

ModernGraham Valuation

Sun Life Financial
Inc



Company Name:

Company Ticker TSE:SLF

Date of Analysis

8/1/2018

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	\$33,850,590,000	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		356.13%	Pass
5. Moderate PEmg Ratio	PEmg < 20	13.35	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	3.98
MG Growth Estimate	15.00%
MG Value	\$153.38
MG Value based on 3% Growth	\$57.77
MG Value based on 0% Growth	\$33.86
Market Implied Growth Rate	2.43%

MG Opinion

Current Price	\$53.20
% of Intrinsic Value	34.68%
Opinion	Undervalued
MG Grade	A-

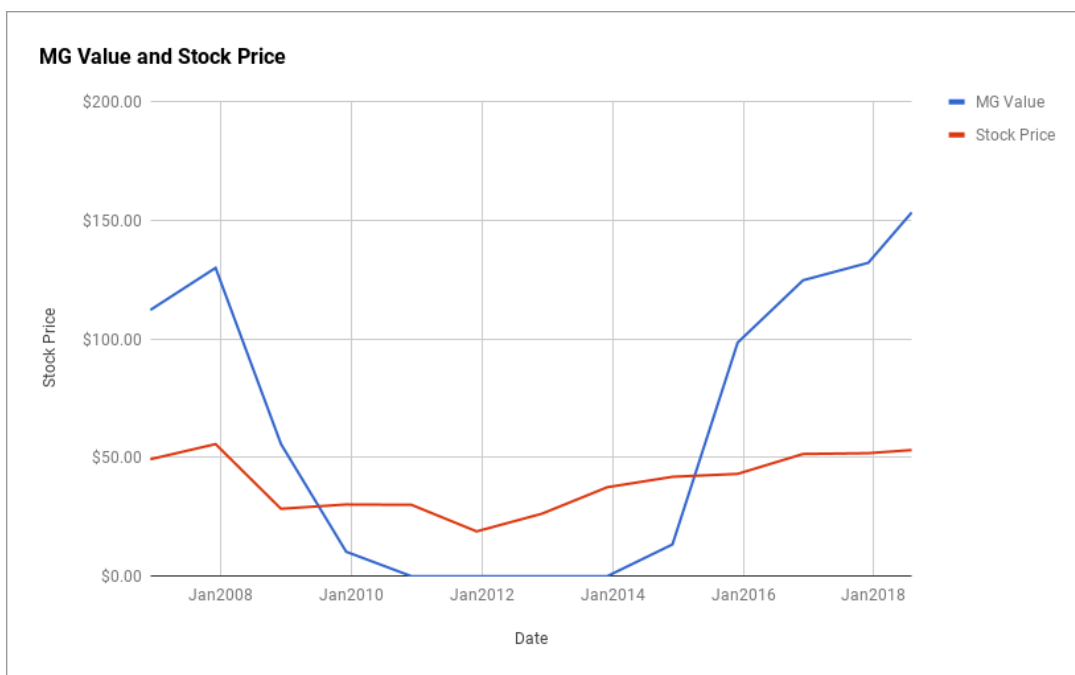
Stage 3: Information for Further Research

Graham Number	\$62.47
PEmg	13.35
PB Ratio	1.41
Dividend Yield	3.28%
Number of Consecutive Years of Dividend Growth	3

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	\$4.75	Next Fiscal Year Estimate	\$3.98
Dec2017	\$3.49	Dec2017	\$3.43
Dec2016	\$4.03	Dec2016	\$3.24
Dec2015	\$3.55	Dec2015	\$2.56
Dec2014	\$2.86	Dec2014	\$1.96
Dec2013	\$1.55	Dec2013	\$1.46
Dec2012	\$2.59	Dec2012	\$1.39
Dec2011	-\$0.64	Dec2011	\$1.05
Dec2010	\$2.39	Dec2010	\$2.07
Dec2009	\$0.94	Dec2009	\$2.13
Dec2008	\$1.37	Dec2008	\$2.80
Dec2007	\$3.85	Dec2007	\$3.38
Dec2006	\$3.58	Dec2006	\$2.92
Dec2005	\$3.12	Dec2005	\$2.43
Dec2004	\$2.79	Dec2004	\$2.03
Dec2003	\$2.15	Dec2003	\$1.55
Dec2002	\$0.69	Dec2002	\$1.15
Dec2001	\$1.87	Balance Sheet Information 3/1/2018	
Dec2000	\$2.09	Long-Term Debt & Capital Lease Obligation	\$4,336,000,000
Dec1999	\$0.00	Total Assets	\$269,720,000,000
Dec1998	\$0.00	Intangible Assets	\$6,968,000,000
		Total Liabilities	\$246,441,000,000
		Shares Outstanding (Diluted Average)	615,000,000





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.

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company

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[Sun Life Financial Inc Valuation – Initial Coverage \\$TSE:SLF](#)

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[Anthem Inc Valuation – May 2018 \\$ANTM](#)
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