

1 **Q. McShane Evidence – Which of Ms. McShane’s companies are considered by her to**
2 **be small, mid and large-cap?**

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4 A. Morningstar's *SBBI Valuation Edition 2012* (Table 7-2) establishes ranges for low-cap,
5 mid-cap and large-cap companies as follows:
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	Market Cap Range \$Million
Large-Cap	>\$6,896
Mid-Cap	\$1,621-6,896
Low-Cap	\$423-1,620

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10 Based on the above ranges, the table below categorizes the 13 companies in the sample
11 based on their December 2011 market capitalization:
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	Market Value 12/2011 (\$M)	Category
<u>Company Name</u>		
AGL Resources Inc	4,944	Mid-Cap
Allete Inc	1,574	Low-Cap
Alliant Energy Corp	4,897	Mid-Cap
Atmos Energy Corp	2,930	Mid-Cap
Consolidated Edison Inc	18,168	Large-Cap
Integrus Energy Group Inc	4,221	Mid-Cap
Northwest Natural Gas Co	1,282	Low-Cap
Piedmont Natural Gas Co	2,364	Mid-Cap
Southern Co	40,047	Large-Cap
Vectren Corp	2,476	Mid-Cap
WGL Holdings Inc	2,007	Mid-Cap
Wisconsin Energy Corp	8,058	Large-Cap
Xcel Energy Inc	13,447	Large-Cap

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16 Similar categories would hold based on the number of shares outstanding at the end of
17 December 2011 and utilizing September 2012 prices.
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19 *Value Line* considers firms with a market capitalization of between \$1 and \$5.0 billion as
20 mid-cap stocks and firms with a market capitalization of more than \$5 billion as large-
21 cap. *Value Line* categorizes Alliant, Consolidated Edison, Southern Co., Wisconsin
22 Energy and Xcel Energy as large-cap stocks and the remainder as mid-cap stocks.