

SPIRE INC. NYSE-SR

RECENT PRICE **75.39** P/E RATIO **17.6** (Trailing: 18.6 Median: 19.0) RELATIVE P/E RATIO **1.09** DIV'D YLD **3.7%**

VALUE LINE

TIMELINESS 4 Lowered 8/20/21
SAFETY 2 Raised 6/20/03
TECHNICAL 3 Raised 5/20/22
BETA .80 (1.00 = Market)

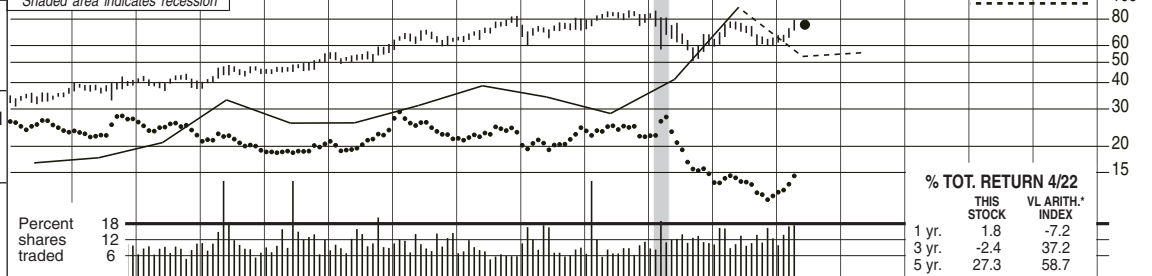
High: 42.8 44.0 48.5 55.2 61.0 71.2 82.9 81.1 88.0
 Low: 32.9 36.5 37.4 44.0 49.1 57.1 62.3 60.1 71.7

LEGENDS
 0.35 x Dividends p sh divided by Interest Rate
 ... Relative Price Strength
 Options: Yes
 Shaded area indicates recession

18-Month Target Price Range
 Low-High Midpoint (% to Mid)
 \$51-\$84 \$68 (-10%)

2025-27 PROJECTIONS
 High Price Gain Ann'l Total
 Low 130 (+70%) 17%
 95 (+25%) 10%

Institutional Decisions
 10/2021 20/2021 30/2021
 to Buy 124 112 125
 to Sell 139 126 113
 Hld's(000) 42475 42992 42729



2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	© VALUE LINE PUB. LLC	25-27
93.51	93.40	100.44	85.49	77.83	71.48	49.90	31.10	37.68	45.59	33.68	36.07	38.78	38.30	35.96	43.24	38.95	40.75	Revenues per sh ^A	63.65
3.81	3.87	4.22	4.56	4.11	4.62	4.58	3.12	3.87	6.15	6.16	6.54	7.55	7.12	5.25	9.09	8.40	9.10	"Cash Flow" per sh	10.90
2.37	2.31	2.64	2.92	2.43	2.86	2.79	2.02	2.35	3.16	3.24	3.43	4.33	3.52	1.44	4.96	3.90	4.35	Earnings per sh ^{A B}	5.50
1.40	1.45	1.49	1.53	1.57	1.61	1.66	1.70	1.76	1.84	1.96	2.10	2.25	2.37	2.49	2.60	2.74	2.86	Div'ds Decl'd per sh ^C	3.30
2.97	2.72	2.57	2.36	2.56	3.02	4.83	4.00	3.96	6.68	6.42	9.08	9.86	16.15	12.37	12.09	10.40	11.10	Cap'l Spending per sh	11.50
18.85	19.79	22.12	23.32	24.02	25.56	26.67	32.00	34.93	36.30	38.73	41.26	44.51	45.14	44.19	46.74	51.90	56.55	Book Value per sh ^D	67.10
21.36	21.65	21.99	22.17	22.29	22.43	22.55	32.70	43.18	43.36	45.65	48.26	50.67	50.97	51.60	51.70	52.00	52.50	Common Shs Outst'g ^E	55.00
13.6	14.2	14.3	13.4	13.7	13.0	14.5	21.3	19.8	16.5	19.6	19.8	16.7	22.8	NMF	13.6	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	20.5
.73	.75	.86	.89	.87	.82	.92	1.20	1.04	.83	1.03	1.00	.90	1.21	NMF	.73			Relative P/E Ratio	1.15
4.3%	4.4%	3.9%	3.9%	4.7%	4.3%	4.1%	4.0%	3.8%	3.5%	3.1%	3.1%	3.1%	3.0%	3.4%	3.8%			Avg Ann'l Div'd Yield	3.0%

CAPITAL STRUCTURE as of 3/31/22
 Total Debt \$3845.6 mill. Due in 5 Yrs \$1520.0 mill.
 LT Debt \$3207.3 mill. LT Interest \$145.0 mill.
 (Total interest coverage: 4.2x)

Leases, Uncapitalized Annual rentals \$8.8 mill.
Pension Assets-9/21 \$945.7 mill.
Oblig. \$1318.0 mill.
Pfd Stock \$242.0 mill. **Pfd Div'd** \$14.8 mill.
Common Stock 52,121,977 shs. as of 5/1/22

MARKET CAP: \$3.9 billion (Mid Cap)

CURRENT POSITION 2020 2021 3/31/22 (SMILL.)

	2020	2021	3/31/22
Cash Assets	4.1	4.3	8.3
Other	586.5	1312.2	1081.0
Current Assets	590.6	1316.5	1089.3
Accts Payable	243.3	409.9	367.5
Debt Due	708.4	727.8	638.3
Other	497.5	470.6	390.0
Current Liab.	1449.2	1608.3	1395.8
Fix. Chg. Cov.	373%	448%	435%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '19-'21 to '25-'27
Revenues	-6.5%	-	8.5%
"Cash Flow"	5.0%	6.0%	7.5%
Earnings	2.0%	2.5%	9.0%
Dividends	4.5%	6.0%	5.0%
Book Value	6.5%	4.5%	7.0%

Fiscal Year Ends	QUARTERLY REVENUES (\$ mill.) ^A				Full Fiscal Year
	Dec.31	Mar.31	Jun.30	Sep.30	
2019	602.0	803.5	321.3	225.6	1952.4
2020	566.9	715.5	321.1	251.9	1855.4
2021	512.6	1104.9	327.8	290.2	2235.5
2022	555.4	880.9	330	258.7	2025
2023	580	950	340	270	2140

Fiscal Year Ends	EARNINGS PER SHARE ^{A B F}				Full Fiscal Year
	Dec.31	Mar.31	Jun.30	Sep.30	
2019	1.32	3.04	d.09	d.74	3.52
2020	1.24	2.54	d1.87	d.45	1.44
2021	1.65	3.55	.03	d.26	4.96
2022	1.01	3.27	.06	d.44	3.90
2023	1.40	3.36	.07	d.48	4.35

Cal-endar	QUARTERLY DIVIDENDS PAID ^C				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2018	.5625	.5625	.5625	.5625	2.25
2019	.5925	.5925	.5925	.5925	2.37
2020	.6225	.6225	.6225	.6225	2.49
2021	.65	.65	.65	.65	2.60
2022	.685	.685			

1125.5	1017.0	1627.2	1976.4	1537.3	1740.7	1965.0	1952.4	1855.4	2235.5	2025	2140	Revenues (\$mill) ^A	3500
62.6	52.8	84.6	136.9	144.2	161.6	214.2	184.6	88.6	271.7	205	230	Net Profit (\$mill)	300
29.6%	25.0%	27.6%	31.2%	32.5%	32.4%	NMF	15.7%	12.3%	20.1%	21.0%	22.0%	Income Tax Rate	25.0%
5.6%	5.2%	5.2%	6.9%	9.4%	9.3%	10.9%	9.5%	4.8%	12.2%	10.1%	10.7%	Net Profit Margin	8.6%
36.1%	46.6%	55.1%	53.0%	50.9%	50.0%	45.7%	45.0%	49.0%	52.5%	53.0%	52.0%	Long-Term Debt Ratio	51.0%
63.9%	53.4%	44.9%	47.0%	49.1%	50.0%	54.3%	49.7%	46.1%	43.2%	43.0%	44.0%	Common Equity Ratio	45.0%
941.0	1959.0	3359.4	3345.1	3601.9	3986.3	4155.5	4625.6	4946.0	5597.3	6275	6750	Total Capital (\$mill)	8200
1019.3	1776.6	2759.7	2941.2	3300.9	3665.2	3970.5	4352.0	4680.1	5055.7	5400	5715	Net Plant (\$mill)	7100
7.9%	3.3%	3.1%	5.1%	4.9%	5.0%	6.3%	5.1%	2.9%	5.8%	5.0%	5.0%	Return on Total Cap'l	5.0%
10.4%	5.0%	5.6%	8.7%	8.2%	8.1%	9.5%	7.3%	3.5%	10.2%	7.5%	7.5%	Return on Shr. Equity	8.0%
10.4%	5.0%	5.6%	8.7%	8.2%	8.1%	9.5%	7.9%	3.2%	10.6%	7.5%	7.5%	Return on Com Equity	8.0%
4.3%	1.0%	1.5%	3.7%	3.3%	3.3%	4.7%	2.7%	NMF	5.1%	2.0%	2.0%	Retained to Com Eq	3.0%
59%	81%	73%	58%	59%	60%	51%	66%	NMF	54%	77%	72%	All Div'ds to Net Prof	65%

BUSINESS: Spire Inc., formerly known as the Laclede Group, Inc., is a holding company for natural gas utilities, which distributes natural gas across Missouri, including the cities of St. Louis and Kansas City, Alabama, and Mississippi. Has roughly 1.7 million customers. Acquired Missouri Gas 9/13, Alabama Gas Co 9/14. Utility terms sold and transported in fiscal 2021: 3.3 bill. Revenue mix for regu-

It's been a difficult year, thus far, for Spire Inc. (Fiscal 2022 ends on September 30th.) In fact, first-half share net of \$4.28 plummeted about 18%, compared to the prior-year tally of \$5.20. This stemmed partially from substantially lower profits from the Gas Marketing unit, as fiscal 2021's results enjoyed very favorable market conditions created by extreme weather associated with Winter Storm Uri. Moreover, the Gas Utility division was held back, to a certain extent, by higher operating expenses. So, right now, it seems that full-year share net will plunge more than 20%, to \$3.90, relative to fiscal 2021's \$4.96 figure. Please be aware that our fiscal 2023 estimate of \$4.35 a share is a bit tentative, in part, because of a pending rate case in Missouri. Too, the company is authorized by the Federal Energy Regulatory Commission to operate the key Spire STL Pipeline, temporarily, while it reviews whether permanent approval should be granted. (Leadership expects the process to continue into calendar 2023.)

The Financial Strength rating is B++. When the March period concluded, cash and equivalents resided at \$8.3 million.

lated operations: residential, 58%; commercial and industrial, 28%; transportation, 6%; other, 8%. Has about 3,710 employees. Officers and directors own 3.0% of common shares; BlackRock, 11.5% (1/22 proxy). Chairman: Edward Glotzbach; CEO: Suzanne Sitherwood. Inc.: Missouri. Address: 700 Market Street, St. Louis, Missouri 63101. Tel.: 314-342-0500. Internet: www.spireenergy.com.

Furthermore, there was \$975 million available through a revolving credit facility maturing in October, 2023. Elsewhere, long-term debt was a manageable 53% of total capital, and short-term borrowings were not a major stumbling block. So, Spire ought to be able to meet its various obligations for a while.

We are optimistic about the company's performance out to 2025-2027. The gas utilities boast 1.7 million customers in Mississippi, Alabama, and Missouri, providing a measure of regional diversity. Also, the other businesses, especially pipelines, hold promise. Additional expansionary projects and technological enhancements in customer service and elsewhere should aid Spire, as well. Finally, acquisitions are plausible, supported by the decent balance sheet.

These good-quality shares offer a solid dividend yield. Steady hikes in the payout appear to be in store during the 3- to 5-year period, too. But recent price strength has diminished long-term capital appreciation potential. Meanwhile, the stock is untimely.

Frederick L. Harris, III May 27, 2022

(A) Fiscal year ends Sept. 30th. (B) Based on diluted shares outstanding. Excludes nonrecurring loss: '06, 7c. Excludes gain from discontinued operations: '08, 94c. Next earnings report due late July. (C) Dividends paid in early January, April, July, and October. (D) Dividend reinvestment plan available. (E) Incl. deferred charges. In '21: \$1,171.6 mill., \$22.66/sh. (F) Qlty. egs. may not sum due to rounding or change in shares outstanding.

Company's Financial Strength		B++
Stock's Price Stability		90
Price Growth Persistence		45
Earnings Predictability		45