

# ModernGraham Valuation

Company Name:

Metlife Inc

Company Ticker MET

Date of Analysis

10/15/2015



## 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	\$53,149,439,730	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	-24.76%	Fail
5. Moderate PEmg Ratio	PEmg < 20	11.41	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.78	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

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	4.20
MG Growth Estimate	5.85%
<b>MG Value</b>	<b>\$84.86</b>
MG Value based on 3% Growth	\$60.91
MG Value based on 0% Growth	\$35.71
Market Implied Growth Rate	1.45%

### MG Opinion

Current Price	\$47.91
% of Intrinsic Value	56.46%
<b>Opinion</b>	<b>Undervalued</b>

## Stage 3: Information for Further Research

Graham Number	\$82.93
PEmg	11.41
PB Ratio	0.78
Dividend Yield	2.97%
Number of Consecutive Years of Dividend Growth	3

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$4.92	Next Fiscal Year Estimate	\$4.20
Dec14	\$5.42	Dec14	\$3.77
Dec13	\$2.91	Dec13	\$2.61
Dec12	\$1.12	Dec12	\$2.37
Dec11	\$5.76	Dec11	\$3.02
Dec10	\$2.86	Dec10	\$2.27
Dec09	-\$2.89	Dec09	\$2.71
Dec08	\$4.14	Dec08	\$5.50
Dec07	\$5.48	Dec07	\$5.87
Dec06	\$7.99	Dec06	\$5.57
Dec05	\$6.16	Dec05	\$3.95
Dec04	\$3.65	Dec04	\$2.62
Dec03	\$2.94	Dec03	\$1.89
Dec02	\$2.20	Dec02	\$1.20
Dec01	\$0.62	Dec01	\$0.60
Dec00	\$1.49	Dec00	\$0.50
Dec99	\$0.00	Dec99	\$0.00
Dec98	\$0.00	<b>Balance Sheet Information</b>	<b>Jun15</b>
Dec97	\$0.00	Long-Term Debt	\$19,963,000,000
Dec96	\$0.00	Total Assets	\$898,409,000,000
Dec95	\$0.00	Intangible Assets	\$9,644,000,000
		Total Liabilities	\$829,032,000,000
		Shares Outstanding (Diluted Average)	1,128,392,000





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 Best Companies of the Insurance Industry – October 2015](#)
- [5 Undervalued Companies for Value Investors with a High Beta – August 2015](#)
- [The 20 Best Stocks For Value Investors This Week – 7/25/15](#)
- [MetLife Inc. Analysis – July 2015 Update \\$MET](#)
- [The Best Companies of the Insurance Industry – June 2015](#)

Other ModernGraham posts about related companies

- [Aetna Inc. Valuation – October 2015 Update \\$AET](#)
- [Cigna Corporation Analysis – October 2015 Update \\$CI](#)
- [The Best Companies of the Insurance Industry – October 2015](#)
- [Chubb Corporation Analysis – September 2015 Update \\$CB](#)
- [Anthem Inc. Analysis – September 2015 Update \\$ANTM](#)
- [Aflac Inc. Analysis – September 2015 Update \\$AFL](#)
- [Marsh & McLennan Companies Analysis – September 2015 Update \\$MMC](#)
- [Berkshire Hathaway Analysis – August 2015 Update \\$BRK/B](#)
- [Progressive Corporation Analysis – August 2015 Update \\$PGR](#)
- [Ace Limited Analysis – August 2015 Update \\$ACE](#)