

ModernGraham Valuation

Company Name:

Company Ticker GNW
Date of Analysis

Genworth Financial
Inc

8/2/2016



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	\$1,342,034,614	Fail
2. Earnings Stability	Positive EPS for 10 years prior		Fail
3. Dividend Record	Dividend Payments for 10 years prior		Fail
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-894.87%	Fail
5. Moderate PEmg Ratio	PEmg < 20	-6.50	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.10	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	Fail
2. Dividend Record	Currently Pays Dividend	Fail
3. Earnings Growth	EPSmg greater than 5 years ago	Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-0.42
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$6.14
MG Value based on 0% Growth	-\$3.60
Market Implied Growth Rate	-7.50%

MG Opinion

Current Price	\$2.75
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	C+

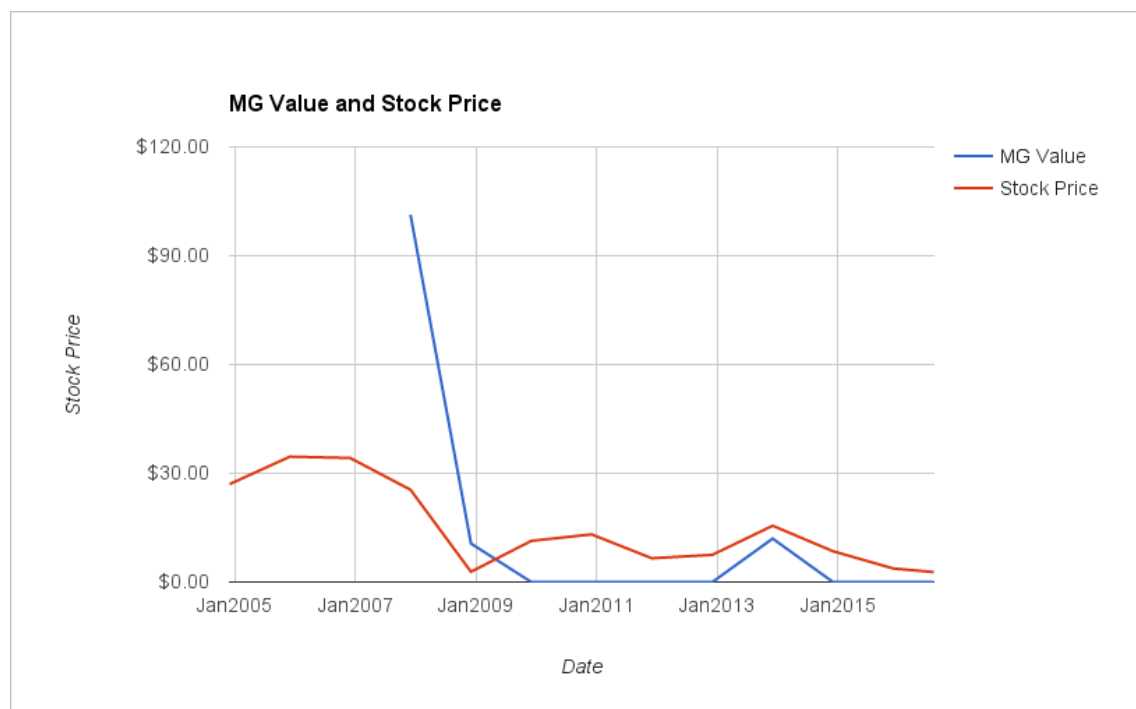
Stage 3: Information for Further Research

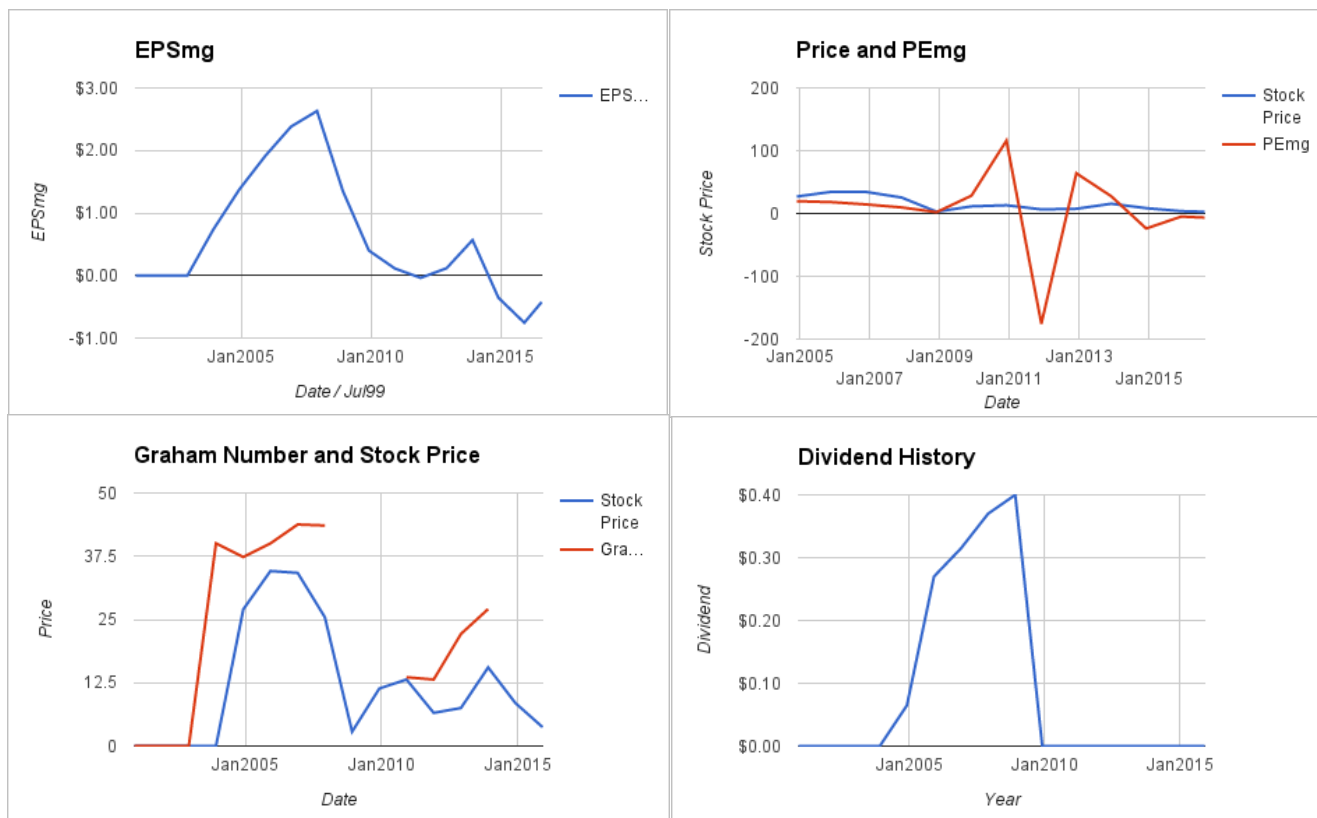
Graham Number	\$20.32
PEmg	-6.50
PB Ratio	0.10
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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	\$0.65	Next Fiscal Year Estimate	-\$0.42
Dec2015	-\$1.24	Dec2015	-\$0.76
Dec2014	-\$2.51	Dec2014	-\$0.36
Dec2013	\$1.12	Dec2013	\$0.57
Dec2012	\$0.65	Dec2012	\$0.12
Dec2011	\$0.25	Dec2011	-\$0.04
Dec2010	\$0.29	Dec2010	\$0.11
Dec2009	-\$1.02	Dec2009	\$0.40
Dec2008	-\$1.32	Dec2008	\$1.35
Dec2007	\$2.73	Dec2007	\$2.63
Dec2006	\$2.83	Dec2006	\$2.38
Dec2005	\$2.52	Dec2005	\$1.91
Dec2004	\$2.36	Dec2004	\$1.38
Dec2003	\$2.21	Dec2003	\$0.74
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Dec2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information 3/1/2016	
Dec1998	\$0.00	Long-Term Debt & Capital Lease Obligation	\$4,405,000,000
Dec1997	\$0.00	Total Assets	\$107,173,000,000
Dec1996	\$0.00	Intangible Assets	\$291,000,000
		Total Liabilities	\$93,118,000,000
		Shares Outstanding (Diluted Average)	499,400,000





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

[Genworth Financial Analysis – 2015 Annual Update \\$GNW](#)

[15 Companies in the Spotlight This Week – 5/31/14](#)

[Genworth Financial 2014 Annual Valuation \\$GNW](#)

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posts about related
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[Progressive Corporation Valuation – June 2016 \\$PGR](#)

[Cincinnati Financial Corporation Valuation – May 2016 \\$CINF](#)

[Lincoln National Corporation Valuation – May 2016 \\$LNC](#)

[Allstate Corporation Valuation – May 2016 \\$ALL](#)

[The Travelers Companies Valuation – May 2016 \\$TRV](#)

[Unum Group Valuation – March 2016 \\$UNM](#)