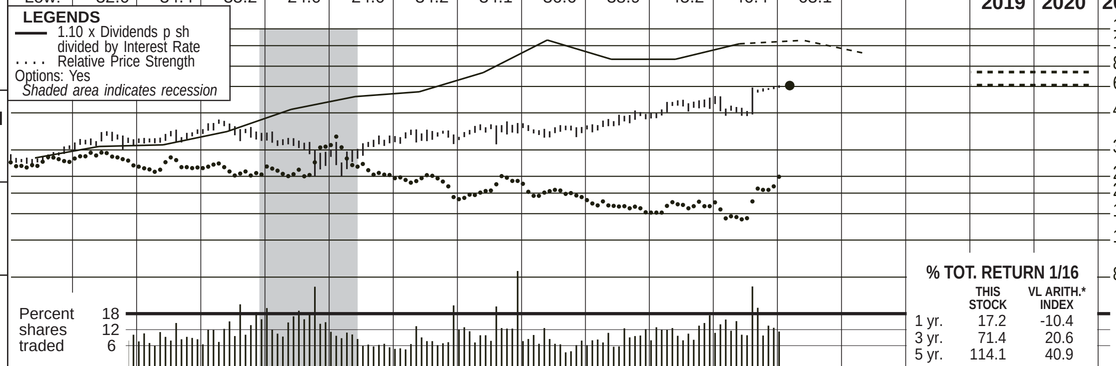
AGL RESOURCES NYSE-GAS

RECENT PRICE	P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD	
64.61	20.6 (Trailing: 21.9 Median: 14.0)	1.22	3.3%	VALUE LINE

TIMELINESS – Suspended 9/4/15
SAFETY 1 Raised 9/9/11
TECHNICAL – Suspended 9/4/15
BETA .60 (1.00 = Market)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
High:	39.3	40.1	44.7	39.1	37.5	40.1	43.7	42.9	49.3	56.7	64.0	65.0
Low:	32.0	34.4	35.2	24.0	24.0	34.2	34.1	36.6	38.9	45.2	46.4	63.1

Target Price Range
2019 | 2020 | 2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+15%)	7%
Low	65	(Nil)	4%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	2	5	0	1
to Sell	1	2	0	1	3	1	0	0	1

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	204	193	224
to Sell	205	197	209
Hld's(000)	77042	75486	76517

% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	17.2	-10.4
3 yr.	71.4	20.6
5 yr.	114.1	40.9

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
11.25	19.04	15.32	15.25	23.89	34.98	33.73	32.64	36.41	29.88	30.42	19.97	33.28	38.83	45.01	32.74	*35.25*	*37.80*	Revenues per sh A	*44.00*
2.86	3.31	3.39	3.47	3.29	4.20	4.50	4.65	4.68	4.90	5.05	3.06	5.82	6.15	7.87	6.23	*6.85*	*7.40*	"Cash Flow" per sh	*8.80*
1.29	1.50	1.82	2.08	2.28	2.48	2.72	2.72	2.71	2.88	3.00	2.12	2.31	2.64	4.71	2.94	*3.30*	*3.60*	Earnings per sh A B	*4.65*
1.08	1.08	1.08	1.11	1.15	1.30	1.48	1.64	1.68	1.72	1.76	1.90	1.74	1.88	1.96	2.04	*2.12*	*2.16*	Div'ds Decl'd per sh CF■	*2.40*
2.92	2.83	3.30	2.46	3.44	3.44	3.26	3.39	4.84	6.14	6.54	3.65	6.64	6.30	6.43	8.53	*7.40*	*7.30*	Cap'l Spending per sh	*7.20*
11.50	12.19	12.52	14.66	18.06	19.29	20.71	21.74	21.48	22.95	23.24	28.33	28.96	30.54	31.63	32.64	*33.35*	*35.05*	Book Value per sh D	*40.15*
54.00	55.10	56.70	64.50	76.70	77.70	77.70	76.40	76.90	77.54	78.00	117.10	117.86	118.89	119.65	120.38	*122.00*	*123.00*	Common Shs Outst'g E	*125.00*
13.6	14.6	12.5	12.5	13.1	14.3	13.5	14.7	12.3	11.2	12.5	18.8	17.2	16.7	10.9	18.5	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
.88	.75	.68	.71	.69	.76	.73	.78	.74	.75	.80	1.18	1.09	.94	.57	.95	*Value Line*		Relative P/E Ratio	*.95*
6.2%	4.9%	4.7%	4.3%	3.9%	3.7%	4.0%	4.1%	5.0%	5.4%	4.7%	4.8%	4.4%	4.3%	3.8%	3.8%	*estimates*		Avg Ann'l Div'd Yield	*3.4%*

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
2621.0	2494.0	2800.0	2317.0	2373.0	2338.0	3922.0	4617.0	5385.0	3941.0	*4300*	*4650*	Revenues ($mill) A	*5500*
212.0	211.0	207.6	222.0	234.0	172.0	271.0	313.0	562.0	353.0	*400*	*445*	Net Profit ($mill)	*580*
37.8%	37.6%	40.5%	35.2%	35.9%	40.2%	36.4%	36.6%	37.6%	36.3%	*37.5%*	*38.0%*	Income Tax Rate	*38.0%*
8.1%	8.5%	7.4%	9.6%	9.9%	7.4%	6.9%	6.8%	10.4%	9.0%	*9.4%*	*9.5%*	Net Profit Margin	*10.5%*
50.2%	50.2%	50.3%	52.6%	48.0%	51.8%	49.4%	51.2%	48.8%	45.5%	*48.0%*	*48.0%*	Long-Term Debt Ratio	*47.0%*
49.8%	49.8%	49.7%	47.4%	52.0%	48.2%	50.6%	48.8%	51.2%	54.5%	*52.0%*	*52.0%*	Common Equity Ratio	*53.0%*
3231.0	3335.0	3327.0	3754.0	3486.0	6879.0	6740.0	7444.0	7386.0	7204.0	*7835*	*8270*	Total Capital ($mill)	*9605*
3436.0	3566.0	3816.0	4146.0	4405.0	7900.0	8347.0	8781.0	9090.0	9791.0	*10475*	*11105*	Net Plant ($mill)	*13225*
8.0%	7.7%	7.4%	6.9%	7.6%	3.1%	5.4%	5.4%	8.8%	6.1%	*6.5%*	*7.0%*	Return on Total Cap'l	*7.5%*
13.2%	12.7%	12.6%	12.5%	12.9%	5.2%	7.9%	8.6%	14.9%	9.0%	*10.0%*	*10.5%*	Return on Shr. Equity	*11.5%*
13.2%	12.7%	12.6%	12.5%	12.9%	5.2%	7.9%	8.6%	14.9%	9.0%	*10.0%*	*10.5%*	Return on Com Equity	*11.5%*
6.3%	5.3%	5.1%	5.3%	5.6%	.7%	2.0%	2.5%	8.7%	2.8%	*3.5%*	*4.0%*	Retained to Com Eq	*5.5%*
52%	58%	60%	57%	57%	86%	75%	71%	41%	69%	*64%*	*60%*	All Div'ds to Net Prof	*52%*

CAPITAL STRUCTURE as of 12/31/15
Total Debt $4830 mill. **Due in 5 Yrs** $2764 mill.
LT Debt $3275 mill. **LT Interest** $181 mill.
(Total interest coverage: 4.7x)

Leases, Uncapitalized Annual rentals $33 mill.
Pension Assets-12/15 $847 mill.
Oblig. $1067 mill.
Pfd Stock None

Common Stock 120,384,325 shs.
as of 2/5/15
MARKET CAP: $7.8 billion (Large Cap)

CURRENT POSITION ($MILL.)	2013	2014	12/31/15
Cash Assets	105	39	27
Other	2628	2851	2088
Current Assets	2733	2890	2115
Accts Payable	432	312	673
Debt Due	1842	2152	1555
Other	848	755	772
Current Liab.	3122	3219	3000
Fix. Chg. Cov.	373%	611%	465%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	4.5%	4.0%	*2.0%*
"Cash Flow"	6.5%	6.5%	*4.5%*
Earnings	4.0%	3.5%	*5.0%*
Dividends	5.0%	2.5%	*3.5%*
Book Value	6.0%	7.0%	*4.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	1709	904	675	1329	4617
2014	2462	889	589	1445	5385
2015	1721	674	584	962	3941
2016	*1600*	*800*	*650*	*1250*	*4300*
2017	*1700*	*900*	*700*	*1350*	*4650*

Cal-endar	EARNINGS PER SHARE AB Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	1.31	.41	.24	.68	2.64
2014	2.81	.48	.19	1.24	4.71
2015	1.62	.35	.09	.89	2.94
2016	*1.75*	*.35*	*.15*	*1.05*	*3.30*
2017	*1.80*	*.40*	*.20*	*1.20*	*3.60*

Cal-endar	QUARTERLY DIVIDENDS PAID CF■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.36	.46	.46	.46	1.74
2013	.47	.47	.47	.47	1.88
2014	.49	.49	.49	.49	1.96
2015	.51	.51	.51	.51	2.04
2016	.53				

BUSINESS: AGL Resources Inc. is a public utility holding company. Distribution subsidiaries include Atlanta Gas Light, Chattanooga Gas, Elizabethtown Gas, Virginia Natural Gas, Florida City Gas and Elkton Gas. Acquired Nicor in 2011. The utilities have more than 4.5 million customers in Georgia, Virginia, Tennessee, New Jersey, Florida, and Illinois. Engaged in nonregulated natural gas marketing and other allied services. Deregulated subsidiaries: Georgia Natural Gas markets natural gas at retail. BlackRock Inc. owns 8.0% of common stock; officers/directors, less than 1.0% (3/15 Proxy). President & CEO: John W. Somerhalder II. Inc.: GA. Addr.: Ten Peachtree Place N.E., Atlanta, GA 30309. Telephone: 404-584-4000. Internet: www.aglresources.com.

AGL Resources ended 2015 on a sour note. Indeed, the company had earnings per share of $0.89, which were hurt by warmer-than-usual temperatures, but that was partially offset by decent results in the wholesale division. Too, some merger-related costs and a small goodwill impairment dragged on fourth-quarter results. Still, the company remains in decent shape for 2016, as cooler temperatures have occurred across the utility coverage areas in the first quarter.

The deal to be acquired by Southern Co. continues to advance. The company has jointly filed for approval in all required jurisdictions, and has received shareholder approval. It passed through the Hart-Scott-Rodino waiting period. This deal is expected to close in the second half of 2016, and should create the nation's second-largest public utility. As the stock price is near our long-term Target Price Range, we think the $66 a share in cash remains a decent deal for AGL shareholders.

The company should have better results in 2016. Indeed, we assume normal temperatures, and the company has been able to achieve better infrastructure replacement recovery rates. These augur well for earnings growth. In addition, the pipeline investments remain on track. These have higher allowable returns and should notably enhance throughput. This ought to boost margins considerably once completed. All told, we think the company will earn $3.30 a share in 2016, and $3.60 a share in 2017.

The dividend was recently raised 4%, to $0.53 a share quarterly. This remains well covered by earnings and should continue to be paid as long as the company remains public. Still, this yield is much lower than for others in the industry.

Shares of AGL Resources have been suspended for Timeliness pending the merger. The stock holds little appreciation potential if the deal is completed, but the share price may fall sharply should the deal fall apart over regulatory concerns, though we think that possibility is less likely. Continuing to hold the shares for the dividend has a bit of appeal, but most long-term holders should sell their shares, given the slim discount to the bid price.

John E. Seibert III *March 4, 2016*

(A) Fiscal year ends December 31st. Ended September 30th prior to 2002.
(B) Diluted earnings per share. May not add up due to rounding. Excl. nonrecurring gains (losses):'99, $0.39; '00, $0.13; '01, $0.13; '03, ($0.07); '08, $0.13; '14, ($0.67). Next earnings report due late April. **(C)** Dividends historically paid early March, June, Sept., and Dec. ■ Div'd reinvest. plan available. **(D)** Includes intangibles. In 2015: $1,922 million, $15.97/share.**(E)** In millions. **(F)** Excluding special dividends from the Nicor merger.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	55
Earnings Predictability	60

ATMOS ENERGY CORP. NYSE-ATO

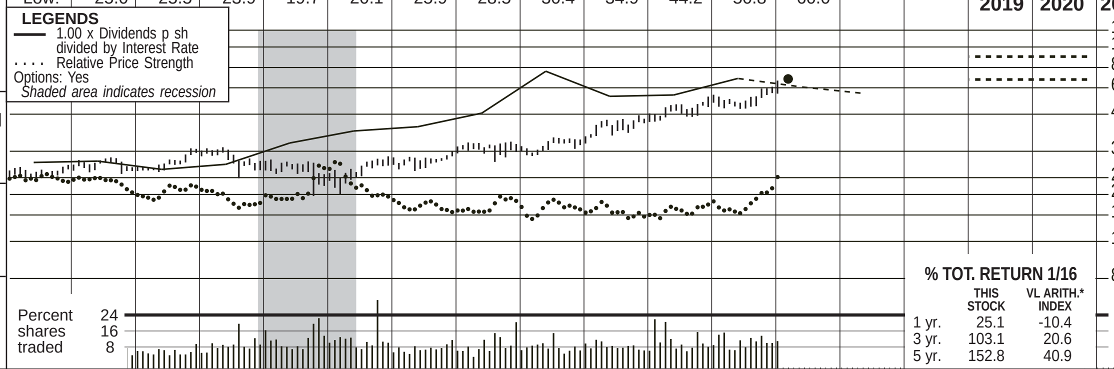
RECENT PRICE	P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD
70.45	21.7 (Trailing: 22.5; Median: 15.0)	1.28	2.5%

VALUE LINE

TIMELINESS 2 Raised 10/30/15
SAFETY 1 Raised 6/6/14
TECHNICAL 3 Raised 3/4/16
BETA .80 (1.00 = Market)

High:	30.0	33.1	33.5	29.3	30.3	32.0	35.6	37.3	47.4	58.2	64.8	71.2
Low:	25.0	25.5	23.9	19.7	20.1	25.9	28.5	30.4	34.9	44.2	50.8	60.0

Target Price Range
2019 | 2020 | 2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	90	(+30%)	9%
Low	70	(Nil)	3%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	0	0	0	0	0
Options	0	6	1	0	0	0	2	7	0
to Sell	0	0	0	0	0	0	0	0	1

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	157	136	130
to Sell	132	134	137
Hld's(000)	69286	68505	69743

% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	25.1	-10.4
3 yr.	103.1	20.6
5 yr.	152.8	40.9

Atmos Energy's history dates back to 1906 in the Texas Panhandle. Over the years, through various mergers, it became part of Pioneer Corporation, and, in 1981, Pioneer named its gas distribution division Energas. In 1983, Pioneer organized Energas as a separate subsidiary and distributed the outstanding shares of Energas to Pioneer shareholders. Energas changed its name to Atmos in 1988. Atmos acquired Trans Louisiana Gas in 1986, Western Kentucky Gas Utility in 1987, Greeley Gas in 1993, United Cities Gas in 1997, and others.

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
75.27	66.03	79.52	53.69	53.12	48.15	38.10	42.88	49.22	40.82	*32.70*	*33.45*	Revenues per sh A	*45.85*
4.26	4.14	4.19	4.29	4.64	4.72	4.76	5.14	5.42	5.81	*5.95*	*6.15*	"Cash Flow" per sh	*7.35*
2.00	1.94	2.00	1.97	2.16	2.26	2.10	2.50	2.96	3.09	*3.25*	*3.45*	Earnings per sh A B	*4.00*
1.26	1.28	1.30	1.32	1.34	1.36	1.38	1.40	1.48	1.56	*1.68*	*1.80*	Div'ds Decl'd per sh C■	*2.15*
5.20	4.39	5.20	5.51	6.02	6.90	8.12	9.32	8.32	9.61	*9.80*	*10.00*	Cap'l Spending per sh	*10.20*
20.16	22.01	22.60	23.52	24.16	24.98	26.14	28.47	30.74	31.48	*31.35*	*32.50*	Book Value per sh	*36.65*
81.74	89.33	90.81	92.55	90.16	90.30	90.24	90.64	100.39	101.48	*107.00*	*110.00*	Common Shs Outst'g D	*120.00*
13.5	15.9	13.6	12.5	13.2	14.4	15.9	15.9	16.1	17.5	*Bold figures are*		Avg Ann'l P/E Ratio	*20.0*
.73	.84	.82	.83	.84	.90	1.01	.89	.85	.89	*Value Line*		Relative P/E Ratio	*1.25*
4.7%	4.2%	4.8%	5.3%	4.7%	4.2%	4.1%	3.5%	3.1%	2.9%	*estimates*		Avg Ann'l Div'd Yield	*2.7%*
6152.4	5898.4	7221.3	4969.1	4789.7	4347.6	3438.5	3886.3	4940.9	4142.1	*3500*	*3680*	Revenues ($mill) A	*5500*
162.3	170.5	180.3	179.7	201.2	199.3	192.2	230.7	289.8	315.1	*350*	*380*	Net Profit ($mill)	*480*
37.6%	35.8%	38.4%	34.4%	38.5%	36.4%	33.8%	38.2%	39.2%	38.3%	*38.5%*	*38.5%*	Income Tax Rate	*40.0%*
2.6%	2.9%	2.5%	3.6%	4.2%	4.6%	5.6%	5.9%	5.9%	7.6%	*10.0%*	*10.3%*	Net Profit Margin	*8.7%*
57.0%	52.0%	50.8%	49.9%	45.4%	49.4%	45.3%	48.8%	44.3%	43.5%	*45.0%*	*45.0%*	Long-Term Debt Ratio	*45.0%*
43.0%	48.0%	49.2%	50.1%	54.6%	50.6%	54.7%	51.2%	55.7%	56.5%	*55.0%*	*55.0%*	Common Equity Ratio	*55.0%*
3828.5	4092.1	4172.3	4346.2	3987.9	4461.5	4315.5	5036.1	5542.2	5650.2	*6100*	*6500*	Total Capital ($mill)	*8000*
3629.2	3836.8	4136.9	4439.1	4793.1	5147.9	5475.6	6030.7	6725.9	7430.6	*8040*	*8500*	Net Plant ($mill)	*10200*
6.1%	5.9%	5.9%	5.9%	6.9%	6.1%	6.1%	5.9%	6.4%	6.6%	*7.0%*	*7.0%*	Return on Total Cap'l	*7.5%*
9.8%	8.7%	8.8%	8.3%	9.2%	8.8%	8.1%	8.9%	9.4%	9.9%	*10.5%*	*10.5%*	Return on Shr. Equity	*11.0%*
9.8%	8.7%	8.8%	8.3%	9.2%	8.8%	8.1%	8.9%	9.4%	9.9%	*10.5%*	*10.5%*	Return on Com Equity	*11.0%*
3.6%	3.0%	3.1%	2.7%	3.5%	3.3%	2.8%	4.0%	4.7%	4.9%	*5.0%*	*5.0%*	Retained to Com Eq	*5.0%*
63%	65%	65%	68%	62%	62%	65%	56%	50%	51%	*51%*	*52%*	All Div'ds to Net Prof	*54%*

CAPITAL STRUCTURE as of 12/31/15
Total Debt $3218.7 mill. **Due in 5 Yrs** $1157.9 mill.
LT Debt $2455.5 mill. **LT Interest** $145.0 mill.
(LT interest earned: 5.4x; total interest coverage: 5.4x)
Leases, Uncapitalized Annual rentals $16.5 mill.
Pfd Stock None
Pension Assets-9/15 $450.9 mill. **Oblig.** $508.6 mill.
Common Stock 102,106,896 shs. **as of 1/29/16**
MARKET CAP: $7.2 billion (Large Cap)

CURRENT POSITION ($MILL.)	2014	2015	12/31/15
Cash Assets	42.3	28.7	78.9
Other	733.5	602.3	784.4
Current Assets	775.8	631.0	863.3
Accts Payable	311.6	238.9	280.5
Debt Due	196.7	457.9	763.2
Other	402.4	458.0	471.4
Current Liab.	910.7	1154.8	1515.1
Fix. Chg. Cov.	637%	743%	730%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	-2.0%	-6.5%	*.5%*
"Cash Flow"	5.0%	4.5%	*5.0%*
Earnings	5.5%	7.0%	*6.0%*
Dividends	2.0%	2.5%	*6.5%*
Book Value	5.0%	5.0%	*3.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	1034.2	1309.0	857.9	685.2	3886.3
2014	1255.1	1964.3	942.7	778.8	4940.9
2015	1258.8	1540.1	686.4	656.8	4142.1
2016	906.2	*1220*	*700*	*673.8*	*3500*
2017	*950*	*1300*	*730*	*700*	*3680*

Fiscal Year Ends	EARNINGS PER SHARE A B E Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	.85	1.23	.36	.08	2.50
2014	.95	1.38	.45	.23	2.96
2015	.96	1.35	.55	.23	3.09
2016	1.00	*1.42*	*.57*	*.26*	*3.25*
2017	*1.06*	*1.47*	*.62*	*.30*	*3.45*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.345	.345	.345	.35	1.39
2013	.35	.35	.35	.37	1.42
2014	.37	.37	.37	.39	1.50
2015	.39	.39	.39	.42	1.59
2016	.42				

BUSINESS: Atmos Energy Corporation is engaged primarily in the distribution and sale of natural gas to roughly three million customers through six regulated natural gas utility operations: Louisiana Division, West Texas Division, Mid-Tex Division, Mississippi Division, Colorado-Kansas Division, and Kentucky/Mid-States Division. Gas sales breakdown for fiscal 2015: 66%, residential; 29%, commercial; 3%, industrial; and 2% other. The company has around 4,760 employees. Officers and directors own approximately 1.5% of common stock (12/15 Proxy). President and Chief Executive Officer: Kim R. Cocklin. Incorporated: Texas. Address: Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240. Telephone: 972-934-9227. Internet: www.atmosenergy.com.

Atmos Energy Corporation got off to a respectable start in fiscal 2016 (concludes on September 30th). Specifically, first-quarter earnings per share advanced approximately 4.2%, to $1.00, compared to the same period the prior year. One contributor was the bread-and-butter natural gas distribution operation, which benefited from rate adjustments in the Mid-Tex, Mississippi, and West Texas divisions. Notably, through last December 31st, the company finished four regulatory proceedings resulting in a $13.3 million increase in annual operating income, and seven ratemaking initiatives were in progress seeking another $27.4 million of annual operating income. But results for this segment were constrained a bit by diminished consumption, given warmer-than-usual temperatures. Elsewhere, the regulated pipeline business was boosted by higher revenue from the Gas Reliability Infrastructure Program (GRIP) filing approved in fiscal 2015. A rise in operating expenses provided somewhat of an offset here, however.

We anticipate more of the same during the remaining nine months. Consequently, Atmos' bottom line stands to advance around 5%, to $3.25 a share, for the entire year. Assuming that operating margins expand further, fiscal 2017 share net might well grow at a similar percentage rate, to $3.45.

The stock has traded at record heights since our last report in December. It appears that stems partially from the Dallas-headquartered company's respectable first-quarter profits, and expectations of more glad tidings over the course of the fiscal year. Consequently, these shares possess a 2 (Above Average) rank for Timeliness.

There are other noteworthy characteristics here. The current dividend is decent, and our 2019-2021 projections show that additional, steady increases in the distribution will occur. The payout ratio during that period ought to be in the 50%-55% range, which is manageable. Moreover, the Safety rank resides at 1 (Highest), and the Price Stability rating is excellent (i.e., 95 out of 100). All told, the equity ought to draw the attention of a variety of investors.

Frederick L. Harris, III *March 4, 2016*

(A) Fiscal year ends Sept. 30th. (B) Diluted shrs. Excl. nonrec. items: '06, d18¢; '07, d2¢; '09, 12¢; '10, 5¢; '11, (1¢). Excludes discontinued operations: '11, 10¢; '12, 27¢; '13, 14¢. Next egs. rpt. due early May.
(C) Dividends historically paid in early March, June, Sept., and Dec. ■ Div. reinvestment plan. Direct stock purchase plan avail.
(D) In millions.
(E) Qtrs may not add due to change in shrs outstanding.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	75
Earnings Predictability	95

CHESAPEAKE UTIL. NYSE-CPK

RECENT PRICE	64.03	P/E RATIO	22.9 (Trailing: 22.8 Median: 15.0)	RELATIVE P/E RATIO	1.36	DIV'D YLD	1.9%	VALUE LINE

TIMELINESS 2 Lowered 3/4/16
SAFETY 2 New 6/5/15
TECHNICAL 3 Raised 3/4/16
BETA .65 (1.00 = Market)

High:	23.9	23.8	24.8	23.2	23.3	28.1	29.7	32.6	40.8	52.7	61.1	67.4
Low:	15.7	18.6	18.7	14.6	14.7	18.7	24.0	26.6	30.6	37.5	44.4	52.3

Target Price Range

2019	2020	2021

2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	90	(+40%)	11%
Low	70	(+10%)	4%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	1	1	0	1	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	1	1	0	0	1	0	1	2

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	45	48	65
to Sell	56	50	55
Hld's(000)	8056	8247	8224

% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	32.1	-10.4
3 yr.	114.5	20.6
5 yr.	178.3	40.9

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
42.21	40.82	17.12	19.11	20.70	26.02	23.05	25.41	28.46	19.07	29.93	29.13	27.26	30.73	34.19	***29.65***	***30.00***	***30.30***	Revenues per sh	***37.50***
1.95	1.95	1.93	2.42	2.26	2.35	2.18	2.52	2.50	2.15	3.50	3.69	3.95	4.35	4.73	***4.85***	***5.20***	***5.60***	"Cash Flow" per sh	***7.00***
.93	.83	.69	1.17	1.09	1.18	1.15	1.29	1.39	1.43	1.82	1.91	1.99	2.26	2.47	2.68	***2.90***	***3.15***	Earnings per sh A	***4.00***
.71	.73	.73	.73	.75	.76	.77	.78	.81	.83	.87	.91	.96	1.01	1.07	1.12	***1.19***	***1.26***	Div'ds Decl'd per sh B■	***1.50***
2.75	3.61	1.77	1.39	2.07	3.74	4.87	3.08	3.00	1.89	3.18	3.28	5.00	6.72	6.66	***9.20***	***10.85***	***11.15***	Cap'l Spending per sh	***11.60***
8.05	8.26	8.03	8.59	9.07	9.60	11.08	11.76	12.02	14.89	15.84	16.78	17.82	19.28	20.59	***22.95***	***23.90***	***25.45***	Book Value per sh	***30.45***
7.95	8.09	8.31	8.49	8.60	8.82	10.03	10.17	10.24	14.09	14.29	14.35	14.40	14.46	14.59	***15.50***	***16.50***	***17.00***	Common Shs Outst'g C	***20.00***
12.6	15.0	18.6	12.7	15.0	16.8	17.9	16.7	14.2	14.2	12.2	14.2	14.8	15.6	17.7	19.1	***Bold figures are***		Avg Ann'l P/E Ratio	***20.0***
.82	.77	1.02	.72	.79	.89	.97	.89	.85	.95	.78	.89	.94	.88	.93	.97	***Value Line***		Relative P/E Ratio	***1.25***
6.1%	5.8%	5.7%	4.9%	4.6%	3.8%	3.8%	3.6%	4.1%	4.1%	3.9%	3.4%	3.3%	2.9%	2.4%	2.2%	***estimates***		Avg Ann'l Div'd Yield	***1.9%***

CAPITAL STRUCTURE as of 9/30/15
Total Debt $292.1 mill. **Due in 5 Yrs** $145.0 mill.
LT Debt $155.9 mill. **LT Interest** $8.0 mill.
(LT interest earned: 10.5x; total interest coverage: 7.3x) (31% of Cap'l)
Leases, Uncapitalized Annual rentals $1.1 mill.
Pfd Stock None
Pension Assets-12/14 $54.2 mill. **Oblig.** $80.2 mill.
Common Stock 15,268,158 shs. **as of 10/31/15**

MARKET CAP: $975 million (Small Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
231.2	258.3	291.4	268.8	427.5	418.0	392.5	444.3	498.8	459.2	***495***	***515***	Revenues ($mill)	***750***
10.5	13.2	14.4	15.9	26.1	27.6	28.9	32.8	36.1	40.2	***48.0***	***54.0***	Net Profit ($mill)	***80.0***
39.4%	39.4%	39.1%	41.8%	39.7%	39.4%	40.1%	40.2%	39.9%	39.5%	***40.0%***	***40.0%***	Income Tax Rate	***41.0%***
4.5%	5.1%	4.9%	5.9%	6.1%	6.6%	7.4%	7.4%	7.2%	8.8%	***9.7%***	***10.5%***	Net Profit Margin	***10.7%***
39.0%	34.6%	41.3%	32.0%	28.4%	31.4%	28.4%	29.7%	34.5%	***29.5%***	***29.0%***	***29.0%***	Long-Term Debt Ratio	***30.0%***
61.0%	65.4%	58.7%	68.0%	71.6%	68.6%	71.6%	70.3%	65.5%	***70.5%***	***71.0%***	***71.0%***	Common Equity Ratio	***70.0%***
182.2	182.8	209.5	308.6	315.9	351.1	358.5	396.4	458.8	***505***	***555***	***610***	Total Capital ($mill)	***870***
240.8	260.4	280.7	436.4	462.8	487.7	541.8	631.2	689.8	***855***	***925***	***990***	Net Plant ($mill)	***1250***
7.1%	8.4%	7.9%	6.1%	9.1%	8.9%	8.8%	8.8%	8.5%	***9.0%***	***9.5%***	***9.5%***	Return on Total Cap'l	***10.0%***
9.5%	11.1%	11.7%	7.6%	11.5%	11.5%	11.2%	11.8%	12.0%	***11.5%***	***12.0%***	***12.5%***	Return on Shr. Equity	***13.0%***
9.5%	11.1%	11.7%	7.6%	11.5%	11.5%	11.2%	11.8%	12.0%	***11.5%***	***12.0%***	***12.5%***	Return on Com Equity	***13.0%***
4.1%	5.2%	5.2%	3.8%	6.6%	6.6%	6.4%	7.1%	7.4%	***6.5%***	***7.0%***	***7.5%***	Retained to Com Eq	***8.0%***
57%	53%	55%	50%	42%	42%	43%	40%	38%	***43%***	***41%***	***40%***	All Div'ds to Net Prof	***38%***

CURRENT POSITION ($MILL.)	2013	2014	9/30/15
Cash Assets	3.4	4.6	3.8
Other	123.0	117.8	83.9
Current Assets	126.4	122.4	87.7
Accts Payable	53.5	44.6	41.1
Debt Due	117.0	97.3	136.2
Other	51.4	52.3	59.6
Current Liab.	221.9	194.2	236.9
Fix. Chg. Cov.	919%	865%	845%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '19-'21
Revenues	5.0%	5.0%	*3.0%*
"Cash Flow"	7.0%	12.5%	*7.0%*
Earnings	8.5%	10.5%	*8.5%*
Dividends	3.0%	4.5%	*6.0%*
Book Value	8.5%	8.5%	*7.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	140.7	94.1	86.6	122.9	444.3
2014	186.3	100.5	91.6	120.4	498.8
2015	170.1	92.7	91.9	104.5	459.2
2016	***180***	***97.0***	***93.0***	***125***	***495***
2017	***185***	***102***	***98.0***	***130***	***515***

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	1.02	.30	.27	.67	2.26
2014	1.21	.35	.22	.69	2.47
2015	1.44	.35	.33	.56	2.68
2016	***1.42***	***.42***	***.39***	***.67***	***2.90***
2017	***1.46***	***.50***	***.45***	***.74***	***3.15***

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.23	.23	.243	.243	.95
2013	.243	.243	.257	.257	1.00
2014	.257	.257	.27	.27	1.05
2015	.27	.27	.288	.288	1.12
2016	.288				

BUSINESS: Chesapeake Utilities Corporation consists of two units: Regulated Energy and Unregulated Energy. The Regulated Energy segment (around 64% of sales) distributes natural gas in Delaware, Maryland, and Florida; distributes electricity in Florida; and transmits natural gas on the Delmarva Peninsula and in Florida. The Unregulated Energy operation (36% of sales) wholesales and distributes propane; markets natural gas; and provides other unregulated energy services, including midstream services in Ohio. Officers and directors own 5.3% of common stock; T. Rowe Price, 7.6%; BlackRock, 6.2% (3/15 Proxy). CEO: Michael P. McMasters. Incorporated: Delaware. Address: 909 Silver Lake Boulevard, Dover, DE 19904. Telephone: (302) 734-6799. Internet: www.chpk.com.

Earnings for Chesapeake Utilities Corporation may advance at a decent pace this year. There should be growing benefits from last April's acquisition of Gatherco (now called Aspire Energy), providing natural gas midstream services through 16 gathering systems and more than 2,000 miles of pipelines in central and eastern Ohio. Another positive is natural gas transmission expansions completed in 2014 and 2015. At this point, it seems that the company's bottom line will increase about 8%, to $2.90 a share, in 2016, versus $2.68 for last year. If operating margins expand further, 2017 profits might rise at a similar percentage rate, to $3.15 a share.

With an eye on future growth, there are some major projects in the works. One of them involves the development of a CHP plant in Nassau County, Florida, which will include a natural gas-fired turbine and associated electric generator, as well as a heat recovery system capable of providing unfired steam. Operations are slated to commence in this year's third quarter and cost some $40 million. Elsewhere, there are plans to provide an industrial customer in Kent County, Delaware with natural gas transmission services for 20 years. Expenses for the construction of new facilities, expected to be on stream in the third quarter, would be around $33 million. These and other initiatives ought not place a major financial strain on Chesapeake.

The equity has surged to record price levels since our last report three months ago. We think that movement stems partly from the Dover-headquartered company's solid operating performance in 2015, and expectations of more good things this year. Consequently, these shares possess an Above Average (2) rank for Timeliness. Other mentionable qualities are the 2 (Above Average) rating for Safety, lower-than-market Beta coefficient, and relatively high Price Stability score.

The dividend yield presently resides below the average of all stocks in *Value Line's* Natural Gas Utility universe. Still, the payout is well covered by Chesapeake's profits, and future, steady hikes are probable.

Frederick L. Harris, III *March 4, 2016*

(A) Diluted shrs. Excludes nonrecurring items: '02, d23¢; '08, d7¢; Q2 '15, 6¢. Excludes discontinued operations: '03, d9¢; '04, d1¢. Next earnings report due early May.
(B) Dividends historically paid in early January, April, July, and October. ■ Dividend reinvestment plan. Direct stock purchase plan available.
(C) In millions, adjusted for split.

Company's Financial Strength	B++
Stock's Price Stability	85
Price Growth Persistence	85
Earnings Predictability	95

LACLEDE GROUP NYSE-LG	RECENT PRICE 65.18	P/E RATIO 19.2 (Trailing: 20.7 Median: 14.0)	RELATIVE P/E RATIO 1.14	DIV'D YLD 3.0%	VALUE LINE

TIMELINESS 3 Raised 10/16/15
SAFETY 2 Raised 6/20/03
TECHNICAL 3 Raised 3/4/16
BETA .70 (1.00 = Market)

High:	34.3	37.5	36.0	55.8	48.3	37.8	42.8	44.0	48.5	55.2	61.0	66.4
Low:	26.9	29.1	28.8	31.9	29.3	30.8	32.9	36.5	37.4	44.0	49.1	57.1

Target Price Range 2019 | 2020 | 2021

2019-21 PROJECTIONS

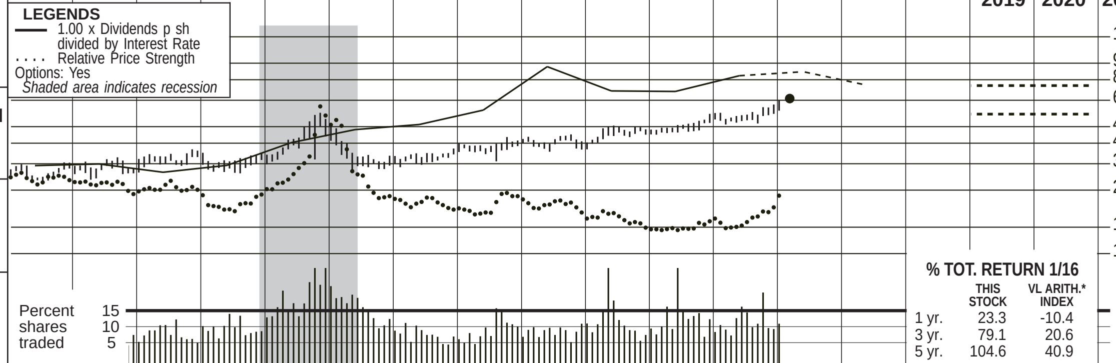
	Price	Gain	Ann'l Total Return
High	75	(+15%)	7%
Low	55	(-15%)	Nil

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	1	0	6
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	116	115	102
to Sell	69	77	95
Hld's(000)	35230	35958	35808



% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	23.3	-10.4
3 yr.	79.1	20.6
5 yr.	104.6	40.9

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
29.99	53.08	39.84	54.95	59.59	75.43	93.51	93.40	100.44	85.49	77.83	71.48	49.90	31.10	37.68	45.59	*37.50*	*42.20*	Revenues per sh A	*55.20*
2.68	3.00	2.56	3.15	2.79	2.98	3.81	3.87	4.22	4.56	4.11	4.62	4.58	3.12	3.87	6.15	*6.40*	*6.75*	"Cash Flow" per sh	*7.50*
1.37	1.61	1.18	1.82	1.82	1.90	2.37	2.31	2.64	2.92	2.43	2.86	2.79	2.02	2.35	3.16	*3.40*	*3.60*	Earnings per sh A B	*4.20*
1.34	1.34	1.34	1.34	1.35	1.37	1.40	1.45	1.49	1.53	1.57	1.61	1.66	1.70	1.76	1.84	*1.92*	*1.96*	Div'ds Decl'd per sh C■	*2.20*
2.77	2.51	2.80	2.67	2.45	2.84	2.97	2.72	2.57	2.36	2.56	3.02	4.83	4.00	3.96	6.68	*7.15*	*7.20*	Cap'l Spending per sh	*7.40*
14.99	15.26	15.07	15.65	16.96	17.31	18.85	19.79	22.12	23.32	24.02	25.56	26.67	32.00	34.93	36.30	*38.10*	*39.65*	Book Value per sh D	*44.45*
18.88	18.88	18.96	19.11	20.98	21.17	21.36	21.65	21.99	22.17	22.29	22.43	22.55	32.70	43.18	43.36	*44.00*	*45.00*	Common Shs Outst'g E	*48.00*
14.9	14.5	20.0	13.6	15.7	16.2	13.6	14.2	14.3	13.4	13.7	13.0	14.5	21.3	19.8	16.5	*Bold figures are*		Avg Ann'l P/E Ratio	*15.5*
.97	.74	1.09	.78	.83	.86	.73	.75	.86	.89	.87	.82	.92	1.20	1.04	.84	*Value Line*		Relative P/E Ratio	*.95*
6.6%	5.7%	5.7%	5.4%	4.7%	4.4%	4.3%	4.4%	3.9%	3.9%	4.7%	4.3%	4.1%	4.0%	3.8%	3.5%	*estimates*		Avg Ann'l Div'd Yield	*3.5%*

CAPITAL STRUCTURE as of 12/31/15
Total Debt $2188.6 mill. **Due in 5 Yrs** $525.0 mill.
LT Debt $1851.5 mill. **LT Interest** $70.0 mill.
(Total interest coverage: 4.6x)

Leases, Uncapitalized Annual rentals $11.0 mill.
Pension Assets-9/15 $448.9 mill. **Oblig.** $652.3 mill.
Pfd Stock None
Common Stock 43,424,462 shs. **as of 1/31/16**

MARKET CAP: $2.8 billion (Mid Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
1997.6	2021.6	2209.0	1895.2	1735.0	1603.3	1125.5	1017.0	1627.2	1976.4	*1650*	*1900*	Revenues ($mill) A	*2650*
50.5	49.8	57.6	64.3	54.0	63.8	62.6	52.8	84.6	136.9	*150*	*160*	Net Profit ($mill)	*200*
32.5%	33.4%	31.3%	33.6%	33.4%	31.4%	29.6%	25.0%	27.6%	31.2%	*28.0%*	*28.0%*	Income Tax Rate	*30.0%*
2.5%	2.5%	2.6%	3.4%	3.1%	4.0%	5.6%	5.2%	5.2%	6.9%	*9.1%*	*8.5%*	Net Profit Margin	*7.5%*
49.5%	45.3%	44.4%	42.9%	40.5%	38.9%	36.1%	46.6%	55.1%	53.0%	*54.5%*	*52.5%*	Long-Term Debt Ratio	*51.5%*
50.4%	54.6%	55.5%	57.1%	59.5%	61.1%	63.9%	53.4%	44.9%	47.0%	*45.5%*	*47.5%*	Common Equity Ratio	*48.5%*
798.9	784.5	876.1	906.3	899.9	937.7	941.0	1959.0	3359.4	3345.1	*3420*	*3735*	Total Capital ($mill)	*4395*
763.8	793.8	823.2	855.9	884.1	928.7	1019.3	1776.6	2759.7	2941.2	*3090*	*3245*	Net Plant ($mill)	*3755*
8.4%	8.5%	8.1%	8.7%	7.4%	8.1%	7.9%	3.3%	3.1%	5.1%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.0%*
12.5%	11.6%	11.8%	12.4%	10.1%	11.1%	10.4%	5.0%	5.6%	8.7%	*9.0%*	*9.0%*	Return on Shr. Equity	*9.5%*
12.5%	11.6%	11.8%	12.4%	10.1%	11.1%	10.4%	5.0%	5.6%	8.7%	*9.0%*	*9.0%*	Return on Com Equity	*9.5%*
5.1%	4.3%	5.2%	5.9%	3.6%	4.9%	4.3%	1.0%	1.5%	3.7%	*4.0%*	*4.0%*	Retained to Com Eq	*4.5%*
59%	63%	56%	53%	64%	56%	59%	81%	73%	58%	*56%*	*54%*	All Div'ds to Net Prof	*52%*

CURRENT POSITION ($MILL.)

	2014	2015	12/31/15
Cash Assets	16.1	13.8	4.6
Other	588.8	516.3	631.4
Current Assets	604.9	530.1	636.0
Accts Payable	176.7	146.5	159.5
Debt Due	287.1	418.0	337.1
Other	319.0	289.3	350.9
Current Liab.	782.8	853.8	847.5
Fix. Chg. Cov.	360%	365%	458%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	-5.0%	-15.5%	*6.5%*
"Cash Flow"	4.0%	0.5%	*9.5%*
Earnings	3.0%	-1.0%	*9.0%*
Dividends	2.5%	3.0%	*3.5%*
Book Value	7.5%	8.0%	*4.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.)A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	307.0	397.6	165.3	147.1	1017.0
2014	468.6	694.5	241.8	222.3	1627.2
2015	619.6	877.4	275.2	204.2	1976.4
2016	399.4	*700*	*200*	*350.6*	*1650*
2017	*475*	*775*	*250*	*400*	*1900*

Fiscal Year Ends	EARNINGS PER SHARE A B F Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	1.14	1.34	.25	d.30	2.02
2014	1.09	1.59	.33	d.35	2.35
2015	1.09	2.18	.32	d.43	3.16
2016	1.08	*2.25*	*.35*	*d.28*	*3.40*
2017	*1.20*	*2.30*	*.35*	*d.25*	*3.60*

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.415	.415	.415	.415	1.66
2013	.425	.425	.425	.425	1.70
2014	.44	.44	.44	.44	1.76
2015	.46	.46	.46	.46	1.84
2016	.49				

BUSINESS: Laclede Group, Inc., is a holding company for Laclede Gas, which distributes natural gas across Missouri, including the cities of St. Louis and Kansas City. Has roughly 1.6 million customers. Purchased SM&P Utility Resources, 1/02; divested, 3/08. Acquired Missouri Gas 9/13, Alabama Gas Co 9/14. Utility therms sold and transported in fiscal 2015: 2.7 bill. Revenue mix for regulated operations: residential, 66%; commercial and industrial, 24%; transportation, 2%; other, 8%. Has around 3,078 employees. Officers and directors own 3.2% of common shares (1/16 proxy). Chairman: Edward Glotzbach; CEO: Suzanne Sitherwood. Inc.: Missouri. Address: 700 Market Street, St. Louis, Missouri 63101. Telephone: 314-342-0500. Internet: www.thelacledegroup.com.

Laclede Group reported worse-than-expected fiscal first-quarter results (ended December 31, 2015). Indeed, earnings were hurt by much-warmer temperatures across the service region, though these were partially offset by a favorable movement in the Alagasco adjustment rate and an increase in the infrastructure system replacement surcharge for infrastructure upgrades. Too, the company benefited from 1% year-over-year customer growth. We think Laclede remains on track for earnings per share of $3.40 in 2016.

The company should do well in the years ahead. Results are likely to show the most improvement in the second half of the year, as costs will probably ease. Notably, the warmer winter weather allowed for system reliability checks. This development should lower overtime costs in the quarters ahead. Laclede stands to benefit from increases in system reliability and the replacement of older portions of the Missouri Gas pipeline system. This should allow share earnings to expand to $3.60 in 2017.

A new pipeline may be in the works for Laclede. The company expects to build a pipeline from western Illinois, allowing for cheaper natural gas to reach its Missouri customers. This project would have a total cost of between $170 million and $200 million. Though a deal has not been formalized, management expects to partner with established pipeline companies to build the diversion. Given that pipelines generally have higher allowable rates than utilities, and that natural gas transportation costs would be lower, we think the move will significantly boost share-net growth in the years ahead.

Shares of Laclede Group appear to be fully valued at the recent quotation. The share price has jumped and is now trading inside of our long-term Target Price Range. Meanwhile, the yield does not stand out when compared to others in the industry. Still, these shares maintain a solid and growing payout, which remains well covered by earnings. Though conservative income investors may find some appeal here, long-term accounts would be best served waiting until a more favorable purchasing opportunity arises.

John E. Seibert III *March 4, 2016*

(A) Fiscal year ends Sept. 30th. (B) Based on diluted shares outstanding. Excludes nonrecurring loss: '06, 7¢. Excludes gain from discontinued operations: '08, 94¢. Next earnings report due late April. (C) Dividends historically paid in early January, April, July, and October. ■ Dividend reinvestment plan available. (D) Incl. deferred charges. In '14: $383.8 mill., $8.85/sh. (E) In millions. (F) Qtly. egs. may not sum due to rounding or change in shares outstanding.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	40
Earnings Predictability	80

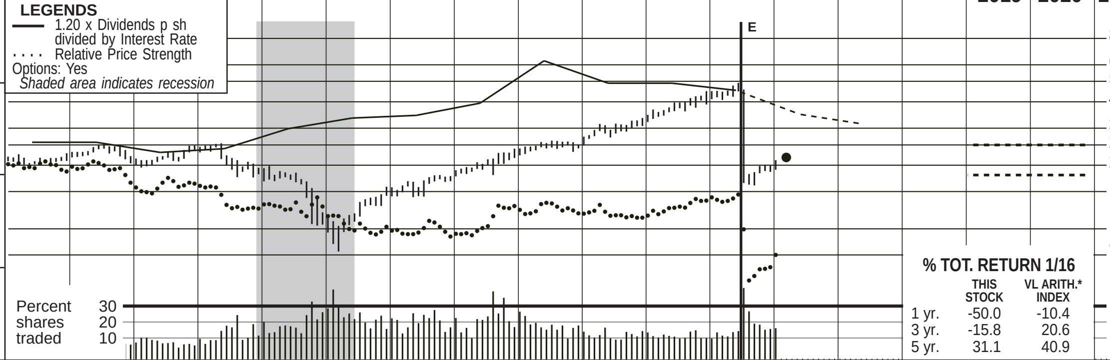
NISOURCE INC. NYSE-NI

RECENT PRICE	P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD	
21.80	25.6 (Trailing: 34.6 / Median: 19.0)	1.51	2.8%	VALUE LINE

TIMELINESS – Suspended 6/5/15
SAFETY 3 New 9/4/15
TECHNICAL – Suspended 6/5/15
BETA NMF (1.00 = Market)

High:	25.5	24.8	25.4	19.8	15.8	18.0	24.0	26.2	33.5	44.9	49.2	22.1
Low:	20.4	19.5	17.5	10.4	7.8	14.1	17.7	22.3	24.8	32.1	16.0	19.0

LEGENDS
—— 1.20 x Dividends p sh divided by Interest Rate
. . . . Relative Price Strength
Options: Yes
Shaded area indicates recession



Target Price Range

2019	2020	2021

2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	25	(+15%)	6%
Low	18	(-15%)	-1%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	2	1	0	0	0	0	0	0

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	198	236	184
to Sell	195	182	252
Hld's(000)	258960	262826	264800

% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-50.0	-10.4
3 yr.	-15.8	20.6
5 yr.	31.1	40.9

NiSource acquired Columbia Energy on November 1, 2000, paying approximately $6 billion in cash and stock. Columbia shareholders who chose cash received $70 a share, plus a security with a face value of $2.60. Those who chose stock received $74 a share in NiSource common stock. Shareholders' selections were prorated to reflect a 30% stock portion of the transaction. In 2003, NiSource sold Columbia's exploration and production business.

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
27.37	28.96	32.36	24.02	22.99	21.33	16.31	18.04	20.47	14.58	*15.65*	*16.30*	Revenues per sh	*18.45*
3.18	3.20	3.32	2.96	3.19	2.98	3.13	3.41	3.60	2.27	*2.70*	*2.90*	"Cash Flow" per sh	*3.25*
1.14	1.14	1.34	.84	1.06	1.05	1.37	1.57	1.67	.63	*1.00*	*1.10*	Earnings per sh A	*1.40*
.92	.92	.92	.92	.92	.92	.92	.94	.98	1.02	.83	*.64*	*.68* Div'd Decl'd per sh B ■	*.80*
2.33	2.88	3.54	2.81	2.88	3.99	4.83	5.99	6.42	4.26	*4.40*	*4.60*	Cap'l Spending per sh	*5.55*
18.32	18.52	17.24	17.54	17.63	17.71	17.90	18.77	19.54	12.04	*12.65*	*13.05*	Book Value per sh C	*14.20*
273.65	274.18	274.26	276.79	279.30	282.18	310.28	313.68	316.04	319.11	*320.00*	*322.00*	Common Shs Outst'g D	*325.00*
19.2	18.8	12.1	14.3	15.3	19.4	17.9	18.9	22.7	37.3	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
1.04	1.00	.73	.95	.97	1.22	1.14	1.06	1.19	1.89	*Value Line*		Relative P/E Ratio	*1.00*
4.2%	4.3%	5.7%	7.6%	5.7%	4.5%	3.8%	3.3%	2.7%	3.5%	*estimates*		Avg Ann'l Div'd Yield	*2.8%*
7490.0	7939.8	8874.2	6649.4	6422.0	6019.1	5061.2	5657.3	6470.6	4651.8	*5000*	*5250*	Revenues ($mill)	*6000*
314.6	312.0	369.8	231.2	294.6	303.8	410.6	490.9	530.7	198.6	*320*	*355*	Net Profit ($mill)	*600*
35.2%	35.6%	33.4%	41.8%	32.4%	35.0%	34.4%	34.8%	36.9%	41.6%	*37.0%*	*37.0%*	Income Tax Rate	*37.5%*
4.2%	6.6%	- -	- -	- -	- -	- -	- -	2.9%	2.9%	*2.0%*	*2.0%*	AFUDC % to Net Profit	*2.0%*
50.7%	52.4%	55.7%	55.1%	54.7%	55.6%	55.1%	56.3%	56.9%	60.7%	*60.0%*	*60.0%*	Long-Term Debt Ratio	*60.0%*
49.3%	47.6%	44.3%	44.9%	45.3%	44.4%	44.9%	43.7%	43.1%	39.3%	*40.0%*	*40.0%*	Common Equity Ratio	*40.0%*
10160	10671	10673	10819	10859	11264	12373	13480	14331	9792.0	*10170*	*10510*	Total Capital ($mill)	*11505*
9694.5	10032	10276	10592	11097	11800	12916	14365	16017	12112	*12475*	*12850*	Net Plant ($mill)	*14040*
4.8%	4.6%	5.2%	4.0%	4.5%	4.4%	5.0%	5.2%	5.3%	4.0%	*5.0%*	*5.5%*	Return on Total Cap'l	*5.5%*
6.3%	6.1%	7.8%	4.8%	6.0%	6.1%	7.4%	8.3%	8.6%	5.2%	*8.0%*	*8.5%*	Return on Shr. Equity	*10.0%*
6.3%	6.1%	7.8%	4.8%	6.0%	6.1%	7.4%	8.3%	8.6%	5.2%	*8.0%*	*8.5%*	Return on Com Equity	*10.0%*
1.2%	1.2%	2.5%	NMF	.8%	.9%	2.5%	3.1%	3.4%	NMF	*3.0%*	*3.0%*	Retained to Com Eq	*4.0%*
80%	81%	68%	110%	87%	85%	67%	62%	61%	NMF	*64%*	*62%*	All Div'ds to Net Prof	*57%*

CAPITAL STRUCTURE as of 12/31/15
Total Debt $6949.6 mill. **Due in 5 Yrs** $2598.8 mill.
LT Debt $5948.5 mill. **LT Interest** $450 mill.
(Interest cov. earned: 2.1x) (64% of Cap'l)

Leases, Uncapitalized Annual rentals $18.4 mill.
Pension Assets-12/14 $1.75 bill. **Oblig.** $2.21 bill.

Pfd Stock None

Common Stock 319,741,768 shs.
as of 2/10/16

MARKET CAP: $7.0 billion (Large Cap)

CURRENT POSITION ($MILL.)	2013	2014	12/31/15
Cash Assets	26.8	25.4	15.5
Other	2132.4	2441.1	1561.7
Current Assets	2159.2	2466.5	1577.2
Accts Payable	619.0	670.6	433.4
Debt Due	1240.8	1843.5	1001.1
Other	1318.6	1440.8	1223.0
Current Liab.	3178.4	3954.9	2657.5
Fix. Chg. Cov.	267%	274%	210%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	-3.5%	-7.5%	*.5%*
"Cash Flow"	-1.0%	-.5%	*1.0%*
Earnings	-1.0%	3.5%	*1.5%*
Dividends	-.5%	.5%	*-2.5%*
Book Value	-.5%	-1.0%	*-2.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	1782.2	1201.5	1076.8	1596.8	5657.3
2014	2320.5	1335.1	1123.9	1691.1	6470.6
2015	1852.2	884.6	817.2	1097.8	4651.8
2016	*1700*	*900*	*900*	*1500*	*5000*
2017	*1750*	*950*	*950*	*1600*	*5250*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.69	.23	.16	.49	1.57
2014	.85	.25	.10	.49	1.67
2015	.61	d.23	.05	.20	.63
2016	*.50*	*.10*	*.05*	*.35*	*1.00*
2017	*.55*	*.10*	*.05*	*.40*	*1.10*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.23	.23	.24	.24	.94
2013	.24	.24	.25	.25	.98
2014	.25	.25	.26	.26	1.02
2015	.26	.26	.155	.155	.83
2016	.155				

BUSINESS: NiSource Inc. is a holding company for Northern Indiana Public Service Company (NIPSCO), which supplies electricity and gas to the northern third of Indiana. Customers: 461,000 electric in Indiana, 3.4 million gas in Indiana, Ohio, Pennsylvania, Kentucky, Virginia, Maryland, Massachusetts through its Columbia subsidiaries. Revenue breakdown, 2015: electrical, 34%; gas, 66%; other, less than 1%. Generating sources, 2015: coal, 77.3%; purchased & other, 22.7%. 2015 reported depreciation rates: 3.0% electric, 1.8% gas. Has 7,596 employees. Chairman: Ian M. Rolland. President & Chief Executive Officer: Robert C. Skaggs, Jr. Incorporated: Indiana. Address: 801 East 86th Ave., Merrillville, Indiana 46410. Telephone: 877-647-5990. Internet: www.nisource.com.

NiSource reported mixed fourth-quarter results. Indeed, warmer winter weather and the spinoff of Columbia Pipeline Group Gas caused earnings per share to fall to $0.20. Still, these factors were partially offset by better rates across the service area. All told, 2015 was a transformative year for NiSource.

Infrastructure spending should drive growth in 2016. Indeed, the company invested $1.37 billion in infrastructure replacement spending in 2015, and appears likely to execute around $1.4 billion in such outlays over the course of 2016. This should allow for better system reliability and lower service costs. The upgrades at NIPSCOs coal plants should bring NiSource under compliance with environmental standards, and the finished deployment of automated meter reading should allow for lower service costs. Too, the company reached a deal for higher rates at its NIPSCO segment, which will increase by around 5.4%, including higher fixed rates. This plan still requires regulatory approval, and would take effect in the second half of the year. All told, we project the company will earn $1.00 a share in 2016, and $1.10 in 2017.

The balance sheet remains somewhat leveraged. Though the company has net liquidity of around $1.2 billion, and no significant debt due until 2017, debt makes up a significant portion of total capitalization. In addition, the average interest rate is around 5.88%, which is somewhat higher than for competitors. Still, management will likely look to pay down the total debt load somewhat over the coming years, and equiy should build.

The payout has some appeal. It's well covered by earnings and should continue to grow around 4%-6% annually over the coming years. Still, a recent run-up in the share price has caused the yield to stand out less.

Shares of NiSource do not hold much appreciation potential at the recent quotation. Indeed, the shares are trading in the middle of our long-term Target Price Range, thanks to a run-up since our December report. Still, these shares offer a decent yield, as well as solid dividend growth prospects that may well appeal to certain income-oriented investors.

John E. Seibert III *March 4, 2016*

(A) Dil. EPS. Excl. nonrec. gains (losses): '05, (4¢); gains (losses) on disc. ops.: '05, 10¢; '06, (11¢); '07, 3¢; '08, ($1.14); '15, (30¢). Next egs. report due late April. Qtl'y egs. may not sum to total due to rounding.
(B) Div'ds historically paid in mid-Feb., May, Aug., Nov. ■ Div'd reinv. avail.
(C) Incl. intang in '15: $1944.4 million, $6.08/sh.
(D) In mill.
(E) Spun off Columbia Pipeline Group (7/15)
(F) Suspended due to spinoff of CPGX

Company's Financial Strength	B+
Stock's Price Stability	NMF
Price Growth Persistence	NMF
Earnings Predictability	NMF

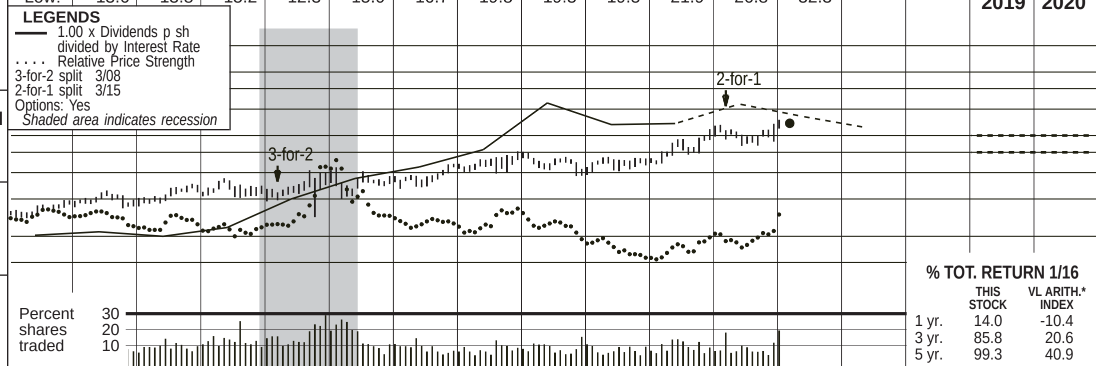
NEW JERSEY RES. NYSE-NJR

RECENT PRICE	34.29	P/E RATIO	21.4 (Trailing: 20.1 / Median: 16.0)	RELATIVE P/E RATIO	1.27	DIV'D YLD	2.8%	VALUE LINE

TIMELINESS 3 Lowered 10/31/14
SAFETY 1 Raised 9/15/06
TECHNICAL 2 Raised 3/4/16
BETA .80 (1.00 = Market)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
High:	16.4	17.7	18.8	20.6	21.2	22.0	25.2	25.1	23.8	32.1	34.1	36.6
Low:	13.6	13.8	15.2	12.3	15.0	16.7	19.8	19.3	19.5	21.9	26.8	32.3

Target Price Range 2019 | 2020 | 2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	30	(-15%)	Nil
Low	25	(-25%)	-4%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	7	6	7
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	117	103	105
to Sell	96	113	103
Hld's(000)	51597	50230	49793

% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	14.0	-10.4
3 yr.	85.8	20.6
5 yr.	99.3	40.9

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
14.71	25.61	22.06	31.14	30.44	38.10	39.81	36.31	45.37	31.17	32.05	36.30	27.08	38.38	44.40	32.09	*30.30*	*35.30*	Revenues per sh A	*38.55*
1.00	1.06	1.07	1.19	1.25	1.31	1.37	1.22	1.81	1.58	1.63	1.70	1.86	1.93	2.73	*2.50*	*2.35*	*2.60*	"Cash Flow" per sh	*2.70*
.60	.65	.70	.79	.85	.88	.93	.78	1.35	1.20	1.23	1.29	1.36	1.37	2.08	1.78	*1.60*	*1.80*	Earnings per sh B	*1.90*
.38	.39	.40	.41	.43	.45	.48	.51	.56	.62	.68	.72	.77	.81	.86	.93	*.96*	*.98*	Div'ds Decl'd per sh C■	*1.02*
.62	.55	.51	.57	.72	.64	.64	.73	.86	.90	1.05	1.13	1.26	1.33	1.52	1.65	*1.70*	*1.75*	Cap'l Spending per sh	*1.80*
4.14	4.40	4.35	5.13	5.62	5.30	7.50	7.75	8.64	8.29	8.81	9.36	9.80	10.65	11.48	12.99	*13.60*	*14.45*	Book Value per sh D	*16.90*
79.17	79.99	83.00	81.70	83.22	82.64	82.88	83.22	84.12	83.17	82.35	82.89	83.05	83.32	84.20	85.19	*85.00*	*85.00*	Common Shs Outst'g E	*85.00*
14.7	14.2	14.7	14.0	15.3	16.8	16.1	21.6	12.3	14.9	15.0	16.8	16.8	16.0	11.7	16.6	*Bold figures are*		Avg Ann'l P/E Ratio	*14.0*
.96	.73	.80	.80	.81	.89	.87	1.15	.74	.99	.95	1.05	1.07	.90	.62	.91	*Value Line*		Relative P/E Ratio	*.90*
4.4%	4.2%	3.9%	3.7%	3.3%	3.1%	3.2%	3.0%	3.3%	3.5%	3.7%	3.3%	3.4%	3.7%	3.5%	3.1%	*estimates*		Avg Ann'l Div'd Yield	*3.5%*
						3299.6	3021.8	3816.2	2592.5	2639.3	3009.2	2248.9	3198.1	3738.1	2734.0	*2575*	*3000*	Revenues ($mill) A	*3280*
						78.5	65.3	113.9	101.0	101.8	106.5	112.4	113.7	176.9	151.5	*135*	*155*	Net Profit ($mill)	*165*
						38.9%	38.8%	37.8%	27.1%	41.4%	30.2%	7.1%	25.4%	30.2%	*32.0%*	*32.0%*	*32.0%*	Income Tax Rate	*32.0%*
						2.4%	2.2%	3.0%	3.9%	3.9%	3.5%	5.0%	3.6%	4.7%	5.5%	*5.3%*	*5.2%*	Net Profit Margin	*5.0%*
						34.8%	37.3%	38.5%	39.8%	37.2%	35.5%	39.2%	36.6%	38.2%	43.2%	*43.5%*	*43.5%*	Long-Term Debt Ratio	*41.0%*
						65.2%	62.7%	61.5%	60.2%	62.8%	64.5%	60.8%	63.4%	61.8%	56.8%	*56.5%*	*56.5%*	Common Equity Ratio	*59.0%*
						954.0	1028.0	1182.1	1144.8	1154.4	1203.1	1339.0	1400.3	1564.4	1950.6	*2060*	*2215*	Total Capital ($mill)	*2435*
						934.9	970.9	1017.3	1064.4	1135.7	1295.9	1484.9	1643.1	1884.1	2128.3	*2170*	*2215*	Net Plant ($mill)	*2350*
						9.6%	7.7%	10.7%	9.7%	9.7%	9.7%	9.2%	9.0%	12.1%	*8.5%*	*8.0%*	*8.0%*	Return on Total Cap'l	*8.0%*
						12.6%	10.1%	15.7%	14.6%	14.0%	13.7%	13.8%	12.8%	18.3%	*13.7%*	*12.0%*	*12.5%*	Return on Shr. Equity	*11.5%*
						12.6%	10.1%	15.7%	14.6%	14.0%	13.7%	13.8%	12.8%	18.3%	13.7%	*12.0%*	*12.5%*	Return on Com Equity	*11.5%*
						6.3%	3.6%	9.5%	7.2%	6.7%	6.2%	6.2%	5.2%	11.0%	6.8%	*5.0%*	*6.0%*	Retained to Com Eq	*5.0%*
						50%	64%	40%	50%	52%	55%	55%	59%	40%	51%	*60%*	*54%*	All Div'ds to Net Prof	*53%*

CAPITAL STRUCTURE as of 12/31/15
Total Debt $1070.2 mill. **Due in 5 Yrs** $321.9 mill.
LT Debt $848.2 mill. **LT Interest** $25.4 mill.
Incl. $53.2 mill. capitalized leases.
(LT interest earned: 7.5x; total interest coverage: 7.5x)
Pension Assets-9/15 $256.4 mill. **Oblig.** $394.4 mill.
Pfd Stock None

Common Stock 85,923,516 shs.
as of 2/1/16
MARKET CAP: $2.9 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2014	2015	12/31/15
Cash Assets	2.2	4.9	1.7
Other	680.5	539.6	539.6
Current Assets	682.7	544.5	587.2
Accts Payable	330.3	273.2	235.7
Debt Due	335.5	77.5	222.0
Other	125.3	85.4	117.2
Current Liab.	791.1	436.1	574.9
Fix. Chg. Cov.	1007%	750%	750%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '19-'21
Revenues	3.0%	-.5%	*NMF*
"Cash Flow"	6.5%	7.0%	*2.0%*
Earnings	7.5%	7.5%	*1.5%*
Dividends	7.0%	7.5%	*3.0%*
Book Value	8.0%	5.5%	*6.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	736.0	960.9	767.5	733.7	3198.1
2014	878.4	1579.6	688.3	591.9	3738.2
2015	824.1	1013.1	458.5	438.3	2734.0
2016	444.3	*1085*	*525*	*520.7*	*2575*
2017	*550*	*1190*	*635*	*625*	*3000*

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	.43	.82	.12	d.01	1.37
2014	.47	1.81	.05	d.23	2.10
2015	.65	1.16	.03	d.06	1.78
2016	.58	*1.13*	*.01*	*d.12*	*1.60*
2017	*.63*	*1.18*	*.06*	*d.07*	*1.80*

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.19	.19	.19	.40	.97
2013	- -	.20	.20	.20	.60
2014	.21	.21	.21	.23	.86
2015	.23	.23	.23	.24	.93
2016	.24				

BUSINESS: New Jersey Resources Corp. is a holding company providing retail/wholesale energy svcs. to customers in New Jersey, and in states from the Gulf Coast to New England, and Canada. New Jersey Natural Gas had about 512,300 customers at 9/30/15 in Monmouth and Ocean Counties, and other N.J. Counties. Fiscal 2015 volume: 341 bill. cu. ft. (14% interruptible, 21% residential and commercial and electric utility, 65% incentive programs). N.J. Natural Energy subsidiary provides unregulated retail/wholesale natural gas and related energy svcs. 2015 dep. rate: 2.5%. Has 991 empls. Off./dir. own about 1.4% of common (12/15 Proxy). Chrmn., CEO & Pres.: Laurence M. Downes. Inc.: NJ Addr.: 1415 Wyckoff Road, Wall, NJ 07719. Tel.: 732-938-1480. Web: www.njresources.com.

New Jersey Resources is off to a difficult start this fiscal year (began October 1st). Indeed, revenues fell roughly 46% on a year-over-year basis, due to sharply lower natural gas distribution and energy service volumes. However, this can be largely viewed as a technicality owing to declining natural gas prices as commodities continue to slip. NJR's overall number of customer meters and system throughput continue to climb. In fact, the NJNG unit added 2,046 new customer accounts during the first quarter. On the profitability front, total operating expenses rose 710 basis points as a percentage of the top line. All told, the first-quarter bottom line fell about 11%, to $0.58 a share. This was $0.04 below our earlier call, and has prompted us to trim a nickel off our 2016 earnings estimate, to $1.60 a share. The remainder of the year will likely reflect the depressed commodity prices owing to the glut of supply on the markets as well as the warmer-than-normal weather patterns.

Meanwhile, we have introduced our 2017 top- and bottom-line estimates at $3.0 billion and $1.80 a share, respectively. NJR continues to focus on expanding its network through growth projects, boosting system reliability, integrity, and capacity. The New Jersey based utility provider is also raising its exposure to green initiatives through solar and wind projects. At the same time, the NJNG division is anticipating adding 24,000 to 28,000 new customers over the next three years. These efforts should help to turn things around for NJR.

The financial position deteriorated a bit during the first quarter. Cash reserves declined more than 65% over that time frame, to about $1.7 billion, which is relatively low compared to NJR's historical levels. Meanwhile, the long-term debt load has remained pretty stable versus 2015's figure, but is near the higher end of the company's spectrum when viewed against the past five or 10 years.

At this juncture, we think most investor funds could be better utilized elsewhere. Shares of NJR are trading somewhat above our Target Price Range, thus suggesting a lack of capital appreciation potential for the pull to 2019-2021.

Bryan J. Fong *March 4, 2016*

(A) Fiscal year ends Sept. 30th.
(B) Diluted earnings. Qtly egs may not sum to total due to change in shares outstanding. Next earnings report due late April.
(C) Dividends historically paid in early Jan., April, July, and October. 1Q '13 div'd paid in 4Q '12. ■ Dividend reinvestment plan available.
(D) Includes regulatory assets in 2015: $410.2 million, $4.82/share.
(E) In millions, adjusted for splits.

Company's Financial Strength	A+
Stock's Price Stability	85
Price Growth Persistence	55
Earnings Predictability	60

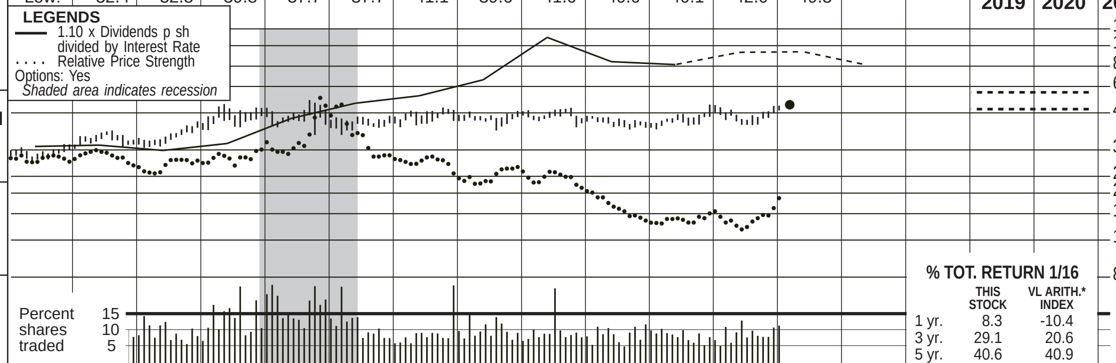
N.W. NAT'L GAS NYSE-NWN

RECENT PRICE	P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
52.35	24.0 (Trailing: 26.7 Median: 18.0)	1.42	3.6%	

TIMELINESS 3 Raised 12/4/15
SAFETY 1 Raised 3/18/05
TECHNICAL 2 Raised 3/4/16
BETA .65 (1.00 = Market)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
High:	39.6	43.7	52.8	55.2	46.5	50.9	49.0	50.8	46.6	52.6	52.3	53.5
Low:	32.4	32.8	39.8	37.7	37.7	41.1	39.6	41.0	40.0	40.1	42.0	49.3

Target Price Range
2019 | 2020 | 2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+15%)	7%
Low	50	(-5%)	3%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	1	0	0	0	0	3	0
to Sell	1	0	1	0	0	0	0	4	1

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	93	80	69
to Sell	55	76	74
Hld's(000)	17253	16711	16793

% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	8.3	-10.4
3 yr.	29.1	20.6
5 yr.	40.6	40.9

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
21.09	25.78	25.07	23.57	25.69	33.01	37.20	39.13	39.16	38.17	30.56	31.72	27.14	28.02	27.64	**26.39**	**28.10**	**29.30**	Revenues per sh	**31.80**
3.68	3.86	3.65	3.85	3.92	4.34	4.76	5.41	5.31	5.20	5.18	5.00	4.94	5.04	5.05	**4.90**	**5.00**	**5.30**	"Cash Flow" per sh	**6.35**
1.79	1.88	1.62	1.76	1.86	2.11	2.35	2.76	2.57	2.83	2.73	2.39	2.22	2.24	2.16	1.96	**2.20**	**2.35**	Earnings per sh A	**3.15**
1.24	1.25	1.26	1.27	1.30	1.32	1.39	1.44	1.52	1.60	1.68	1.75	1.79	1.83	1.85	1.86	**1.87**	**1.91**	Div'ds Decl'd per sh B■	**2.05**
3.46	3.23	3.11	4.90	5.52	3.48	3.56	4.48	3.92	5.09	9.35	3.76	4.91	5.13	4.40	**5.80**	**6.15**	**6.45**	Cap'l Spending per sh	**6.80**
17.93	18.56	18.88	19.52	20.64	21.28	22.01	22.52	23.71	24.88	26.08	26.70	27.23	27.77	28.12	**28.47**	**29.85**	**30.95**	Book Value per sh D	**35.40**
25.23	25.23	25.59	25.94	27.55	27.58	27.24	26.41	26.50	26.53	26.58	26.76	26.92	27.08	27.28	**27.42**	**27.75**	**28.00**	Common Shs Outst'g C	**28.00**
12.4	12.9	17.2	15.8	16.7	17.0	15.9	16.7	18.1	15.2	17.0	19.0	21.1	19.4	20.7	23.7	*Bold figures are*		Avg Ann'l P/E Ratio	**17.0**
.81	.66	.94	.90	.88	.91	.86	.89	1.09	1.01	1.08	1.19	1.34	1.09	1.09	1.20	*Value Line*		Relative P/E Ratio	**1.05**
5.6%	5.1%	4.5%	4.6%	4.2%	3.7%	3.7%	3.1%	3.3%	3.7%	3.6%	3.9%	3.8%	4.2%	4.1%	4.0%	*estimates*		Avg Ann'l Div'd Yield	**3.7%**

CAPITAL STRUCTURE as of 9/30/15
Total Debt $846.9 mill. **Due in 5 Yrs** $360.0 mill.
LT Debt $621.7 mill. **LT Interest** $45.0 mill.

(Total interest coverage: 3.0x)

Pension Assets-12/14 $279.2 mill. **Oblig.** $487.3 mill.

Pfd Stock None

Common Stock 27,371,642 shares **as of 10/23/15**

MARKET CAP $1.4 billion (Mid Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
1013.2	1033.2	1037.9	1012.7	812.1	848.8	730.6	758.5	754.0	723.8	**780**	**820**	Revenues ($mill)	**890**
65.2	74.5	68.5	75.1	72.7	63.9	59.9	60.5	58.7	53.7	**61.0**	**65.0**	Net Profit ($mill)	**88.0**
36.3%	37.2%	36.9%	38.3%	40.5%	40.4%	42.4%	40.8%	41.5%	**40.0%**	**40.0%**	**39.0%**	Income Tax Rate	**39.0%**
6.4%	7.2%	6.6%	7.4%	8.9%	7.5%	8.2%	8.0%	7.8%	7.4%	**7.8%**	**8.0%**	Net Profit Margin	**9.9%**
46.3%	46.3%	44.9%	47.7%	46.1%	47.3%	48.5%	47.6%	44.8%	**42.4%**	**44.5%**	**44.5%**	Long-Term Debt Ratio	**43.5%**
53.7%	53.7%	55.1%	52.3%	53.9%	52.7%	51.5%	52.4%	55.2%	**57.6%**	**55.5%**	**55.5%**	Common Equity Ratio	**56.5%**
1116.5	1106.8	1140.4	1261.8	1284.8	1356.2	1424.7	1433.6	1389.0	**1357.6**	**1495**	**1555**	Total Capital ($mill)	**1755**
1425.1	1495.9	1549.1	1670.1	1854.2	1893.9	1973.6	2062.9	2121.6	**2182.7**	**2295**	**2385**	Net Plant ($mill)	**2685**
7.1%	8.5%	7.7%	7.3%	7.0%	6.2%	5.7%	5.8%	5.8%	**4.0%**	**5.5%**	**5.5%**	Return on Total Cap'l	**6.0%**
10.9%	12.5%	10.9%	11.4%	10.5%	8.9%	8.2%	8.1%	7.6%	**6.9%**	**7.5%**	**7.5%**	Return on Shr. Equity	**9.0%**
10.9%	12.5%	10.9%	11.4%	10.5%	8.9%	8.2%	8.1%	7.6%	**6.9%**	**7.5%**	**7.5%**	Return on Com Equity	**9.0%**
4.5%	6.0%	4.5%	5.0%	4.0%	2.4%	1.6%	1.5%	1.1%	**.4%**	**1.0%**	**1.5%**	Retained to Com Eq	**3.0%**
59%	52%	59%	56%	61%	73%	80%	81%	85%	**95%**	**85%**	**81%**	All Div'ds to Net Prof	**65%**

CURRENT POSITION ($MILL.)	2013	2014	9/30/15
Cash Assets	9.5	9.5	5.2
Other	321.0	353.1	272.7
Current Assets	330.5	362.6	277.9
Accts Payable	96.1	91.4	54.4
Debt Due	248.2	274.7	225.2
Other	88.5	103.3	105.7
Current Liab.	432.8	469.4	385.3
Fix. Chg. Cov.	316%	321%	298%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '19-'21
Revenues	1.0%	-6.5%	*2.0%*
"Cash Flow"	3.0%	-1.0%	*3.5%*
Earnings	2.5%	-4.0%	*5.0%*
Dividends	3.5%	3.5%	*1.5%*
Book Value	3.5%	3.0%	*3.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	277.9	131.7	88.2	260.7	758.5
2014	293.4	133.1	87.2	240.3	754.0
2015	261.7	138.3	93.1	230.7	723.8
2016	**270**	**145**	**95.0**	**270**	**780**
2017	**280**	**155**	**100**	**285**	**820**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	1.40	.08	d.31	1.07	2.24
2014	1.40	.04	d.32	1.04	2.16
2015	1.04	.08	d.24	1.08	1.96
2016	**1.20**	**.10**	**d.20**	**1.10**	**2.20**
2017	**1.25**	**.15**	**d.20**	**1.15**	**2.35**

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.445	.445	.445	.455	1.79
2013	.455	.455	.455	.460	1.83
2014	.460	.460	.460	.465	1.85
2015	.465	.465	.465	.4675	1.86
2016	.4675				

BUSINESS: Northwest Natural Gas Co. distributes natural gas to 90 communities, 704,000 customers, in Oregon (89% of customers) and in southwest Washington state. Principal cities served: Portland and Eugene, OR; Vancouver, WA. Service area population: 2.5 mill. (77% in OR). Company buys gas supply from Canadian and U.S. producers; has transportation rights on Northwest Pipeline system. Owns local underground storage. Rev. breakdown: residential, 35%; commercial, 22%; industrial, gas transportation, and other, 43%. Employs 1,092. BlackRock Inc. owns 9.2% of shares; officers and directors, 2.1% (4/15 proxy). CEO: Gregg S. Kantor. Inc.: Oregon. Address: 220 NW 2nd Ave., Portland, OR 97209. Telephone: 503-226-4211. Internet: www.nwnatural.com.

Northwest Natural Gas had better-than-expected fourth-quarter results. The Portland area had weather that was slightly cooler than the year-prior period, which helped to boost throughput at utility segment. In addition, a 1.4% customer growth rate and an increase in gas margins allowed earnings per share to grow 3%, to $1.08. The company was able to overcome a $3.5 million, non-cash environmental remediation charge, as well.

Northwest Natural Gas received an unfavorable outcome concerning expense recoveries. It was ordered to forgo the collection of $15 million of environmental remediation expenses and related interest costs. This will result in a $2.8 million pretax charge in the first quarter of 2016. Still, stronger operating margins should more than offset this setback. All told, we think the company can earn $2.20 a share in 2016.

Northwest Natural Gas announced that CEO, Gregg Kantor, will step down effective August 1st. However, he will stay in an advisory role until the end of 2016. The current COO, David Anderson, will succeed Mr. Kantor. Though we expect no immediate change in strategy, it will be interesting to see what, if any, changes ultimately emerge.

The Mist storage facility should boost long-term results. The company is expected to put the facility into service in the winter of 2018-2019, which should allow for better natural gas sales over the coming years. This move will cost around $125 million and, in time, provide a benefit to cash flows.

The dividend remains the main draw. It was raised to $0.4675 a share quarterly, and has been increased 60 years in a row. We think Northwest remains likely to continue this uptrend over the coming years, though it appears likely at a lower growth rate than during the previous decade until the Mist facility comes on line.

Shares of Northwest Natural Gas are not attractive at the recent quotation. Indeed, a recent run-up in the share price has put the shares near the middle of our Target Price Range. This has made the yield less attractive, and most long-term accounts would be best served waiting for a dip in price.

John E. Seibert III *March 4, 2016*

(A) Diluted earnings per share. Excludes nonrecurring items: '00, $0.11; '06, ($0.06); '08, ($0.03); '09, 6¢; May not sum due to rounding. Next earnings report due in early May.
(B) Dividends historically paid in mid-February, May, August, and November.
■ Dividend reinvestment plan available.
(C) In millions.
(D) Includes intangibles. In 2014: $368.9 mil-lion, $13.52/share.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	30
Earnings Predictability	95

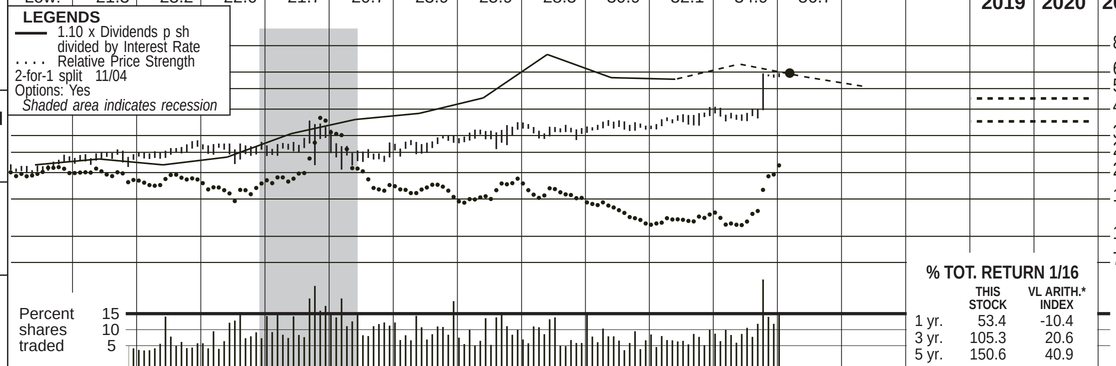
PIEDMONT NAT'L. GAS NYSE-PNY

RECENT PRICE	P/E RATIO	(Trailing / Median)	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
59.28	30.4	(Trailing: 34.1 Median: 19.0)	1.80	2.2%	

TIMELINESS – Suspended 11/6/15
SAFETY 2 New 7/27/90
TECHNICAL – Suspended 11/6/15
BETA .75 (1.00 = Market)

High:	25.8	28.4	28.0	35.3	32.0	30.1	34.7	34.6	35.5	41.0	59.1	59.5
Low:	21.3	23.2	22.0	21.7	20.7	23.9	25.9	28.5	30.9	32.1	34.9	56.7

Target Price Range 2019 2020 2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(-25%)	-3%
Low	35	(-40%)	-9%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	11	12	12	29
to Sell	2	1	1	1	1	1	1	1	1

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	112	109	112
to Sell	85	92	91
Hld's(000)	43377	45755	46102

% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	53.4	-10.4
3 yr.	105.3	20.6
5 yr.	150.6	40.9

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
13.01	17.06	12.57	18.14	19.95	22.96	25.80	23.37	28.52	22.36	21.48	19.83	15.54	17.07	18.87	17.38	*18.15*	*18.75*	Revenues per sh A	*20.50*
1.77	1.81	1.81	2.04	2.31	2.43	2.51	2.64	2.77	3.01	2.91	2.99	3.09	3.29	3.37	3.37	*3.60*	*3.70*	"Cash Flow" per sh	*4.05*
1.01	1.01	.95	1.11	1.27	1.32	1.28	1.40	1.49	1.67	1.55	1.57	1.66	1.78	1.84	1.73	*1.95*	*2.00*	Earnings per sh AB	*2.20*
.72	.76	.80	.82	.85	.91	.95	.99	1.03	1.07	1.11	1.15	1.19	1.23	1.26	1.31	*1.35*	*1.39*	Div'ds Decl'd per sh C■	*1.51*
1.65	1.29	1.21	1.16	1.85	2.50	2.74	1.85	2.47	1.76	2.75	3.37	7.33	8.01	5.91	5.62	*5.95*	*5.95*	Cap'l Spending per sh	*5.95*
8.26	8.63	8.91	9.36	11.15	11.53	11.83	11.99	12.11	12.67	13.35	13.79	14.21	15.87	16.80	18.07	*19.00*	*19.60*	Book Value per sh D	*21.55*
63.83	64.93	66.18	67.31	76.67	76.70	74.61	73.23	73.26	73.27	72.28	72.32	72.25	74.88	77.88	78.94	*80.00*	*80.00*	Common Shs Outst'g E	*80.00*
14.3	16.7	18.4	16.7	16.6	17.9	19.2	18.7	18.2	15.4	17.1	18.9	19.2	18.5	18.9	22.1	*Bold figures are*		Avg Ann'l P/E Ratio	*18.0*
.93	.86	1.01	.95	.88	.95	1.04	.99	1.10	1.03	1.09	1.19	1.22	1.04	.99	1.15	*Value Line*		Relative P/E Ratio	*1.13*
5.0%	4.5%	4.6%	4.4%	4.1%	3.8%	3.9%	3.8%	3.8%	4.1%	4.2%	3.9%	3.7%	3.7%	3.6%	3.4%	*estimates*		Avg Ann'l Div'd Yield	*3.9%*

CAPITAL STRUCTURE as of 10/31/15
Total Debt $1903.7 mill. **Due in 5 Yrs** $410.0 mill.
LT Debt $1523.7 mill. **LT Interest** $61.6 mill.
(LT interest earned: 4.1x; total interest coverage: 3.4x)

Pension Assets-10/15 $356.9 mill. **Oblig.** $354.6 mill.
Pfd Stock None

Common Stock 80,985,282 shs. **as of 12/11/15**
MARKET CAP: $4.8 billion (Mid Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
1924.6	1711.3	2089.1	1638.1	1552.3	1433.9	1122.8	1278.2	1470.0	1371.7	*1450*	*1500*	Revenues ($mill) A	*1640*
97.2	104.4	110.0	122.8	111.8	113.6	119.8	134.4	143.8	137.0	*155*	*160*	Net Profit ($mill)	*175*
34.2%	33.0%	36.3%	28.5%	23.4%	24.6%	29.7%	32.6%	34.5%	*25.0%*	*25.0%*	*25.0%*	Income Tax Rate	*25.0%*
5.0%	6.1%	5.3%	7.5%	7.2%	7.9%	10.7%	10.5%	9.8%	10.0%	*10.8%*	*10.8%*	Net Profit Margin	*10.8%*
48.3%	48.4%	47.2%	44.1%	41.0%	40.4%	48.7%	49.7%	52.1%	51.7%	*50.0%*	*49.5%*	Long-Term Debt Ratio	*49.5%*
51.7%	51.6%	52.8%	55.9%	59.0%	59.6%	51.3%	50.3%	47.9%	48.3%	*50.0%*	*50.5%*	Common Equity Ratio	*50.5%*
1707.9	1703.3	1681.5	1660.5	1636.9	1671.9	2002.0	2363.5	2733.0	2950.0	*3045*	*3095*	Total Capital ($mill)	*3245*
2075.3	2141.5	2240.8	2304.4	2437.7	2627.3	3105.1	3634.5	3989.4	4348.0	*4400*	*4500*	Net Plant ($mill)	*4750*
7.2%	7.8%	8.2%	9.1%	8.4%	8.2%	7.0%	6.8%	6.4%	*5.8%*	*6.5%*	*6.5%*	Return on Total Cap'l	*7.0%*
11.0%	11.9%	12.4%	13.2%	11.6%	11.4%	11.7%	11.3%	11.0%	*9.6%*	*10.5%*	*10.0%*	Return on Shr. Equity	*10.5%*
11.0%	11.9%	12.4%	13.2%	11.6%	11.4%	11.7%	11.3%	11.0%	9.6%	*10.5%*	*10.0%*	Return on Com Equity	*10.5%*
2.8%	3.5%	3.9%	4.8%	3.3%	3.1%	3.3%	3.6%	3.4%	2.4%	*3.0%*	*3.0%*	Retained to Com Eq	*3.0%*
74%	70%	69%	64%	72%	73%	72%	69%	69%	75%	*69%*	*70%*	All Div'ds to Net Prof	*69%*

CURRENT POSITION ($MILL.)	2013	2014	10/31/15
Cash Assets	8.1	9.6	13.7
Other	340.0	338.4	242.2
Current Assets	348.1	348.0	255.9
Accts Payable	140.1	139.7	152.0
Debt Due	500.0	355.0	380.0
Other	76.6	127.3	103.6
Current Liab.	716.7	622.0	635.6
Fix. Chg. Cov.	325%	325%	325%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '19-'21
Revenues	- -	-7.0%	*2.5%*
"Cash Flow"	4.5%	3.0%	*3.5%*
Earnings	4.5%	3.0%	*3.5%*
Dividends	4.0%	3.5%	*3.0%*
Book Value	5.0%	5.0%	*4.0%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Jan.31	Apr.30	Jul.31	Oct.31	Full Fiscal Year
2013	515.9	399.4	162.9	200.0	1278.2
2014	657.7	462.2	164.2	185.8	1469.9
2015	607.3	424.9	158.3	181.2	1371.7
2016	*625*	*445*	*180*	*200*	*1450*
2017	*635*	*455*	*195*	*215*	*1500*

Fiscal Year Ends	EARNINGS PER SHARE AB Jan.31	Apr.30	Jul.31	Oct.31	Full Fiscal Year
2013	1.18	.74	d.03	d.11	1.78
2014	1.26	.80	d.09	d.13	1.84
2015	1.18	.84	d.10	d.18	1.73
2016	*1.23*	*.89*	*d.05*	*d.12*	*1.95*
2017	*1.24*	*.90*	*d.04*	*d.10*	*2.00*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.29	.30	.30	.60	1.49
2013	- -	.31	.31	.31	.93
2014	.31	.32	.32	.32	1.27
2015	.32	.33	.33	.33	1.31
2016	.33				

BUSINESS: Piedmont Natural Gas Company is primarily a regulated natural gas distributor, serving over 992,551 customers in North Carolina, South Carolina, and Tennessee. 2015 revenue mix: residential (48%), commercial (27%), industrial (15%), other (10%). Principal suppliers: Transco and Tennessee Pipeline. Gas costs: 47.0% of revenues. '15 deprec. rate: 2.5%. Estimated plant age: 10 years. Non-regulated operations: sale of gas-powered heating equipment; natural gas brokering; propane sales. Has 1,879 employees. Off./dir. own about 1.4% of common stock, BlackRock; 8.2% (2/16 proxy). Chrmn., CEO & Pres.: Thomas E. Skains. Inc.: NC. Addr.: 4720 Piedmont Row Drive, Charlotte, NC 28210. Telephone: 704-364-3120. Internet: www.piedmontng.com.

Shares of Piedmont Natural Gas have basically flatlined since our December review. The stock has hovered right around the acquisition price of $60.00 per share in cash. Management signed a definitive agreement to be acquired by Duke Energy (DUK) when the deal was originally announced back in October. DUK will also assume about $1.8 billion in Piedmont's debt. Combined with the cash offer, this values the company at approximately $6.7 billion. The deal was already unanimously approved by the boards of both companies. More recently, Piedmont's shareholders approved the transaction. At this point, the companies have filed for approval with the North Carolina Utilities Commission and with the Tennessee Regulatory Authority. The acquisition is progressing nicely, and is anticipated to close by the end of 2016.

Meanwhile, we look for the company's top and bottom lines to rebound in fiscal 2016. Substantial revenue growth will be tough to come by given the pressures impacting natural gas prices these days. Nonetheless, a nice mid-single-digit top-line gain does seem plausible. This ought to reflect continually rising new customer accounts. Last year, the company added roughly 17,000 accounts, representing approximately 5% year-over-year growth. At the same time, a healthy capital expansion plan put roughly $450 million into supporting utility customer growth, system infrastructure, integrity and reliability, and nonutility joint ventures. All of these factors should equate to rising system throughput and help to drive the bottom line more than 12.5% higher, to $1.95 a share this year.

The Timeliness rank on Piedmont shares remains suspended due to the pending acquisition. PNY is no longer trading on earnings or fundamentals. Instead, the stock will likely hover right around the tender offer price of $60.00 per share until the deal is finalized. That said, current shareholders may prefer to lock in gains at this level in order to redeploy capital elsewhere. The purchase price is above our Target Price Range for these shares. If for some reason the transaction is not completed, we would expect the equity's price to fall back to preannouncement levels.

Bryan J. Fong *March 4, 2016*

(A) Fiscal year ends October 31st.
(B) Diluted earnings. Excl. extraordinary item: '00, 8¢. Excl. nonrecurring gains (losses): '10, 41¢. Next earnings report due mid-April.
Quarters may not add to total due to change in shares outstanding.
(C) Dividends historically paid early-January, April, July, October. 2013 Q1 dividend paid in Q4 of 2012. ■ Div'd reinvest. plan available; 5% discount. (D) Includes deferred charges. In 2015: $861.6 million, $10.92/share.
(E) In millions, adjusted for stock split.

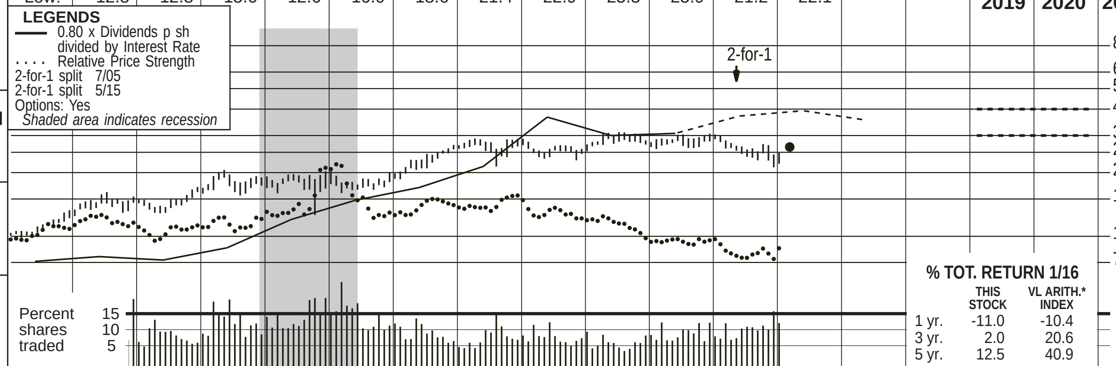
Company's Financial Strength	B++
Stock's Price Stability	85
Price Growth Persistence	50
Earnings Predictability	95

SOUTH JERSEY INDS. NYSE-SJI

RECENT PRICE	26.48	P/E RATIO	16.4 (Trailing: 20.6 / Median: 17.0)	RELATIVE P/E RATIO	0.97	DIV'D YLD	4.1%	VALUE LINE

TIMELINESS 3 Raised 2/19/16
SAFETY 2 Lowered 1/4/91
TECHNICAL 5 Lowered 1/8/16
BETA .85 (1.00 = Market)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
High:	16.2	17.1	20.6	20.3	20.4	27.1	29.0	29.0	31.1	30.6	30.4	26.9
Low:	12.5	12.8	15.6	12.6	16.0	18.6	21.4	22.9	25.3	25.9	21.2	22.1



Target Price Range

2019	2020	2021

2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	40	(+50%)	15%
Low	30	(+15%)	8%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	1	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	2	1	2	1	0	0	0	0	0

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	107	83	105
to Sell	64	79	59
Hld's(000)	40934	42248	42947

% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-11.0	-10.4
3 yr.	2.0	20.6
5 yr.	12.5	40.9

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
11.22	17.65	10.35	13.17	14.75	15.89	15.88	16.15	16.18	14.19	15.48	13.71	11.16	11.18	12.98	**14.15**	**14.60**	**15.20**	Revenues per sh	**18.60**
.97	.95	1.06	1.12	1.22	1.25	1.75	1.60	1.74	1.86	2.10	2.23	2.34	2.48	2.67	**2.50**	**2.65**	**2.85**	"Cash Flow" per sh	**3.55**
.54	.57	.61	.68	.79	.86	1.23	1.05	1.14	1.19	1.35	1.45	1.52	1.52	1.57	**1.48**	**1.60**	**1.75**	Earnings per sh A	**2.20**
.37	.37	.38	.39	.41	.43	.46	.51	.56	.61	.68	.75	.83	.90	.96	1.02	**1.08**	**1.15**	Div'ds Decl'd per sh B ■	**1.40**
1.11	1.41	1.74	1.18	1.34	1.60	1.26	.94	1.04	1.83	2.79	3.20	4.01	4.84	5.01	**4.45**	**4.65**	**4.85**	Cap'l Spending per sh	**5.75**
3.62	3.91	4.84	5.63	6.20	6.75	7.55	8.12	8.67	9.12	9.54	10.33	11.63	12.64	13.65	**14.30**	**15.30**	**16.20**	Book Value per sh C	**18.60**
46.00	47.44	48.83	52.92	55.52	57.96	58.65	59.22	59.46	59.59	59.75	60.43	63.31	65.43	68.33	**70.00**	**72.00**	**74.00**	Common Shs Outst'g D	**78.00**
13.0	13.6	13.5	13.3	14.1	16.6	11.9	17.2	15.9	15.0	16.8	18.4	16.9	18.9	18.0	**17.5**	*Bold figures are*		Avg Ann'l P/E Ratio	**16.0**
.85	.70	.74	.76	.74	.88	.64	.91	.96	1.00	1.07	1.15	1.08	1.06	.95	**.89**	*Value Line*		Relative P/E Ratio	**1.00**
5.2%	4.7%	4.6%	4.3%	3.7%	3.0%	3.2%	2.8%	3.1%	3.4%	3.0%	2.8%	3.2%	3.1%	3.4%	4.0%	*estimates*		Avg Ann'l Div'd Yield	**4.0%**

CAPITAL STRUCTURE as of 9/30/15
Total Debt $1366.7 mill. **Due in 5 Yrs** $868.5 mill.
LT Debt $937.4 mill. **LT Interest** $22.0 mill.
(Total interest coverage: 4.0x)

Leases, Uncapitalized Annual rentals $.7 mill.
Pension Assets-12/14 $180.5 mill. **Oblig.** $265.4 mill.

Pfd Stock None

Common Stock 69,294,447 shs.
as of 11/2/15, adj. for 2-for-1 split

MARKET CAP: $1.8 billion (Mid Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
931.4	956.4	962.0	845.4	925.1	828.6	706.3	731.4	887.0	**990**	**1050**	**1125**	Revenues ($mill)	**1450**
72.0	61.8	67.7	71.3	81.0	87.0	93.3	97.1	104.0	**105**	**115**	**130**	Net Profit ($mill)	**170**
41.3%	41.9%	47.7%	23.0%	15.2%	22.4%	10.8%	- -	10.8%	**20.0%**	**22.0%**	**22.0%**	Income Tax Rate	**25.0%**
7.7%	6.5%	7.0%	8.4%	8.8%	10.5%	13.2%	13.3%	11.7%	**10.6%**	**11.0%**	**11.6%**	Net Profit Margin	**11.7%**
44.7%	42.7%	39.2%	36.5%	37.4%	40.5%	45.0%	45.1%	48.0%	**48.5%**	**49.0%**	**48.5%**	Long-Term Debt Ratio	**47.5%**
55.3%	57.3%	60.8%	63.5%	62.6%	59.5%	55.0%	54.9%	52.0%	**51.5%**	**51.0%**	**51.5%**	Common Equity Ratio	**52.5%**
801.1	839.0	848.0	856.4	910.1	1048.3	1337.6	1507.4	1791.9	**1950**	**2150**	**2325**	Total Capital ($mill)	**2775**
920.0	948.9	982.6	1073.1	1193.3	1352.4	1578.0	1859.1	2134.1	**2350**	**2450**	**2550**	Net Plant ($mill)	**2900**
10.1%	8.6%	8.9%	9.0%	9.5%	8.9%	7.4%	6.8%	6.4%	**6.0%**	**6.0%**	**6.0%**	Return on Total Cap'l	**6.5%**
16.3%	12.8%	13.1%	13.1%	14.2%	13.9%	12.7%	11.7%	11.2%	**10.5%**	**10.5%**	**11.0%**	Return on Shr. Equity	**11.5%**
16.3%	12.8%	13.1%	13.1%	14.2%	13.9%	12.7%	11.7%	11.2%	**10.5%**	**10.5%**	**11.0%**	Return on Com Equity	**11.5%**
10.2%	6.7%	6.7%	6.4%	7.1%	6.7%	5.8%	4.8%	4.3%	**3.5%**	**3.5%**	**3.5%**	Retained to Com Eq	**4.0%**
37%	48%	49%	51%	50%	52%	55%	59%	61%	**68%**	**68%**	**65%**	All Div'ds to Net Prof	**64%**

CURRENT POSITION ($MILL.)	2013	2014	9/30/15
Cash Assets	3.8	4.2	2.1
Other	479.1	562.5	476.8
Current Assets	482.9	566.7	478.9
Accts Payable	259.8	273.0	189.1
Debt Due	374.9	395.6	429.3
Other	130.3	181.6	188.6
Current Liab.	765.0	850.2	807.0
Fix. Chg. Cov.	370%	432%	475%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '19-'21
Revenues	-1.0%	-5.5%	*7.0%*
"Cash Flow"	8.0%	7.5%	*5.0%*
Earnings	8.0%	6.5%	*5.5%*
Dividends	8.5%	10.0%	*6.5%*
Book Value	8.5%	8.0%	*5.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	255.6	122.6	128.8	224.4	731.4
2014	350.2	133.3	122.4	281.1	887.0
2015	383.0	177.7	141.1	***288.2***	***990***
2016	***405***	***175***	***155***	***315***	***1050***
2017	***430***	***190***	***165***	***340***	***1125***

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.76	.16	d.02	.62	1.52
2014	1.01	.15	d.05	.47	1.57
2015	.86	.03	d.07	***.66***	***1.48***
2016	***.90***	***.05***	***Nil***	***.65***	***1.60***
2017	***.95***	***.08***	***.02***	***.70***	***1.75***

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	- -	.202	.202	.423	.83
2013	- -	.222	.222	.458	.90
2014	- -	.237	.237	.488	.96
2015	- -	.251	.251	.515	1.02
2016					

BUSINESS: South Jersey Industries, Inc. is a holding company. Its subsidiary, South Jersey Gas Co., distributes natural gas to 366,854 customers in New Jersey's southern counties. Gas revenue mix '14: residential, 43%; commercial, 19%; cogeneration and electric generation, 17%; industrial, 21%. Non-utility operations include: South Jersey Energy, South Jersey Resources Group, South Jersey Exploration, Marina Energy, South Jersey Energy Service Plus, and SJI Midstream. Has about 700 employees. Off./dir. own .8% of common shares; BlackRock, Inc., 9.5%; The Vanguard Group, Inc., 6.9% (3/15 proxy). Pres. & CEO: Michael J. Renna. Inc.: NJ. Address: 1 South Jersey Plaza, Folsom, NJ 08037. Tel.: 609-561-9000. Internet: www.sjindustries.com.

Shares of South Jersey Industries have traded higher over the past three months. We think that weakness in the broader equity markets has encouraged investors to seek relatively safe alternatives. Also, the stock had been trading near a multiyear low three months ago. Despite strong top-line performance in the first three quarters of 2015, greater costs have made for lackluster earnings. However, we do expect a more favorable bottom-line comparison for the fourth quarter. The company was set to report December-period results as this Issue went to press.

The board of directors has increased the payout by 5%. Starting with the December payout, the quarterly dividend is now $0.264. Dividend growth will probably continue in the coming years.

We expect a strong performance from the company's core businesses going forward. Prospects for utility South Jersey Gas appear favorable. Natural gas remains the fuel of choice within its service territory. All in all, we expect customer additions and infrastructure investment to drive earnings higher here. Elsewhere, the company's nonutility operations should also perform well overall. South Jersey Energy Group's earnings ought to gain from an increasing contribution from fuel supply management contracts. Additional announced contracts are scheduled to come on-line in 2016 and 2017. Over the long haul, we expect strong contributions from the company's commodity marketing and fuel supply management lines. This, along with expected benefits from the Penn East pipeline, ought to drive bottom-line growth and improve earnings quality.

Conservative investors with a long time horizon may find something to like here. This equity offers good risk-adjusted total return potential for the pull to late decade. This should be supported by healthy growth at the company in the coming years. The dividend yield remains attractive, despite the recent appreciation in the share price. South Jersey earns good marks for Safety, Financial Strength, Price Stability, and Earnings Predictability. Also, volatility is below average (Beta: 0.85). This stock is neutrally ranked for year-ahead performance.

Michael Napoli, CFA *March 4, 2016*

(A) Based on GAAP egs. through 2006, economic egs. thereafter. GAAP EPS: '07, $1.05; '08, $1.29; '09, $0.97; '10, $1.11; '11, $1.49; '12, $1.49; '13, $1.28; '14, $1.46. Excl. nonrecur. gain (loss): '01, $0.07; '08, $0.16; '09, ($0.22); '10, ($0.24); '11, $0.04; '12, ($0.03); '13, ($0.24); '14, ($0.11). Earnings may not sum due to rounding. Next egs. report due early May. (B) Div'ds paid early April, July, Oct., and late Dec. ■ Div. reinvest. plan avail. (C) Incl. reg. assets. In 2014: $357.2 mill., $5.23 per shr. (D) In mill., adj. for split.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	50
Earnings Predictability	80

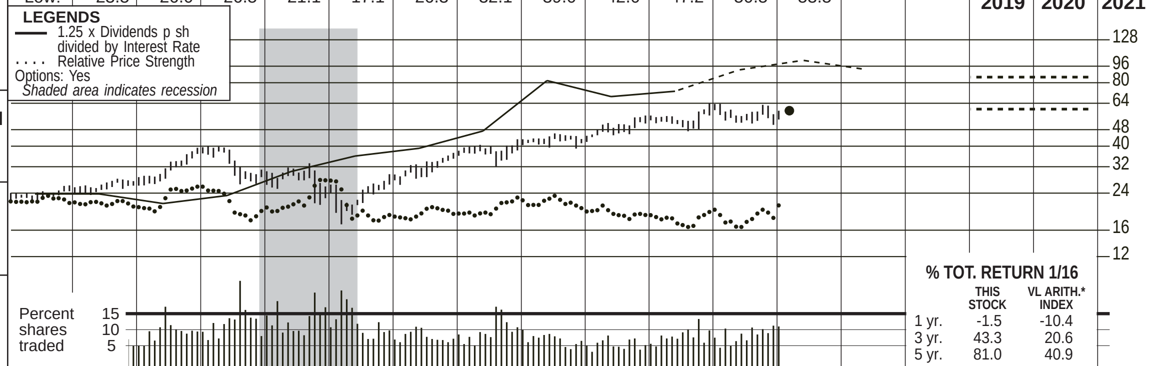
SOUTHWEST GAS NYSE-SWX

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
59.05	18.9	(Trailing: 21.2 Median: 16.0)	1.12	3.0%	VALUE LINE

TIMELINESS 2 Raised 3/4/16
SAFETY 3 Lowered 1/4/91
TECHNICAL 2 Raised 3/4/16
BETA .80 (1.00 = Market)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
High:	28.1	39.4	39.9	33.3	29.5	37.3	43.2	46.1	56.0	64.2	63.7	60.7
Low:	23.5	26.0	26.5	21.1	17.1	26.3	32.1	39.0	42.0	47.2	50.5	53.5

Target Price Range
2019 | 2020 | 2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	85	(+45%)	12%
Low	60	(Nil)	4%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	1	0	2	1
to Sell	0	0	0	0	3	0	0	2	1

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	94	109	109
to Sell	81	80	84
Hld's(000)	36094	36799	37243

% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-1.5	-10.4
3 yr.	43.3	20.6
5 yr.	81.0	40.9

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
32.61	42.98	39.68	35.96	40.14	43.59	48.47	50.28	48.53	42.00	40.18	41.07	41.77	42.08	45.61	52.00	*51.55*	*53.00*	Revenues per sh	*58.50*
4.57	4.79	5.07	5.11	5.57	5.20	5.97	6.21	5.76	6.16	6.46	6.81	7.73	8.24	8.47	8.62	*9.00*	*9.50*	"Cash Flow" per sh	*11.60*
1.21	1.15	1.16	1.13	1.66	1.25	1.98	1.95	1.39	1.94	2.27	2.43	2.86	3.11	3.01	2.92	*3.20*	*3.50*	Earnings per sh A	*4.80*
.82	.82	.82	.82	.82	.82	.82	.86	.90	.95	1.00	1.06	1.18	1.32	1.46	1.62	*1.80*	*1.92*	Div'ds Decl'd per sh B■†	*2.30*
7.04	8.17	8.50	7.03	8.23	7.49	8.27	7.96	6.79	4.81	4.73	8.29	8.57	7.86	8.53	10.30	*9.80*	*10.20*	Cap'l Spending per sh	*11.70*
16.82	17.27	17.91	18.42	19.18	19.10	21.58	22.98	23.49	24.44	25.62	26.66	28.35	30.47	31.95	33.61	*34.70*	*35.00*	Book Value per sh	*37.75*
31.71	32.49	33.29	34.23	36.79	39.33	41.77	42.81	44.19	45.09	45.56	45.96	46.15	46.36	46.52	47.38	*49.00*	*50.00*	Common Shs Outst'g C	*53.00*
16.0	19.0	19.9	19.2	14.3	20.6	15.9	17.3	20.3	12.2	14.0	15.7	15.0	15.8	17.9	19.4	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
1.04	.97	1.09	1.09	.76	1.10	.86	.92	1.22	.81	.89	.98	.95	.89	.94	.98	*Value Line*		Relative P/E Ratio	*.95*
4.2%	3.8%	3.6%	3.8%	3.5%	3.2%	2.6%	2.6%	3.2%	4.0%	3.2%	2.8%	2.8%	2.7%	2.7%	2.9%	*estimates*		Avg Ann'l Div'd Yield	*3.2%*

CAPITAL STRUCTURE as of 9/30/15
Total Debt $1560.2 mill. **Due in 5 Yrs** $405.0 mill.
LT Debt $1540.4 mill. **LT Interest** $72.0 mill.
(Total interest coverage: 3.8x) (50% of Cap'l)
Leases, Uncapitalized Annual rentals $6.0 mill.
Pension Assets-12/14 $799.7 mill.
Oblig. $1132.4 mill.
Pfd Stock None

Common Stock 47,375,398 shs.
as of 10/28/15

MARKET CAP: $2.8 billion (Mid Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
2024.7	2152.1	2144.7	1893.8	1830.4	1887.2	1927.8	1950.8	2121.7	2463.6	*2525*	*2650*	Revenues ($mill)	*3100*
80.5	83.2	61.0	87.5	103.9	112.3	133.3	145.3	141.1	138.3	*155*	*175*	Net Profit ($mill)	*255*
37.3%	36.5%	40.1%	34.0%	34.7%	36.2%	36.2%	35.0%	35.7%	*36.5%*	*35.0%*	*35.0%*	Income Tax Rate	*35.0%*
4.0%	3.9%	2.8%	4.6%	5.7%	6.0%	6.9%	7.4%	6.7%	5.6%	*6.1%*	*6.6%*	Net Profit Margin	*8.2%*
60.6%	58.1%	55.3%	53.5%	49.1%	43.2%	49.2%	49.4%	52.4%	49.3%	*49.5%*	*49.5%*	Long-Term Debt Ratio	*48.5%*
39.4%	41.9%	44.7%	46.5%	50.9%	56.8%	50.8%	50.6%	47.6%	50.7%	*50.5%*	*50.5%*	Common Equity Ratio	*51.5%*
2287.8	2349.7	2323.3	2371.4	2291.7	2155.9	2576.9	2793.7	3123.9	3143.5	*3350*	*3450*	Total Capital ($mill)	*3900*
2668.1	2845.3	2983.3	3034.5	3072.4	3218.9	3343.8	3486.1	3658.4	3891.1	*4050*	*4250*	Net Plant ($mill)	*4650*
5.5%	5.5%	4.5%	5.4%	6.1%	6.4%	6.4%	6.3%	5.7%	*5.5%*	*5.5%*	*6.0%*	Return on Total Cap'l	*7.5%*
8.9%	8.5%	5.9%	7.9%	8.9%	9.2%	10.2%	10.3%	9.5%	8.7%	*9.0%*	*10.0%*	Return on Shr. Equity	*13.0%*
8.9%	8.5%	5.9%	7.9%	8.9%	9.2%	10.2%	10.3%	9.5%	8.7%	*9.0%*	*10.0%*	Return on Com Equity	*13.0%*
5.2%	4.8%	2.1%	4.1%	5.1%	5.3%	6.1%	6.1%	5.0%	3.9%	*4.0%*	*4.5%*	Retained to Com Eq	*6.5%*
42%	44%	63%	48%	43%	43%	40%	41%	47%	55%	*57%*	*55%*	All Div'ds to Net Prof	*48%*

CURRENT POSITION ($MILL.)	2013	2014	9/30/15
Cash Assets	41.1	39.6	33.0
Other	453.6	567.2	445.6
Current Assets	494.7	606.8	478.6
Accts Payable	183.5	168.0	129.3
Debt Due	11.1	24.2	19.8
Other	239.6	277.9	345.6
Current Liab.	434.2	470.1	494.7
Fix. Chg. Cov.	430%	395%	383%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '19-'21
Revenues	1.0%	-1.5%	*4.5%*
"Cash Flow"	4.5%	6.0%	*5.0%*
Earnings	8.5%	11.0%	*7.0%*
Dividends	5.0%	8.0%	*7.5%*
Book Value	5.0%	5.0%	*3.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) D Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	613.5	411.6	387.3	538.4	1950.8
2014	608.4	453.2	432.5	627.7	2121.7
2015	734.2	538.6	505.4	685.4	2463.6
2016	*760*	*560*	*520*	*685*	*2525*
2017	*790*	*585*	*545*	*720*	*2640*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	1.73	.22	d.06	1.22	3.11
2014	1.51	.21	.04	1.25	3.01
2015	1.53	.10	d.10	1.38	2.92
2016	*1.60*	*.20*	*Nil*	*1.40*	*3.20*
2017	*1.70*	*.25*	*.05*	*1.50*	*3.50*

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.265	.295	.295	.295	1.15
2013	.295	.330	.330	.330	1.29
2014	.330	.365	.365	.365	1.43
2015	.365	.405	.405	.405	1.58
2016	.405	.450			

BUSINESS: Southwest Gas Corporation is a regulated gas distributor serving approximately 1.9 million customers in sections of Arizona, Nevada, and California. Comprised of two business segments: natural gas operations and construction services. 2014 margin mix: residential and small commercial, 85%; large commercial and industrial, 4%; transportation, 11%. Total throughput: 1.9 billion therms. Has 6,232 employees. Off. & Dir. own 1.5% of common stock; BlackRock Inc., 9.6%; The Vanguard Group, Inc., 6.9%; GAMCO Investors, Inc., 6.8%; T. Rowe Price Assoc., Inc., 6.5% (3/15 Proxy). Chairman: Michael J. Melarkey. Pres. & CEO: John Hester. Inc.: CA. Address: 5241 Spring Mountain Road, Las Vegas, Nevada 89193. Tel.: 702-876-7237. Internet: www.swgas.com.

Shares of Southwest Gas have traded higher in recent months. Utility stocks have fared particularly well lately, as volatility in the broader equity markets has prompted investors to seek safer alternatives. This may well continue to be the case going forward, though it's worth pointing out that the company's operations are not immune to a macroeconomic downturn.

The board of directors has increased the dividend by 11%. Starting with the May dividend, the quarterly payout will be $0.45 per share. Dividend growth will probably continue going forward.

The company finished the year on a good note. The natural gas segment gained from rate relief and growth in the customer base, while the construction services business benefited from additional pipe replacement work and favorable weather conditions. Even so, dramatic growth in construction expenses hurt earnings for full-year 2015. Greater employee-related expenses also pressured performance. On top of that, weakness in equity markets has resulted in a reduction of the cash surrender value of company-owned life insurance policies.

We anticipate solid performance in the current year. This trend will probably continue in 2017. The utility business ought to benefit from modest customer growth, infrastructure tracking programs, and expansion projects. Greater operating expenses should be a partial offset here, though. Elsewhere, construction services subsidiary Centuri will probably experience healthy demand, given the need to replace aging infrastructure. The long-term fundamentals for this business appear particularly favorable. With a strong base of utility clients, this line should be able to grow its business with multiyear pipeline replacement programs.

These shares are favorably ranked for Timeliness. We expect solid growth for the company over the pull to late decade. Meanwhile, the dividend yield is decent, though not outstanding, for a gas utility. Total return potential is modest here, and relatively well defined. Southwest Gas, however, earns good scores for Price Stability, Earnings Predictability, and Price Growth Persistence.

Michael Napoli, CFA *March 4, 2016*

(A) Diluted earnings. Excl. nonrec. gains (losses): '02, (10¢); '05, (11¢); '06, 7¢. Next egs. report due early May. (B) Dividends historically paid early March, June, September, and December. ■† Div'd reinvestment and stock purchase plan avail. (C) In millions. (D) Totals may not sum due to rounding.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	85
Earnings Predictability	80

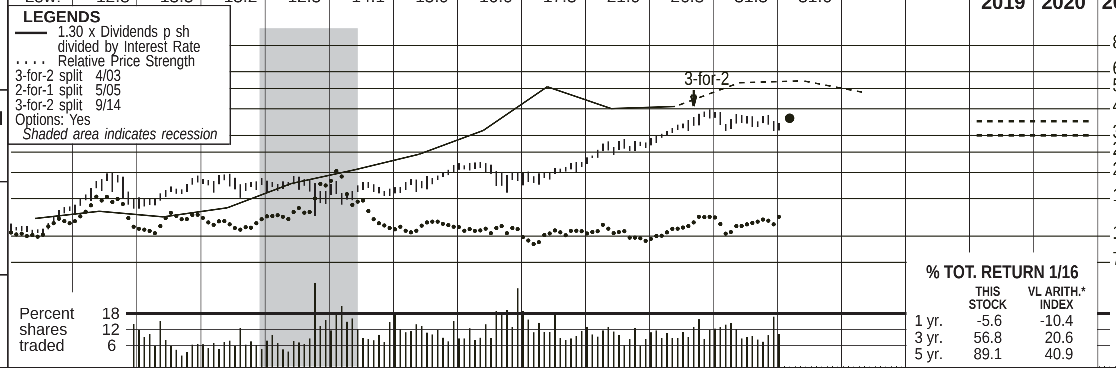
UGI CORP. NYSE-UGI

RECENT PRICE	36.11	P/E RATIO	17.6 (Trailing: 18.9 Median: 14.0)	RELATIVE P/E RATIO	1.04	DIV'D YLD	2.5%	VALUE LINE

TIMELINESS 3 Lowered 6/26/15
SAFETY 2 Raised 9/17/04
TECHNICAL 5 Lowered 1/22/16
BETA .95 (1.00 = Market)

High:	20.0	19.3	19.8	19.2	18.3	21.7	22.4	22.4	28.8	39.7	38.6	36.8
Low:	12.8	13.5	15.2	12.5	14.1	15.9	16.0	17.3	21.9	26.8	31.5	31.6

Target Price Range 2019 | 2020 | 2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	35	(-5%)	2%
Low	30	(-15%)	-1%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	0	0	0	0	0
Options	0	2	1	0	2	0	0	2	1
to Sell	0	3	1	0	2	0	0	0	0

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	201	154	141
to Sell	165	182	171
Hld's(000)	132585	134878	134852

% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-5.6	-10.4
3 yr.	56.8	20.6
5 yr.	89.1	40.9

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
14.50	20.09	17.76	23.62	24.63	31.10	33.01	34.24	41.27	35.25	34.01	36.31	38.56	42.10	47.92	38.65	**39.45**	**42.30**	Revenues per sh A	**49.00**
1.16	1.32	1.36	1.59	1.63	2.09	2.05	2.26	2.48	2.82	2.87	2.75	3.05	3.75	4.05	4.20	**4.35**	**4.65**	"Cash Flow" per sh	**5.25**
.35	.47	.60	.76	.81	1.15	1.10	1.18	1.33	1.57	1.59	1.37	1.17	1.59	1.92	2.01	**2.05**	**2.25**	Earnings per sh AB	**2.70**
.34	.35	.36	.38	.40	.43	.46	.48	.50	.52	.60	.68	.71	.74	.79	.90	**.92**	**.95**	Div'ds Decl'd per sh C ■	**1.04**
.58	.64	.76	.79	.87	1.01	1.21	1.39	1.44	1.85	2.11	2.15	2.01	2.84	2.64	2.83	**3.00**	**3.15**	Cap'l Spending per sh	**3.25**
2.04	2.08	2.55	4.45	5.43	6.35	6.95	8.26	8.80	9.78	11.10	11.79	13.21	14.59	15.39	15.55	**17.00**	**18.35**	Book Value per sh D	**22.30**
121.47	122.83	124.66	128.10	153.63	157.20	158.18	159.97	161.09	162.78	164.38	167.75	169.06	170.88	172.73	173.12	**170.00**	**175.00**	Common Shs Outst'g E	**170.00**
13.6	12.1	11.4	12.6	13.4	13.8	14.0	15.1	13.3	10.3	10.9	15.0	16.4	15.4	15.8	17.7	*Bold figures are*	*Value Line*	Avg Ann'l P/E Ratio	**12.0**
.88	.62	.62	.72	.71	.73	.76	.80	.80	.69	.69	.94	1.04	.87	.83	.97	*estimates*		Relative P/E Ratio	**.75**
7.0%	6.2%	5.3%	3.9%	3.7%	2.7%	3.0%	2.7%	2.9%	3.2%	3.5%	3.3%	3.7%	3.0%	2.6%	2.5%			Avg Ann'l Div'd Yield	**3.1%**

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
5221.0	5476.9	6648.2	5737.8	5591.4	6091.3	6519.2	7194.7	8277.3	6691.1	**6900**	**7400**	Revenues ($mill) A	**8330**
176.2	191.8	215.5	258.5	261.0	232.9	199.4	278.1	337.2	**355**	**370**	**405**	Net Profit ($mill)	**475**
30.5%	23.8%	30.6%	29.4%	32.0%	29.8%	34.8%	27.6%	30.6%	**30.0%**	**30.0%**	**30.0%**	Income Tax Rate	**30.0%**
3.4%	3.5%	3.2%	4.5%	4.7%	3.8%	3.1%	3.9%	4.1%	**5.3%**	**5.4%**	**5.4%**	Net Profit Margin	**5.7%**
64.1%	60.7%	58.4%	56.2%	44.0%	51.6%	60.0%	58.7%	56.4%	56.0%	**54.5%**	**52.5%**	Long-Term Debt Ratio	**48.5%**
35.9%	39.3%	41.6%	43.8%	56.0%	48.4%	40.0%	41.3%	43.6%	44.0%	**45.5%**	**47.5%**	Common Equity Ratio	**51.5%**
3064.6	3360.7	3405.0	3630.0	3256.7	4088.0	5580.7	6034.7	6092.7	6133.8	**6525**	**6765**	Total Capital ($mill)	**7350**
2214.7	2397.4	2449.5	2903.6	3053.2	3204.5	4233.1	4480.2	4543.7	4994.1	**5475**	**6000**	Net Plant ($mill)	**8000**
7.5%	7.4%	7.9%	8.9%	10.1%	7.4%	5.6%	6.6%	7.5%	**5.7%**	**5.7%**	**6.0%**	Return on Total Cap'l	**6.5%**
16.0%	14.5%	15.2%	16.2%	14.3%	11.8%	8.9%	11.2%	12.7%	12.4%	**12.5%**	**12.5%**	Return on Shr. Equity	**12.5%**
16.0%	14.5%	15.2%	16.2%	14.3%	11.8%	8.9%	11.2%	12.7%	12.4%	**12.5%**	**12.5%**	Return on Com Equity	**12.5%**
9.4%	8.7%	9.5%	10.9%	8.9%	6.0%	3.6%	6.1%	7.6%	7.0%	**7.0%**	**7.5%**	Retained to Com Eq	**8.0%**
41%	40%	38%	33%	38%	49%	60%	45%	40%	44%	**44%**	**41%**	All Div'ds to Net Prof	**37%**

CAPITAL STRUCTURE as of 12/31/15
Total Debt $4066.1 mill. **Due in 5 Yrs** $2124 mill.
LT Debt $3422.4 mill. **LT Interest** $242 mill.
(Total interest coverage: 4.2x)

Leases, Uncapitalized Annual rentals $73.4 mill.
Pension Assets-9/15 $472 mill. **Oblig.** $466 mill.

Pfd Stock None

Common Stock 171,914,720 shares
as of 1/31/16

MARKET CAP: $6.2 bill. (Mid. Cap)

CURRENT POSITION ($MILL.)	2014	2015	12/31/15
Cash Assets	419.5	369.7	403.0
Other	1243.5	1090.1	1271.0
Current Assets	1663.0	1459.8	1674.0
Accts Payable	459.8	392.9	423.3
Debt Due	288.0	447.9	643.7
Other	683.1	838.1	844.7
Current Liab.	1430.9	1678.9	1911.7
Fix. Chg. Cov.	338%	338%	340%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '19-'21
Revenues	7.0%	3.0%	2.0%
"Cash Flow"	9.0%	7.5%	4.5%
Earnings	8.0%	3.0%	4.5%
Dividends	7.0%	8.0%	4.0%
Book Value	13.5%	10.0%	6.5%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	2018	2542	1374	1259	7194.7
2014	2316	3163	1486	1311	8277.3
2015	2005	2456	1148	1082	6691.1
2016	1607	**2660**	**1350**	**1283**	**6900**
2017	**1735**	**2785**	**1475**	**1405**	**7400**

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	.60	.99	.09	d.09	1.59
2014	.70	1.23	.10	d.11	1.92
2015	.66	1.23	.03	.01	2.01
2016	.64	**1.31**	**.11**	**d.01**	**2.05**
2017	**.69**	**1.36**	**.16**	**.04**	**2.25**

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.175	.175	.18	.18	.71
2013	.18	.18	.19	.19	.74
2014	.19	.19	.20	.22	.80
2015	.22	.22	.23	.23	.90
2016	.23				

BUSINESS: UGI Corp. operates six business segments: AmeriGas Propane (accounted for 21.7% of net income in 2015), UGI International (18.8%), Gas Utility (41.2%), Midstream & Marketing (38.8%), and Corp. & Other -21%. UGI Utilities distributes natural gas and electricity to over 617,000 customers mainly in Pennsylvania; 27%-owned AmeriGas Partners is the largest U.S. propane marketer, serving about 1.3 million users in 50 states. Acquired remaining 80% interest in Antargaz (3/04); Energy Transfer Partners (1/12). Wellington Management Co. holds 9.6% of stock; officers/dir., about 3% (12/15 proxy). Has 8,500 empls. CEO: John L. Walsh. Inc.: PA. Address: 460 N. Gulph Rd., King of Prussia, PA 19406. Telephone: 610-337-1000. Internet: www.ugicorp.com.

UGI Corp. is facing a difficult operating environment this year. Many companies in this space have been getting hurt by the downturn in commodity prices. This is evident in the almost 20% year-over-year decline in UGI's revenues, to roughly $1.6 billion in the December quarter. The AmeriGas Propane, UGI Utilities, and Midstream & Marketing divisions all registered year-over-year drops in their respective contributions to the top line. This can partially be attributed to the unseasonably warmer-than-normal weather patterns in UGI's service territory. Temperatures have been approximately 25% higher than normal, which is obviously weighing on customer usage. On the upside, the UGI International segment has been getting a boost from last year's purchase of the Total LPG Distribution business in France (Totalgaz), now called Finigaz. The integration of those operations is progressing nicely, and that unit contributed about $145 million in incremental revenues last quarter. On the profitability front, although the reduced commodity prices hurt the top line, they also helped to lower costs; total operating expenses fell 14.8% as a percentage of the top line. Combined, these factors equated to a modest 3% bottom-line decline, to $0.64 a share. However, this was lower than we previously anticipated.

Consequently, we have trimmed a dime off our fiscal 2016 (ends September 30th) earnings estimate, to $2.05 a share. This would represent a minimal rise of about 2% for the year. The continual shrinking spread between natural gas and heating oil is weighing on consumers' decisions to switch to propane. That said, UGI was successful in adding more than 5,400 new residential heating and commercial customers in the first quarter. The expansion of its liquid natural gas peaking capabilities augurs well for its Midstream & Marketing arm. Finally, infrastructure enhancement and capital growth projects should position UGI for healthy long-term earnings growth. We have introduced our fiscal 2017 top- and bottom-line estimates at $7.4 billion and $2.25 a share, respectively.

At this juncture, these neutrally ranked shares appear fully valued.

Bryan J. Fong *March 4, 2016*

(A) Fiscal year ends Sept. 30. Quarterly sales and earnings may not sum to total due to rounding and/or change in share count. (B) Diluted earnings. Excludes nonrecur. items: '99, 13¢; '01, d1¢; '03, 22¢; '04, d6¢; '05, 3¢; '06, 5¢; '07, 12¢. Next egs. report due late April. (C) Dividends historically paid in early Jan., April, July, and Oct. ■ Div. reinvest. plan available. (D) Incl. intang. At 9/15: $3,564 mill., $20.61/sh. (E) In mill., adjusted for stock splits.

Company's Financial Strength	B++
Stock's Price Stability	85
Price Growth Persistence	85
Earnings Predictability	75

WGL HOLDINGS NYSE-WGL

RECENT PRICE	67.67	P/E RATIO	21.5 (Trailing: 21.2; Median: 15.0)	RELATIVE P/E RATIO	1.27	DIV'D YLD	2.9%	VALUE LINE

TIMELINESS 2 Raised 2/19/16

SAFETY 1 Raised 4/2/93

TECHNICAL 3 Raised 2/5/16

BETA .80 (1.00 = Market)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
High:	34.8	33.6	35.9	37.1	35.5	40.0	45.0	45.0	47.0	56.8	65.6	69.1
Low:	28.8	27.0	29.8	22.4	28.6	31.0	34.7	36.0	38.0	35.4	50.9	60.0

2019-21 PROJECTIONS

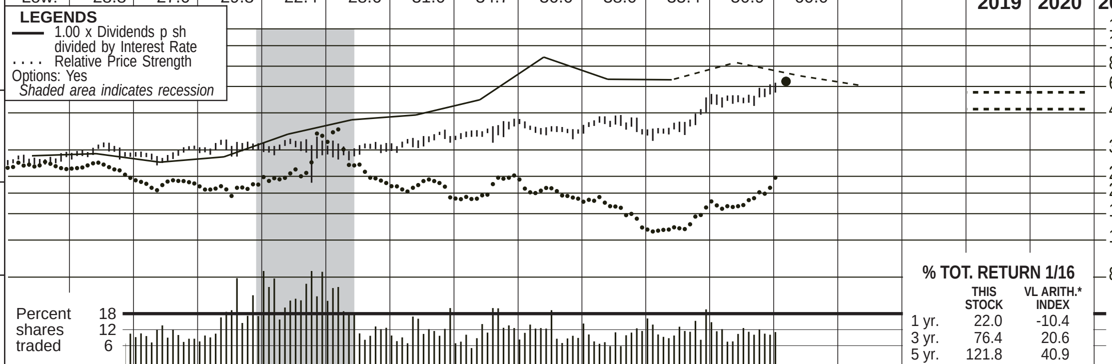
	Price	Gain	Ann'l Total Return
High	60	(-10%)	*Nil*
Low	50	(-25%)	*-4%*

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	13	0	0
to Sell	0	0	0	0	0	1	1	0	0

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	116	117	109
to Sell	99	104	113
Hld's(000)	31712	32440	32753



% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	22.0	-10.4
3 yr.	76.4	20.6
5 yr.	121.8	40.9

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
22.19	29.80	32.63	42.45	42.93	44.94	53.96	53.51	52.65	53.98	53.60	53.75	47.07	47.70	53.73	53.42	*52.00*	*54.00*	Revenues per sh A	*59.00*
3.20	3.24	2.63	4.00	3.87	3.97	3.84	3.89	4.34	4.44	4.11	4.01	4.53	4.29	4.80	5.60	*5.65*	*5.80*	"Cash Flow" per sh	*6.45*
1.79	1.88	1.14	2.30	1.98	2.13	1.94	2.09	2.44	2.53	2.27	2.25	2.68	2.31	2.68	3.16	*3.15*	*3.20*	Earnings per sh B	*3.55*
1.24	1.26	1.27	1.28	1.30	1.32	1.35	1.37	1.41	1.47	1.50	1.55	1.59	1.66	1.72	1.83	*1.87*	*1.93*	Div'ds Decl'd per sh C■	*2.03*
2.67	2.68	3.34	2.65	2.33	2.32	3.27	3.33	2.70	2.77	2.57	3.94	4.87	6.04	7.63	9.32	*16.70*	*18.00*	Cap'l Spending per sh	*21.00*
15.31	16.24	15.78	16.25	16.95	17.80	18.86	19.83	20.99	21.89	22.82	23.49	24.64	24.65	24.08	24.97	*26.40*	*27.65*	Book Value per sh D	*31.80*
46.47	48.54	48.56	48.63	48.67	48.65	48.89	49.45	49.92	50.14	50.54	51.20	51.52	51.70	51.76	49.79	*50.00*	*50.00*	Common Shs Outst'g E	*50.00*
14.6	14.7	23.1	11.1	14.2	14.7	15.5	15.6	13.7	12.6	15.1	17.0	15.3	18.2	15.2	17.0	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
.95	.75	1.26	.63	.75	.78	.84	.83	.82	.84	.96	1.07	.97	1.02	.80	.93	*Value Line*		Relative P/E Ratio	*.95*
4.8%	4.6%	4.8%	5.0%	4.6%	4.2%	4.5%	4.2%	4.2%	4.6%	4.4%	4.1%	3.9%	3.9%	4.2%	3.4%	*estimates*		Avg Ann'l Div'd Yield	*4.0%*

CAPITAL STRUCTURE as of 12/31/15
Total Debt $1498.5 mill. **Due in 5 Yrs** $225.0 mill.
LT Debt $945.6 mill. **LT Interest** $50.5 mill.
(LT interest earned: 6.2x; total interest coverage: 5.7x) (43% of Total Capital)
Pension Assets-9/15 $1,218.7 mill. **Oblig.** $1,218.7 mill.
Preferred Stock $28.2 mill. **Pfd. Div'd** $1.3 mill.

Common Stock 49,847,937 shs. **as of 1/31/16**

MARKET CAP: $3.4 billion (Mid Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
2637.9	2646.0	2628.2	2706.9	2708.9	2751.5	2425.3	2466.1	2780.9	2659.8	*2600*	*2700*	Revenues ($mill) A	*2950*
96.0	102.9	122.9	128.7	115.0	115.5	138.4	119.7	139.0	158.2	*158*	*160*	Net Profit ($mill)	*175*
39.0%	39.1%	37.1%	39.1%	38.7%	42.4%	40.1%	30.2%	29.0%	*39.0%*	*39.0%*	*39.0%*	Income Tax Rate	*39.0%*
3.6%	3.9%	4.7%	4.8%	4.2%	4.2%	5.7%	4.9%	5.0%	6.0%	*6.1%*	*6.0%*	Net Profit Margin	*6.0%*
37.8%	37.9%	35.9%	33.3%	33.4%	32.3%	31.2%	28.7%	34.8%	42.6%	*42.5%*	*44.0%*	Long-Term Debt Ratio	*48.0%*
60.4%	60.3%	62.4%	65.0%	65.0%	66.2%	67.3%	69.8%	63.8%	56.1%	*56.0%*	*55.0%*	Common Equity Ratio	*51.0%*
1526.1	1625.4	1679.5	1687.7	1774.4	1818.1	1886.9	1826.8	1954.0	2215.6	*2345*	*2510*	Total Capital ($mill)	*3120*
2067.9	2150.4	2208.3	2269.1	2346.2	2489.9	2667.4	2907.5	3314.4	3672.7	*4070*	*4510*	Net Plant ($mill)	*6135*
7.6%	7.6%	8.5%	8.8%	7.6%	7.5%	8.3%	7.5%	8.1%	*8.3%*	*8.0%*	*8.0%*	Return on Total Cap'l	*7.0%*
10.1%	10.2%	11.4%	11.4%	9.7%	9.4%	10.7%	9.2%	10.9%	12.7%	*12.0%*	*11.5%*	Return on Shr. Equity	*11.0%*
10.3%	10.4%	11.6%	11.6%	9.9%	9.5%	10.8%	9.3%	11.0%	12.7%	*12.0%*	*11.5%*	Return on Com Equity	*11.0%*
3.2%	3.5%	5.0%	5.0%	3.3%	3.4%	4.8%	2.6%	4.3%	5.4%	*5.0%*	*4.5%*	Retained to Com Eq	*4.5%*
69%	66%	57%	57%	67%	64%	56%	72%	62%	57%	*59%*	*60%*	All Div'ds to Net Prof	*57%*

CURRENT POSITION ($MILL.)	2014	2015	12/31/15
Cash Assets	8.8	6.7	15.8
Other	826.7	774.7	902.2
Current Assets	835.5	781.4	918.0
Accts Payable	313.2	325.1	309.3
Debt Due	473.5	357.0	552.9
Other	233.6	300.8	318.7
Current Liab.	1020.3	982.9	1180.9
Fix. Chg. Cov.	535%	535%	535%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '19-'21
Revenues	2.5%	-1.5%	*2.5%*
"Cash Flow"	2.5%	1.5%	*5.0%*
Earnings	3.5%	1.5%	*5.0%*
Dividends	2.5%	3.0%	*2.5%*
Book Value	4.0%	3.0%	*4.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	686.7	891.4	478.1	409.9	2466.1
2014	680.5	1174.0	467.5	458.9	2780.9
2015	749.2	1001.7	441.2	467.7	2659.8
2016	613.4	*1055*	*450*	*481.6*	*2600*
2017	*640*	*1080*	*475*	*505*	*2700*

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	1.14	1.75	d.03	d.55	2.31
2014	.99	1.84	.02	d.17	2.68
2015	1.16	2.02	.22	d.23	3.16
2016	1.18	*2.00*	*.21*	*d.24*	*3.15*
2017	*1.20*	*2.01*	*.22*	*d.23*	*3.20*

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.39	.40	.40	.40	1.59
2013	.40	.42	.42	.42	1.66
2014	.42	.44	.44	.44	1.74
2015	.44	.463	.463	.463	
2016	.463	.488			

BUSINESS: WGL Holdings, Inc. is the parent of Washington Gas Light, a natural gas distributor in Washington, D.C. and adjacent areas of VA and MD to resident'l and comm'l users (1,129,865 meters). Hampshire Gas, a federally regulated sub., operates an underground gas-storage facility in WV. Non-regulated subs.: Wash. Gas Energy Svcs. sells and delivers natural gas and provides energy-related products in the D.C. metro area; Wash. Gas Energy Sys. designs/installs comm'l heating, ventilating, and air cond. systems. BlackRock, Inc. owns 8.7% of common stock; Off./dir. less than 1% (1/16 proxy). Chrmn. & CEO: Terry D. McCallister. Inc.: D.C. and VA. Addr.: 101 Const. Ave., N.W., Washington, D.C. 20080. Tel.: 202-624-6410. Internet: www.wglholdings.com.

Since our December review, shares of WGL Holdings are trading about 10% higher in price. This likely reflects the better-than-expected December-period bottom line. In comparison, the S&P 500 declined almost 8% over this same period.

Meanwhile, the company did post somewhat mixed financial results for its fiscal first quarter (ended December 31st). On the downside, revenues declined 18%, due to double-digit decreases in both utility and nonutility volumes. On the upside, operating expenses fell 290 basis points as a function of the top line. After accounting for a 3.6% reduction in the company's income tax expense, the bottom line managed a modest increase, to $1.18 a share. This was $0.02 higher than our earlier call, which prompted us to raise our fiscal 2016 (ends September 30th) earnings estimate, to $3.15 a share. This also falls nicely within management's guidance range of $3.00-$3.20. Meantime, we have introduced our fiscal 2017 top- and bottom-line estimates at $2.7 billion and $3.20 a share, respectively. Growth ought to be fueled by new customer accounts (WGL is up about 12,500 from last year's first quarter), as well as from capital projects intended to widen its pipeline system. For example, the Constitution Pipeline is expected in service by the end of this year. Investments in the Central Penn Line and Mountain Valley Pipeline, as well as a proposed rate case in Virginia, are all interesting developments.

The financial position is in good shape and improving. The long-term debt load has remained stable and accounts for about 43% of total capital. Note that the company gets a high mark (A) for Financial Strength. What's more, the board recently approved a roughly 5.5% hike in the quarterly dividend, to $0.4875. Nonetheless, while this is encouraging, WGL does not stand out for its dividend yield when viewed against the natural gas utility industry average.

At the moment, these high-quality shares may appeal to momentum accounts. However, WGL stock is trading above our 3- to 5-year Target Price Range, suggesting it lacks appreciation potential over that time frame.

Bryan J. Fong *March 4, 2016*

(A) Fiscal years end Sept. 30th.
(B) Based on diluted shares. Excludes nonrecurring losses: '01, (13¢); '02, (34¢); '07, (4¢); '08, (14¢) discontinued operations: '06, (15¢). Qtly egs. may not sum to total, due to change in shares outstanding. Next earnings report due late April. (C) Dividends historically paid early February, May, August, and November. ■ Dividend reinvestment plan available.
(D) Includes deferred charges and intangibles. '15: $705.8 million, $14.18/sh.
(E) In millions.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	50
Earnings Predictability	75

Stocks in *Value Line's* Natural Gas Utility Industry have performed nicely thus far in 2016. (Some were even trading at record-high price levels at the time of this writing.) We believe one factor is expectations of generally decent earnings in 2016. Too, during this period of greater financial market uncertainty (caused by concerns over such matters as persistently low oil prices and China's decelerating economy) the equities in our category appear more enticing than those of other sectors. That's largely because they offer well-covered, generous amounts of dividend income, which provide a measure of much-needed stability. What's more, there are some selections here that are favorably ranked for Timeliness, not a common occurrence since their historical price movements have tended to be steady.

INDUSTRY TIMELINESS: 18 (of 97)

Natural Gas Pricing

Natural gas prices have hovered at relatively low levels for some time. One reason for that is a supply glut created, in part, by fracking activities in North America. (Hydraulic fracturing, a controversial procedure, involves the injection of fluid into rock formations at high pressure in order to free up natural resources.) Warmer-than-usual temperatures during the important winter season are not helping matters, either, because they have held back demand. At this juncture, it seems that natural gas prices will remain under pressure.

Although the low gas pricing bodes ill for the operating performance of companies that produce this commodity, regulated utility units generally benefit. That's partially because this scenario tends to lead to decreased prices for customers, which might well decrease bad-debt expense. Moreover, there is a heightened possibility that homeowners will switch from alternative fuel sources, such as oil or propane, to natural gas. (At present, it's estimated that more than 50% of all households within the United States use natural gas.)

Rate Cases

Rate filings are a very important factor for natural gas utilities. Federal authorities establish wholesale service tariffs, and state regulators determine retail distribution rates. Adequate returns on common equity are necessary to keep these businesses viable. Higher rates are sought to pay for the cost of expansion, storm damage, and/or to cover the expenses of maintaining reliable service. In order to promote healthy relationships with customers and regulators, managements endeavor to keep operating and service costs as low as possible. At times, however, political pressure can compel authorities to limit rates of return, to the detriment of utility companies. But for the most part, regulators desire to strike an equitable balance between the interests of shareholders and customers. When the regulatory environment is relatively quiet, utilities may place greater emphasis on cost-reduction measures and nonregulated businesses (discussed below).

Nonregulated Activities

Some of the companies in our category have devoted considerable resources to the nonregulated arena (which includes pipelines and energy marketing & trading) and it appears that trend will continue in the coming years. Indeed, these businesses provide opportunities for utilities to widen their revenue streams. And the fact that nonregulated segments can provide upside to earnings per share is notable, given that the return on equity is set by the regulatory state commissions (typically in the 10%-12% range) on the regulated divisions.

Attractive Dividends

The main feature of utility equities is their dividend income, which is well covered by corporate profits. (It's important to mention that the Financial Strength ratings for the 12 companies in our universe are no lower than B+.) At the time of this report, the average yield for the group was approximately 3.0%, significantly higher than the *Value Line* median of 2.5%. Standouts include *Southwest Gas*, *Northwest Natural Gas*, *Laclede Group*, *AGL Resources*, and *South Jersey Industries*. When the financial markets exhibit heightened volatility, which appears to be more common these days, solid dividend yields tend to act as an anchor, so to speak.

Conclusion

Stocks within the Natural Gas Utility Industry ought to draw the attention of income-hungry investors with a conservative orientation, given that a number of these issues are ranked favorably for Safety and boast high grades for Price Stability. Momentum accounts (i.e., those focused on short-term investment performance) should find something to like here, as well. It is important to mention that companies possessing larger nonregulated operations might offer a higher potential for returns, but profits could be more volatile than for companies with a greater emphasis on the more stable utility segment. As always, our readers are advised to carefully examine the following reports before making a commitment.

Frederick L. Harris, III