

ModernGraham Valuation

Company Name:

BB&T Corporation

Company Ticker BBT

Date of Analysis

8/14/2015



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	Pass
2. Earnings Stability	Positive EPS for 10 years prior	Pass
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	Fail
5. Moderate PEmg Ratio	PEmg < 20	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	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	2.48
MG Growth Estimate	6.66%
MG Value	\$54.17
MG Value based on 3% Growth	\$36.01
MG Value based on 0% Growth	\$21.11
Market Implied Growth Rate	3.80%

MG Opinion

Current Price	\$40.00
% of Intrinsic Value	73.84%
Opinion	Undervalued

Stage 3: Information for Further Research

PEmg	16.11
PB Ratio	1.17
Dividend Yield	2.48%
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	\$2.49	Next Fiscal Year Estimate	\$2.48
Dec14	\$2.75	Dec14	\$2.36
Dec13	\$2.19	Dec13	\$2.05
Dec12	\$2.70	Dec12	\$1.95
Dec11	\$1.83	Dec11	\$1.72
Dec10	\$1.16	Dec10	\$1.84
Dec09	\$1.15	Dec09	\$2.31
Dec08	\$2.71	Dec08	\$2.89
Dec07	\$3.14	Dec07	\$2.91
Dec06	\$2.81	Dec06	\$2.75
Dec05	\$3.00	Dec05	\$2.66
Dec04	\$2.80	Dec04	\$2.41
Dec03	\$2.07	Dec03	\$2.16
Dec02	\$2.72	Dec02	\$2.11
Dec01	\$2.12	Dec01	\$1.76
Dec00	\$1.53	Dec00	\$1.53
Dec99	\$1.71	Dec99	\$1.46
Dec98	\$1.63	Balance Sheet Information Jun15	
Dec97	\$1.23	Long-Term Debt	\$23,271,000,000
Dec96	\$1.17	Total Assets	\$191,017,000,000
Dec95	\$0.80	Intangible Assets	\$7,655,000,000
		Total Liabilities	\$165,937,000,000
		Shares Outstanding (Diluted Average)	734,527,000



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.

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[Huntington Bancshares Analysis – June 2015 Update \\$HBAN](#)
[JPMorgan Chase Analysis – June 2015 Update \\$JPM](#)
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