



Representing America's Natural Gas Utilities

Financial and Operational Information Series

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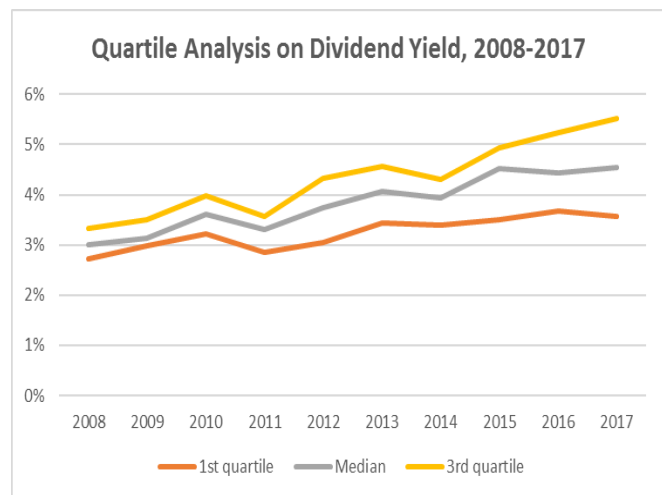
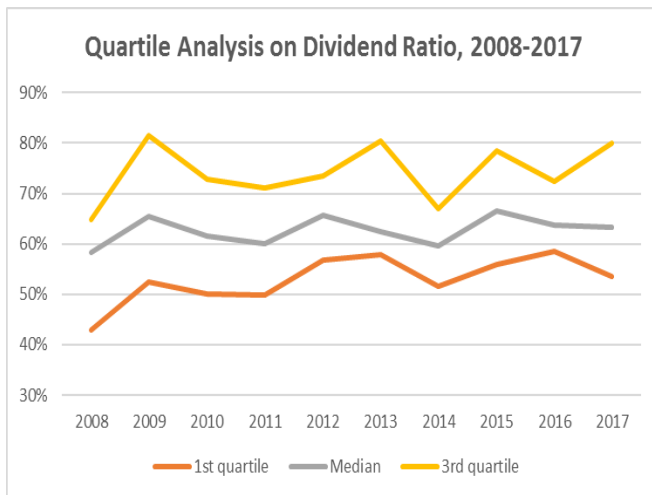
Issue:

Dividend Yield & Payout Ratio From Gas Operations

Findings

- On average the median value for dividend payout ratios was about 62 percent
- A long term, stable dividend payout ratio is a good sign of financial health for any industry
- While the dividend ratio has remained within a normal range, the dividend yield has grown from an average of 3 percent to 4.5 percent
- The increase in yield compared to a nominal payout ratio suggests utilities have been able to increase shareholder value while showing a constructive use of company profits

Quartile Analysis on Dividend Ratio and Yield, 2008-2017



Methodology

- Based on data from gas operations of 60 energy corporations
- 1st quartile represents the data point at the 25 percent level in the sample.
- Median represents the data point at the midpoint of the sample.
- 3rd quartile represents the data point at the 75 percent level in the sample.
- Dividend payout ratio is the percentage of net income that is returned to stockholders as dividends.
- Dividend yield is the measure of annual dividends per share / price per share

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AGA Contact: Brendan O'Brien (202-824-7220) bobrien@aga.org