormal returns relative to the value and momentum portfolios, individually and respectively. We posit the “over-weighting” of stocks with both good value characteristics and good momentum characteristics on the long side and the “over-weighting” of stocks with both poor value characteristics and poor momentum characteristics on the short side are responsible for the abnormal returns of a combination portfolio. We detail such a phenomenon in our work below.

## **V. Data and Portfolio Construction**

We use non-financial constituents in the current Dow Jones Industrial Average (DJIA) as our basic data set to illustrate this occurrence. Specifically, we omit BAC, JPM, TRV, and KFT, the latter lacking sufficient data history. We select the DJIA as it represents a liquid subset of well-known firms in the global financial system. We first select the period January 2002 through May 2012, as data for this period is readily available and can easily be confirmed. We further substantiate our research with data from the period January 1995 through May 2012. For the January 2002 through May 2012 period, we use data from CIS and Morningstar. For the January 1995 through May 2012 period, we use data from CIS and Factset.

The benefits of a long-short combination portfolio of value and momentum have been well-documented, so the goal of this exercise is to reveal the kinds of stocks that fit the Valuentum Style of Investing and their subsequent returns in future periods versus other stocks included in the data set. Further, we believe a portfolio management overlay, as that pursued in the portfolio of our Best Ideas Newsletter, can bolster returns of a ‘Valuentum’ portfolio by mitigating entries caused by data anomalies and errors.

To measure value, we sort the data set by a firm’s end of initial period price-to-earnings ratio (see Figure I & III). Firms that have low price-to-earnings ratios (the bottom half of the data set) have good value characteristics, while firms that have high price-to-earnings ratios (the top half of the data set) have poor value characteristics. To measure momentum, we sort the data set by a firm’s trailing 2-year return through the beginning of the initial period (see Figure II & IV). Firms that have strong relative price performance (the top half of the data set) have good momentum characteristics, while firms that have poor relative price performance (the bottom half of the data set) have poor momentum characteristics. We are less concerned about identifying the precise value signal or momentum signal in this exercise than we are in revealing the substantial benefits of using value and momentum combined. We explain our value and momentum signals later in the paper.

The ‘Value’ portfolio is a 50/50 long-short portfolio that goes long stocks with good value characteristics and short stocks with poor value characteristics. The ‘Momentum’ portfolio is a 50/50 long-short portfolio that goes long stocks with good momentum characteristics and short stocks with poor momentum characteristics. The ‘Valuentum’ portfolio in this example is a

50/50 long-short portfolio that only goes long stocks with both good value and good momentum characteristics and only goes short stocks with both poor value and poor momentum characteristics. These are zero-cost, zero turnover portfolios.

To assess the performance of each portfolio, we take the average total return of each portfolio constituent beginning January 2002 through May 2012 (excluding dividends) and beginning January 1995 through May 2012. We then take the difference between the average long return and average short return of each portfolio to arrive at an average total return measure for each portfolio.

### A. January 2002 – May 2012

We show the returns from January 2002 through May 2012 of each portfolio below:

Momentum (LR - SR)	Value (LR - SR)	Combined (LR - SR)
30.8%	62.4%	86.5%
* LR = Long Return; SR = Short Return		

The ‘Valuentum’ portfolio generates a total return that was 24.1 percentage points better than the ‘Value’ portfolio alone and nearly three times that of the ‘Momentum’ portfolio alone during this time period.

	Symbol	Return Jan 2002 - May 2012	Position
Long Concentration	CAT	355.6%	Valuentum Long
	MCD	330.1%	
	CVX	235.5%	Valuentum Long
	XOM	166.4%	Valuentum Long
	UTX	160.5%	Valuentum Long
	DIS	137.1%	Valuentum Short
	KO	124.6%	Valuentum Short
	BA	113.7%	
	IBM	107.2%	
	AXP	105.8%	
	PG	97.3%	Valuentum Short
	MMM	96.5%	
	DD	61.0%	
	VZ	53.3%	
	T	52.9%	Valuentum Long
Short Concentration	JNJ	42.3%	
	WMT	29.0%	
	HD	22.7%	Valuentum Long
	MSFT	18.5%	Valuentum Short
	HPQ	14.2%	Valuentum Short
	MRK	1.0%	
	INTC	-9.6%	Valuentum Short
	CSCO	-16.0%	Valuentum Short
	PFE	-21.9%	Valuentum Long*
	GE	-27.7%	
	AA	-70.2%	
	* Entry offered less clear value signal and long position could be avoided with portfolio management overlay.		

Out of the top five equity performers in the data set, the ‘Valuentum’ portfolio went long 4 of them in its portfolio (CAT, CVX, XOM, UTX), including the top performer (CAT). Out of the worst five equity performers during this time period, the ‘Valuentum’ portfolio went short 2 of them (INTC, CSCO). The worst performer (AA) would have flashed a short signal shortly after the snapshot date of January 2002.

Though the ‘Valuentum’ portfolio showed excellent stock-selection proficiency in identifying winners and losers (see long and short concentrations in previous image) during this time period, the ‘Valuentum’ portfolio faced a performance headwind by going short firms whose performance heading into the beginning of 2002 was considerably poor, namely with respect to DIS and KO. Another headwind was presented in the long selection of PFE, as price-to-earnings data was particularly volatile around the snapshot period for this company (20.8 in 2002 versus 161.3 in 2003).

We believe such performance headwinds can be mitigated through active management by limiting the portfolio’s aggregate short exposure at the bottom of the business cycle and by steering clear of firms where the value signal is less certain (PFE). Further research may show additional benefits of a combination portfolio by adding a short-term trading overlay (more frequent re-balancing) and factoring in other firm-specific or macroeconomic indicators to bolster returns.

Valuentum Portfolio	Return (Jan 2002 - May 2012)
<u>Long</u>	
CAT	355.6%
CVX	235.5%
XOM	166.4%
UTX	160.5%
T	52.9%
HD	22.7%
PFE	-21.9%
Average Long Return	138.8%
<u>Short</u>	
CSCO	-16.0%
INTC	-9.6%
HPQ	14.2%
MSFT	18.5%
PG	97.3%
KO	124.6%
DIS	137.1%
Average Short Return	52.3%
LR - SR	86.5%



The outperformance of the combined value and momentum strategy may have been expected thanks to previous academic work, but the sorting proficiency of the combined value and momentum approach is quite remarkable. Not only did stocks on the long side of the ‘Valuentum’ portfolio produce the best returns of any sub-portfolio, on average, but stocks on the short side of the ‘Valuentum’ portfolio produced the worst returns of any sub-portfolio, on average.

Portfolio	Return
Valuentum Long Average	138.8%
Value Long Average	115.0%
Momentum Long Average	99.2%
Data Universe Average	83.8%
Weak Momentum Long Average	68.4%
Data Universe Median	57.2%
Growth Long Average	52.7%
Valuentum Short Average	52.3%

We think this is partly due to proficient stock-selection and partly due to more concentrated positions in better performing stocks on the long side and poor performing stocks on the short side. The ‘Valuentum’ portfolio consisted of 14 positions during this time period, while the ‘Value’ and ‘Momentum’ portfolios consisted of 26 positions each. This speaks to the benefits of the “over-weighting” of outperforming stocks on the long side and the “over-weighting” of underperforming stocks on the short side, a phenomenon that we hypothesize is present in the Asness, et al (2009) work.

Though not displayed for brevity, during this time period the ‘Valuentum’ portfolio also outperformed a growth-momentum portfolio combination, which goes long only stocks with both good growth and good momentum characteristics and goes short only stocks with both good value (poor growth) and poor momentum characteristics. During this time period, a growth-momentum portfolio combination generated a negative 30.5% return (-30.5%), as losses on the short side of the portfolio (83.5%) overwhelmed gains from the long side (53.1%).

## B. January 1995 – May 2012

We show the returns from January 1995 through May 2012 of each portfolio below:

<u>Momentum (LR - SR)</u>	<u>Value (LR - SR)</u>	<u>Combined (LR - SR)</u>
321.0%	72.9%	426.7%
* LR = Long Return; SR = Short Return		

Over this time period, the ‘Valuentum’ portfolio outperformed the ‘Momentum’ portfolio by 105.7 percentage points, while it dwarfed the returns of the ‘Value’ portfolio. Out of the top five equity performers in the data set, the ‘Valuentum’ portfolio went long the top 3 (IBM, UTX, CAT). Out of the worst five equity performers during this time period, the ‘Valuentum’ portfolio went short just one of them (DIS). The worst performing equity within our data set over this time

period, VZ, offered a good value signal and a poor momentum signal. The firm was not captured on the short side of the 'Valuentum' portfolio. The 'Valuentum' portfolio, however, revealed even greater sorting qualities between winners and losers during this time period, in our view.

	Symbol	Return Jan 1995 - May 2012	Position
Long Concentration	IBM	1203.2%	Valuentum Long
	UTX	1150.3%	Valuentum Long
	CAT	960.6%	Valuentum Long
	MSFT	916.1%	
	CSCO	797.3%	
	XOM	711.1%	
	CVX	687.7%	
	AXP	665.6%	Valuentum Long
	MCD	649.4%	
	INTC	639.7%	
Short Concentration	WMT	606.8%	
	JNJ	522.0%	
	HD	507.4%	Valuentum Short
	PG	458.4%	Valuentum Long
	PFE	420.7%	Valuentum Short
	MMM	417.9%	Valuentum Short
	BA	331.3%	
	KO	304.2%	Valuentum Short
	GE	252.3%	
	MRK	239.2%	Valuentum Short
	T	222.1%	Valuentum Long
	DD	221.4%	
	DIS	210.3%	Valuentum Short
	HPQ	175.3%	
	AA	20.7%	
	VZ	14.7%	

Valuentum Portfolio	Return (Jan 1995 - May 2012)
<u>Long</u>	
IBM	1203.2%
UTX	1150.3%
CAT	960.6%
AXP	665.6%
PG	458.4%
T	222.1%
Average Long Return	776.7%
<u>Short</u>	
DIS	210.3%
MRK	239.2%
KO	304.2%
MMM	417.9%
PFE	420.7%
HD	507.4%
Average Short Return	350.0%
LR - SR	426.7%

Over this time period, the stocks on the long side of the ‘Valuentum’ portfolio produced the best returns of any sub-portfolio, on average, and stocks on the short side of the ‘Valuentum’ portfolio produced the worst returns of any sub-portfolio, on average. This is consistent with the results of time period January 2002 – May 2012.

Portfolio	Return
Valuentum Long Average	776.7%
Momentum Long Average	672.3%
Value Long Average	548.2%
Data Universe Average	511.8%
Data Universe Median	482.9%
Growth Long Average	475.3%
Weak Momentum Long Average	351.3%
Valuentum Short Average	350.0%

And again, we think this is partly due to proficient stock-selection and partly due to more concentrated positions in better performing stocks on the long side and poor performing stocks on the short side. The ‘Valuentum’ portfolio over this time period consisted of 12 positions, while the ‘Value’ and ‘Momentum’ portfolio consisted of 26 positions each. This again speaks to the benefits of the “over-weighting” of outperforming stocks on the long side and the “over-weighting” of underperforming stocks on the short side.

Though not displayed for brevity, during this time period the ‘Valuentum’ portfolio also outperformed a growth-momentum combination portfolio, which goes long only stocks with both good growth and good momentum characteristics and goes short only stocks with both good value (poor growth) and poor momentum characteristics. During this time period, a growth-momentum combination portfolio generated a 230.3% return (582.7% long less 352.4% short return), slightly worse than the ‘Momentum’ strategy alone but materially better than a ‘Value’ strategy.

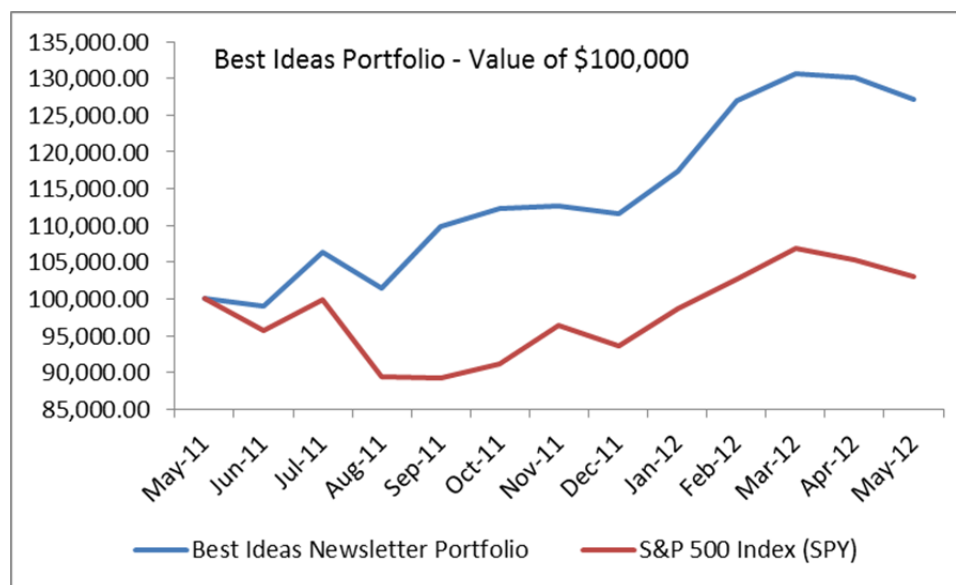
## VI. Conclusions

Firms that have both good value and good momentum qualities generate abnormal returns relative to firms that have poor value and poor momentum qualities. A ‘Valuentum’ portfolio has been shown to consistently outperform value, growth, momentum and combined growth-momentum portfolios over various time periods. We also show that value may, depending on the data set and during certain time periods (January 2002 – May 2012), outperform momentum, a view that we believe is not necessarily inconsistent with the work of Asness, et al (2009). Still, over longer time horizons, momentum has outperformed value, further supporting previous academic literature. However, no other strategy (value, growth, momentum, or combined growth-momentum) stacks up to the power of the ‘Valuentum’ approach.

The Valuentum Style of Investing has been shown to sort winners from losers effectively and apply outsize weightings appropriately to maximize returns relative to value, growth, and momentum strategies, individually. The duration of the data used in our analysis also suggests that a ‘Valuentum’ portfolio can outperform over a longer-term horizon, even with limited or no re-balancing.

## A. Empirical Evidence

We continue to empirically test our conclusions via the performance of the actively-managed portfolio included in our Best Ideas Newsletter. We believe a portfolio management overlay in actively adjusting the weightings of long and short exposure of ‘Valuentum’ equities (beyond the 50/50 approach) can result in even greater portfolio outperformance than what would be originally expected through predictive models. The performance of the portfolio of our Best Ideas Newsletter is another data point supporting the use of the Valuentum Style of Investing.



Value of a \$100,000 Investment (includes dividends)														
	5/17/2011	6/15/2011	7/13/2011	8/12/2011	9/13/2011	10/11/2011	11/11/2011	12/12/2011	1/13/2012	2/12/2012	3/14/2012	4/13/2012	5/14/2012	Avg
Best Ideas Newsletter Portfolio	100,000.00	99,013.62	106,457.85	101,415.15	109,865.95	112,285.02	112,646.21	111,608.10	117,311.19	126,944.51	130,603.74	130,093.74	127,128.46	
SPY	100,000.00	95,773.08	99,832.69	89,492.80	89,206.42	91,154.57	96,399.88	93,679.25	98,623.11	102,783.18	106,965.86	105,341.02	103,057.16	
Outperformance	0.00	3,240.54	6,625.16	11,922.35	20,659.53	21,130.45	16,246.33	17,928.85	18,688.08	24,161.33	23,637.88	24,752.72	24,071.30	
Long Percentage (%)	10.0	49.7	90.9	86.8	83.7	89.2	95.0	94.5	86.4	82.8	83.3	83.2	68.3	77.2
Cash & Short Percentage (%)	90.0	50.3	9.1	13.2	16.3	10.8	5.0	5.5	13.6	17.2	16.7	16.8	31.7	22.8

## VII. Valuentum Investing – The Valuentum Buying Index

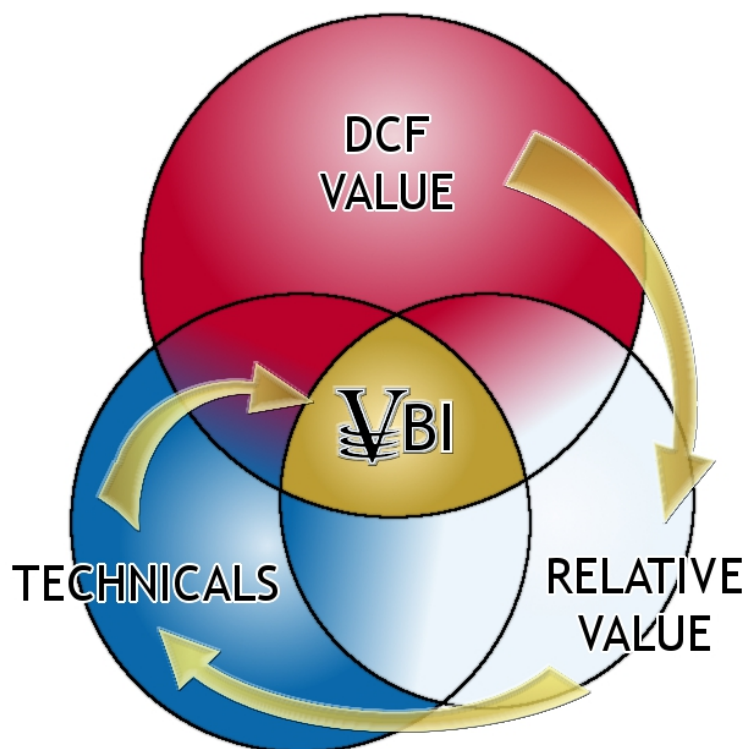
### A. Introduction



The Valuentum Buying Index (VBI) is a contingent, adaptive stock-selection methodology that captures both the value and momentum qualities of individual equities at a particular point in time. We view the VBI as the most straightforward way to translate a rigorously back-tested process into a transparent and easy-to-follow investment methodology.

The Valuentum Buying Index (VBI), the center of the Venn diagram, combines rigorous financial and valuation analysis with an evaluation of a firm's technicals and momentum indicators to derive a score between 1 and 10 for each company (10=best). The size of the circles reveals the relative emphasis we place on each investment consideration, while the arrows display the order of our process -- value first then technicals and momentum last. A firm's Valuentum Buying Index score is contingent on its value and momentum variables.

Stocks that meet our demanding criteria fall in the center of the Venn diagram, displaying attractive characteristics from a DCF basis (our primary value signal), a relative value basis, and with respect to a technical and momentum assessment (our momentum signal). Our process is consistent with the framework outlined in this paper in that both value and momentum assessments are integral to our stock-selection process.



Academic literature suggests that analyzing a stock across a wide spectrum of philosophies (namely value and momentum) is the clearest route to significant risk-adjusted portfolio outperformance. We embrace the combination of value and momentum strategies (and all cross-

methodological work) and view a firm's valuation and its technical and momentum indicators as core to a superior stock-selection process.

At Valuentum, we think companies that are attractive across the investment methodology spectrum – including value and momentum – have the greatest probability of capital appreciation and relative outperformance. On the other hand, we think the worst stocks will be shunned by most investment disciplines and display expensive valuations, poor technicals and deteriorating momentum indicators. Said differently, we're bullish on firms that have good value characteristics and good momentum characteristics, while we're bearish on firms that have poor value characteristics and poor momentum characteristics.

Another benefit of a unified value and momentum process, in our view, is that anecdotally it allows for improved entry and exit points on the most undervalued stocks. Future research may confirm that the greatest outperformance of undervalued equities may occur in immediate subsequent periods following an improvement in their underlying technical and momentum indicators. The work of Jagadeesh, et al (1993), for example, documents that over a three-to-twelve month horizon, past winners on average continue to outperform past losers, so when a stock becomes cheap, patience may be in order as it can certainly become cheaper.

The price continuations are particularly notable for stocks with the worst past earnings performance, whose results are below average for up to three years afterwards (Jagadeesh, et al, 1993).

Only when both sides of the investment spectrum are combined can investors get the best stocks on the market today at the best prices, in our view. We think focusing just on valuation may encourage the buying of a stock all the way down (see Jagadeesh, et al, 1993), while just using technical and momentum indicators may expose an unhedged portfolio to significantly overpriced stocks at their peaks. We point to the dot-com bubble as evidence of this dynamic.

## **B. We Use a Rigorous Discounted Cash Flow Valuation Process as our Primary Value Signal**

Our methodology starts with in-depth financial statement analysis, where we derive our ValueCreation, ValueRisk, and ValueTrend ratings, which together provide a quantitative assessment of the strength of a firm's competitive advantages. Warren Buffett's track record of investing in "economic castles protected by unbreachable moats" is one that cannot be ignored in our cross-methodological process. However, this area remains of key interest for further research as it is unclear whether such returns are driven more by the "value" factor of Buffett's style than a documented "moat" factor.

Recent data by Morningstar, for example, shows a negligible difference between the returns of its moat universe (about 60% of its covered stocks) versus the performance of the S&P 500 over the most recent 10-year time period. The data also show negligible difference in performance

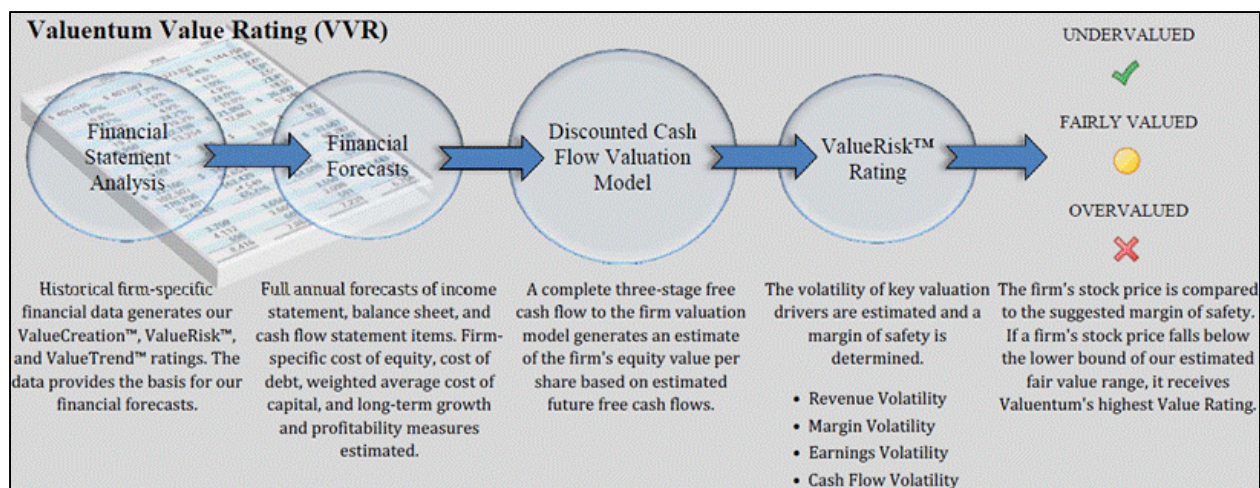
between wide and narrow moat stocks. However, when factoring in a valuation component to their process, as outlined in its Morningstar Wide Moat Focus Index Fund, the returns markedly improve relative to the S&P 500 Index. One can infer through this work that valuation may be more of an explanatory factor of returns than Buffett's "moat" factor, and if so, a combined value and momentum strategy may offer tangible portfolio benefits over such a value process alone (see Asness et al, 2009).

On the other hand, future research may instead conclude that Warren Buffett's style is consistent with the Valuentum Style of Investing as his focus on valuation coupled with the performance of the stocks in the Berkshire portfolio indicate most of his outsize returns come from undervalued firms that have generated significant relative price out-performance, and by extensive, positive momentum indicators over time. Undervalued firms with bullish technical and momentum indicators are 'Valuentum' stocks.

Though academic literature remains inconclusive to our knowledge on the major drivers behind Buffett's outperformance, economic-profit and competitive-advantage analysis remain key components of our process. We compare a company's return on invested capital (ROIC) to our estimate of its weighted average cost of capital (WACC) to assess whether it is creating economic profit for shareholders (ROIC less WACC equals economic profit). Firms that have improving economic profit spreads over their respective cost of capital score high on our ValueCreation and ValueTrend measures, while firms that have relatively stable returns score well with respect to our ValueRisk evaluation, which impacts our margin-of-safety assessment.

After evaluating historical trends, we then make full annual forecasts for each item on a company's income statement and balance sheet to arrive at a firm's future free cash flows. We derive a company-specific cost of equity (using a fundamental beta based on the expected uncertainty of key valuation drivers) and a cost of debt (considering the firm's capital structure and synthetic credit spread over the risk-free rate), culminating in our estimate of a company's weighted average cost of capital (WACC). We don't use a market price-derived beta, as we embrace market volatility, which provides investors with opportunities to buy stocks with both good value and good momentum characteristics at bargain-basement levels. On the other hand, market volatility provides investors with opportunities to sell stocks with poor value and poor momentum characteristics at overpriced levels.

We then assess each company within our complete three-stage free cash flow to the firm (enterprise cash flow) valuation model, which generates an estimate of a company's equity value per share based on its discounted future free cash flows and the company's net balance sheet impact, including other adjustments to equity value (namely pension and OPEB adjustments). Our ValueRisk rating, which considers the underlying uncertainty of the capacity of the firm to continue to generate value for shareholders, sets the margin of safety bands around this fair value estimate.



For firms that are trading below the lower bound of our margin of safety band, we consider these companies undervalued based on our DCF process. For firms that are trading above the higher bound of our margin of safety band, we consider these companies overvalued based on our DCF process. The concept of momentum reinforces the idea of applying a fair value range in situations where the momentum “effect” may be present.

### C. We Perform a Forward-Looking Relative Value Assessment to Bolster our Value Signal

Our discounted cash-flow process allows us to arrive at an absolute view of the firm's intrinsic value. However, we also include a forward-looking relative value assessment in our process to further bolster our rigorous discounted cash-flow process and improve our value signal. If a company is undervalued on both a price-to-earnings ratio and a price-earnings-to-growth (PEG) ratio versus industry peers, we would consider the firm to be attractive from a relative value standpoint.

The inclusion of a relative value assessment using common valuation parameters further ties our real-world application to the standard valuation measures used in academic literature. A common value signal is the ratio of the book value of equity to the market value of equity, or book to market (*BM*). By employing the price-to-earnings ratio in our analysis, we are taking the inverse of this ratio and assessing the forward contributions to book value as opposed to book value itself. We view such an approach as a practical application of the value signal, particularly when combined with our rigorous discounted cash-flow process.

### D. We Use Technical Analysis to Bolster our Momentum Signal

Underlying the efficient market hypothesis is the notion that if any predictable patterns exist in returns, investors will quickly act to exploit them, until the source of predictability is eliminated. However, this does not seem to be the case for either stock return or earnings based momentum strategies. Both strategies have been well-known and were well-publicized by at least the early 1990s, but both continue to generate excess



profits. We would argue that the momentum effect represents perhaps the strongest evidence against the efficient markets hypothesis (Jagadeesh 2001).

Once we have estimated a firm's intrinsic value on the basis of our discounted cash-flow process, determined if it is undervalued according to its firm-specific margin of safety bands, and assessed whether it has relative value versus industry peers, we then evaluate the company's technical and momentum indicators to pin-point the best entry and exit points on the stock.

Rigorous valuation analysis and technical/momentum analysis are not mutually exclusive, and we believe both can be used together to bolster returns. Our firm-wide view is that technical analysis is in part a self-reinforcing prophecy, but we are not against capitalizing on the understanding of such a discipline. Chan, et al (1996) theorizes on the possibility of why momentum strategies may be effective:

Another possibility is that the profitability of momentum strategies stems from overreaction induced by positive feedback trading strategies of the sort discussed by DeLong, Shleifer, Summers, and Waldmann (1990). This explanation implies that “trend-chasers” reinforce movements in stock prices even in the absence of fundamental information, so that the returns for past winners and losers are (at least partly) temporary in nature...(but)...The bulk of the evidence suggests that the drifts in future returns are not subsequently reversed, so momentum does not appear to be entirely driven by positive feedback trading.

An evaluation of a stock's moving averages, relative strength, upside-downside volume, and money flow index are but a few considerations we look at with respect to our technical and momentum assessment of a company's stock. The application of simple moving averages to our process allows us to identify stocks whose near-term performance is stronger than their intermediate-term performance, thus revealing the momentum signal.

We embrace the idea that the future is inherently unpredictable and that not all fundamental factors can be included in a valuation model. By extension, we also use technical and momentum analysis to help safeguard us against value traps, negative momentum trends, analyst error, and the opportunity cost of holding an undervalued equity for years before it converges to fair value. As the work of Chan, et al (1996) suggests, even an undervalued equity can underperform for up to three years after a poor earnings report.

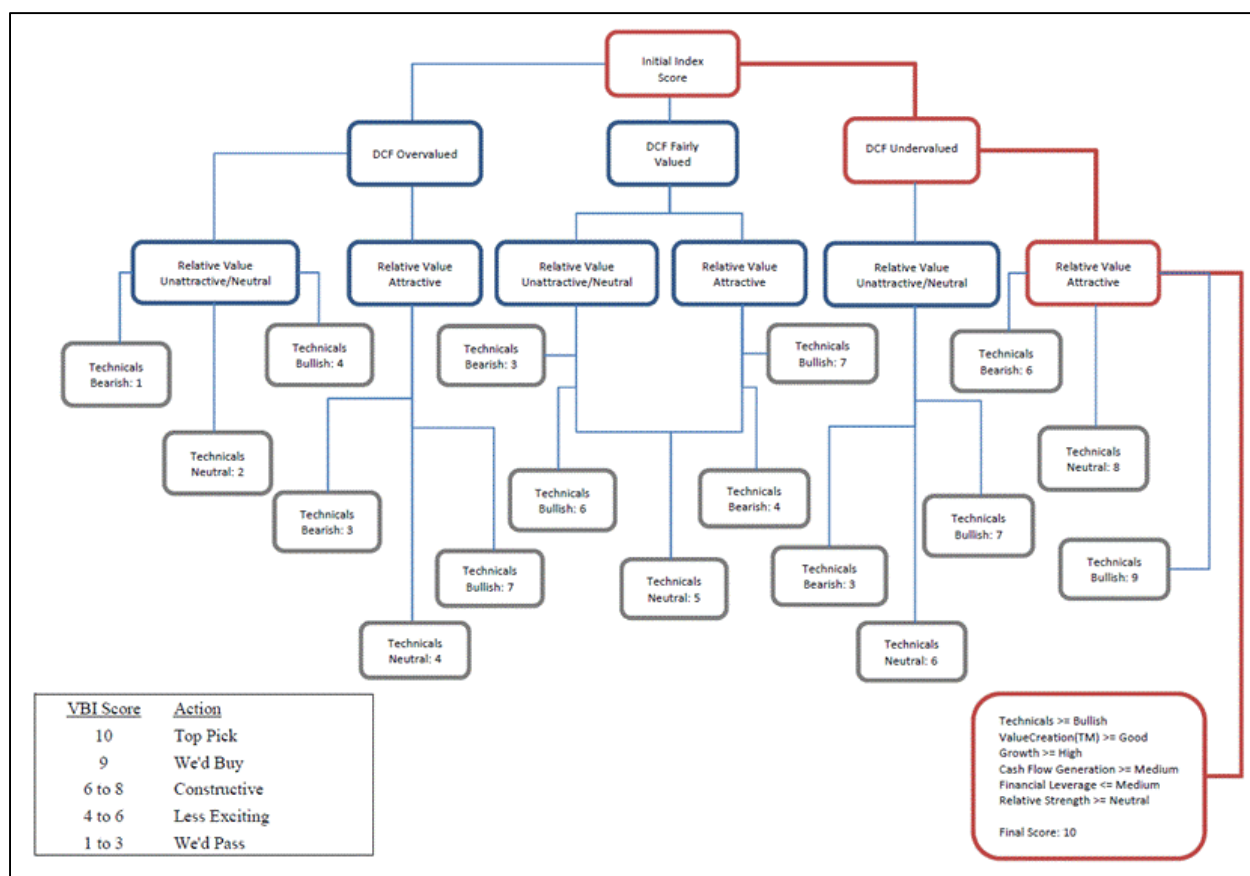
## **E. Combining Value and Momentum - the Valuentum Buying Index**

The red line on the flow chart below reveals our contingent, adaptive stock-selection methodology. We strive to identify stocks where both the value and momentum signals are clearly good or clearly poor.

To earn the highest score on our scale, the company would need to be undervalued on a DCF basis and attractive on a relative value basis. We view this assessment as key in determining whether the firm meets the criteria of having good value characteristics. The stock would also have to be exhibiting bullish technical and momentum indicators, the latter used in assessing whether the company meets the criteria of having good momentum characteristics.

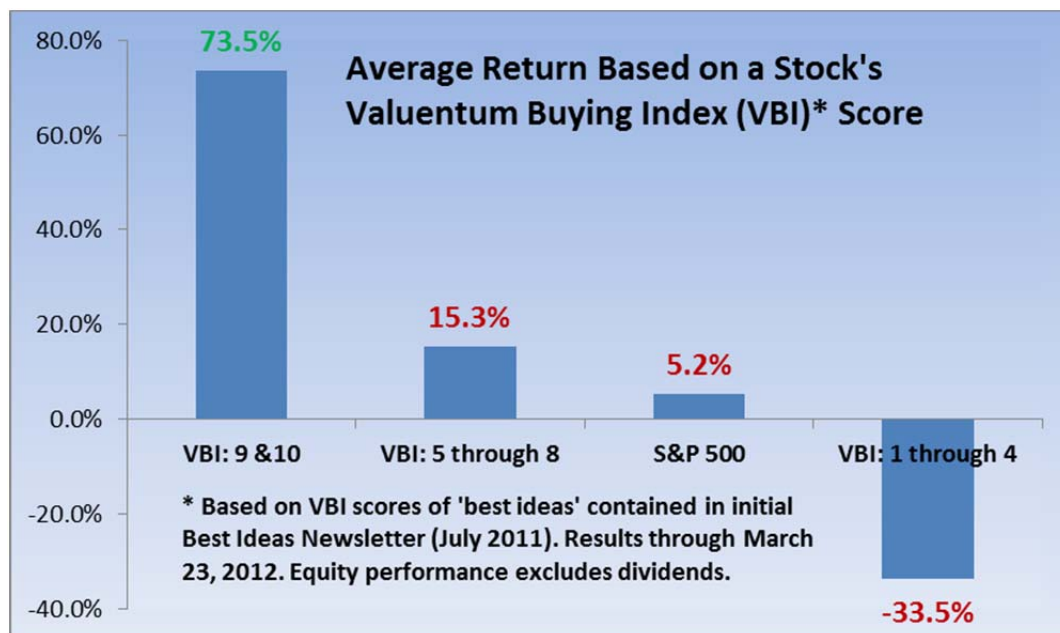
The firm would need a ValueCreation rating of good or excellent, exhibit high or aggressive growth prospects, and generate at least a medium or neutral assessment for cash flow generation, financial leverage, and relative price strength. We use these fundamental factors as a way to capture relatively high quality firms within our portfolio and to safeguard against a variety of risks (deteriorating product demand, liquidity issues, etc.) while also capturing any perceived phenomenon related to a “moat” factor.

This is a tall order for any company, but we're looking to deliver the very best of ideas to our clients and subscribers. Firms that don't make the cut for a 10 are ranked accordingly, with the least attractive stocks garnering a score of 1 ("We'd sell"). Most of our coverage universe falls between 3 and 7, but at any given time there could be large number of companies garnering either high or low scores, especially at market lows or tops, respectively.



## F. Performance of the Valuentum Buying Index

Initial testing results of the Valuentum Buying Index have been very encouraging. The performance reflects the subset of firms deemed to fit the 'Valuentum' style at the time of the writing of our inaugural Best Ideas Newsletter in July 2011. Firms that generate a 9 or 10 on our Valuentum Buying Index have good value characteristics and good momentum characteristics, while firms that generate a 1 through 4 typically have poor value characteristics and neutral or poor momentum characteristics. The results are consistent with previous academic literature, and we expect to expand our sample set over time.



Additionally, the performance remains consistent with a combined value and momentum approach, while the smaller, more selective data set (embedded in the above performance) indicates that a portfolio management overlay may be able to extract even more outperformance than traditional predictive models by mitigating positions with less clear value and momentum indicators or avoiding them altogether.

## January 2002 – May 2012

**Figure I**

Symbol	Price / Earnings
BA	54.1
AA	39.2
CSCO	35.3
INTC	33.9
DIS	31.6
MSFT	29.8
WMT	29.3
HPQ	27.7*
KO	27.5
IBM	25.3
JNJ	24.9
MMM	24.7
PG	24.6
VZ	23.2
DD	23.0
XOM	21.7
MCD	20.9
PFE	20.8
CAT	19.9
MRK	18.1
AXP	17.7
GE	16.1
HD	15.3
UTX	14.0
T	12.2
CVX	12.2*

\* 2003 PE; 2002 PE NMF.

**Figure II**

Symbol	2yr Trail Perf - 2002
JNJ	37.3%
UTX	33.3%
CAT	26.4%
MMM	24.2%
PFE	17.3%
WMT	10.7%
CVX	6.5%
AA	6.2%
XOM	-1.6%
IBM	-3.0%
BA	-5.6%
T	-8.6%
HD	-10.9%
GE	-14.5%
PG	-15.7%
DD	-20.4%
VZ	-20.6%
MRK	-21.9%
KO	-22.0%
MCD	-26.2%
INTC	-28.9%
AXP	-33.7%
MSFT	-34.9%
DIS	-41.0%
HPQ	-46.6%
CSCO	-63.8%

## January 1995 – May 2012

**Figure III**

Symbol	Price / Earnings
BA	68.2
MSFT	39.0
CSCO	36.7
CVX	36.6
HD	35.4
KO	31.3
MMM	28.6
PFE	25.2
MRK	24.3
JNJ	23.0
MCD	22.9
DIS	22.1
HPQ	20.0
WMT	19.6
PG	19.4
GE	18.5
T	18.5
UTX	16.6
VZ	16.4
XOM	15.5
INTC	14.1
AXP	13.3
IBM	12.6
DD	12.5
AA	11.9
CAT	10.3

**Figure IV**

Symbol	2yr Trail Perf - 1995
CAT	86.8%
AXP	64.6%
CSCO	50.4%
IBM	47.0%
UTX	46.0%
HPQ	43.3%
JNJ	38.6%
MSFT	37.5%
PG	37.1%
MCD	36.4%
T	33.6%
CVX	33.2%
BA	32.7%
INTC	30.8%
PFE	30.8%
KO	28.1%
GE	26.7%
DD	24.6%
VZ	14.7%
MMM	14.0%
DIS	13.0%
XOM	12.1%
AA	11.0%
MRK	6.3%
HD	-3.8%
WMT	-29.0%



## References

- Asness, Cliff S., "Variables that Explain Stock Returns", Ph.D. Dissertation, University of Chicago, 1994.
- Asness, Cliff S., John M. Liew, and Ross L. Stevens (1997), "Parallels Between the Cross-Sectional Predictability of Stock and Country Returns," *The Journal of Portfolio Management*, vol. 23, pp. 79-87.
- Asness, Cliff S., Tobias J Moskowitz, Lasse H. Pedersen "Value and Momentum Everywhere", February 2009. <http://pages.stern.nyu.edu/~lpederse/papers/ValMomEverywhere.pdf>
- Bhojraj, Sanjeev and Bhaskaran Swaminathan (2006), "Macromomentum: Returns Predictability in International Equity Indices," *The Journal of Business*, vol. 79, no. 1, pp. 429-451.
- Chan, Louis K. C., Narasimham Jegadeesh, Josef Lakonishok, "Momentum Strategies", *Journal of Finance*, December 1996.
- Chui, Andy, John Wei, and Sheridan Titman (2000), "Momentum, Legal Systems and Ownership Structure: An Analysis of Asian Stock Markets," Hong Kong Polytechnic University, working paper.
- DeLong, J. Bradford, Andrei Shleifer, Lawrence H. Summers, and Robert J. Waldmann, 1990, Positive feedback investment strategies and destabilizing rational speculation, *Journal of Finance* 45, 379-395.
- Fama, Eugene F. and Kenneth R. French (1992), "The Cross-Section of Expected Stock Returns," *The Journal of Finance*, vol. 47, no. 2, pp. 427-465.
- Fama, Eugene F. and Kenneth R. French (1998), "Value versus Growth: The International Evidence," *The Journal of Finance*, vol. 53, no. 6, pp. 1975-1999.
- Griffin, John, Susan Ji, and Spencer Martin (2003), "Momentum Investing and Business Cycle Risk: Evidence from Pole to Pole", *Journal of Finance*, vol. 58, pp. 2515-1547.
- Grinblatt, Mark and Tobias J. Moskowitz (2004), "Predicting Stock Price Movements from Past Returns: The Role of Consistency and Tax-Loss Selling", *Journal of Financial Economics*, vol. 71, pp. 541-579.
- Jegadeesh, Narasimhan and Sheridan Titman (1993), "Returns to Buying Winners and Selling Losers: Implications for Stock Market Efficiency," *The Journal of Finance*, vol. 48, no. 1, pp. 65-91.
- Jegadeesh, Narasimhan and Sheridan Titman (2001), "Momentum", 2001.
- Liew, Jimmy, and Maria Vassalou (2000), "Can Book-to-Market, Size and Momentum

Be Risk Factors that Predict Economic Growth?," *Journal of Financial Economics*, vol. 57, no. 2, pp. 221-245.

Rouwenhorst, K. Geert (1998), "International Momentum Strategies," *The Journal of Finance*, vol. 53, no. 1, pp. 267-284.

Stattman, Dennis (1980), "Book Values and Stock Returns," *Chicago MBA: A Journal of Selected Papers*, vol. 5, pp. 25-45.

**Valuentum Analysts**  
[analysts@valuentum.com](mailto:analysts@valuentum.com)

## Glossary of Valuentum Terms

**Business Quality Matrix.** We compare the firm's ValueCreation and ValueRisk ratings. The box is an easy way for investors to quickly assess the business quality of a company. Firms that generate economic profits with little operating variability score near the top right of the matrix.

**Cash Flow Generation.** Firms' cash flow generation capacity are measured along the scale of STRONG, MEDIUM, and WEAK. A firm with a 3-year historical free cash flow margin (free cash flow divided by sales) greater than 5% receives a STRONG rating, while firms earning less than 1% of sales as free cash flow receive a WEAK rating.

**Company Description.** The description section provides a brief company profile and in the top right corner indicates the investment style that Valuentum assigns to the stock. Nano-cap: Less than \$50 million; Micro-cap: Between \$50 million and \$200 million; Small-cap: Between \$200 million and \$2 billion; Mid-cap: Between \$2 billion and \$10 billion; Large-cap: Between \$10 billion and \$200 billion; Mega-cap: Over \$200 billion. Blend: Firm's that we think are undervalued and exhibit high growth prospects (growth in excess of three times the rate of assumed inflation). Value: Firm's that we believe are undervalued, but do not exhibit high growth prospects. Growth: Firms that are not undervalued, in our opinion, but exhibit high growth prospects. Core: Firms that are neither undervalued nor exhibit high growth prospects.

**Company Vitals.** In this section, we list key financial information and the sector and industry that Valuentum assigns to the stock. The P/E-Growth (5-yr), or PEG ratio, divides the current share price by last year's earnings (EPS) and then divides that quotient by our estimate of the firm's 5-year EPS growth rate. The estimated normalized diluted EPS and estimated normalized EBITDA represent the five-year forward average of these measures used in our discounted cash flow model. The P/E on estimated normalized EPS divides the current share price by estimated normalized diluted EPS. The EV/estimated normalized EBITDA considers the current enterprise value of the company and divides it by estimated normalized EBITDA. EV is defined as the firm's market capitalization plus total debt, minority interest, preferred stock less cash and cash equivalents.

**DCF Valuation.** We opine on the firm's valuation based on our DCF process. Firms that are trading with an appropriate discount to our fair value estimate receive an UNDERVALUED rating. Firms that are trading within our fair value range receive a FAIRLY VALUED rating, while firms that are trading above the upper bound of our fair value range receive an OVERVALUED rating.

To learn more about Valuentum and its equity research services, please visit us at [www.valuentum.com](http://www.valuentum.com) or contact a sales representative at [info@valuentum.com](mailto:info@valuentum.com).

© 2012 Valuentum Securities, Inc. All rights reserved.

**Dividend Growth Potential.** We blend our analysis of a firm's Dividend Safety with its historical Track Record, while also considering historical dividend growth trends. We believe such a combination captures a firm's capacity (cash flow) and willingness (track record) to raise its dividend in the future. Scale: EXCELLENT, GOOD, POOR, VERY POOR.

**Dividend Safety.** We measure the safety of a firm's dividend by adding its net cash to our forecast of its future cash flows and divide that sum by our forecast of its future dividend payments. This process results in a ratio called the Valuentum Dividend Cushion™. Scale: Above 2.75 = EXCELLENT; Between 1.25 and 2.75 = GOOD; Between 0.5 and 1.25 = POOR; Below 0.5 = VERY POOR.

**Dividend Strength.** Our assessment of the firm's dividend strength is expressed in a matrix. If the safety of a firm's dividend is EXCELLENT and its growth prospects are also EXCELLENT, it scores high on our matrix (top right). If the firm's dividend safety and the potential future growth are VERY POOR, it scores lower on our scale (bottom left).

**Dividend Track Record.** We assess each firm's dividend track record based on whether the fundamentals of the firm have ever forced it to cut its dividend. If the firm has ever cut its dividend (within the last 10 years), we view its track record as RISKY. If the firm has maintained and/or raised its dividend each year (over the past 10 years), we view its track record as HEALTHY.

**Estimated Fair Value.** This measure is an output of our DCF valuation model and represents our opinion of the fair equity value per share of the company. We would expect a firm's stock price to converge to this value within the next 3 years.

**Fair Value Range.** The fair value range represents an upper bound and lower bound, between which we would consider the firm to be fairly valued. The range considers our estimate of the firm's fair value and the margin of safety suggested by the volatility of key valuation drivers, including revenue, gross margin, earnings before interest, and enterprise free cash flow (the determinants behind our ValueRisk rating).



**Financial Leverage.** Based on the firm's normalized debt-to-EBITDA metric, we rank firms on the following scale: LOW, MEDIUM, and HIGH. Companies with a normalized debt-to-EBITDA ratio below 1.5 receive a LOW score, while those with a measure above 3 receive a HIGH score.

**Money Flow Index (MFI).** The MFI is a technical indicator that measures buying and selling pressure based on both price and volume. Traders typically use this measure to identify potential reversals with overbought and oversold levels. We use a 14-week measure to rank firms along the following scale: EXTREMELY OVERBOUGHT (>90), OVERBOUGHT (80-90), NEUTRAL (20-80), OVERSOLD (10-20), EXTREMELY OVERSOLD (0-10).

**Range of Potential Outcomes.** The firm's margin of safety is shown in the graphic of a normal distribution. We consider a firm to be undervalued if its stock price falls along the green line and overvalued if the stock price falls along the red line. We consider the firm to be fairly valued if its stock price falls along the yellow line.

**Relative Value.** We compare the firm's forward price-to earnings (PE) ratio and its price/earnings-to-growth (PEG) ratio to that of its peers. If both measures fall below the peer median, the firm receives an ATTRACTIVE rating. If both are above the peer median, the firm receives an UNATTRACTIVE rating. Any other combination results in a NEUTRAL rating.

**Return on Invested Capital.** At Valuentum, we place considerable emphasis on return on invested capital (both with and without goodwill). The measure focuses on the return (earnings) the company is generating on its operating assets and is superior to return on equity and return on assets, which can be skewed by a firm's leverage or excess cash balance, respectively.

**Risk of Capital Loss.** We think capital preservation is key for the dividend investor. As such, we evaluate the risk of capital loss by assessing the intrinsic value of each firm based on our discounted cash-flow process. If a firm is significantly OVERVALUED, we think the risk of capital loss is HIGH. If a firm is FAIRLY VALUED, we think the risk of capital loss is MEDIUM, and if a firm is UNDERVALUED, we think the risk of capital loss is LOW.

**Stock Price Relative Strength.** We assess the performance of the company's stock during the past quarter, 13 weeks, relative to an ETF that mirrors the aggregate performance of constituents of the stock market. Firms are measured along the scale of STRONG, NEUTRAL, and WEAK. Companies that have outperformed the market index by more than 2.5% during this 13-week period receive a STRONG rating, while firms that trailed the market index by more than 2.5% during this 13-week period receive a WEAK rating.

**Technical Evaluation.** We evaluate a firm's near-term and medium-term moving averages and money flow index (MFI) to assign each firm a rating along the following scale: VERY BULLISH, BULLISH, NEUTRAL, BEARISH, and VERY BEARISH.

**Timeliness Matrix.** We compare the company's recent stock performance relative to the market benchmark with our assessment of its valuation. Firms that are experiencing near-term stock price outperformance and are undervalued by our estimate may represent timely buys.

**Upside/Downside Volume.** Heavy volume on up days and lower volume on down days suggests that institutions are heavily participating in a stock's upward advance. We use the trailing 14-week average of upside and downside volume to calculate an informative ratio. We rank each firm's U/D volume ratio along the following scale: BULLISH, IMPROVING, DETERIORATING, and BEARISH.

**ValueCreation.** This is a proprietary Valuentum measure. ValueCreation indicates the firm's historical track record in creating economic value for shareholders, taking the average difference between ROIC (without goodwill) and the firm's estimated WACC during the past three years. The firm's performance is measured along the scale of EXCELLENT, GOOD, POOR, and VERY POOR. Those firms with EXCELLENT ratings have a demonstrated track record of creating economic value, while those that register a VERY POOR mark have been destroying economic value.

**Valuentum Dividend Cushion™.** This is a proprietary Valuentum measure that drives our assessment of the firm's Dividend Safety rating. The forward-

looking measure assesses dividend coverage via the cash characteristics of the business.

**ValueRisk.** This is a proprietary Valuentum measure. ValueRisk indicates the historical volatility of key valuation drivers, including revenue, gross margin, earnings before interest, and enterprise free cash flow. The standard deviation of each measure is calculated and scaled against last year's measure to arrive at a percentage deviation for each item. These percentage deviations are weighted equally to arrive at the corresponding fair value range for each stock, measured in percentage terms. The firm's performance is measured along the scale of LOW, MEDIUM, HIGH, and VERY HIGH. The ValueRisk™ rating for each firm also determines the fundamental beta of each firm along the following scale: LOW (0.85), MEDIUM (1), HIGH (1.15), VERY HIGH (1.3).

**ValueTrend.** This is a proprietary Valuentum measure. ValueTrend indicates the trajectory of the firm's return on invested capital (ROIC). Firms that earned an ROIC last year that was greater than the 3-year average of the measure earn a POSITIVE rating. Firms that earned an ROIC last year that was less than the 3-year average of the measure earn a NEGATIVE rating.

# Disclosures, Disclaimers & Sources

To send us feedback or if you have any questions, please contact us at [valuentum@valuentum.com](mailto:valuentum@valuentum.com). We're always looking for ways to better serve your investment needs and improve our research.

Copyright © 2013 by Valuentum, Inc. All rights reserved.

No part of this publication may be reproduced in any form or by any means.

Valuentum does not offer brokerage or investment banking services and adheres to professional standards and abides by formal codes of ethics that put the interests of clients and subscribers ahead of their own. As of the date of this report, Valuentum has not received any compensation from any company highlighted in this publication. Valuentum, its employees, and affiliates may have long, short or derivative positions in the stock or stocks mentioned herein.

The information contained in this publication is not represented or warranted to be accurate, correct, complete, or timely. This publication is for informational purposes only and should not be considered a solicitation to buy or sell any security. No warranty may be created or extended by sales or promotional materials. The securities or strategies mentioned herein may not be suitable for all types of investors. The information contained in this publication does not constitute any advice, and especially on the tax consequences of making any particular investment decision. This material is not intended for any specific type of investor and does not take into account an investor's particular investment objectives, financial situation or needs. This report is not intended as a recommendation of the securities highlighted or any particular investment strategy. Before acting on any information found in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Assumptions, opinions, and estimates are based on our judgment as of the date of the report and are subject to change without notice. Valuentum is not responsible for any errors or omissions or for results obtained from the use of this report and accepts no liability for how readers may choose to utilize the content. In no event shall Valuentum be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the information contained in this document. Investors should consider this report as only a single factor in making their investment decision. Redistribution is prohibited without written permission. Further, readers should be aware that information in this work may have changed between when this work was written and when it is read.

Valuentum's firm-specific forecasts used in its discounted cash flow model are rules-based. These rules reflect the experience and opinions of Valuentum's analyst staff. Historical data used in our valuation model is provided by Xignite and from other publicly available sources including annual and quarterly regulatory filings. Stock price and volume data is provided by Xignite. No warranty is made regarding the accuracy of any data or any opinions. Valuentum's valuation model is based on sound academic principles, and other forecasts in the model such as inflation and the equity risk premium are based on long-term averages. The Valuentum proprietary automated text-generation system creates text that will vary by company and may often change for the same company upon subsequent updates. Valuentum uses its own proprietary stock investment style and industry classification systems. Peer companies are selected based on the opinions of the Valuentum analyst staff. Research reports and data are updated at least quarterly, though Valuentum assumes no obligation to update its opinions following publication in any form or format. Performance assessment of the Valuentum Buying Index™ is currently ongoing, and we intend to update investors as soon as such results are available. Past performance is not a guarantee of future results.

For general information about Valuentum's products and services, please contact us at [valuentum@valuentum.com](mailto:valuentum@valuentum.com) or visit our website at [www.valuentum.com](http://www.valuentum.com). Or contact sales at (708) 653-7546 or via email at [info@valuentum.com](mailto:info@valuentum.com).