

D E A R B O R N

P A R T N E R S

On April 24, 2018, Travelers Companies, Inc. (TRV) announced that its Board of Directors approved a 6.9% increase in its quarterly cash dividend per share to \$0.77 (\$3.08 annually) from \$0.72 (\$2.88 annually). The dividend is payable on June 29, 2018 to shareholders of record on June 8, 2018.

From the press release: “We were pleased to report first quarter core income of \$678 million, up 10% over the prior year quarter, and core return on equity of 11.9%, particularly in light of yet another unusually high level of first quarter catastrophe losses,” commented Alan Schnitzer, Chairman and Chief Executive Officer. “We delivered strong underlying underwriting results, including an underlying combined ratio of 92.4%, while achieving record first quarter net earned premiums and improvement in the expense ratio. Our investment portfolio continued to perform well, with income from our fixed income investment portfolio increasing for the first time in a decade due to higher average invested assets and an improved interest rate environment. In the quarter, we returned \$598 million of excess capital to shareholders, including \$401 million of share repurchases. I am pleased to announce that our Board of Directors declared a 7% increase in our quarterly cash dividend to \$0.77 per share, marking 14 consecutive years of dividend increases with a compound annual growth rate of about 10% over that period. Our first quarter performance is an encouraging start to the year, and we’re making important progress on our innovation agenda to ensure that our competitive advantages continue to set us apart. In short, our 30,000 employees, our most significant competitive advantage, are driving the *perform and transform imperative* that I discussed in my annual letter to shareholders. We remain well positioned to continue to deliver superior returns over time.”

The Travelers Companies, Inc. is a leading provider of property casualty insurance for auto, home and business. A component of the Dow Jones Industrial Average, Travelers has approximately 30,000 employees and generated revenues of approximately \$29 billion in 2017.

Also on April 24, 2018, International Business Machines Corporation (IBM) announced that its Board of Directors approved a 4.7% increase in its quarterly cash dividend per share to \$1.57 (\$6.28 annually) from \$1.50 (\$6.00 annually). The dividend is payable on June 9, 2018 to shareholders of record May 10, 2018.

From the press release: This is the 23rd year in a row that IBM has increased its quarterly cash dividend. IBM has paid consecutive quarterly dividends since 1916.

Ginni Rometty, IBM chairman, president and chief executive officer said, "IBM has tripled our quarterly dividend per share during the last decade. Our strong financial position allows IBM to invest aggressively in our high-value strategic businesses, in addition to returning money to our shareholders."

International Business Machines Corporation was incorporated in the State of New York on June 16, 1911, as the Computing-Tabulating-Recording Co. (C-T-R), a consolidation of the Computing Scale Co. of America, the Tabulating Machine Co. and The International Time Recording Co. of New York. Since that time, IBM has focused on the intersection of business insight and technological innovation, and its operations and aims have been international in nature. This was signaled in 1924, when C-T-R changed its name to International Business Machines Corporation. IBM solutions typically create value by enabling new capabilities for clients that transform their businesses and help them engage with their customers and employees in new ways. These solutions draw from an industry-leading portfolio of consulting and IT implementation services, cloud and cognitive offerings, and enterprise systems and software; all bolstered by one of the world's leading research organizations.

Travelers is in the Financial sector of our Dearborn Partners Core Rising Dividend separately managed account (SMA) portfolio. IBM is in the Information Technology sector of both our Dearborn Partners Core Rising Dividend and High & Rising Dividend SMAs. So far this year, 21 of 49 companies in our Core Rising Dividend portfolio have announced 23 dividend increases averaging about 13.1% more than these companies paid a year earlier, and 14 of 25 companies in our High & Rising Dividend portfolio have announced 16 dividend increases averaging about 9.3% more than these companies paid a year earlier.

Thank you for your interest in our Dearborn Partners Rising Dividend Strategy.

There is no assurance that any Rising Dividend portfolio company will increase its dividend, or not reduce its dividend, or not have a significant decrease in its stock price. All investing involves risk.