

# D E A R B O R N

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## P A R T N E R S

After only two quarters, on July 26, 2018, Union Pacific Corporation (UNP) announced another dividend increase to \$0.80 per share (\$3.20 annually). This dividend increase is 9.6% more than the quarterly cash dividend per share of \$0.73 (\$2.92 annually) that Union Pacific has paid the last two quarters, but it is 32.2% more than the \$0.605 (\$2.42 annually) paid a year earlier. This just-announced cash dividend will be paid on September 28, 2018 to holders of record of Union Pacific's common stock as of August 31, 2018. Union Pacific paid \$0.075 for 13 consecutive quarters from January 2004 to January 2007. Since then, the company has increased its dividend 16 times and for 12 consecutive years.

From the press release: "I am pleased to report that we have raised our dividend by nearly one-third over the past year, keeping pace with the growth in our earnings per share," said Chief Financial Officer Rob Knight. "This increase is consistent with our plans to raise cash returns for our shareholders."

Union Pacific has paid dividends on its common stock for 119 consecutive years.

Union Pacific Railroad is the principal operating company of Union Pacific Corporation. One of America's most recognized companies, Union Pacific Railroad connects 23 states in the western two-thirds of the country by rail, providing a critical link in the global supply chain. In the past 10 years, 2008-2017, Union Pacific invested approximately \$34 billion in its network and operations to support America's transportation infrastructure. The railroad's diversified business mix includes Agricultural Products, Energy, Industrial and Premium. Union Pacific serves many of the fastest-growing U.S. population centers, operates from all major West Coast and Gulf Coast ports to eastern gateways, connects with Canada's rail systems and is the only railroad serving all six major Mexico gateways. Union Pacific provides value to its roughly 10,000 customers by delivering products in a safe, reliable, fuel-efficient and environmentally responsible manner.

Also on July 26, 2018, Republic Services, Inc. (RSG) announced that its Board of Directors approved an 8.7% increase in its quarterly cash dividend per share to \$0.375 (\$1.50 annually) from \$0.345 (\$1.38 annually). The dividend is payable on October 15, 2018 to shareholders of record as of October 1, 2018.

From the company's press release: "We are pleased to raise our quarterly dividend 9 percent," said Donald W. Slager, president and chief executive officer. "This is the ninth consecutive year we've increased our dividend, demonstrating our confidence in future cash flows and commitment to increase cash returned to shareholders."

Republic Services, Inc. is an industry leader in U.S. recycling and non-hazardous solid waste. Through its subsidiaries, Republic's collection companies, recycling centers, transfer stations and landfills focus on providing effective solutions to make proper waste disposal effortless for its 14 million customers. *We'll handle it from here*™, the brand's promise, lets customers know they can count on Republic to provide a superior experience while fostering a sustainable Blue Planet™ for future generations to enjoy a cleaner, safer and healthier world.

Union Pacific Corp. and Republic Services, Inc. are in the Industrials sector of our Dearborn Partners Core Rising Dividend separately managed account (SMA) portfolio. So far this year, 30 of the 49 companies in this portfolio have announced 36 dividend increases. The average of these dividend increases is about 12.9% more than these companies paid a year earlier.

Republic Services, Inc. is also in the Industrials sector of our Dearborn Partners High & Rising Dividend SMA portfolio. So far this year, 16 of 25 companies in this portfolio have announced 20 dividend increases averaging about 8.8% more than these particular companies paid a year earlier.

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

*This presentation is not a complete description of, nor a recommendation to invest in, any investment strategy (the "Strategy") mentioned herein. It is for informational purposes only and does not constitute an offer to sell nor a solicitation to buy, is not a recommendation regarding any securities transaction, nor is it an offer to provide advisory or other services by Dearborn Partners, L.L.C. The information contained in this writing should not be construed as financial or investment advice on any subject matter. Past performance is no guarantee of future results. There is no assurance the Strategy will be profitable, achieve its objectives, be suitable for you, or not incur losses. Some of the information herein has been obtained from third party sources. We believe such information is reliable but we have not in each case verified its accuracy or completeness. Any opinions herein are as of the date of this report and are subject to change without notice. Dividends are not guaranteed and must be authorized by the company's board of directors. 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. Dearborn Partners L.L.C. is an investment adviser registered under the Investment Advisers Act of 1940, as amended. Registration does not imply a certain level of skill or training.*