

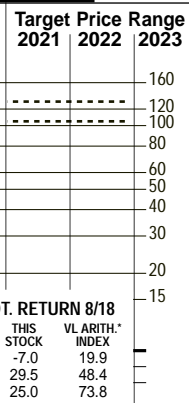
PROCTER & GAMBLE NYSE-PG

RECENT PRICE **82.01**P/E RATIO **18.5** (Trailing: 19.4 Median: 18.0)RELATIVE P/E RATIO **1.01**DIV'D YLD **3.5%****VALUE LINE 1197**

TIMELINESS **3** Raised 8/31/18
SAFETY **1** Raised 1/11/02
TECHNICAL **3** Raised 9/21/18
BETA .70 (1.00 = Market)

High: 75.2 73.8 63.5 65.4 67.7 71.0 85.8 93.9 91.8 90.3 94.7 91.9
Low: 60.4 54.9 43.9 39.4 57.6 59.1 68.4 75.3 65.0 74.5 83.2 70.7

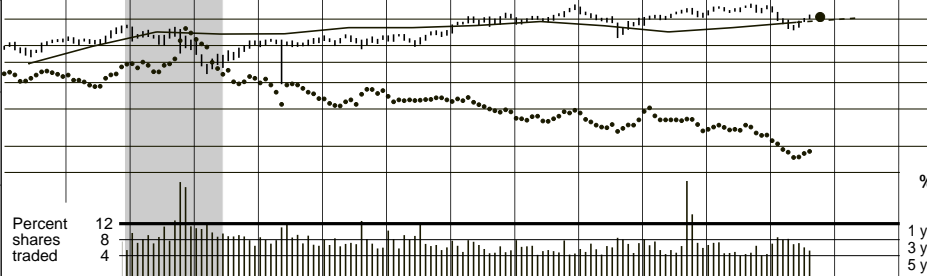
LEGENDS
14.0 x "Cash Flow" p sh
Relative Price Strength
Options: Yes
Shaded area indicates recession



2021-23 PROJECTIONS
Price 130 Gain (+60%) Ann'l Total Return 15%
High 105 Low 105

Insider Decisions
N D J F M A M J J
to Buy 0 0 0 0 0 0 0 0
Options 2 10 1 3 15 0 0 7
to Sell 5 3 2 3 6 0 1 4

Institutional Decisions
4Q2017 1Q2018 2Q2018
to Buy 889 946 897
to Sell 912 1137 1133
Hlds(000)152243115070531488146



2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC 21-23	
15.47	16.72	20.21	22.95	21.46	24.42	27.53	27.09	27.81	29.85	30.45	30.69	30.64	28.10	24.47	25.48	26.75	27.85	Sales per sh ^A	33.35
2.55	2.82	3.18	3.51	3.51	4.25	4.97	4.86	4.87	5.21	5.20	5.33	5.57	5.31	4.97	5.21	5.52	5.80	"Cash Flow" per sh	7.95
1.80	2.04	2.32	2.53	2.64	3.04	3.64	3.58	3.53	3.93	3.85	4.05	4.22	4.02	3.67	3.92	4.22	4.50	Earnings per sh ^{AB}	6.50
.76	.82	.93	1.03	1.15	1.28	1.45	1.64	1.80	1.97	2.14	2.29	2.45	2.59	2.66	2.70	2.79	2.88	Div'ds Decl'd per sh ^{CM}	3.50
.65	.57	.80	.88	.84	.94	1.00	1.11	1.08	1.20	1.44	1.46	1.42	1.38	1.24	1.33	1.49	1.50	Cap'l Spending per sh	1.50
4.64	5.63	6.19	6.47	19.33	20.87	22.46	21.18	21.20	24.14	22.87	24.64	25.40	22.83	21.34	21.45	20.78	23.50	Book Value per sh ^D	29.45
2601.5	2594.4	2543.8	2472.9	3178.8	3131.9	3032.7	2917.0	2838.5	2765.7	2748.0	2742.3	2710.8	2714.5	2668.1	2553.3	2498.1	2425.0	Common Shs Outst'g ^E	2400.0
22.4	21.6	21.3	21.5	21.5	20.5	18.6	16.4	17.0	16.0	16.7	17.8	19.0	20.9	21.4	22.3	20.1		Avg Ann'l P/E Ratio	18.0
1.22	1.23	1.13	1.14	1.16	1.09	1.12	1.09	1.08	1.00	1.06	1.00	1.00	1.05	1.12	1.12	1.03		Relative P/E Ratio	1.00
1.9%	1.9%	1.9%	1.9%	2.0%	2.1%	2.1%	2.8%	3.0%	3.1%	3.3%	3.2%	3.1%	3.1%	3.4%	3.1%	3.3%		Avg Ann'l Div'd Yield	3.0%

CAPITAL STRUCTURE as of 6/30/18
Total Debt \$31.286 bill. Due in 5 Yrs \$19.70 bill.
LT Debt \$20.863 bill. LT Interest \$1.350 bill.
(Tot. Int. Coverage: 29.5x)
(28% of Tot. Cap'l)
Leases, Uncapitalized Annual Rentals \$275 mill.
Pension Assets-6/18 \$11.3 bill.
Oblig. \$15.2 bill.
Pfd Stock \$967 mill. Pfd Div'd \$253 mill.
(ESOP owns 49.3 mill Class A shares and 57.2 mill Class B shares; convertible into common stock.)
Common Stock 2,448,011,390 shares
as of 7/31/18
MARKET CAP: \$201 billion (Large Cap)

83503	79029	78938	82559	83680	84167	83062	76279	65299	65058	66832	67500	Sales (\$mill) ^A	80000
24.2%	24.3%	24.2%	22.6%	22.6%	22.3%	23.7%	23.4%	26.2%	26.4%	25.9%	26.5%	Operating Margin	28.0%
3166.0	3082.0	3108.0	2838.0	3204.0	2982.0	3141.0	3134.0	3078.0	2820.0	2834.0	3000	Depreciation (\$mill)	3500
12075	11293	10946	11797	11344	11869	12220	11535	10441	10733	11205	11025	Net Profit (\$mill)	15600
24.9%	26.3%	27.3%	22.3%	24.2%	23.2%	23.5%	20.2%	24.6%	23.8%	21.5%	22.0%	Income Tax Rate	21.0%
14.5%	14.3%	13.9%	14.3%	13.6%	14.1%	14.7%	15.1%	16.0%	16.5%	16.8%	16.3%	Net Profit Margin	19.5%
d6443	d8996	d5500	d5323	d2997	d6047	d2109	d144.0	3012.0	d3716	d4917	d3250	Working Cap'l (\$mill)	1500
23581	20652	21360	22033	21080	19111	19811	18329	18945	18038	20863	20000	Long-Term Debt (\$mill)	20000
69494	63099	61439	60001	64035	68709	69976	63050	57983	55778	52883	56930	Shr. Equity (\$mill)	70625
13.8%	14.3%	13.8%	13.5%	13.8%	13.9%	14.0%	14.6%	13.9%	14.9%	15.5%	14.5%	Return on Total Cap'l	17.0%
17.4%	17.9%	17.8%	17.3%	17.7%	17.3%	17.5%	18.3%	18.0%	19.2%	21.2%	19.5%	Return on Shr. Equity	22.0%
10.9%	10.1%	9.1%	9.0%	8.3%	7.9%	7.7%	6.9%	5.3%	6.4%	7.5%	7.0%	Retained to Com Eq	10.0%
39%	45%	50%	49%	54%	55%	57%	63%	71%	67%	65%	63%	All Div'ds to Net Prof	54%

CURRENT POSITION 2016 2017 6/30/18 (\$MILL.)

Cash Assets	13348	15137	11850
Receivables	4373	4594	4686
Inventory (FIFO)	4716	4624	4738
Other	11345	2139	2046
Current Assets	33782	26494	23320
Acc'ts Payable	9325	9632	10344
Debt Due	11653	13554	10423
Other	9792	7024	7470
Current Liab.	30770	30210	28237

BUSINESS: The Procter & Gamble Company makes branded consumer packaged goods, which are marketed and sold in more than 180 countries around the world. Has five reportable segments: Beauty (19% of fiscal '18 sales, 23% of earnings); Grooming (10%, 14%); Health Care (12%, 13%); Fabric & Home Care (32%, 27%); Baby, Feminine & Family Care (27%, 23%). International sales accounted for 56% of fiscal '18 sales and Walmart accounted for 15%. Divested battery business in 2/16. Has 92,000 employees. Off. & dir. own 1.8% of common stock; BlackRock, 6.3%; Vanguard, 7.3% (8/18 proxy). Chairman/President/CEO: David S. Taylor. Inc.: Ohio. Address: 1 Procter & Gamble Plaza, Cincinnati, Ohio 45202. Telephone: 513-983-1100. Internet: www.pg.com.

Overall, Procter & Gamble put in a decent performance for fiscal 2018. (Year ended June 30th.) In all, earnings were up 11%, on a 3% revenue advance in the year just ended. Still, certain headwinds persisted, such as higher operating expenses and the impact of recent asset sales. Plus, foreign exchange rates have been wavering (though, for the most part, they have been to P&G's benefit over the last few quarters). Note: Including restructuring charges, the bottom line slipped 12% year to year.

The company should make progress in the coming months. Management will likely focus on its ongoing restructuring campaign, while careful cost controls, manufacturing efficiencies, and margin improvements ought to counter inflationary commodity pressures. Too, pricing improvements ought to lift revenues. Nonetheless, we believe the top line will inch forward about 1% this year, while earnings advance between 5% and 7%.

P&G has been strengthening the business. In the past few years, the company has sold several holdings and exited brands to focus on its core assets. And in

2018, Procter dissolved its partnership with TEVA Pharmaceuticals. Nevertheless, the company plans to buy the over-the-counter healthcare business from Merck KGaA for about \$3.9 billion. And it may eye other tuck-in acquisitions to complement its holdings. In the meanwhile, the company ought to focus on branding efforts and may well ramp up product innovation spending to improve its roster. Too, the e-commerce business is growing, and the company has been expanding its distribution network, which ought to help capture additional market share.

These top-quality shares do not stand out for near-term price momentum (Timeliness: 3). The stock price has slipped about 10% since the start of 2018, and it seems investors may still be concerned that the aforementioned growth efforts are not taking hold as they should. Looking further out, its capital appreciation potential out to 2021-2023 is only slightly ahead of the Value Line median. That said, this equity offers good risk-adjusted dividend and healthy total return prospects over the long haul.

Orly Seidman September 21, 2018

(A) Fiscal years end June 30th. (B) Diluted core earnings. Excludes nonrecurring: '02, (25c); '03, (19c); '08, (12c); '09, (64c); '10, 58c; '11, (61c); '12, (73c); '13, d19c; '14, d21c.	EPS may not sum. Next earnings report due late October.	intangibles. In '17: \$68.9 bill., \$26.98 a share. (E) In millions.	Company's Financial Strength A++
(C) Dividends historically paid in Feb., May, Aug., and Nov. ■ DRIP available. (D) Includes			Stock's Price Stability 100
			Price Growth Persistence 15
			Earnings Predictability 100