

ModernGraham Valuation

Genworth Financial
Inc



Company Name:

Company Ticker GNW

Date of Analysis

6/30/2018

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	\$2,227,208,522	Pass
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	-346.99%	Fail
5. Moderate PEmg Ratio	PEmg < 20	14.21	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.15	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		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	0.32
MG Growth Estimate	15.00%
MG Value	\$12.19
MG Value based on 3% Growth	\$4.59
MG Value based on 0% Growth	\$2.69
Market Implied Growth Rate	2.86%

MG Opinion

Current Price	\$4.50
% of Intrinsic Value	36.91%
Opinion	Undervalued
MG Grade	C+

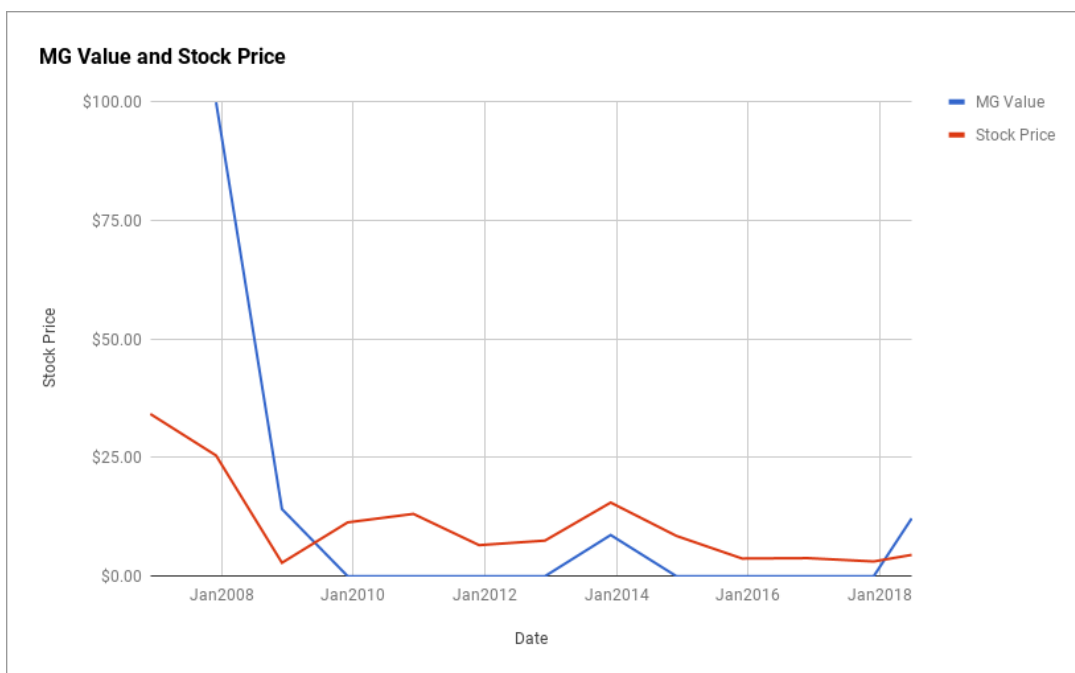
Stage 3: Information for Further Research

Graham Number	\$24.35
PEmg	14.21
PB Ratio	0.15
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	\$0.98	Next Fiscal Year Estimate	\$0.32
Dec2017	\$1.63	Dec2017	-\$0.11
Dec2016	-\$0.56	Dec2016	-\$0.83
Dec2015	-\$1.24	Dec2015	-\$0.77
Dec2014	-\$2.51	Dec2014	-\$0.39
Dec2013	\$1.12	Dec2013	\$0.51
Dec2012	\$0.66	Dec2012	\$0.04
Dec2011	\$0.08	Dec2011	-\$0.14
Dec2010	\$0.11	Dec2010	\$0.05
Dec2009	-\$1.02	Dec2009	\$0.40
Dec2008	-\$1.32	Dec2008	\$1.34
Dec2007	\$2.73	Dec2007	\$2.60
Dec2006	\$2.83	Dec2006	\$2.32
Dec2005	\$2.52	Dec2005	\$1.82
Dec2004	\$2.26	Dec2004	\$1.25
Dec2003	\$1.88	Dec2003	\$0.63
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00		
Dec2000	\$0.00		
Dec1999	\$0.00		
Dec1998	\$0.00		
		Balance Sheet Information	3/1/2018
		Long-Term Debt & Capital Lease Obligation	\$4,996,000,000
		Total Assets	\$103,773,000,000
		Intangible Assets	\$339,000,000
		Total Liabilities	\$88,911,000,000
		Shares Outstanding (Diluted Average)	502,700,000





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 Inc Valuation – August 2016 \\$GNW](#)
 - [Genworth Financial Analysis – 2015 Annual Update \\$GNW](#)
 - [15 Companies in the Spotlight This Week – 5/31/14](#)
 - [Genworth Financial 2014 Annual Valuation \\$GNW](#)

- Other ModernGraham posts about related companies**
- [Prudential Financial Inc Valuation – June 2018 \\$PRU](#)
 - [Assurant Inc Valuation – June 2018 \\$AIZ](#)
 - [Torchmark Corp Valuation – June 2018 \\$TMK](#)
 - [Humana Inc Valuation – June 2018 \\$HUM](#)
 - [American International Group Inc – June 2018 \\$AIG](#)
 - [Chubb Ltd Valuation – June 2018 \\$CB](#)
 - [Loews Corp Valuation – May 2018 \\$L](#)
 - [Anthem Inc Valuation – May 2018 \\$ANTM](#)
 - [Berkshire Hathaway Inc Valuation – May 2018 \\$BRK-B](#)
 - [Arthur J Gallagher & Co Valuation – April 2018 \\$AJG](#)