

ModernGraham Valuation

Citizens Financial
Group Inc



Company Name:

Company Ticker CFG

Date of Analysis

2/18/2019

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	\$17,102,493,955	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	412.66%	Pass
5. Moderate PEmg Ratio	PEmg < 20	11.44	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.83	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	3.21
MG Growth Estimate	15.00%
MG Value	\$123.51
MG Value based on 3% Growth	\$46.52
MG Value based on 0% Growth	\$27.27
Market Implied Growth Rate	1.47%

MG Opinion

Current Price	\$36.70
% of Intrinsic Value	29.71%
Opinion	Undervalued
MG Grade	A-

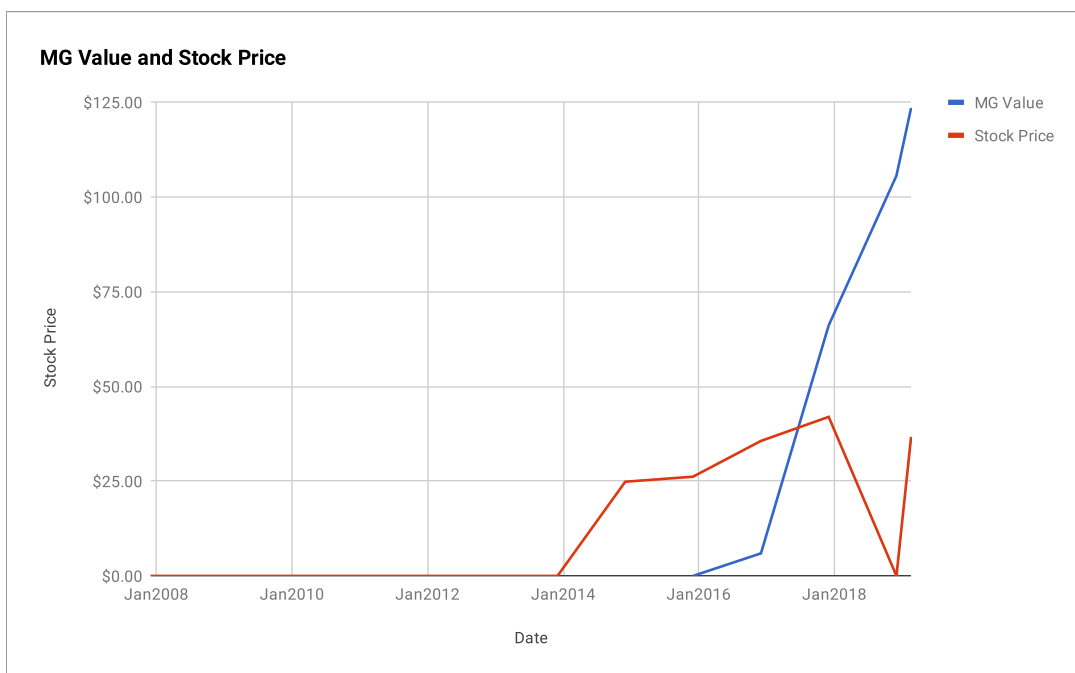
Stage 3: Information for Further Research

Graham Number	\$60.22
PEmg	11.44
PB Ratio	0.83
Dividend Yield	2.67%
Number of Consecutive Years of Dividend Growth	5

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	\$3.76	Next Fiscal Year Estimate	\$3.21
Dec2018	\$3.52	Dec2018	\$2.74
Dec2017	\$3.25	Dec2017	\$1.72
Dec2016	\$1.97	Dec2016	\$0.64
Dec2015	\$1.55	Dec2015	-\$0.08
Dec2014	\$1.55	Dec2014	-\$0.76
Dec2013	-\$6.12	Dec2013	-\$1.55
Dec2012	\$1.15	Dec2012	\$0.62
Dec2011	\$0.90	Dec2011	\$0.30
Dec2010	\$0.00	Dec2010	\$0.00
Dec2009	\$0.00	Dec2009	\$0.00
Dec2008	\$0.00	Dec2008	\$0.00
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00		
Dec2001	\$0.00		
Dec2000	\$0.00		
Dec1999	\$0.00		
		Balance Sheet Information 12/1/2018	
		Long-Term Debt & Capital Lease Obligation	\$14,433,000,000
		Total Assets	\$160,518,000,000
		Intangible Assets	\$6,923,000,000
		Total Liabilities	\$139,701,000,000
		Shares Outstanding (Diluted Average)	469,103,000





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**
- [10 Undervalued Stocks for the Enterprising Investor – January 2019](#)
 - [Most Undervalued Stocks of the S&P 500 – August 2018](#)
 - [Best Stocks Below Their Graham Number – August 2018](#)
 - [10 Undervalued Stocks for the Enterprising Investor – July 2018](#)
 - [Best Stocks Below Their Graham Number – June 2018](#)

- Other ModernGraham posts about related companies**
- [M&T Bank Corp Valuation – February 2019 \\$MTB](#)
 - [Bank of America Corp Valuation – January 2019 \\$BAC](#)
 - [Fifth Third Bancorp Valuation – January 2019 \\$FITB](#)
 - [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](#)