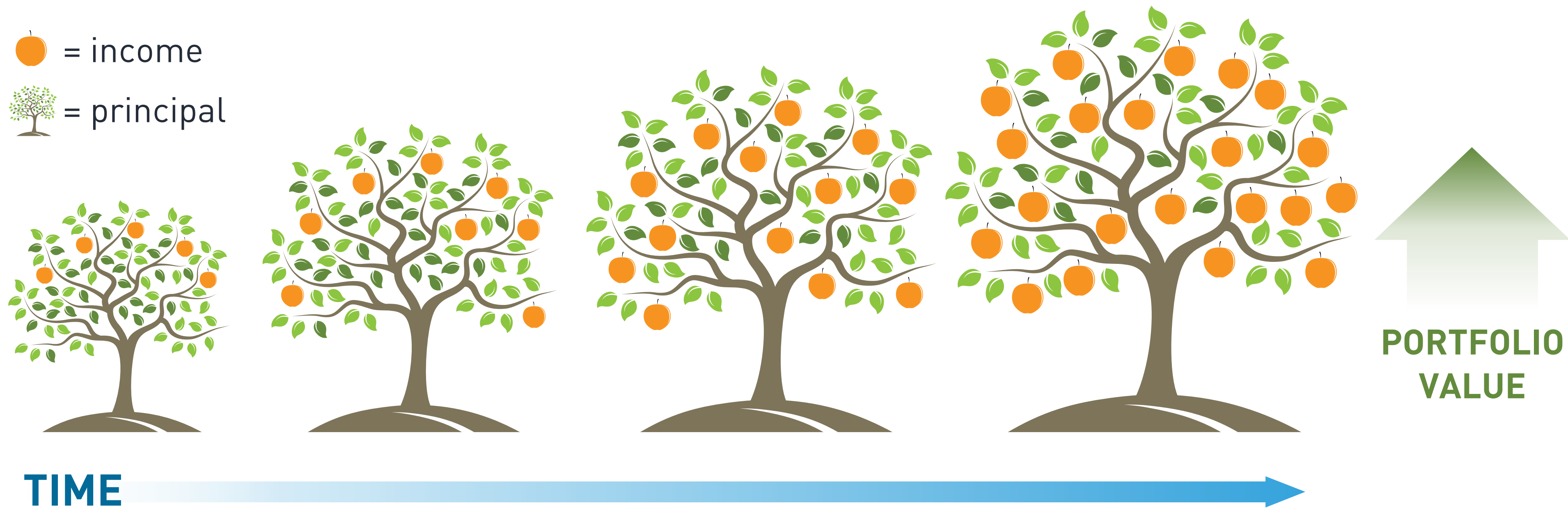
WHY INCOME GROWTH MATTERS

We have **never** met a client who doesn't like **more** income!

brought to you by:
Bahl&Gaynor
Investment Counsel

1. Growth of Income and Principal

Dividend Growth Portfolio

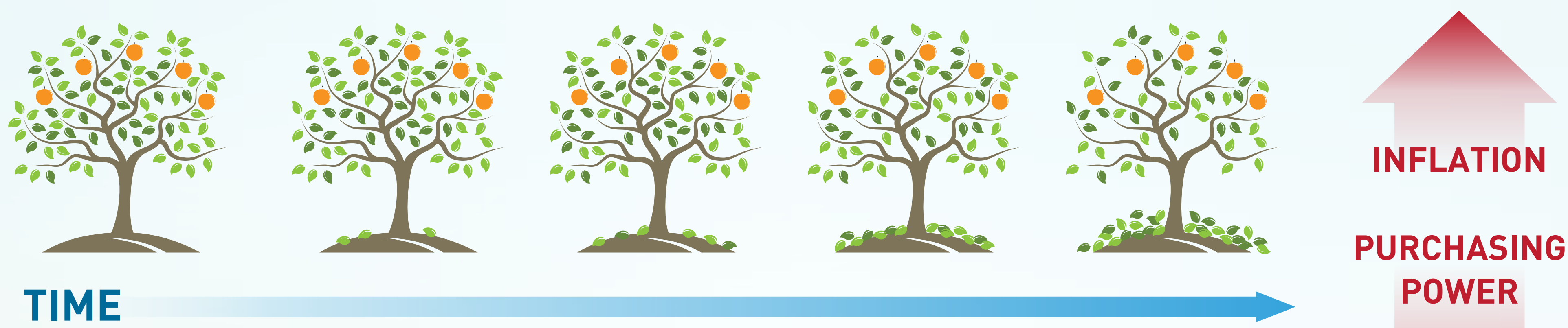


A portfolio of dividend growth stocks **should generate rising income each year** – even if you spend ALL of your income.

A dividend growth portfolio is an equity portfolio, so the value of equity holdings have the ability to rise over time in conjunction with underlying firm revenue, earnings and dividends.

VS.

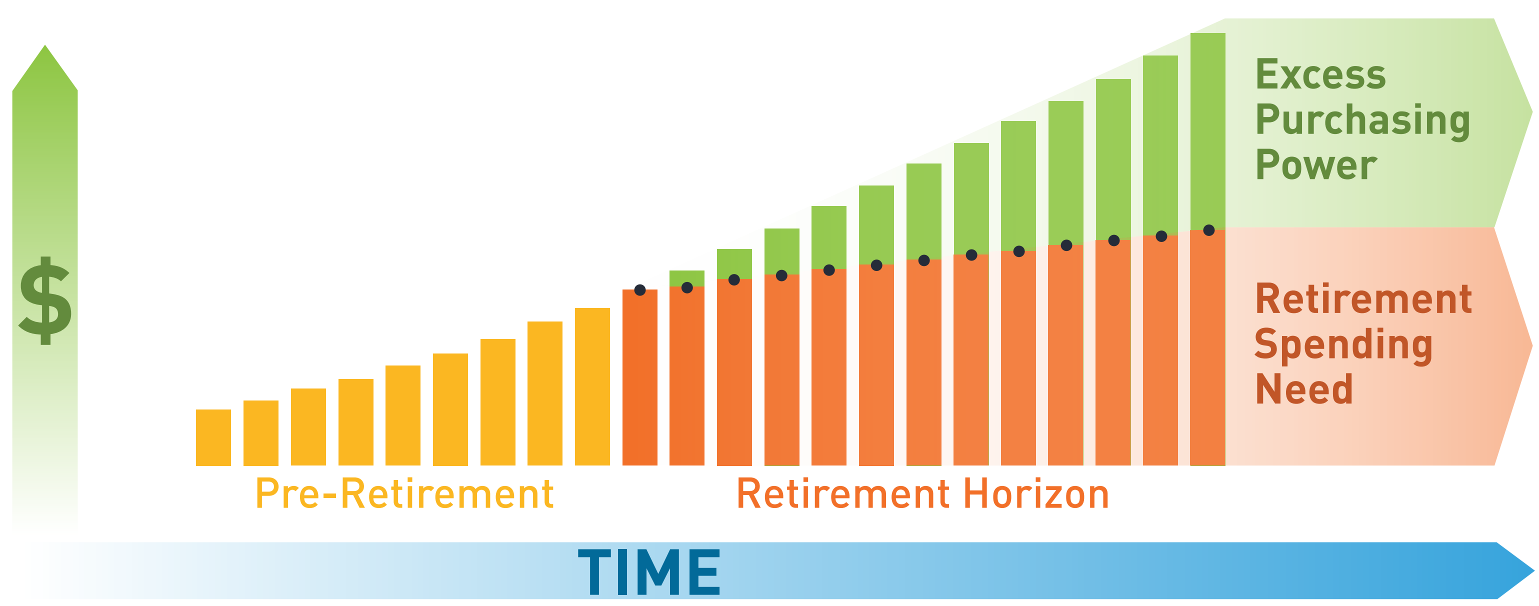
Bond Portfolio



A bond portfolio can provide stable income, but purchasing power of the income erodes over time because of inflation. Further, income in a bond portfolio can only grow if some income is reinvested (cannot spend all income) or interest rates rise as bonds mature (unpredictable and bad for principal value).

A bond portfolio should provide stable principal value over time, but purchasing power erodes due to inflation. Principal value can only grow if interest rates fall further (unlikely) or unspent income is reinvested (difficult in a low interest rate environment).

2. Dividend Growth Portfolio Yield on Cost



- A dividend growth portfolio **provides a rising yield** on the investor's original investment, or yield on cost.
- A rising yield on cost can grow to **meet, and even exceed future distribution needs.**
- A rising yield on cost also **protects against inflation** over time.
- None of these things are easily achieved through other asset classes, especially bonds.
- Accumulated excess purchasing power can be leveraged to achieve other investor objectives, such as estate goals, lifestyle enhancement or merely peace of mind.

See how Bahl & Gaynor can help to grow your yield on cost through our dividend growth strategies and visit www.bahl-gaynor.com