

ModernGraham Valuation

Company Name:

Company Ticker HIG

Date of Analysis

2/15/2019

Hartford Financial
Services Group Inc



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	\$17,456,035,313	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		-72.65%	Fail
5. Moderate PEmg Ratio	PEmg < 20	28.38	Fail
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.35	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	1.71
MG Growth Estimate	-1.62%
MG Value	\$9.01
MG Value based on 3% Growth	\$24.86
MG Value based on 0% Growth	\$14.57
Market Implied Growth Rate	9.94%

MG Opinion

Current Price	\$48.66
% of Intrinsic Value	540.08%
Opinion	Overvalued
MG Grade	C

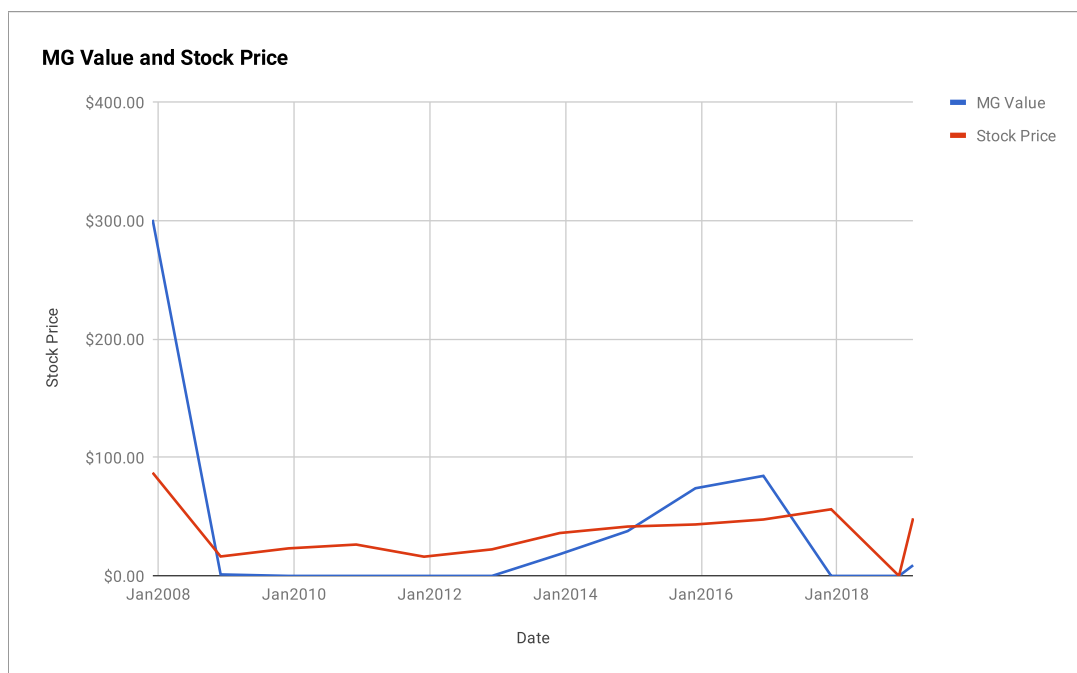
Stage 3: Information for Further Research

Graham Number	\$60.98
PEmg	28.38
PB Ratio	1.35
Dividend Yield	2.26%
Number of Consecutive Years of Dividend Growth	6

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	\$4.65	Next Fiscal Year Estimate	\$1.71
Dec2018	\$4.95	Dec2018	\$0.45
Dec2017	-\$8.61	Dec2017	-\$1.22
Dec2016	\$2.27	Dec2016	\$2.19
Dec2015	\$3.96	Dec2015	\$1.92
Dec2014	\$1.73	Dec2014	\$0.98
Dec2013	\$0.36	Dec2013	\$0.48
Dec2012	-\$0.18	Dec2012	-\$0.20
Dec2011	\$1.40	Dec2011	-\$0.06
Dec2010	\$2.40	Dec2010	\$0.03
Dec2009	-\$2.93	Dec2009	\$0.13
Dec2008	-\$8.99	Dec2008	\$2.67
Dec2007	\$9.24	Dec2007	\$7.81
Dec2006	\$8.69	Dec2006	\$6.53
Dec2005	\$7.44	Dec2005	\$4.98
Dec2004	\$7.12	Dec2004	\$3.65
Dec2003	-\$0.33	Dec2003	\$2.20
Dec2002	\$3.97	Balance Sheet Information 12/1/2018	
Dec2001	\$2.10	Long-Term Debt & Capital Lease Obligation	\$4,265,000,000
Dec2000	\$4.34	Total Assets	\$62,307,000,000
Dec1999	\$3.79	Intangible Assets	\$1,947,000,000
		Total Liabilities	\$49,206,000,000
		Shares Outstanding (Diluted Average)	364,000,000





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.

Recommended Reading:

**Other
ModernGraham
posts about the
company**

[Hartford Financial Services Analysis – 2015 Annual Update \\$HIG](#)
[15 Companies in the Spotlight This Week – 5/31/14](#)
[Hartford Financial Services 2014 Annual Valuation \\$HIG](#)

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ModernGraham
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companies**

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[Everest Re Group Ltd Valuation – February 2019 \\$RE](#)
[Cigna Corp Valuation – January 2019 \\$CI](#)
[MetLife Inc Valuation – January 2019 \\$MET](#)
[Aflac Inc Valuation – January 2019 \\$AFL](#)
[Principal Financial Group Inc Valuation – January 2019 \\$PFG](#)
[Progressive Corp Valuation – January 2019 \\$PGR](#)
[Lincoln National Corp Valuation – January 2019 \\$LNC](#)
[Cincinnati Financial Corp Valuation – January 2019 \\$CINF](#)
[Aon PLC Valuation – November 2018 \\$AON](#)