

ModernGraham Valuation

Company Name:

Fifth Third Bancorp

Company Ticker FITB

Date of Analysis

1/19/2019



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	\$17,701,621,200	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		199.60%	Pass
5. Moderate PEmg Ratio	PEmg < 20	11.21	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.16	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	2.41
MG Growth Estimate	7.26%
MG Value	\$55.48
MG Value based on 3% Growth	\$34.94
MG Value based on 0% Growth	\$20.48
Market Implied Growth Rate	1.35%

MG Opinion

Current Price	\$27.00
% of Intrinsic Value	48.67%
Opinion	Undervalued
MG Grade	A

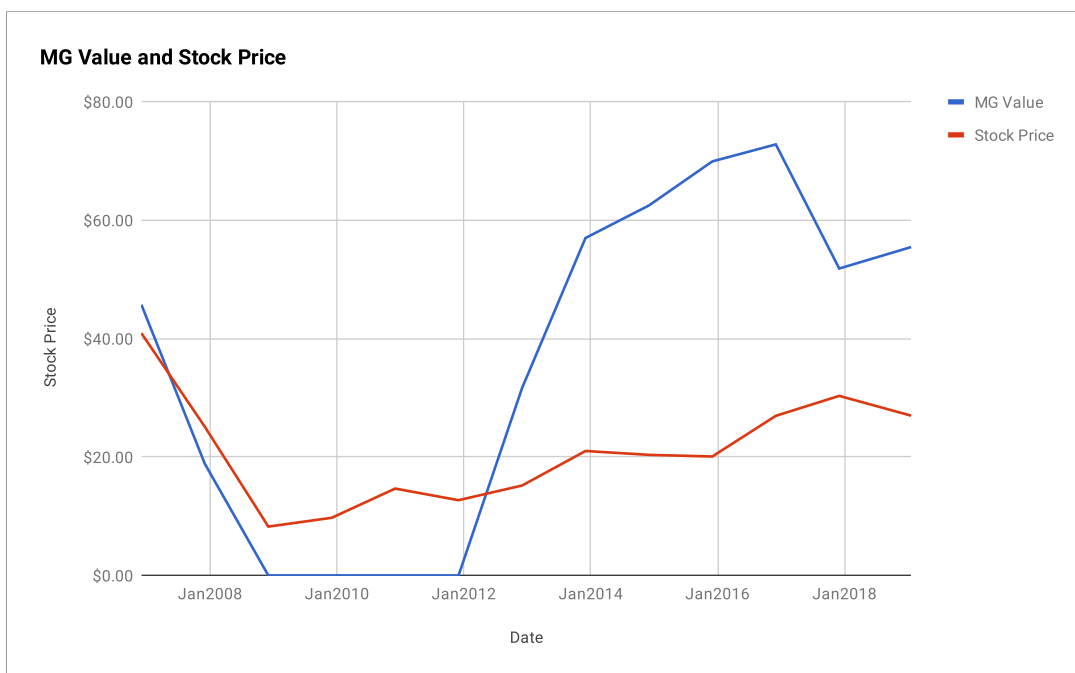
Stage 3: Information for Further Research

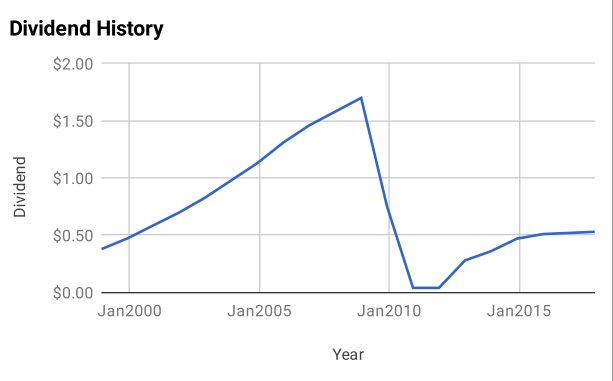
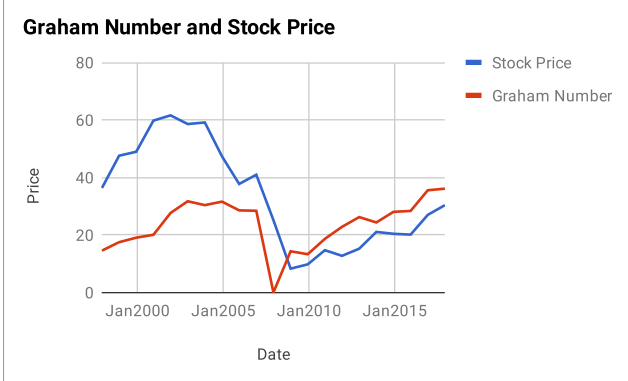
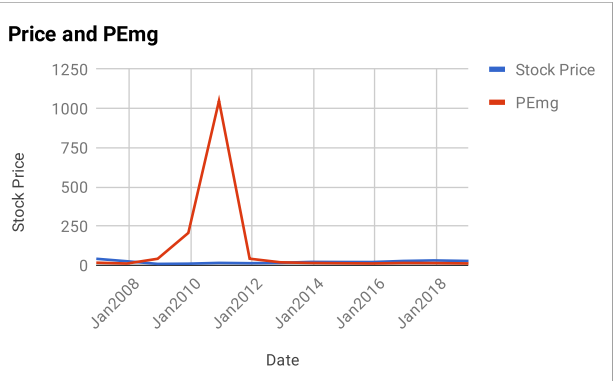
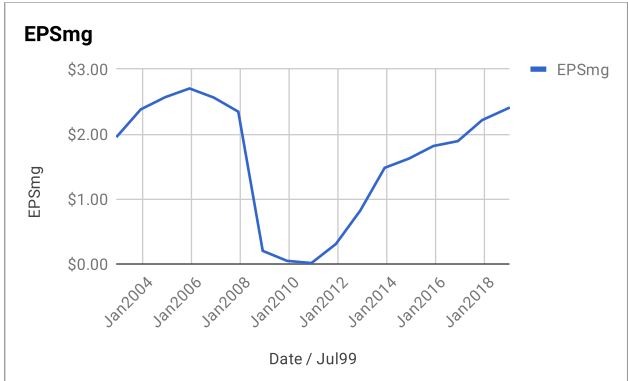
Graham Number	\$36.08
PEmg	11.21
PB Ratio	1.16
Dividend Yield	2.22%
Number of Consecutive Years of Dividend Growth	7

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	\$2.67	Next Fiscal Year Estimate	\$2.41
Dec2017	\$2.83	Dec2017	\$2.22
Dec2016	\$1.93	Dec2016	\$1.89
Dec2015	\$2.01	Dec2015	\$1.82
Dec2014	\$1.66	Dec2014	\$1.62
Dec2013	\$2.02	Dec2013	\$1.48
Dec2012	\$1.66	Dec2012	\$0.82
Dec2011	\$1.18	Dec2011	\$0.31
Dec2010	\$0.63	Dec2010	\$0.01
Dec2009	\$0.67	Dec2009	\$0.05
Dec2008	-\$3.91	Dec2008	\$0.20
Dec2007	\$1.99	Dec2007	\$2.34
Dec2006	\$2.13	Dec2006	\$2.56
Dec2005	\$2.77	Dec2005	\$2.70
Dec2004	\$2.68	Dec2004	\$2.57
Dec2003	\$3.03	Dec2003	\$2.38
Dec2002	\$2.59	Dec2002	\$1.95
Dec2001	\$1.70	Balance Sheet Information 9/1/2018	
Dec2000	\$1.83	Long-Term Debt & Capital Lease Obligation	\$14,460,000,000
Dec1999	\$1.43	Total Assets	\$141,685,000,000
Dec1998	\$1.19	Intangible Assets	\$3,500,000,000
		Total Liabilities	\$125,835,000,000
		Shares Outstanding (Diluted Average)	679,199,000





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
 - [Fifth Third Bancorp Valuation – March 2018 \\$FITB](#)
 - [Best Stocks Below Their Graham Number – March 2017](#)
 - [Best Stocks to Invest In: the Bank Industry – August 2016](#)
 - [10 Most Undervalued Companies for the Enterprising Investor – July 2016](#)
 - [9 Best Stocks For Value Investors This Week – 7/8/16](#)

- Other ModernGraham posts about related companies
 - [Zions Bancorp Valuation – January 2019 \\$ZION](#)
 - [Regions Financial Corp Valuation – January 2019 \\$RF](#)
 - [Huntington Bancshares Inc Valuation – January 2019 \\$HBAN](#)
 - [PNC Financial Services Group Inc Valuation – January 2019 \\$PNC](#)
 - [KeyCorp Valuation – January 2019 \\$KEY](#)
 - [Citigroup Inc Valuation – January 2019 \\$C](#)
 - [People's United Financial Inc Valuation – January 2019 \\$PBCT](#)
 - [JPMorgan Chase & Co Valuation – November 2018 \\$JPM](#)
 - [CVB Financial Corp Valuation – September 2018 \\$CVBF](#)
 - [Customers Bancorp Inc Valuation – September 2018 \\$CUBI](#)