

ModernGraham Valuation

Company Name:

Allstate Corp

Company Ticker ALL

Date of Analysis

5/18/2016



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	\$24,952,696,453	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	147.13%	Pass
5. Moderate PEmg Ratio	PEmg < 20	13.54	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.26	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	\$4.95
MG Growth Estimate	15.00%
MG Value	\$190.73
MG Value based on 3% Growth	\$71.83
MG Value based on 0% Growth	\$42.11
Market Implied Growth Rate	2.52%

MG Opinion

Current Price	\$67.10
% of Intrinsic Value	35.18%
Opinion	Undervalued
MG Grade	B+

Stage 3: Information for Further Research

Graham Number	\$68.45
PEmg	13.54
PB Ratio	1.26
Current Dividend	\$1.23
Dividend Yield	1.83%
Number of Consecutive Years of Dividend Growth	6

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		Next Fiscal Year Estimate	
12/1/2015	\$4.20	12/1/2015	\$4.95
12/1/2014	\$5.05	12/1/2014	\$5.04
12/1/2013	\$6.27	12/1/2013	\$4.62
12/1/2012	\$4.81	12/1/2012	\$3.49
12/1/2011	\$4.68	12/1/2011	\$2.31
12/1/2010	\$1.51	12/1/2010	\$1.38
12/1/2009	\$1.71	12/1/2009	\$1.94
12/1/2008	\$1.58	12/1/2008	\$2.48
12/1/2007	-\$3.07	12/1/2007	\$3.27
12/1/2006	\$7.77	12/1/2006	\$6.07
12/1/2005	\$7.84	12/1/2005	\$4.84
12/1/2004	\$2.64	12/1/2004	\$3.18
12/1/2003	\$4.54	12/1/2003	\$3.26
12/1/2002	\$3.83	12/1/2002	\$2.64
12/1/2001	\$1.60	12/1/2001	\$2.26
12/1/2000	\$1.60	12/1/2000	\$2.76
12/1/1999	\$2.95	12/1/1999	\$3.30
12/1/1998	\$3.38	Balance Sheet Information 3/1/2016	
12/1/1997	\$3.94	Long-term Debt	\$5,108,000,000
12/1/1996	\$3.56	Total Assets	\$105,947,000,000
12/1/1996	\$2.32	Intangible Assets	\$1,219,000,000
		Total Liabilities	\$85,607,000,000
		Shares Outstanding (Diluted Average)	382,900,000





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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company

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[The 16 Best Stocks For Value Investors This Week – 8/1/15](#)
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