

ModernGraham Valuation

Regions Financial
Corp



Company Name:

Company Ticker RF

Date of Analysis

3/18/2018

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	\$22,770,239,022	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	-241.26%	Fail
5. Moderate PEmg Ratio	PEmg < 20	19.25	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.41	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	1.02
MG Growth Estimate	14.50%
MG Value	\$38.25
MG Value based on 3% Growth	\$14.79
MG Value based on 0% Growth	\$8.67
Market Implied Growth Rate	5.37%

MG Opinion

Current Price	\$19.63
% of Intrinsic Value	51.32%
Opinion	Undervalued
MG Grade	B+

Stage 3: Information for Further Research

Graham Number	\$19.76
PEmg	19.25
PB Ratio	1.41
Dividend Yield	1.60%
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	\$1.28	Next Fiscal Year Estimate	\$1.02
Dec2017	\$1.00	Dec2017	\$0.87
Dec2016	\$0.87	Dec2016	\$0.80
Dec2015	\$0.75	Dec2015	\$0.68
Dec2014	\$0.79	Dec2014	\$0.52
Dec2013	\$0.75	Dec2013	\$0.20
Dec2012	\$0.71	Dec2012	-\$0.69
Dec2011	-\$0.34	Dec2011	-\$1.49
Dec2010	-\$0.62	Dec2010	-\$1.75
Dec2009	-\$1.27	Dec2009	-\$1.73
Dec2008	-\$8.09	Dec2008	-\$1.26
Dec2007	\$1.76	Dec2007	\$2.21
Dec2006	\$2.67	Dec2006	\$2.47
Dec2005	\$2.15	Dec2005	\$2.36
Dec2004	\$2.19	Dec2004	\$2.42
Dec2003	\$2.90	Dec2003	\$2.44
Dec2002	\$2.72	Dec2002	\$2.15
Dec2001	\$1.82	Balance Sheet Information 12/1/2017	
Dec2000	\$1.92	Long-Term Debt & Capital Lease Obligation	\$8,132,000,000
Dec1999	\$1.90	Total Assets	\$124,294,000,000
Dec1998	\$1.88	Intangible Assets	\$5,417,000,000
		Total Liabilities	\$108,102,000,000
		Shares Outstanding (Diluted Average)	1,165,000,000





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

[Regions Financial Corp – June 2016 \\$SRE](#)
[58 Companies in the Spotlight This Week – 1/31/15](#)
[Regions Financial Corporation Annual Valuation – 2015 \\$SRE](#)
[14 Companies in the Spotlight This Week – 1/25/14](#)
[Regions Financial Corp \(RF\) Annual Valuation](#)

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companies

[KeyCorp Valuation – March 2018 \\$KEY](#)
[Canadian Western Bank Valuation – March 2018 \\$TSE-CWB](#)
[Simmons First National Corp Valuation – March 2018 \\$SFNC](#)
[Citigroup Inc Valuation – March 2018 \\$C](#)
[People's United Financial Inc Valuation – March 2018 \\$PBCT](#)
[JPMorgan Chase & Co Valuation – February 2018 \\$JPM](#)
[Opus Bank Valuation – Initial Coverage \\$OPB](#)
[Wells Fargo & Co Valuation – August 2017 \\$WFC](#)
[Old National Bancorp Valuation – Initial Coverage \\$ONB](#)
[Dime Community Bancshares Inc Valuation – Initial Coverage \\$DCOM](#)