

# ModernGraham Valuation

Everest Re Group  
Ltd



Company Name:

Company Ticker RE

Date of Analysis

4/3/2018

## 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	\$10,596,480,007	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	146.95%	Pass
5. Moderate PEmg Ratio	PEmg < 20	13.37	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.25	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

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	19.22
MG Growth Estimate	0.10%
<b>MG Value</b>	<b>\$167.30</b>
MG Value based on 3% Growth	\$278.73
MG Value based on 0% Growth	\$163.39
Market Implied Growth Rate	2.44%

### MG Opinion

Current Price	\$257.04
% of Intrinsic Value	153.64%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>B-</b>

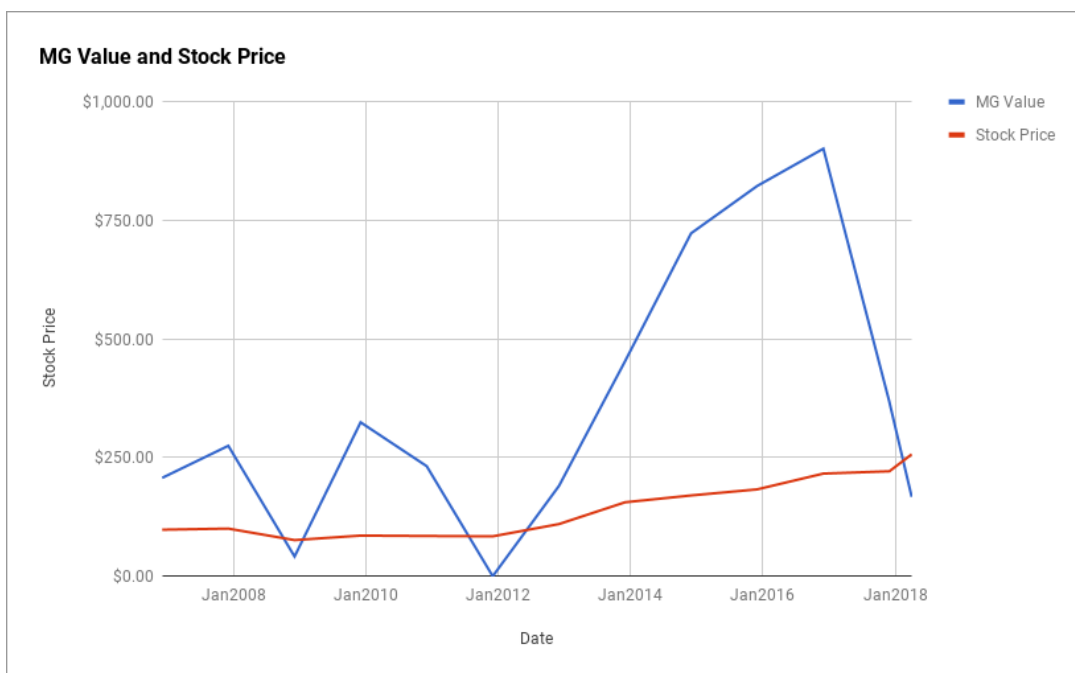
## Stage 3: Information for Further Research

Graham Number	\$306.32
PEmg	13.37
PB Ratio	1.25
Dividend Yield	1.96%
Number of Consecutive Years of Dividend Growth	5

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$20.35	Next Fiscal Year Estimate	\$19.22
Dec2017	\$11.36	Dec2017	\$19.67
Dec2016	\$23.68	Dec2016	\$23.41
Dec2015	\$22.10	Dec2015	\$21.37
Dec2014	\$25.91	Dec2014	\$19.09
Dec2013	\$25.44	Dec2013	\$14.70
Dec2012	\$15.79	Dec2012	\$8.75
Dec2011	-\$1.49	Dec2011	\$5.84
Dec2010	\$10.70	Dec2010	\$9.65
Dec2009	\$13.22	Dec2009	\$8.43
Dec2008	-\$0.30	Dec2008	\$6.07
Dec2007	\$13.19	Dec2007	\$8.75
Dec2006	\$12.87	Dec2006	\$6.35
Dec2005	-\$3.79	Dec2005	\$3.35
Dec2004	\$8.71	Dec2004	\$6.42
Dec2003	\$7.74	Dec2003	\$4.96
Dec2002	\$4.52	Dec2002	\$3.52
Dec2001	\$2.10	<b>Balance Sheet Information 12/1/2017</b>	
Dec2000	\$4.02	Long-Term Debt & Capital Lease Obligation	\$633,395,000
Dec1999	\$3.25	Total Assets	\$23,591,792,000
Dec1998	\$3.26	Intangible Assets	\$0
		Total Liabilities	\$15,222,560,000
		Shares Outstanding (Diluted Average)	40,816,000





**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

#N/A

Other ModernGraham posts about related companies

- [Cigna Corp Valuation – March 2018 \\$CI](#)
- [Aspen Insurance Holdings Ltd Valuation – March 2018 \\$AHL](#)
- [AFLAC Inc Valuation – March 2018 \\$AFL](#)
- [MetLife Inc Valuation – March 2018 \\$MET](#)
- [Principal Financial Group Inc Valuation – March 2018 \\$PFG](#)
- [Progressive Corp Valuation – February 2018 \\$PGR](#)
- [Cincinnati Financial Corp Valuation – February 2018 \\$CINF](#)
- [Lincoln National Corp Valuation – February 2018 \\$LNC](#)
- [Aon PLC Valuation – February 2018 \\$AON](#)
- [Travelers Companies Inc Valuation – February 2018 \\$TRV](#)