

ModernGraham Valuation

Company Name:

Fifth Third Bancorp

Company Ticker FITB

Date of Analysis

1/5/2016



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	\$15,548,993,999	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
3. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	2414.29%	Pass
4. Earnings Growth	PEmg < 20	11.67	Pass
5. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.00	Pass
6. Moderate Price to Assets			

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	1.68
MG Growth Estimate	15.00%
MG Value	\$64.68
MG Value based on 3% Growth	\$24.36
MG Value based on 0% Growth	\$14.28
Market Implied Growth Rate	1.59%

MG Opinion

Current Price	\$19.61
% of Intrinsic Value	30.32%
Opinion	Undervalued

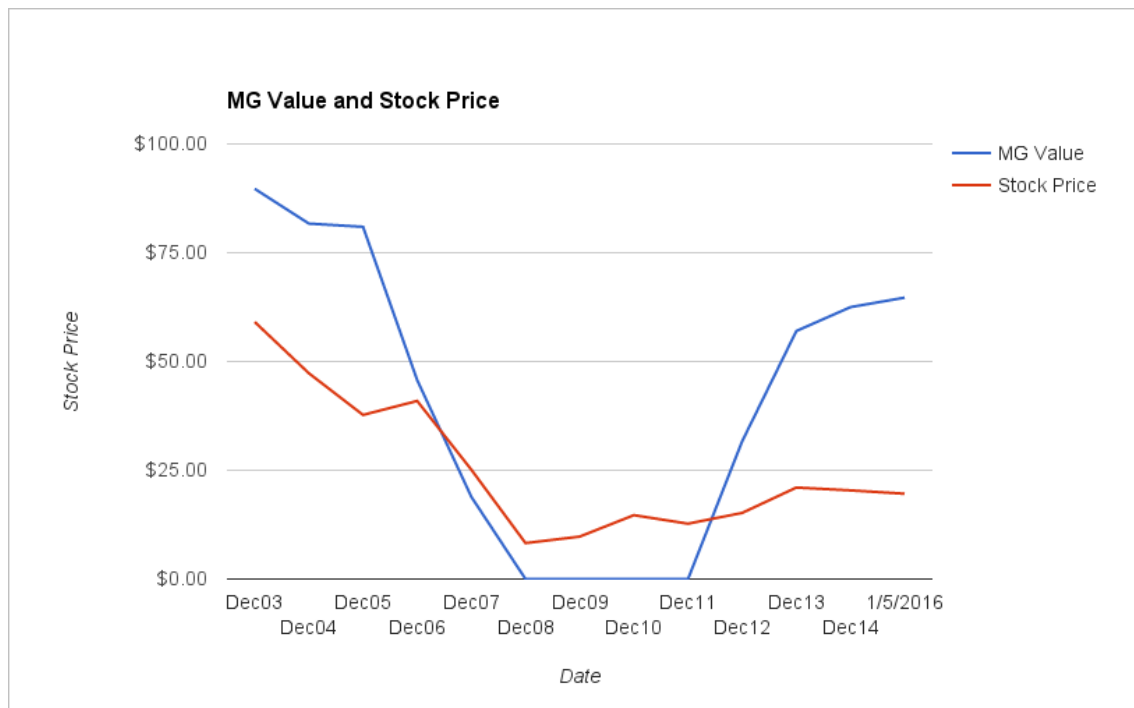
Stage 3: Information for Further Research

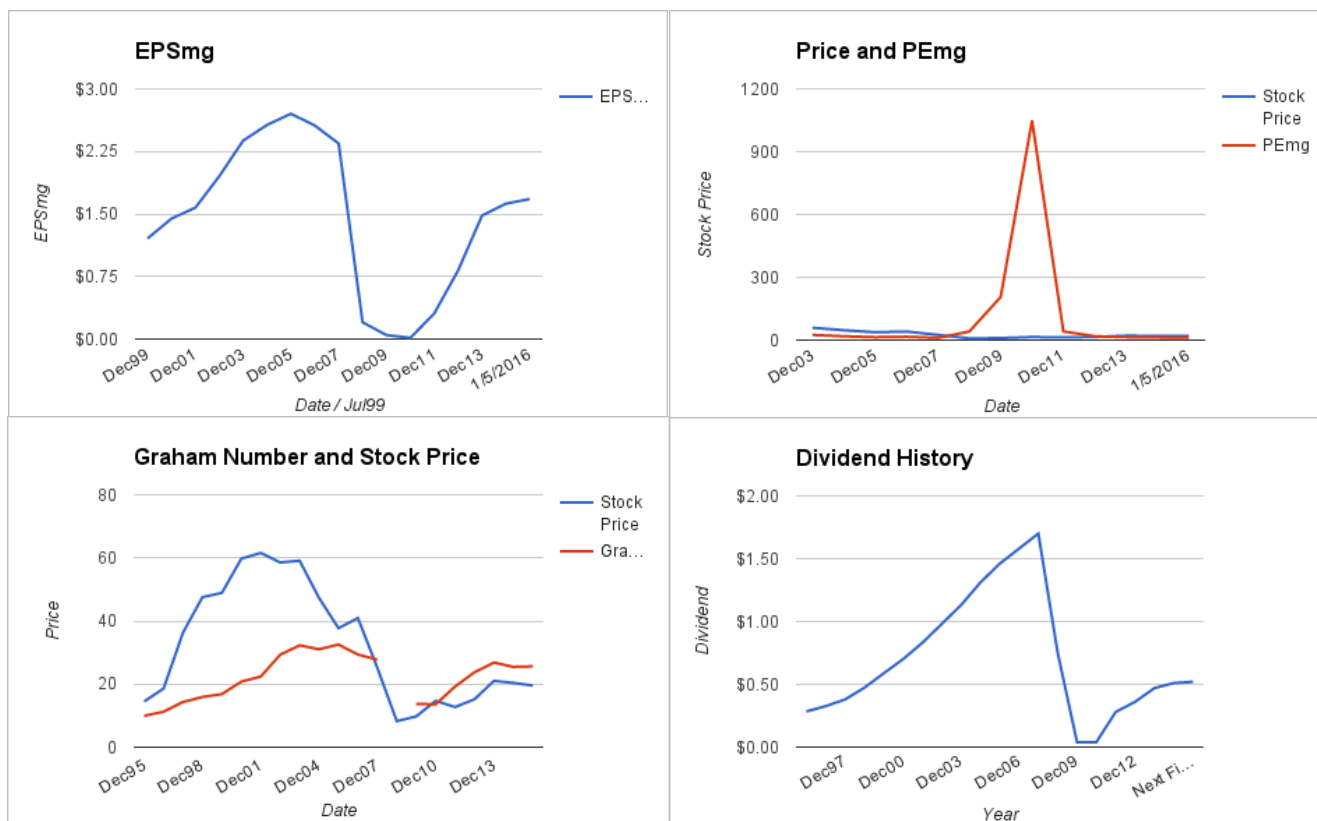
Graham Number	\$25.61
PEmg	11.67
PB Ratio	1.00
Dividend Yield	2.65%
Number of Consecutive Years of Dividend Growth	5

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	\$1.60	Next Fiscal Year Estimate	\$1.68
Dec14	\$1.66	Dec14	\$1.62
Dec13	\$2.02	Dec13	\$1.48
Dec12	\$1.66	Dec12	\$0.82
Dec11	\$1.18	Dec11	\$0.31
Dec10	\$0.63	Dec10	\$0.01
Dec09	\$0.67	Dec09	\$0.05
Dec08	-\$3.91	Dec08	\$0.20
Dec07	\$1.99	Dec07	\$2.34
Dec06	\$2.13	Dec06	\$2.56
Dec05	\$2.77	Dec05	\$2.70
Dec04	\$2.68	Dec04	\$2.57
Dec03	\$3.03	Dec03	\$2.38
Dec02	\$2.59	Dec02	\$1.95
Dec01	\$1.70	Dec01	\$1.58
Dec00	\$1.83	Dec00	\$1.45
Dec99	\$1.43	Dec99	\$1.21
Dec98	\$1.19	Balance Sheet Information Sep15	
Dec97	\$1.15	Long-Term Debt	\$15,527,000,000
Dec96	\$0.94	Total Assets	\$141,918,000,000
Dec95	\$0.86	Intangible Assets	\$3,186,000,000
		Total Liabilities	\$126,092,000,000
		Shares Outstanding (Diluted Average)	805,023,000





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:

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ModernGraham
posts about the
company

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[Fifth Third Bancorp Analysis – October 2015 Update \\$FITB](#)
[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](#)

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[People's United Financial Corp Valuation – December 2015 Update \\$PBCT](#)
[M&T Bank Corp Valuation – December 2015 Update \\$MTB](#)
[KeyCorp Valuation – November 2015 Update \\$KEY](#)
[State Street Corp Valuation – November 2015 Update \\$STT](#)
[BB&T Corporation Valuation – November 2015 Update \\$BBT](#)
[PNC Financial Services Group Valuation – November 2015 Update \\$PNC](#)
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