

Dividend Dates

There are a number of dates associated with dividends:

- Announcement date
- Last cum-dividend date
- Ex-dividend date
- Record date
- Payment date

Announcement date: Details of the dividend amount and dates are announced to the market. This is usually combined with the company's earnings announcement for the quarter or semi-annual period. From the announcement date, the stock is in the 'cum-dividend' period. The share price may change if the dividend or earnings were a positive or negative surprise.

Last cum-dividend date: Investors who hold the stock at the market close on this date will receive the dividend.

Ex-dividend date: The stock price falls by the after-tax dividend value on the morning of this date because the right to the dividend has detached.

Record date: Always 2 trading days after the ex-dividend date because shares trade on a T+2 basis. There is nothing significant about the record date in terms of share price movements.

Payment date: Dividends are paid to shareholders, usually by direct debit or a mailed cheque. There is no expected share price change on this date.