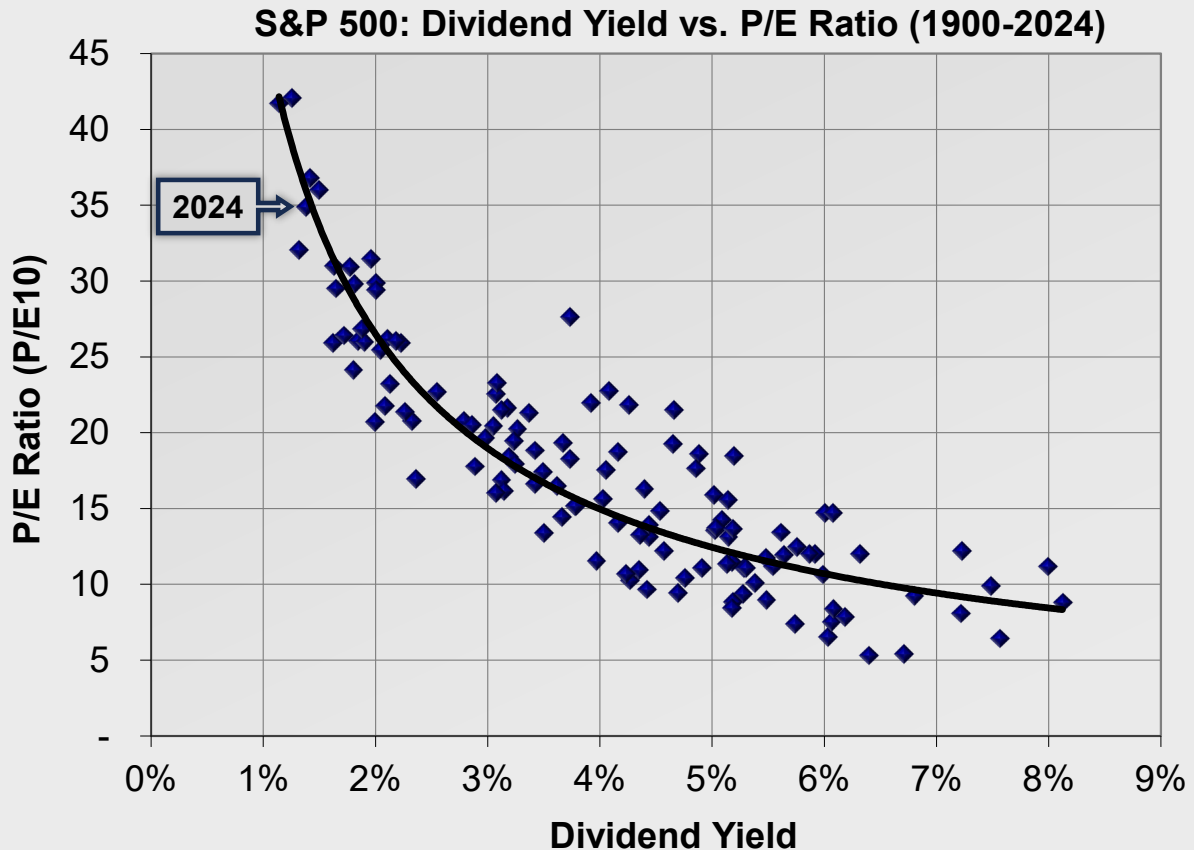


DIVIDEND YIELD vs. P/E RATIO

DIVIDEND YIELD CONFIRMS MARKET VALUATION (P/E)



IMPACT OF VALUATION ON DIVIDEND YIELD

Dividend Yield Mathematically Declines as Market Valuation (P/E) Increases.

Illustration:

| | |
|--------------------------|--------|
| Earnings Per Share (EPS) | \$2.00 |
| Dividend Per Share (DIV) | \$0.90 |
| Payout ratio | 45% |

| P/E RATIO | EPS | DIV | (EPS x P/E) PRICE | DIV YIELD |
|--------------|--------|--------|----------------------|--------------|
| 35 | \$2.00 | \$0.90 | \$ 70 | 1.3% |
| 30 | \$2.00 | \$0.90 | \$ 60 | 1.5% |
| 25 | \$2.00 | \$0.90 | \$ 50 | 1.8% |
| 20 | \$2.00 | \$0.90 | \$ 40 | 2.3% |
| 17 | \$2.00 | \$0.90 | \$ 34 | 2.6% |
| 15 | \$2.00 | \$0.90 | \$ 30 | 3.0% |
| 13 | \$2.00 | \$0.90 | \$ 26 | 3.5% |
| 10 | \$2.00 | \$0.90 | \$ 20 | 4.5% |
| 7 | \$2.00 | \$0.90 | \$ 14 | 6.4% |

Note: This partially explains the reason for currently low dividend yields. Further, the payout ratio of dividends to earnings has historically been 35% to 60% and is currently near the bottom of the range.