

| D0 | r | Year | q | FV | PV | D | Discounted income |
|------------|------|------|------|----------|----------|---------|-------------------|
| 2,2 | 0,12 | 1 | 0,22 | 1,22 | 0,892857 | \$2,68 | \$2,40 |
| | | 2 | 0,22 | 1,4884 | 0,797194 | \$3,27 | \$2,61 |
| q9 | | 3 | 0,22 | 1,815848 | 0,711178 | \$3,99 | \$2,84 |
| 0,1 | | 4 | 0,22 | 2,215335 | 0,635518 | \$4,87 | \$3,10 |
| | | 5 | 0,22 | 2,702708 | 0,567427 | \$5,95 | \$3,37 |
| | | 6 | 0,22 | 3,297304 | 0,506631 | \$7,25 | \$3,68 |
| | | 7 | 0,22 | 4,022711 | 0,452349 | \$8,85 | \$4,00 |
| | | 8 | 0,22 | 4,907707 | 0,403883 | \$10,80 | \$4,36 |
| Total DI | | | | | | | \$26,36 |
| Pshare | | | | | | | \$121,00 |
| Pcorrected | | | | | | | \$75,23 |

Future value $FV_n = (1+q)^n$, where n – year, q – grow rate for 1-8 years

Present value $PV_n = 1/(1+r)^n$, r – required return

$D_0 * FV = D_n * PV$, D - dividend

$D_n = D_0 * FV_n$

Discounted income = $D_n * PV_n$

Pshare (after year 8) = $D_0 * (1+q^9) / (r - q^9)$, where q⁹ is grow rate after year 8.

Pcorrected = Pshare * PV₈ + Total DI, it is the price of the stock today.