

ModernGraham Valuation

Company Name:

Fifth Third Bancorp

Company Ticker FITB

Date of Analysis

10/2/2015



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass all 6 of the following tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$15,477,670,331	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
3. Dividend Record	Dividend Payments for 10 years prior		Pass
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	2794.44%	Pass
5. Moderate PEmg Ratio	PEmg < 20	11.28	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.97	Pass

Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.

1. Earnings Stability	Positive EPS for 5 years prior		Pass
2. Dividend Record	Currently Pays Dividend		Pass
3. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	1.66
MG Growth Estimate	15.00%
MG Value	\$63.78
MG Value based on 3% Growth	\$24.02
MG Value based on 0% Growth	\$14.08
Market Implied Growth Rate	1.39%

MG Opinion

Current Price	\$18.68
% of Intrinsic Value	29.29%

Opinion **Undervalued**

Stage 3: Information for Further Research

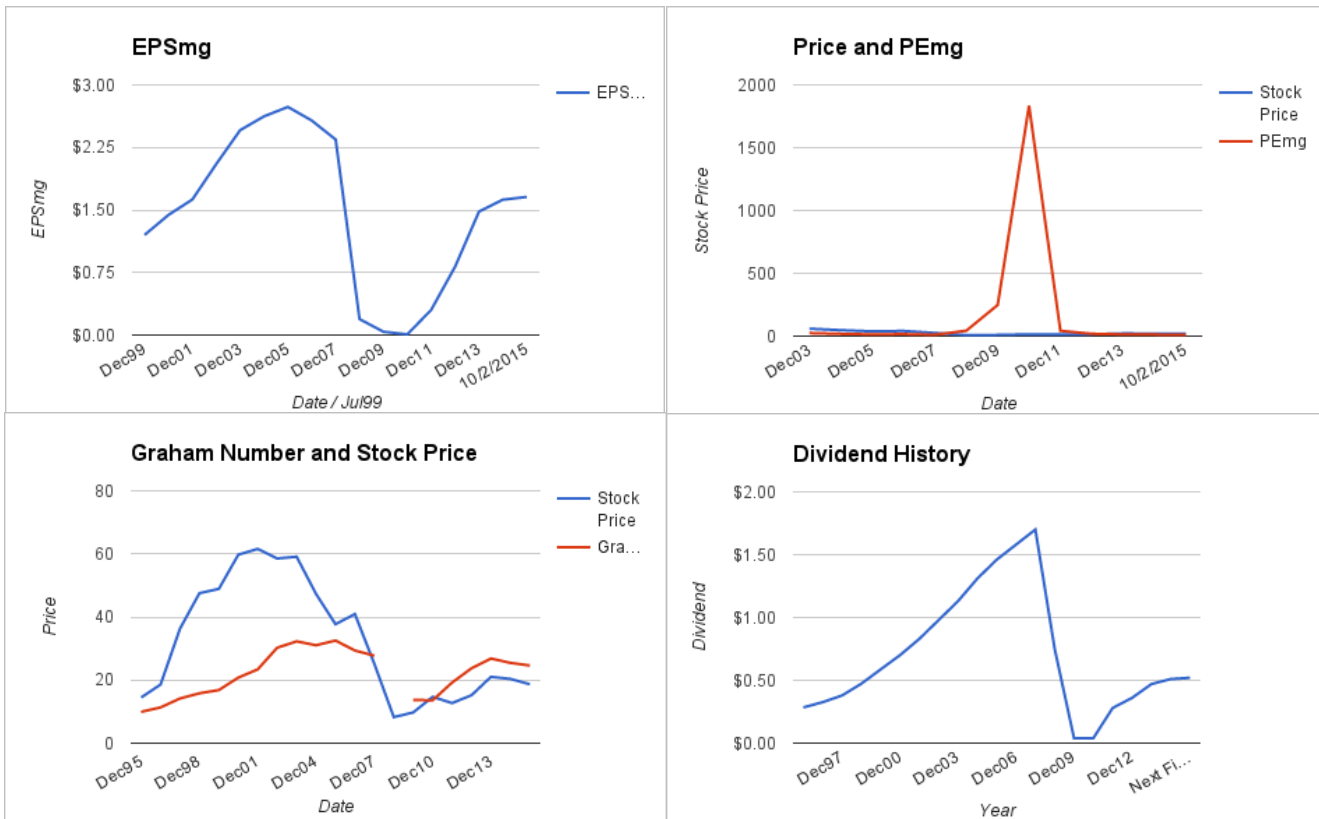
Graham Number	\$24.63
PEmg	11.28
PB Ratio	0.97
Dividend Yield	2.78%
Number of Consecutive Years of Dividend Growth	5

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.53	Next Fiscal Year Estimate	\$1.66
Dec14	\$1.66	Dec14	\$1.62
Dec13	\$2.02	Dec13	\$1.48
Dec12	\$1.66	Dec12	\$0.82
Dec11	\$1.18	Dec11	\$0.30
Dec10	\$0.63	Dec10	\$0.01
Dec09	\$0.67	Dec09	\$0.04
Dec08	-\$3.94	Dec08	\$0.19
Dec07	\$1.99	Dec07	\$2.34
Dec06	\$2.13	Dec06	\$2.57
Dec05	\$2.77	Dec05	\$2.74
Dec04	\$2.68	Dec04	\$2.62
Dec03	\$3.03	Dec03	\$2.46
Dec02	\$2.76	Dec02	\$2.05
Dec01	\$1.86	Dec01	\$1.63
Dec00	\$1.83	Dec00	\$1.44
Dec99	\$1.43	Dec99	\$1.20
Dec98	\$1.17	Balance Sheet Information Jun15	
Dec97	\$1.13	Long-Term Debt	\$13,521,000,000
Dec96	\$0.95	Total Assets	\$141,658,000,000
Dec95	\$0.86	Intangible Assets	\$3,283,000,000
		Total Liabilities	\$126,053,000,000
		Shares Outstanding (Diluted Average)	812,843,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

Other ModernGraham posts about the company

- [The 9 Best Stocks For Value Investors This Week – 7/18/15](#)
- [Fifth Third Bancorp Analysis – July 2015 Update \\$FITB](#)
- [A Glimpse at the Banking Industry – May 2015](#)
- [10 Companies Benjamin Graham Would Invest In Today – April 2015](#)
- [24 Companies in the Spotlight This Week – 3/28/15](#)

Other ModernGraham posts about related companies

- [Huntington Bancshares Inc. Analysis – October 2015 Update \\$HBAN](#)
- [JPMorgan Chase & Co. Analysis – September 2015 Update \\$JPM](#)
- [Citigroup Inc. Analysis – September 2015 Update \\$C](#)
- [Wells Fargo & Co. Analysis – September 2015 Update \\$WFC](#)
- [People's United Financial Inc. Analysis – August 2015 Update \\$PBCT](#)
- [M&T Bank Corporation Analysis – August 2015 Update \\$MTB](#)
- [KeyCorp Analysis – August 2015 Update \\$KEY](#)
- [State Street Corporation Analysis – August 2015 Update \\$STT](#)
- [BB&T Corporation Analysis – August 2015 Update \\$BBT](#)
- [PNC Financial Services Group Inc. Analysis – August 2015 Update \\$PNC](#)