

ModernGraham Valuation

Company Name:

IGM Financial Inc.

Company Ticker TSE:IGM

Date of Analysis

7/2/2018



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	\$9,342,275,260	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
3. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end		
4. Earnings Growth		4.98%	Fail
5. Moderate PEmg Ratio	PEmg < 20	19.87	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.07	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	Pass
3. Earnings Growth	EPSmg greater than 5 years ago	Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	1.92
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$27.81
MG Value based on 0% Growth	\$16.30
Market Implied Growth Rate	5.68%

MG Opinion

Current Price	\$38.11
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D+

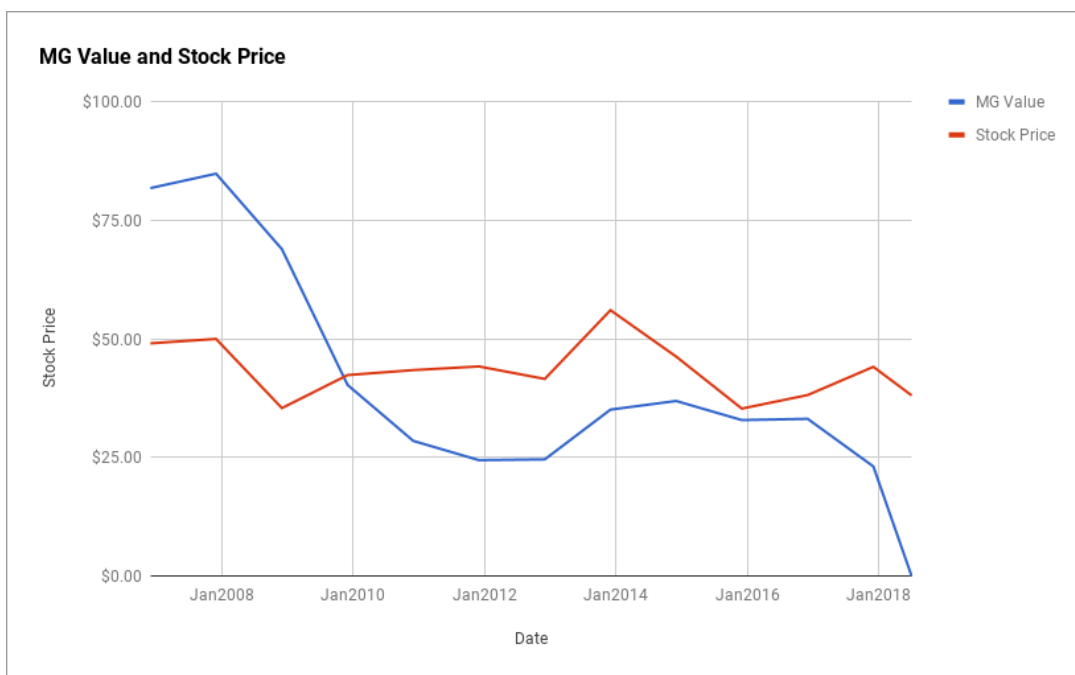
Stage 3: Information for Further Research

Graham Number	\$0.00
PEmg	19.87
PB Ratio	2.07
Dividend Yield	5.90%
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		
Dec2017	\$2.50		Dec2017		\$1.92
Dec2016	\$3.19		Dec2016		\$2.90
Dec2015	\$3.11		Dec2015		\$3.09
Dec2014	\$2.98		Dec2015		\$3.05
Dec2013	\$3.02		Dec2014		\$3.01
Dec2012	\$2.97		Dec2013		\$2.96
Dec2011	\$3.24		Dec2012		\$2.87
Dec2010	\$2.77		Dec2011		\$2.83
Dec2009	\$2.12		Dec2010		\$2.67
Dec2008	\$2.76		Dec2009		\$2.66
Dec2007	\$3.29		Dec2008		\$2.87
Dec2006	\$2.90		Dec2007		\$2.82
Dec2005	\$2.56		Dec2006		\$2.49
Dec2004	\$2.24		Dec2005		\$2.17
Dec2003	\$2.03		Dec2004		\$1.89
Dec2002	\$1.85		Dec2003		\$1.64
Dec2001	\$1.05		Dec2002		\$1.38
Dec2000	\$1.35		Balance Sheet Information 3/1/2018		
Dec1999	\$1.12		Long-Term Debt & Capital Lease Obligation		\$2,025,000,000
Dec1998	\$0.89		Total Assets		\$15,695,480,000
			Intangible Assets		\$3,844,736,000
			Total Liabilities		\$11,262,545,000
			Shares Outstanding (Diluted Average)		241,081,000





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

[IGM Financial Inc Valuation – Initial Coverage \\$IGM](#)

Other
ModernGraham
posts about related
companies

[T. Rowe Price Group Inc Valuation – June 2018 \\$TROW](#)
[Moody's Corporation – June 2018 \\$MCO](#)
[Charles Schwab Corp Valuation – June 2018 \\$SCHW](#)
[Willis Towers Watson PLC Valuation – Initial Coverage June 2018 \\$WLTW](#)
[PayPal Holdings Inc Valuation – June 2018 \\$PYPL](#)
[Synchrony Financial Valuation – June 2018 \\$SYF](#)
[CBRE Group Inc Valuation – June 2018 \\$CBRE](#)
[Franklin Resources Inc Valuation – May 2018 \\$BEN](#)
[S&P Global Inc Valuation – May 2018 \\$SPGI](#)
[Equifax Inc Valuation – May 2018 \\$EFX](#)