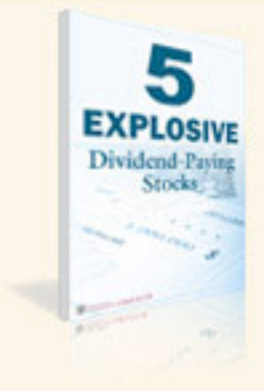
The Top 5 Companies That Pay Dividends

These companies with high dividends are yielding 5, 7, even 9% and share a commitment to safeguarding their dividends.



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Why Investing in Companies That Pay Dividends is a Good Idea

These are tough times for investors. Ten-year Treasury bonds are yielding a meager 2%. And the interest rate on a 1-year CD is half that. If you're trying to grow your retirement nest egg on returns like those, you could be working for a very long time indeed.

To really send your returns soaring—and generate the steady income you'll need for a comfortable retirement—you simply must be invested in **companies that pay high dividends**. But the key is to be in the right **dividend-paying companies** at the right time. Read on to uncover our top dividend plays.

Company That Pays High Dividends #1

A communications sector darling and among the premier high-yield stocks at 4.7%

From a business standpoint, no communications company has been as successful as High-Dividend Company #1 during the past 20 years. Its wireless network is America's best, with industry-low churn of 1.13 percent and rapidly growing profitability.

With each passing day, High-Dividend Company #1 is extending its lead over rivals in reliability, capacity and speed, including the rapid rollout of fourth-generation (4G) wireless long-term evolution (LTE) technology. The company leads in U.S. wireless customers and, more importantly, it has more post-paid contract customers than any of its competitors.

And more than half of them have smartphones.

High-Dividend Company #1 has consistently raised its generous dividend. And there's more to come. Its 30-year debt yields barely 4 percent to maturity, the industry's lowest-cost capital.

Company That Pays High Dividends #2

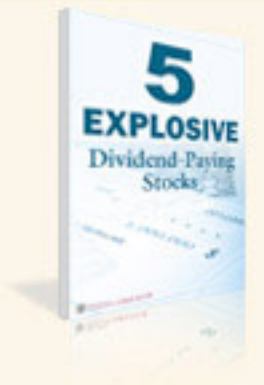
Low payout ratio supports at least another year of steadfast dividend growth

Today, High-Dividend Company #2 is an invest-to-grow story. The company boasts an investment-grade credit rating and is reliably growing earnings and dividends.

High-Dividend Company #2 plans $7 billion in additional spending through 2017. Areas of focus include efforts to strengthen the power grid and reduce waste, renewable energy, environmental compliance, and building a new natural gas-fired power plant. All of these initiatives enjoy support of local regulators.

The formula for growth is simple: Utility capital spending plus regulatory support equals higher earnings. And these numbers indicate clearly that–despite a less-than-roaring economy– High-Dividend Company #2 is executing on it.

Enter your email address in the box below to find out the name of this dividend powerhouse.



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Company That Pays High Dividends #3

Energy distributor with growing yields

This energy distributor 's three-state natural gas distribution utility has long been among the most reliably growing franchises in America. In fact, favorable regulation in the Carolinas and Tennessee has factored out volatile natural gas prices and even weather-related demand fluctuations from earnings.

For High-Dividend Company #3, meeting earnings guidance is a matter of executing modest capital spending plans with regulators' approval. And the company has set another solid bar for its next fiscal year, ensuring another dividend boost of 3.5 percent to 4 percent.

High-Dividend Company #3 now owns and operates four gas storage facilities for Duke, and recently it announced a $180 million investment for 24 percent of Williams Partners LP's (NYSE: WPZ) Constitution Pipeline.

Starting in March 2015 this 121-mile system will transport gas from the Marcellus Shale region in northern Pennsylvania to New York and New England.

Operated under long-term contracts, new midstream gas assets will fire up growth with little sacrifice of reliability. And with utilities' gas usage rising, particularly in the Southeast US, there's considerable room for growth.

Company That Pays High Dividends #4

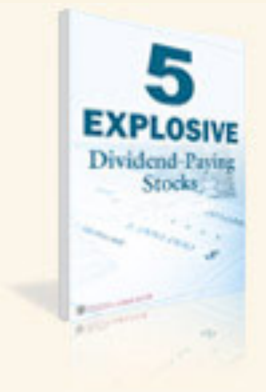
A high-yield Master Limited Partnership de-risking its operations

About 40 percent of High-Dividend Company #4's income comes from natural-gas gathering and processing assets that include more than 4,400 miles of pipelines and processing facilities capable of handling 495 million cubic feet of gas a day. The MLP has been investing in its Marcellus Shale gas pipelines and in the Texas and Oklahoma panhandles, where processing capacity has been constrained. We expect that these capital investments will further move the MLP's focus from coal toward gas, a positive step that will help mitigate the risk of exposure to coal in the coming decade. Even if gas prices remain low, this high-yield gem profits from fee-based transportation and processing based more on volume than end price.

A greater reliance on fee-based businesses and less dependence on commodity prices appears to have emboldened management to translate that growth and balance-sheet strength into distribution growth, even as the pace of asset growth continues.

Management expects 75 percent of cash flow to come from such fee-based midstream operations in 2013. This promises to extend the company's string of consecutive quarterly dividend increases, even if coal prices remain in the doldrums.

To find out the name of this MLP and all of our favorite companies that pay dividends, enter your email address in the box below and we'll send you the full special report, absolutely free.



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Company That Pays High Dividends #5

Energy company set to ramp up cash flows in 2013

High-Dividend Company #5's focus for several years has been building up its core energy transportation and storage operations and the company is starting up two major pipeline projects in the Eagle Ford Shale.

The company also has several other projects in various stages of development that will ramp up cash flows in 2013 and beyond.

Management has also taken dramatic steps to eliminate future risk, deconsolidating by selling a half interest in the asphalt operation and implementing new policies to fully hedge fuel marketing commodity-price exposure. Over the long term, this move should advance the company's goal of restoring "above peer" distribution growth by systematically building the fee-based pipeline and terminals business.

And management plans to maintain the quarterly distribution in the meantime.

There are more than a few skeptics. That's demonstrated by generally bearish analyst opinion as well as trend-follower Standard & Poor's credit rating cut. Insiders, however, have been net buyers, while Fitch has affirmed the rating at investment grade.

In addition to revealing these 5 companies that pay dividends, you'll also uncover the most common mistakes investors make and how you can avoid making them. To get the full details, request your free copy of *The Top 5 Companies That Pay Dividends.*

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