

ModernGraham Valuation

Company Name:

SLM Corp

Company Ticker SLM

Date of Analysis

12/13/2016



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	\$4,519,138,637	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
3. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-159.53%	Fail
4. Earnings Growth	PEmg < 20	20.71	Fail
5. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.07	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		Fail
3. Earnings Growth	EPSmg greater than 5 years ago		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	0.52
MG Growth Estimate	-3.09%
MG Value	\$1.21
MG Value based on 3% Growth	\$7.57
MG Value based on 0% Growth	\$4.44
Market Implied Growth Rate	6.10%

MG Opinion

Current Price	\$10.81
% of Intrinsic Value	891.27%
Opinion	Overvalued
MG Grade	F

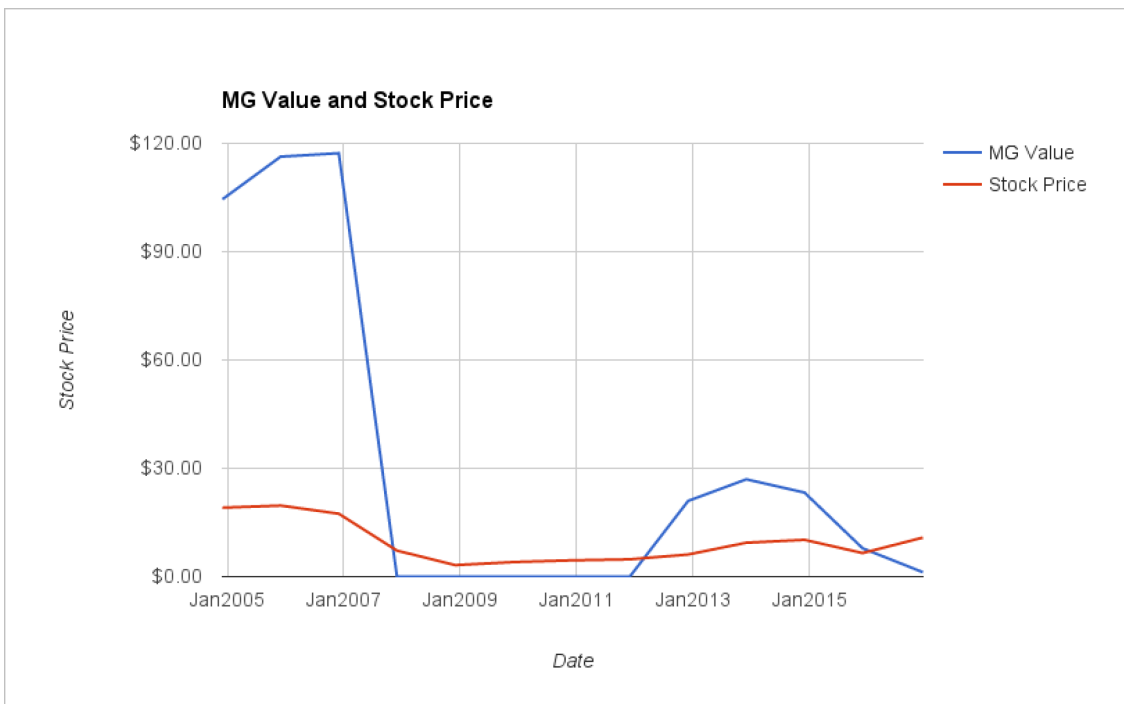
Stage 3: Information for Further Research

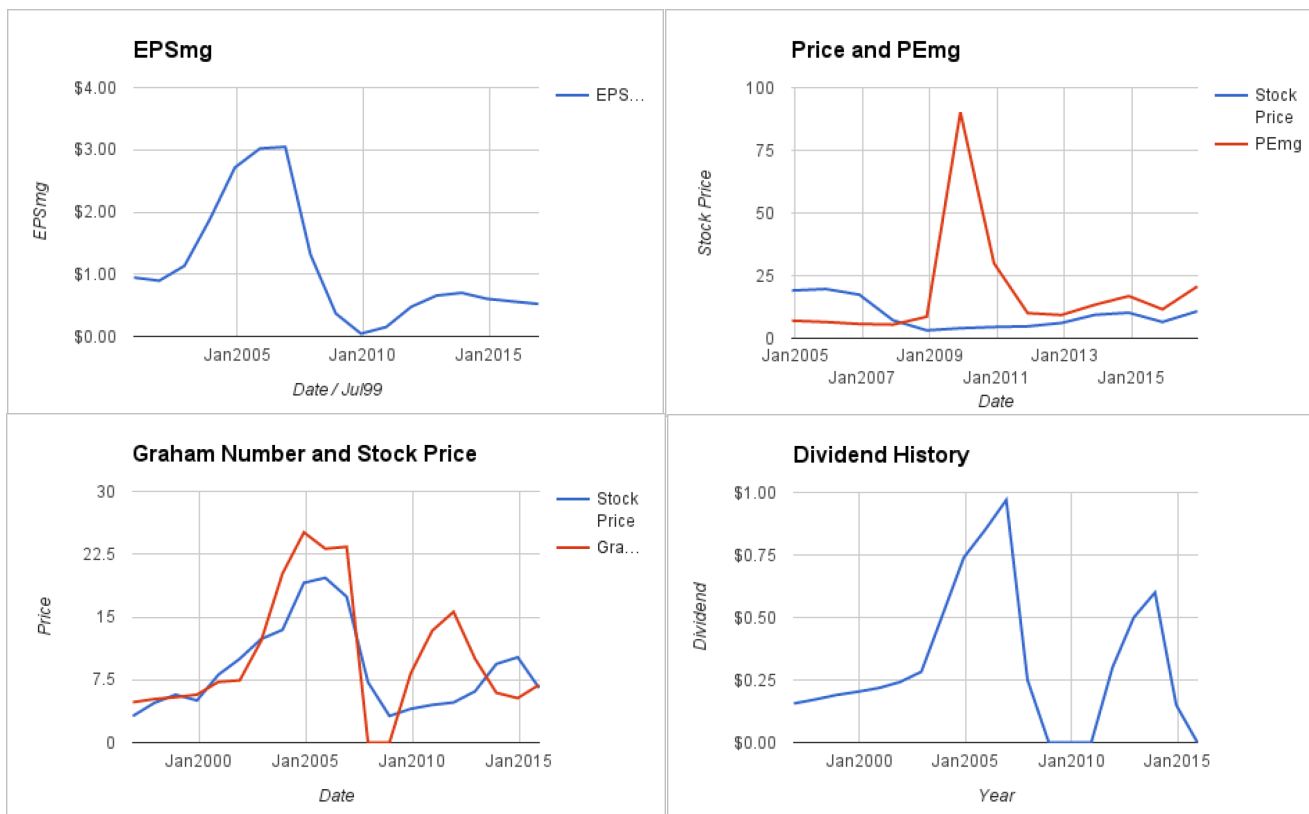
Graham Number	\$6.80
PEmg	20.71
PB Ratio	2.07
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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		Next Fiscal Year Estimate	
	\$0.52		\$0.52
Dec2015	\$0.59	Dec2015	\$0.56
Dec2014	\$0.42	Dec2014	\$0.60
Dec2013	\$0.58	Dec2013	\$0.70
Dec2012	\$0.45	Dec2012	\$0.66
Dec2011	\$1.18	Dec2011	\$0.48
Dec2010	\$0.94	Dec2010	\$0.15
Dec2009	\$0.38	Dec2009	\$0.04
Dec2008	-\$0.69	Dec2008	\$0.37
Dec2007	-\$2.26	Dec2007	\$1.32
Dec2006	\$2.63	Dec2006	\$3.05
Dec2005	\$3.05	Dec2005	\$3.02
Dec2004	\$4.04	Dec2004	\$2.71
Dec2003	\$3.29	Dec2003	\$1.88
Dec2002	\$1.64	Dec2002	\$1.13
Dec2001	\$0.76	Dec2001	\$0.90
Dec2000	\$0.92	Dec2000	\$0.95
Dec1999	\$1.02	Balance Sheet Information 9/1/2016	
		Long-Term Debt & Capital Lease Obligation	\$1,577,689,000
Dec1998	\$0.98	Total Assets	\$17,745,613,000
Dec1997	\$0.93	Intangible Assets	\$0
Dec1996	\$0.70	Total Liabilities	\$15,486,117,000
		Shares Outstanding (Diluted Average)	433,523,000





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

[SLM Corporation Analysis – August 2015 Update \\$SLM](#)
[5 Low PE Stocks for the Enterprising Investor – July 2015](#)
[5 Most Undervalued Companies for the Enterprising Investor – July 2015](#)
[5 Most Undervalued Companies for the Enterprising Investor – June 2015](#)
[5 Low PE Stocks for the Enterprising Investor – May 2015](#)

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[IGM Financial Inc Valuation – Initial Coverage \\$IGM](#)
[Main Street Capital Corporation Valuation – September 2016 \\$MAIN](#)
[Navient Corp Valuation – August 2016 \\$NAVI](#)
[T Rowe Price Group Inc Valuation – August 2016 \\$TROW](#)
[Moody's Corporation Valuation – August 2016 \\$MCO](#)
[KKR & Co L.P. Valuation – August 2016 \\$KKR](#)
[Franklin Resources Inc Valuation – August 2016 \\$BEN](#)
[Equifax Inc Valuation – August 2016 \\$EFX](#)
[Charles Schwab Corp Valuation – August 2016 \\$SCHW](#)