

# PROCTER & GAMBLE NYSE-PG

RECENT PRICE **69.97**

P/E RATIO **17.7** (Trailing: 17.9; Median: 20.0)

RELATIVE P/E RATIO **1.15**

DIV'D YLD **3.2%**

VALUE LINE

**TIMELINESS** 3 Lowered 12/28/12  
**SAFETY** 1 Raised 1/11/02  
**TECHNICAL** 3 Lowered 11/23/12  
**BETA** .60 (1.00 = Market)

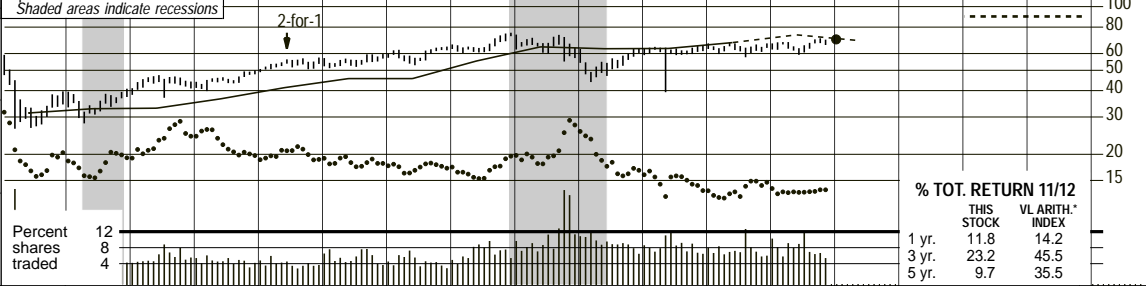
High: 40.9 47.4 50.0 57.4 59.7 64.7 75.2 73.8 63.5 65.4 67.7 71.0  
 Low: 28.0 37.0 39.8 48.9 51.2 52.8 60.4 54.9 43.9 39.4 57.6 59.1

**LEGENDS**  
 — 13.0 x "Cash Flow" p sh  
 .... Relative Price Strength  
 2-for-1 split 6/04  
 Options: Yes  
 Shaded areas indicate recessions

**2015-17 PROJECTIONS**  
 Price Gain Ann'l Total  
 High 110 (+55%) 15%  
 Low 90 (+30%) 10%

**Insider Decisions**  
 F M A M J J A S O  
 to Buy 0 0 1 0 0 0 0 0 1  
 Options 4 0 0 1 0 2 12 0 0  
 to Sell 5 0 0 1 0 0 10 0 0

**Institutional Decisions**  
 10/2012 20/2012 30/2012  
 to Buy 666 660 600  
 to Sell 803 811 855  
 Hld's (000) 155712714296601557616



1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
12.87	13.24	13.89	14.44	15.30	15.14	15.47	16.72	20.21	22.95	21.46	24.42	27.53	27.09	27.81	29.85	30.45	30.90	Sales per sh <sup>A</sup>	37.40
1.57	1.78	1.97	2.34	2.41	2.53	2.55	2.82	3.18	3.51	3.51	4.25	4.97	4.86	4.87	5.21	5.20	5.30	"Cash Flow" per sh	7.50
1.07	1.14	1.28	1.43	1.48	1.56	1.80	2.04	2.32	2.53	2.64	3.04	3.64	3.58	3.53	3.93	3.85	3.95	Earnings per sh <sup>AB</sup>	6.00
.40	.45	.51	.57	.64	.70	.76	.82	.93	1.03	1.15	1.28	1.45	1.64	1.80	1.97	2.14	2.29	Div'ds Decl'd per sh <sup>C</sup>	3.00
.79	.79	.96	1.07	1.16	.96	.65	.57	.80	.88	.84	.94	1.00	1.11	1.08	1.20	1.44	1.40	Cap'l Spending per sh	1.30
3.59	3.77	3.89	3.89	4.04	3.98	4.64	5.63	6.19	6.47	19.33	20.87	22.46	21.18	21.20	24.14	22.87	24.50	Book Value per sh <sup>D</sup>	29.75
2742.4	2701.6	2674.9	2639.6	2611.7	2591.5	2601.5	2594.4	2543.8	2472.9	3178.8	3131.9	3032.7	2917.0	2838.5	2765.7	2748.0	2725.0	Common Shs Outst'g <sup>E</sup>	2590.0
19.0	24.1	30.8	30.8	29.7	21.4	22.4	21.6	21.3	21.5	21.5	20.5	18.6	16.4	17.0	16.0	16.7		Avg Ann'l P/E Ratio	16.5
1.19	1.39	1.60	1.76	1.93	1.10	1.22	1.23	1.13	1.14	1.16	1.09	1.12	1.09	1.08	1.00	1.06		Relative P/E Ratio	1.10
2.00	1.66	1.36	1.36	1.56	2.16	1.96	1.96	1.96	1.96	2.06	2.16	2.16	2.86	3.06	3.16	3.36		Avg Ann'l Div'd Yield	3.00%

**CAPITAL STRUCTURE as of 9/30/12**  
 Total Debt \$31.9 bill. Due in 5 Yrs \$15.0 bill.  
 LT Debt \$23.6 bill. LT Interest \$700 mill.  
 (27% of Capital)  
 Leases, Uncapitalized Annual Rentals \$289 mill.  
 Pension Assets-6/12 \$8.0 bill.  
 Oblig. \$13.6 bill.  
 Pfd Stock \$1170 mill. Pfd Div'd \$256 mill.  
 (As of 6/30/12, ESOP owns 62,016,000 Class A shares and 59,545,000 Class B shares; both series are convertible into common stock.)  
 Common Stock 2,734,230,540 shares  
 MARKET CAP: \$191 billion (Large Cap)

CURRENT POSITION	2010	2011	9/30/12
Cash Assets	2879	2768	5302
Receivables	5335	6275	6993
Inventory (FIFO)	6384	7379	7332
Other	4184	5548	4497
Current Assets	18782	21970	24124
Accts Payable	7251	8022	7498
Debt Due	8472	9981	8314
Other	8559	9290	9086
Current Liab.	24282	27293	24898

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12
of change (per sh)	10 Yrs.	5 Yrs.	'10-'12
Sales	6.5%	5.0%	5.0%
"Cash Flow"	7.5%	6.5%	7.0%
Earnings	9.0%	6.5%	8.5%
Dividends	11.0%	11.5%	9.0%
Book Value	18.5%	8.0%	7.0%

Fiscal Year Ends	QUARTERLY SALES (\$ mill.) <sup>A</sup>				Full Fiscal Year
	Sep.30	Dec.31	Mar.31	Jun.30	
2009	21582	20368	18417	18662	79029
2010	19807	21027	19178	18926	78938
2011	20122	21347	20230	20860	82559
2012	21530	21744	20194	20212	83680
2013	20739	21861	20625	20975	84200

Fiscal Year Ends	EARNINGS PER SHARE <sup>AB</sup>				Full Fiscal Year
	Sep.30	Dec.31	Mar.31	Jun.30	
2009	1.03	.94	.83	.78	3.58
2010	.97	1.01	.83	.71	3.53
2011	1.02	1.11	.96	.84	3.93
2012	1.01	1.09	.95	.82	3.85
2013	1.06	1.11	.94	.83	3.95

Cal- endar	QUARTERLY DIVIDENDS PAID <sup>■</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2008	.35	.40	.40	.40	1.55
2009	.40	.44	.44	.44	1.72
2010	.44	.482	.482	.482	1.89
2011	.482	.525	.525	.525	2.06
2012	.525	.562	.562	.562	

(A) Fiscal years end June 30th. (B) Based on average shares thru '96, diluted thereafter. Excludes nonrecurring: '99, (13¢); '00, (24¢); '01, (53¢); '02, (25¢); '03, (19¢); '08, (12¢); '09, (64¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10¢); '75, (10¢); '76, (10¢); '77, (10¢); '78, (10¢); '79, (10¢); '80, (10¢); '81, (10¢); '82, (10¢); '83, (10¢); '84, (10¢); '85, (10¢); '86, (10¢); '87, (10¢); '88, (10¢); '89, (10¢); '90, (10¢); '91, (10¢); '92, (10¢); '93, (10¢); '94, (10¢); '95, (10¢); '96, (10¢); '97, (10¢); '98, (10¢); '99, (10¢); '00, (10¢); '01, (10¢); '02, (10¢); '03, (10¢); '04, (10¢); '05, (10¢); '06, (10¢); '07, (10¢); '08, (10¢); '09, (10¢); '10, (10¢); '11, (10¢); '12, (10¢); '13, (10¢); '14, (10¢); '15, (10¢); '16, (10¢); '17, (10¢); '18, (10¢); '19, (10¢); '20, (10¢); '21, (10¢); '22, (10¢); '23, (10¢); '24, (10¢); '25, (10¢); '26, (10¢); '27, (10¢); '28, (10¢); '29, (10¢); '30, (10¢); '31, (10¢); '32, (10¢); '33, (10¢); '34, (10¢); '35, (10¢); '36, (10¢); '37, (10¢); '38, (10¢); '39, (10¢); '40, (10¢); '41, (10¢); '42, (10¢); '43, (10¢); '44, (10¢); '45, (10¢); '46, (10¢); '47, (10¢); '48, (10¢); '49, (10¢); '50, (10¢); '51, (10¢); '52, (10¢); '53, (10¢); '54, (10¢); '55, (10¢); '56, (10¢); '57, (10¢); '58, (10¢); '59, (10¢); '60, (10¢); '61, (10¢); '62, (10¢); '63, (10¢); '64, (10¢); '65, (10¢); '66, (10¢); '67, (10¢); '68, (10¢); '69, (10¢); '70, (10¢); '71, (10¢); '72, (10¢); '73, (10¢); '74, (10
---

**Procter & Gamble got off to a better-than-expected start this year (began July 1st).** Indeed, the branded consumer packaged goods maker reported sales of \$20.7 billion and earnings of \$1.06 a share, easily topping our estimates. More specifically, revenues slipped 4%, as organic growth of 2% was more than offset by six percentage points of unfavorable currency translation. We were looking for the top line to dip 5%. Prices were up across all five segments, and volumes held steady for the most part. This, coupled with manufacturing cost savings and lower SG&A expenses as a percentage of sales, boosted margins by a fair amount. Finally, P&G bought back \$2.6 billion worth of stock in the period, which helped propel share earnings forward by 5%. We were looking for share profits to dip 5%. **We have increased our fiscal 2013 estimates, but the song remains the same.** We added \$1.4 billion to our top-line call, and now look for sales to advance 1% this year (rather than decline 1%). It appears that we were too pessimistic about the company's near-term sales growth prospects, especially considering

accounted for 65% of fiscal 2012 top line; Wal-Mart Stores accounted for 14%. Has approximately 126,000 employees. Officer & directors own less than 1% of common stock (8/12 proxy). President, Chairman & CEO: Robert A. McDonald. Incorporated: Ohio. Address: One Procter & Gamble Plaza, Cincinnati, Ohio 45202. Telephone: 513-983-1100. Internet: www.pg.com.

the traction gained by recent pricing actions. Ongoing manufacturing cost-cutting and corporate expense-reduction efforts should help prop up margins, and aggressive stock repurchases should shore up share profits. Consequently, we added a nickel a share to our bottom-line target, which is just north of the mid-point of management's guidance range. **We think fiscal 2014 will be a bounce back year for P&G.** Although we will not officially introduce the estimates for another 13 weeks, we think a 4% sales gain is in the cards. The unfavorable currency translation that is dragging down most multinational corporations will probably have worked its way through by that time, and the global economy will likely be on better footing. We think more margin improvement and share-repurchase activity is probable, too, so we expect a 9% share-earnings gain. **This neutrally ranked blue chip is a stable choice for income-minded investors.** There is a lot to like about PG shares, but the above-average yield and low Beta coefficient stand out.

Erik A. Antonson

December 28, 2012

Company's Financial Strength	A++
Stock's Price Stability	100
Price Growth Persistence	50
Earnings Predictability	100

To subscribe call 1-800-833-0046.