ModernGraham Valuation

American International Group Inc



Company	Name:
Company Ticker	AIG

GuruFocus

Company Ticker Date of Analysis

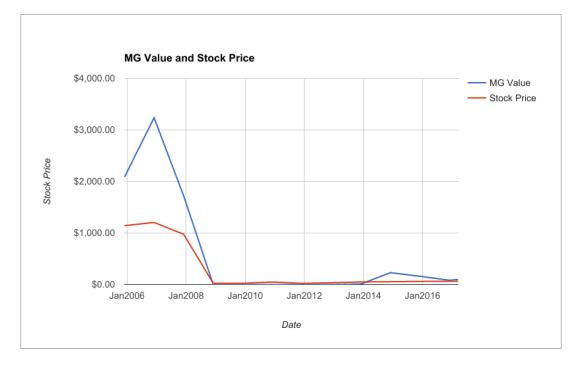
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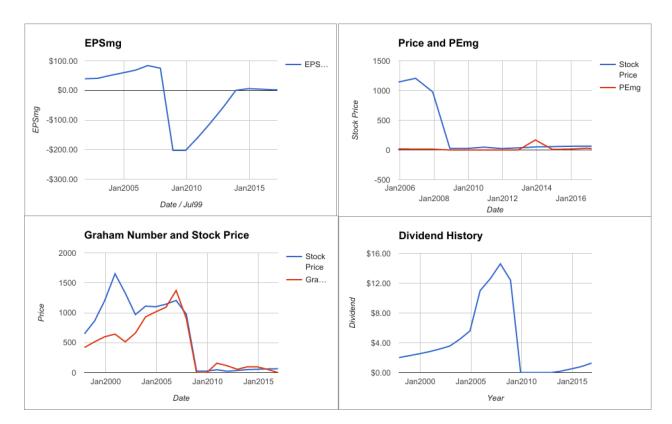
Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass all 6 of the following tests. 1. Adequate Size of the Enterprise Market Cap > \$2Bil \$61,967,130,248 Pass Positive EPS for 10 years prior 2. Earnings Stability 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 4. Earnings Growth -100.59% Fail beginning and end 5. Moderate PEmg Ratio 24.28 Fail PEmg < 20 PB Ratio < 2.5 OR PB*PEmg < 50 0.90 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 Fail 2. Dividend Record Currently Pays Dividend Pass 3. Earnings Growth EPSmg greater than 5 years ago Pass Suitability Defensive No Enterprising No Stage 2: Determination of Intrinsic Value EPSmg 2.59 MG Growth Estimate 15.00% MG Value \$99.74 MG Value based on 3% Growth \$37 56 MG Value based on 0% Growth \$22.02 Market Implied Growth Rate 7.89% MG Opinion \$62.91 Current Price 63.07% % of Intrinsic Value Opinion Undervalued MG Grade c-Stage 3: Information for Further Research Graham Number \$84.09 PEmg 24.28 PB Ratio 0.90 **Dividend Yield** 2.03% Number of Consecutive Years of Dividend Growth 5 Useful Links: ModernGraham tagged articles Morningstar **Google Finance** MSN Money Yahoo Finance Seeking Alpha

SEC Filings

EPS History	EPSmg History		
Next Fiscal Year			
Estimate	\$4.10	Next Fiscal Year Estimate	\$2.59
Dec2016	-\$0.78	Dec2016	\$2.17
Dec2015	\$1.65	Dec2015	\$4.17
Dec2014	\$5.20	Dec2014	\$6.02
Dec2013	\$6.13	Dec2013	\$0.30
Dec2012	\$2.04	Dec2012	-\$56.58
Dec2011	\$11.01	Dec2011	-\$109.06
Dec2010	\$11.60	Dec2010	-\$158.11
Dec2009	-\$90.48	Dec2009	-\$202.81
Dec2008	-\$756.85	Dec2008	-\$202.54
Dec2007	\$47.80	Dec2007	\$75.03
Dec2006	\$107.20	Dec2006	\$84.08
Dec2005	\$79.80	Dec2005	\$68.24
Dec2004	\$73.80	Dec2004	\$59.32
Dec2003	\$70.60	Dec2003	\$50.60
Dec2002	\$43.40	Dec2002	\$40.80
Dec2001	\$30.80	Dec2001	\$39.31
Dec2000	\$46.60	Balance Sheet Information	12/1/2016
		Long-Term Debt & Capital Lease	
Dec1999		Obligation	\$30,912,000,000
Dec1998	\$38.40	Total Assets	\$498,264,000,000
Dec1997	\$32.00	Intangible Assets	\$0
		Total Liabilities	\$421,964,000,000
		Shares Outstanding (Diluted Average)	1,091,085,000





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	Stocks Trading Below Their Graham Number – July 2016
	5 Companies for Enterprising Investors Near 52 Week Lows – June 2016
	Stocks Trading Below Their Graham Number – June 2016
	Stocks Trading Below Their Graham Number – May 2016
	Stocks Trading Below Their Graham Number – March 2016
Other ModernGraham posts about related companies	Torchmark Corporation Valuation – March 2017 \$TMK
	Humana Inc Valuation – Initial Coverage \$HUM
	Chubb Ltd Valuation – March 2017 \$CB
	Stewart Information Services Corp Valuation – Initial Coverage \$STC
	Loews Corporation – February 2017 \$L

 Stewart Information Services Corp Valuation – Initial Coverage \$ST

 Loews Corporation – February 2017 \$L

 Kemper Corp Valuation – Initial Coverage \$KMPR

 CNO Financial Group Inc Valuation – January 2017 \$CNO

 Anthem Inc Valuation – January 2017 \$ANTM

 American Financial Group Inc Valuation – January 2017 \$AFG

 Selective Insurance Group Valuation – Initial Coverage \$SIGI