

ModernGraham Valuation

Company Name:

AFLAC Incorporated

Company Ticker AFL

Date of Analysis

1/6/2019



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	\$34,196,651,286	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
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		111.77%	Pass
5. Moderate PEmg Ratio	PEmg < 20	10.93	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.49	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	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	4.11
MG Growth Estimate	5.32%
MG Value	\$78.68
MG Value based on 3% Growth	\$59.60
MG Value based on 0% Growth	\$34.94
Market Implied Growth Rate	1.21%

MG Opinion

Current Price	\$44.92
% of Intrinsic Value	57.09%
Opinion	Undervalued
MG Grade	A+

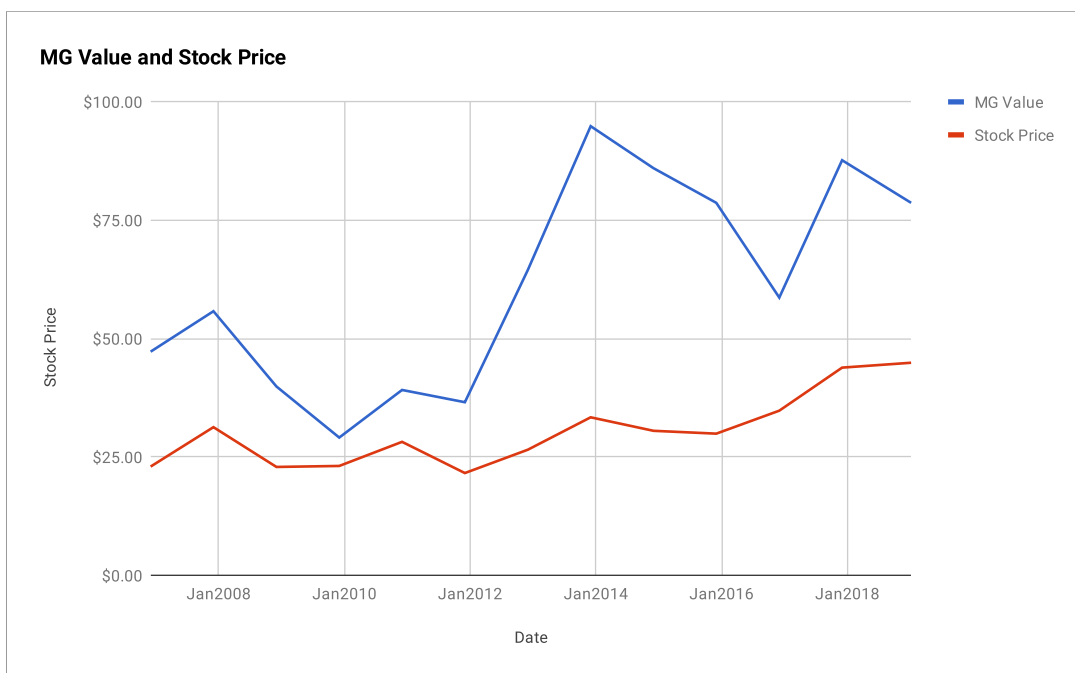
Stage 3: Information for Further Research

Graham Number	\$53.04
PEmg	10.93
PB Ratio	1.49
Dividend Yield	1.94%
Number of Consecutive Years of Dividend Growth	20

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	
	\$3.97		\$4.11
Dec2017	\$5.77	Dec2017	\$4.02
Dec2016	\$3.21	Dec2016	\$3.15
Dec2015	\$2.93	Dec2015	\$3.06
Dec2014	\$3.25	Dec2014	\$3.03
Dec2013	\$3.38	Dec2013	\$2.79
Dec2012	\$3.06	Dec2012	\$2.36
Dec2011	\$2.06	Dec2011	\$1.95
Dec2010	\$2.46	Dec2010	\$1.83
Dec2009	\$1.60	Dec2009	\$1.51
Dec2008	\$1.31	Dec2008	\$1.45
Dec2007	\$1.66	Dec2007	\$1.45
Dec2006	\$1.48	Dec2006	\$1.28
Dec2005	\$1.46	Dec2005	\$1.11
Dec2004	\$1.23	Dec2004	\$0.89
Dec2003	\$0.74	Dec2003	\$0.70
Dec2002	\$0.78	Dec2002	\$0.65
Dec2001	\$0.64	Balance Sheet Information 9/1/2018	
Dec2000	\$0.63	Long-Term Debt & Capital Lease Obligation	\$5,279,000,000
Dec1999	\$0.52	Total Assets	\$137,941,000,000
Dec1998	\$0.44	Intangible Assets	\$0
		Total Liabilities	\$114,707,000,000
		Shares Outstanding (Diluted Average)	772,070,000





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

[Best Dividend Paying Stocks for Dividend Growth Investors – August 2018](#)
[Best Dividend Paying Stocks for Dividend Growth Investors – June 2018](#)
[10 Low PE Stock Picks for the Defensive Investor – June 2018](#)
[Best Stocks Below Their Graham Number – April 2018](#)
[Best Dividend Paying Stocks for Dividend Growth Investors – April 2018](#)

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[Lincoln National Corp Valuation – January 2019 \\$LNC](#)
[Cincinnati Financial Corp Valuation – January 2019 \\$CINF](#)
[Aon PLC Valuation – November 2018 \\$AON](#)
[Travelers Companies Inc Valuation – November 2018 \\$TRV](#)
[Stewart Information Services Corp Valuation – August 2018 \\$STC](#)
[Kemper Corp Valuation – August 2018 \\$KMPR](#)
[CNO Financial Group Inc Valuation – August 2018 \\$CNO](#)
[Sun Life Financial Inc Valuation – August 2018 \\$TSE-SLF](#)
[American Financial Group Inc Valuation – August 2018 \\$AFG](#)