

Title: Questions about dividend splits

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I am a smooth brain, but I didn't realize I had a mirror-like surface. I'm trying to figure out how exactly this thing works. I've Googled, yahooed, binged, bang? Bunged? Asked Jeeves, called Fidelity, asked other investors, now I'm here.

Ok. Regular dilution 2:1 split: no journal entry, no change in market cap. Par value drops by half, number of shares double.

2:1 split as dividend: journal entry, number of shares double.

Now, does the par value automatically drop or does it necessarily drop or is it just possible given more supply?

If a broker gives cash in lieu, where to the dividend shares go up?

Thanks.

Can the market cap go up?