



## 5 Companies That Offer A Different Kind of Yield

### Description

If you hang around the world of investing for even a brief period, you'll no doubt come across the terms "dividend yield" and "share buyback" in relatively short order. But how many know the term given to the combination of these two items?

**"Shareholder Yield"** is the moniker in question and it can be a very powerful tool to keep in mind the next time you're pouring over a collection of potential investment ideas.

Shareholder yield combines these two shareholder friendly moves into a clean (and comparable) number that allows us to quickly see which companies are sending the most cash back to their shareholders over a certain period of time.

### The recipe

To calculate shareholder yield, go to the statement of cash flows and grab three numbers. Dividends paid, the amount of cash spent on share repurchases, and the amount of cash received for shares issued. Combine the dividend and share repurchase figures and then subtract the cash received for shares issued.

To be clear:  $\text{Dividends} + \text{Cash spent on share repurchases} - \text{Cash received for shares issued}$

Now divide this total by the company's market capitalization.

Voila!

### Who's the best?

Tabled below is a list of the top 5 Canadian large cap shareholder yields, using financial data from the last 12 months. One added wrinkle to note is that to make it onto this list, not only was a relatively high shareholder yield required, but the company had to have generated positive free cash flow (cash from operations – capital expenditures) over this period.

Company Name	Shareholder Yield – LTM
<b>Agrium</b> (TSX:AGU)	7.8%
<b>Canadian Oil Sands</b> (TSX:COS)	6.9%
<b>Shoppers Drug Mart</b> (TSX:SC)	5.8%
<b>Suncor</b> ( <a href="#">TSX:SU</a> )	4.8%
<b>Rogers Communications</b> ( <a href="#">TSX:RCI.B</a> )	4.6%

Source: Capital IQ

### Foolish Takeaway

As stand-alone metrics, dividend and share buyback information are great differentiators when you're trolling for ideas. However, when they're combined into one number, you get a level of insight that is not available when they are evaluated as separate items. Stick this shareholder yield calculation in your investor's tool kit and be sure to pull it out the next time you've got a handful of names to consider.

The Motley Fool's [Special Free Report](#) "**13 High Yielding Stocks to Buy Today**" is a perfect way to diversify your portfolio's income stream. This report is sure to have you rolling in dividend cheques from a variety of sources before you know it! Simply [click here](#) and we'll send you this report – **FREE!**

[Follow us on Twitter](#) and [Facebook](#) for the latest in Foolish investing.

*Fool contributor Iain Butler owns shares of Canadian Oil Sands. The Motley Fool has no positions in the stocks mentioned above.*

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:RCI.B (Rogers Communications Inc.)
2. TSX:SU (Suncor Energy Inc.)

### Category

1. Investing

### Date

2025/07/29

**Date Created**

2013/05/24

**Author**

tmfohcanada

default watermark

default watermark