October 2017

EQUITY HIGHLIGHTS

from *Investment Perspectives*

To obtain important disclosure information regarding Hilliard Lyons' rating system, valuation methods, risk factors and potential conflicts of interest with respect to the companies covered in this report, please call (800) 444-1854 ext. 8820, or send a request via email to RsLib@hilliard.com. Requests should include the name and date of this report and a list of companies for which the disclosure information is requested.

Note Important Disclosures on Pages 14-15
Note Analysts' Certification on Page 14

Regal Entertainment Group (RGC) Consumer Sector (Discretionary)

Recent share price weakness attributed to soft industry box office

Rating - Suit.	Company	Symbol	Price 10/04/17	Year High	Year Low	----- FY EPS ----- 2016	2017E	2018E	P/E Ratio 2018E	Ind. Div. Yield	Target Price	Latest Report
LTB-3	*Regal Entertainment Group*	*RGC*	*$16.92*	*$25*	*$14*	*$1.11*	*$0.90*	*$1.15*	*14.7*	*5.2%*	*$23*	*9/5/17*

Simply stated, the 2017 summer movie season was bad. Industry statistics indicate an approximate 14% decline in Q3 box office sales compared to last year. We attribute the drop to the sub-par quality of the film slate. We do not believe there has been a fundamental shift in consumer sentiment regarding the willingness or desire to go to the movies.

Stock prices of exhibitors generally had a rough summer as well. Regal Entertainment Group management reacted to the decline in the RGC share price in noteworthy fashion. There were three insider purchases of RGC shares in late August -- one by a senior executive and two by Board members. Also, on August 31st, the company adopted a stock repurchase plan. We were pleased to see these opportunistic moves.

The Q4 outlook looks better, in our view. We believe film product quality should improve while year/year box office comparisons appear easier than in previous quarters. We expect 2017 to end on a strong note with the release of *Star Wars: The Last Jedi* (DIS-$100.55) in December.

Regal should benefit from ongoing upgrades to its theatre base. Amenities such as recliner seating and expanded food/ beverage/alcohol options have proven to be difference makers, in our view, and should have a more favorable impact on business when movie quality normalizes. The upgrade program is expected to continue in 2018.

We view total return prospects favorably. We recently updated our 2017 estimates to reflect the industry's weak summer, including projected declines in key Q3 metrics. We also fine-tuned our 2018 estimates to be more conservative regarding attendance assumptions. Our two-year price target is $23 per share and is based on anticipated improved results in future years compared to the expected down year of 2017. The stock's current yield is over 5% and we consider dividends adequately covered by cash flow.

Please see our latest Regal Entertainment Group report dated September 5, 2017.

The J.M. Smucker Co. (SJM) Consumer Sector (Staples)

Buying opportunity

Rating - Suit.	Company	Symbol	Price 10/04/17	Year High	Year Low	----- FY EPS ----- 2016	2017E	2018E	P/E Ratio 2018E	Ind. Div. Yield	Target Price	Latest Report
LTB-2	*The JM Smucker Co. FY(4)*	*SJM*	*$105.02*	*$144*	*$104*	*$7.79*	*$7.72A*	*$7.79*	*13.5*	*3.0%*	*$130*	*8/25/17*

We recommend purchase of J.M. Smucker Company for investors seeking attractive total return potential. The shares are down in calendar 2017 due partly to recent sluggish earnings, which is expected to result in roughly flat EPS for the current FY'18 year (April 2018 period end). However, we believe some challenges, such as commodity prices and operating expenses, could ease in the 2H of the fiscal year, leading to a return to earnings growth.

Fiscal Q1 results were down. Net sales for the quarter ended 07/31/2017 declined 4% to $1.749 billion. Adjusted earnings per share, excluding amortization, were $1.51 compared to $1.86 in the year ago period. Contributing factors included higher marketing spending, unfavorable price/cost dynamics in the coffee and pet segments, and a tough comparison to year ago results (a 17% EPS gain).

We expect double-digit earnings growth in the 2H of FY'18. This is based on projected gross margin improvement as the year unfolds and continued cost containment. After another anticipated EPS decline for the current Q2 (October period end), we believe the company is likely to begin producing year/year EPS gains.

We have a more favorable view of FY'19 and beyond. Although SJM's segments are currently in highly competitive environments, we consider the company well-positioned with a strong portfolio of brands and the financial wherewithal to invest in those brands to maintain or grow share over time. New products, greater distribution, and cost containment initiatives are among key factors.

Our two-year price target is $130 per share. SJM shares are trading at less than 14x projected forward twelve-month EPS (excluding amortization and nonrecurring items). This is well below 5 and 10 year median figures. The stock's valuation is also at a significant discount to that of the S&P 500. Our outlook assumes negligible EPS growth this year, improving to upper single-digit growth in subsequent years. We assume some valuation expansion from the current level. Our Suitability rating is 2.

Please see our latest The J.M. Smucker Co. report dated August 25, 2017.

PDC Energy (PDCE) Energy Sector

Recent deals

Rating - Suit.	Company	Symbol	Price 10/04/17	Year High	Year Low	----- FY EBITDA/Unit ----- 2016	2017E	2018E	P/EBITDA Ratio 2018E	Ind. Div. Yield	Target Price	Latest Report
LTB-3	*PDC Energy*	*PDCE*	*$48.12*	*$85*	*$37*	*$8.88*	*$10.12*	*$13.00*	*3.7*	*0.0%*	*$85*	*8/8/17*

Denver, CO-based PDC Energy is a junior exploration and production company with operations in the Rocky Mountain, Delaware (Permian), and Utica basins. In 2016, the company produced 22.2 Mmboe (million barrels of oil equivalent) from proved reserves of approximately 341 Mmboe (35% crude, 40% gas, 25% NGLs).

Last week PDCE announced two deals pending in its Wattenberg Field operations (northeast Colorado, 85% of Q2'17 production). The first is a $210 million acquisition of ~8,300 net acres currently producing ~2,200 Boepd (60% oil), which will add approximately 270 well sites (with 30 of those already drilled but uncompleted) and lift the company's working interest in another 60. The second transaction is an acreage exchange in the same area, which together with the acquisition is anticipated to better consolidate the company's footprint in the Wattenberg.

These deals likely add 2-3% to current production and enhance efficiencies in the field, but also bolster the company's longer-term production and reserves growth opportunity. The company had $202 million of cash on hand at the end of Q2'17, but presuming the acquisition was debt-funded, debt to total capitalization would rise to approximately 30% from 22%, still significantly healthier than the sector average of 54%.

At our 24-month target price of $85 the shares would trade in-line with the sector average EV/Mcfe of proved reserves of $2.87, compared to their current value of $2.19. Similarly, on an EV/EBITDA basis, our target price values the shares at 7.7x our FY'18 forecast, even with the company's five-year average multiple. As such, we reiterate our Long-term Buy-3 rating on PDCE.

Please see our latest PDC Energy report dated August 8, 2017.

Huntington Bancshares Inc. (HBAN) Financial Sector

Q3 earnings preview

Rating - Suit.	Company	Symbol	Price 10/04/17	Year High	Year Low	----- FY EPS ----- 2016	2017E	2018E	P/E Ratio 2018E	Ind. Div. Yield	Target Price	Latest Report
Buy-2	Huntington Bancshares Inc. (P)	HBAN	$13.76	$15	$10	$0.87	$0.98	$1.15	12.0	2.3%	$15	7/24/17

Huntington Bancshares Inc.'s net interest margin is expected to expand one bp to 3.32% as the favorable impact of the June Fed rate hike is partially offset by a more normalized level of purchase accounting accretion and the flattening of the yield curve that prevailed throughout much of Q3'17. We are modeling a provision for credit losses of $60.3 million in Q3 compared to $25.0 million in Q2, and $63.8 million in the year-ago third quarter. In modeling the provision, we assumed a net charge-off ratio of 25 bps, up from 0.21% in 2Q17.

Noninterest income is expected to decline to $321.3 million from $325.1 million in Q2. Operating noninterest expense should decline approximately 1.0% linked-quarter to $638.1 million. Our Q3 EPS estimate is $0.25 versus $0.26 in Q2 and $0.23 in the year-ago quarter.

Our 2017 and 2018 EPS estimates are $0.98 and $1.15, respectively. The 2017 estimate represents a 12.6% year/year increase driven primarily by organic growth and expense reductions resulting from the August 2016 acquisition of Akron, OH-based FirstMerit Corporation. Given the substantial branch overlap, we believe the projected 40% cost synergies are highly achievable. Management expects the efficiencies to be fully realized by the end of Q3'17.

Huntington is our favorite idea in our bank coverage universe. The company's core return on common equity was 13.2% in Q2'17 versus 10.4% for peers and, accordingly, HBAN generated a greater return on shareholders' investment. It also offers a dividend yield of 2.3% versus 2.2% for peers and 1.9% for the S&P 500. However, at the time of this writing, the stock is trading at 14.2x 2017 earnings versus 15.2x for peers. We do not understand the discounted valuation.

Please see our latest Huntington Bancshares Inc. report dated July 24, 2017.

Zoetis Inc. (ZTS) Health Care Sector

Q3'17 earnings preview

Rating - Suit.	Company	Symbol	Price 10/04/17	Year High	Year Low	----- FY EPS ----- 2016	2017E	2018E	P/E Ratio 2018E	Ind. Div. Yield	Target Price	Latest Report
Buy-2	Zoetis Inc.	ZTS	$63.57	$66	$47	$1.96	$2.31	$2.59	24.5	0.7%	$76	8/9/17

Looking back to last quarter, Buy-rated Zoetis Inc. posted numbers that were in-line with the street consensus but a little shy of our expectations. Relative to our model, the swine category was the main source of revenue disappointment, although both fish and companion animal fell short as well. We are not concerned about Zoetis's ability to compete in the US swine market (the main source of pain as Chinese revenues were strong) longer term, but we did lower estimates in this category as we expect it to take longer to recover than initially anticipated.

Despite some swine struggles, we remain attracted to Zoetis due to the long-term secular growth story of the animal health industry; we also see some short-term catalysts to aid the stock. The US cattle market has experienced a multi-year struggle but is currently rebounding steadily. Zoetis derives roughly half of its cattle business from the US market.

Additionally, Zoetis has launched several key products in the past few years for its companion animal business. *Apoquel* and *Cytopoint* are both medicines for pruritus (itching) associated with allergic or atopic dermatitis. *Apoquel* was launched in 2013 and achieved over $70 million in sales in Q1'17 alone. *Cytopoint* was launched more recently. Management believes the pair can reach between $400 and $500 million in annual sales in the next three years. We think the company will pierce the bottom end of that range as early as next year.

A third key pet drug is *Simparica*, which is an oral treatment for flea and tick prevention. Although Zoetis was late to the game in oral parasiticides, the category comprises a significant portion of the pet medicine market, and we believe ZTS is a strong player capable of catching up to the competition.

For the third quarter, we estimate $1.33 billion in sales and $0.66 in operating EPS. This compares to the street consensus of $1.32 billion in sales and $0.62 in operating EPS. We believe the street could be underestimating the momentum of the pet portfolio in the near term. Zoetis is set to report earnings on November 2nd.

Please see our latest Zoetis Inc. report dated August 9, 2017.

Aegion Corp. (AEGN) Industrials Sector

Rating recently upgraded to Buy

Rating - Suit.	Company	Symbol	Price 10/04/17	Year High	Year Low	----- FY EPS ----- 2016	2017E	2018E	P/E Ratio 2018E	Ind. Div. Yield	Target Price	Latest Report
Buy-3	Aegion Corp.	AEGN	$22.01	$27	$18	$1.11	$1.14	$1.32	16.7	0.0%	$26	10/4/17

Chesterfield, MO-based Aegion Corp. is a global leader in infrastructure protection and maintenance. Business verticals include protecting against industrial pipeline corrosion, rehabilitating water, wastewater, energy and mining pipes, and strengthening commercial structures and pipelines. AEGN also provides a broad range of professional and technical services to the refining industry.

In early October we upgraded our rating to Buy from Neutral, assigning AEGN a 1 year $26 price target. Our upgrade represents a tactical opportunity compelled by share weakness following an update to a previously announced strategic restructuring, as well as a primer on hurricane impacts. Our target represents a potential return opportunity of 18%, while still not calling for shares to break 52-week highs.

AEGN announced a new strategic plan back in August. These moves include: exit non-pipe Fiberwrap contracting, divest Bayou assets in LA, and reduce support/field overhead for Corrpro Canada. An expected cost impact in 2H'17 of $12 million to $15 million is projected to generate about $17 million in cost savings in 2018; a non-cash write-down charge of $85 million is expected to hit in Q3'17.

The company has been in a constant state of M&A/restructuring flux over the past serval years. In our view, this most recent round of change makes a lot of sense as it better focuses the company on what we view as its three best businesses: water/sewer rehab, refinery maintenance, and mid-stream pipe cathodic protection.

Hurricanes Irma and Harvey are expected to drive ~$5 million ($0.10 per share) in operating impact to Q3 results. We see this item as the main source of the recent share weakness; however, we view the hurricane narrative as a potential positive catalyst moving forward as focus shifts towards the rebuild/rebound.

Please see our latest Aegion Corp. report dated October 4, 2017.

Facebook Inc. (FB) Information Technology Sector

Recent risks

Rating - Suit.	Company	Symbol	Price 10/04/17	Year High	Year Low	----- FY EPS ----- 2016	2017E	2018E	P/E Ratio 2018E	Ind. Div. Yield	Target Price	Latest Report
LTB-3	*Facebook Inc.*	*FB*	*$168.42*	*$175*	*$114*	*$3.33*	*$5.17*	*$5.90*	*28.5*	*0.0%*	*$189*	*7/27/17*

Facebook Inc. is the world's largest social network with over 2 billion monthly active users. We continue to believe FB has an industry leading mobile advertising position due to the network effect of the company's social networking site's 2 billion users and other company owned brands, such as Instagram's 700 million users, Messenger's 1.2 billion users, WhatsApp's 1.2 billion users, and the Oculus virtual reality platform.

We particularly like Facebook user demographics on a relative basis. A higher percentage of women use and are active on FB versus men, with younger users making up a majority of the active user base who generally went to college and have higher incomes -- thus, a prime target marketers direct spending toward.

The average person in the US spends five hours on mobile devices per day, mostly within apps, and less than 8% in a browser. We view this positive for Facebook and negative for less app centric companies. In the US, FB average daily usage is ~35 minutes per day, down from over 42 minutes a few years ago; however, with the growth in other Facebook properties, 19% of usage time falls within the Facebook corporate umbrella. We expect usage time to rebound and monetization to further improve from premium content and enhanced video advertising. Longer-term growth potential may be derived from Messenger, and WhatsApp monetization.

The average Q2 revenue per user (ARPU) was $4.73, up 24% year/year. The average price per ad increased a strong 24% with ad impression growth slowing as expected to 19% from 32% yr/yr last quarter. Despite Facebook being a relatively young company, net cash totaled $35.5 billion. We expect further share repurchases above the previously approved $6 billion share repurchase.

Recent concerns regarding Russian based ads, lower ad impression growth, lower global user base increases, reduced usage times, increased competition, and higher costs are largely built into our model. We believe management is focused on these concerns and is doing well against these headwinds. Our $189 price target is based on FY'18 GAAP EPS of $5.90, a conservative view, in our opinion, multiplied by a 32x forward, in line with the current forward multiple. With regards to our Long-term Buy rating, we plan to roll our 2018 EPS outlook forward to 2019 and will provide an updated price target following Facebook's upcoming Q3 earnings report.

Please see our latest Facebook Inc. report dated July 27, 2017.

American Campus Communities, Inc. (ACC) Real Estate Sector

Details on recent acquisition

Rating - Suit.	Company	Symbol	Price 10/04/17	Year High	Year Low	----- FY FFO ----- 2016	2017E	2018E	P/FFO Ratio 2018E	Ind. Div. Yield	Target Price	Latest Report
Ntrl-3	Amer. Campus Communities, Inc. *	ACC	$44.76	$53	$44	$2.27	$2.31	$2.45	18.3	3.9%		9/28/17

American Campus Communities, Inc. headquartered in Austin, TX, is a REIT that owns or manages 197 student housing properties containing approximately 128,700 beds throughout the United States, as of June 30, 2017. ACC also develops properties for its own portfolio and third party owners.

The company recently entered into an agreement to recapitalize and ultimately acquire seven student housing properties for an aggregate $590.6 million from Core Space/DRW Portfolio. Four of these properties are already built, while three are under construction for an autumn 2018 opening. All of the properties are in Power-5 conference markets and state flagship markets.

College markets represented include University of Washington, University of Michigan, Purdue University, University of Oregon, Northern Arizona University, University of Wisconsin, and Colorado State University. The average distance to campus for this portfolio is 0.2 miles. Average student enrollment at the universities these properties are located in is 35,000 students with the existing purpose built student housing supply serving only 13% of total enrollment, as compared to an average 22% for ACC's current portfolio.

American Campus acquired 100% of two of these properties in August. The company will acquire a majority interest in the two newly developed properties this fall and will purchase the remaining interest in these properties in October 2019. Three presale developments are expected to come online in 2018.

ACC plans to make an initial investment in the remaining five properties this fall, increase its ownership to a majority interest in September 2018, and then purchase the remaining interest in these properties in August 2019. Management expects to fund a large part of this acquisition through dispositions or joint ventures, given the current cap rate environment.

We rate American Campus Communities Neutral. Our rating is based on valuation only, as we like the fundamentals for the company and the student housing sector.

* - Annual yield is calculated by dividing the distribution amount by the current market price of the security. For US income tax purposes, the Company may classify all or a portion of its distributions as dividends or other non-dividend distributions. Note that for some investors, for US income tax purposes all or a portion of the Company's 2016 dividend or distribution was treated as return of capital and not as "dividend income" as reflected on the IRS Form 1099-Div for the 2016 tax year. The Company generally makes a final determination regarding the proper tax treatment of distributions after calendar year end. We urge each shareholder to consult with his or her own tax advisor to determine the tax consequences of the distributions received, including any state, local or foreign tax considerations.

Please see our latest American Campus Communities, Inc. report dated September 28, 2017.

Verizon Communications (VZ) Telecommunications Sector

Sustained earnings growth likely remains a challenge

Rating - Suit.	Company	Symbol	Price 10/04/17	Year High	Year Low	----- FY EPS ----- 2016	2017E	2018E	P/E Ratio 2018E	Ind. Div. Yield	Target Price	Latest Report
Ntrl-2	Verizon Communications	VZ	$49.90	$55	$43	$3.87	$3.77	$3.80	13.1	4.7%		7/28/17

We maintain our Neutral rating on shares of Verizon Communications. VZ shares have performed quite well of late, rising some 15% since early July. Interestingly, other than resuming wireless customer growth during the second quarter we know of no specific catalyst for the recent strength.

We will also admit to having missed what turns out to have been a nice opportunity in the low $40s. While the company's growth prospects continue to appear limited, the stock did appear reasonable on both a valuation and yield basis at that level. In a market environment filled with high valuations and low yields that made Verizon a reasonable alternative.

Also, in early September Verizon raised its quarterly dividend by 2.2%. This marks the 11th consecutive year in which VZ has increased its dividend.

We believe Verizon's fundamental outlook remains solid. The company is still the nation's largest wireless provider and enjoys strong margins. However, we continue to expect sustained earnings growth will remain a challenge.

We will get a new update on October 19th, when VZ reports third quarter results. Earnings are expected to be $0.97 per share compared to $1.01 per share in last year's third quarter. We continue to believe it may prove difficult for Verizon to deliver consistent near-term earnings growth although we regard VZ as a high quality holding.

Please see our latest Verizon Communications report dated July 28, 2017.

Vectren Corp. (VVC) Utilities Sector

Maintain positions

Rating - Suit.	Company	Symbol	Price 10/04/17	Year High	Year Low	----- FY EPS ----- 2016	2017E	2018E	P/E Ratio 2018E	Ind. Div. Yield	Target Price	Latest Report
Ntrl-2	Vectren (P)	VVC	$66.19	$68	$47	$2.55	$2.60	$2.80	23.6	2.5%		8/7/17

We are maintaining our Neutral rating on Vectren Corporation. VVC is an energy holding company based in Evansville, IN. The company's energy delivery subsidiaries provide gas and/or electricity to over one million customers in adjoining service territories that cover nearly two-thirds of Indiana and west central Ohio. In addition, the company offers energy-related products and services to customers throughout the US through its Infrastructure Services and Energy Services businesses.

In late August Vectren's stock rose sharply one day on speculation the company is evaluating its options, including an outright sale of the company, after receiving takeover interest. As we would imagine, management has not made any comments nor would we expect them to. While we obviously don't know the company's intentions, we note VVC's market capitalization is well below that of many of its peers. Moreover, Vectren has executed well so we can see why it could be of potential interest.

With regard to the fundamentals, they remain as sound as ever, in our opinion. The company continues to expect to deliver long-term annual earnings and dividend growth of 6% to 8%. The bulk of VVC's expected earnings growth is expected to come from its natural gas business.

On a valuation basis the stock is not cheap, trading at over 23x next year's estimated earnings. However, we regard Vectren as a solid core holding expected to grow over time and benefit from increased spending on regulated utility assets.

Please see our latest Vectren Corp. report dated August 7, 2017.

Northwest Natural Gas Co. (NWN) Utilities Sector

Reiterating Underperform rating

Rating - Suit.	Company	Symbol	Price 10/04/17	Year High	Year Low	----- FY EPS ----- 2016	2017E	2018E	P/E Ratio 2018E	Ind. Div. Yield	Target Price	Latest Report
Undpfm-2	Northwest Natural Gas Co.	NWN	$64.95	$69	$54	$2.19	$2.20	$2.18	29.8	2.9%	$50	8/29/17

Northwest Natural Gas Co., a natural gas distribution company headquartered in Portland, OR, has been in business over 160 years. It serves 725,000+ residential and business customers in Oregon and southwest Washington. The company also provides natural gas storage and related transportation services. It is the largest independent natural gas utility in the Pacific Northwest.

We reiterated our Underperform rating in late August. NWN reported Q2'17 EPS of $0.10, beating consensus by a nickel, although management left full year guidance unchanged alongside modest commentary toward 2H'17. We expect FY 2017 EPS of $2.20, versus guidance for $2.05-$2.25.

The $128 million North Mist Expansion project continues to be on track for the 2018-2019 heating season. We see this storage facility as an attractive project given its rate base eligibility, but also believe Northwest will have trouble finding similar investment opportunities over our extended (4-7 year) outlook horizon.

NWN has seen its best organic customer growth since 2008. Exiting Q1'17, customers rose 1.7% and that narrative was again emphasized on the Q2'17 conference call. Continued organic growth de-risks the stock a bit, in our view, but we see organic customer adds as a more reasonable complimentary driver.

Our price target of $50 represents greater than 20% downside to Northwest's current market price. While we do not necessarily see any immediate negative catalyst that would cause a sharp decline, we balk at current valuation that could approximate 30x 2017 EPS. Our target represents a 23x multiple to our 2017E EPS.

Please see our latest Northwest Natural Gas Co. report dated August 29, 2017.

Aqua America, Inc. (WTR) Utilities Sector

Quiet Q2

Rating - Suit.	Company	Symbol	Price 10/04/17	Year High	Year Low	----- FY EPS ----- 2016	2017E	2018E	P/E Ratio 2018E	Ind. Div. Yield	Target Price	Latest Report
Undpfm-2	Aqua America, Inc.	WTR	$34.16	$35	$28	$1.32	$1.34	$1.40	24.4	2.4%	$30	8/4/17

Aqua America, Inc. is a water and wastewater utility holding company with operating subsidiaries serving ~3 million people. WTR provides regulated service to customers in Pennsylvania, Ohio, North Carolina, Illinois, Texas, New Jersey, Indiana, and Virginia. The company's history spans over 125 years.

We reiterated our Underperform rating in early August as WTR reported Q2'17 EPS of $0.34. Results for the quarter came in a penny shy of our estimate, the third straight quarter missing our mark; our current full year 2017 EPS outlook suggests minimal year/year growth. Nevertheless, we bumped our 1 year price target up to $30 to account for current market valuations in the water space; our target represents ~12% downside.

WTR plans to spend $1.2 billion in infrastructure improvements from 2017 to 2019. Along these lines, 1H'17 cap ex of $208 million is about 6% higher than during the first half of 2016. We see the company reiterating this target as constructive, as it bodes well for growth. This flows in line with our long-cited investment thesis point for the industry that suggests playing the long-cycle need for water infrastructure upgrades.

Four municipal deals representing about 11,000 customers remain in various pending stages. Among these is the first deal under Pennsylvania Act 12 fair value, which allows utilities to place the full purchase price of assets into their rate base; nonetheless, the pace of M&A at WTR over the last ~18 months has been disappointing.

In August, WTR announced a 7% dividend increase. This moved the indicated annualized dividend to $0.82 per share, which nets a current indicated yield of 2.4%.

Please see our latest Aqua America, Inc. report dated August 4, 2017.

Additional information, including a report on each common stock mentioned, is available upon request. Check with your Financial Consultant for the investment appropriate for you.

Explanations & Disclaimers

A - Actual
Ann. - Annual/annualized
Bps - Basis points
E - Estimated
EBITDA - Earnings before income, taxes, depreciation, amortization
EBITDDA - Earnings before income, taxes, depreciation, depletion, amortization
EPS - Earnings per share
EV - Enterprise value
FFO - Funds from operations
FFOA - Funds from operations adjusted
FFOM - Funds from operations modified
FY - Fiscal year
FY(1-11) - EPS are for fiscal years (1=January, 2=February, etc.)
GAAP - Generally accepted accounting principles
Ind. Div. Yield - Indicated dividend yield
NA - Not available/acceptable
NAV - Net asset value
NM - Non-meaningful
P/E - Price/earnings ratio -- current price divided by EPS
Q - Quarter
(1-4)Q - 1=First quarter, 2=Second quarter, 3=Third quarter, 4=Fourth quarter
REIT - Real estate investment trust
TR - Total return
TTM - Trailing twelve months
YTD - Year to date

All data is adjusted for stock splits or stock dividends.

Unless otherwise noted, EPS are from continuing operations and exclude non-recurring items.

We recognize each client's investment needs and goals are different. Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation, or needs of individual investors.

Analysts' Certification

The contributors to this report hereby certify that the views expressed in this report accurately reflect their personal views about the subject. They also certify that they have not been, are not, and will not be receiving direct or indirect compensation in exchange for expressing the specific points of view in this report.

Important Disclosures

The contributors to this report or members of their households typically have positions in the companies they follow, which may include, but are not limited to, common stock, options, rights, warrants, or futures contracts. They may not engage in buying or selling securities contrary to their recommendation.

Hilliard Lyons' analysts receive bonus compensation based on Hilliard Lyons' profitability. They do not receive direct payments from investment banking activity.

P - Huntington Bancshares and Vectren Corp. are/were clients of Hilliard Lyons within the past 12 months, received non-investment banking securities-related services, and Hilliard Lyons received compensation for those services.

Investment Ratings

Buy: We believe the stock has significant total return potential in the coming 12 months.
Long-term Buy: We believe the stock is an above average holding in its sector, and expect solid total returns to be realized over a longer time frame than our Buy rated issues, typically 2-3 years.
Neutral: We believe the stock is an average holding in its sector, is currently fully valued, and may be used as a source of funds if better opportunities arise.
Underperform: We believe the stock is vulnerable to a price set back in the next 12 months.

Suitability Ratings

1 - A large cap, core holding with a solid history. **2** - A historically secure company which could be cyclical, has a shorter history than a "1" or is subject to event driven setbacks. **3** - An above average risk/reward ratio could be due to small size, lack of product diversity, sporadic earnings or high leverage. **4** - Speculative, due to small size, inconsistent profitability, erratic revenue, volatility, low trading volume or a narrow customer or product base.

	Hilliard Lyons Recommended Issues		Investment Banking Provided in Past 12 Mo.	
Rating	# of Stocks Covered	% of Stocks Covered	Banking	No Banking
Buy	39	32%	8%	92%
Hold/Neutral	74	60%	9%	91%
Sell	8	7%	0%	100%
Restriction	2	2%	100%	0%

As of 5 October 2017

Other Disclosures

Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation or needs of individual investors. Employees of J.J.B. Hilliard, W.L. Lyons, LLC or its affiliates may, at times, release written or oral commentary, technical analysis or trading strategies that differ from the opinions expressed here.

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