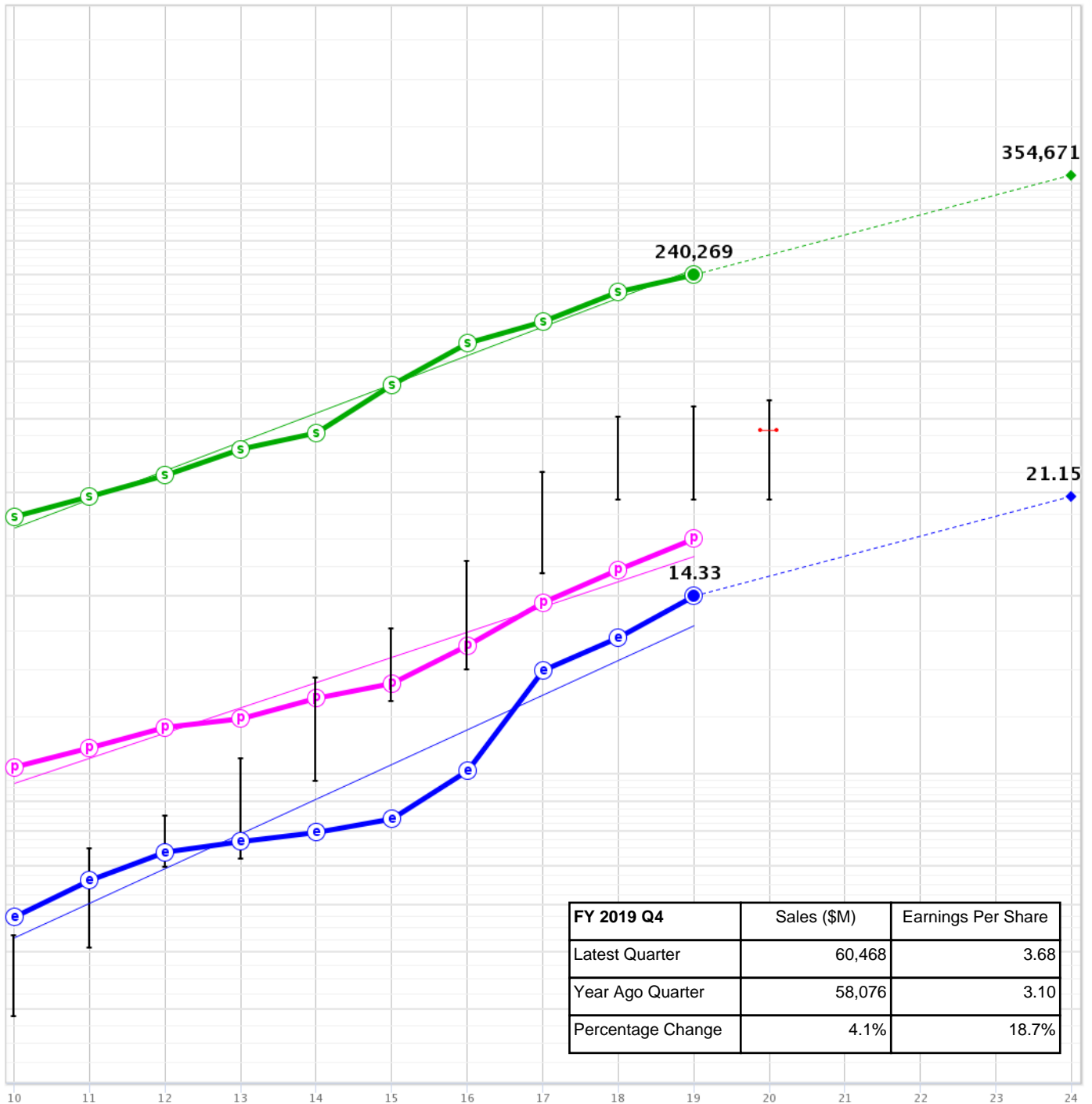


Company	UnitedHealth Group		Date	03/09/20	
Prepared by	HENRIKSON		Data taken from	BI Stock Data	
Where traded	NYS	Industry	Healthcare Plans		
Capitalization --- Outstanding Amounts	Reference				
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	963.0		0.7	62.5	
Debt (\$M)	40,678.0	% to Tot Cap	41.4	% Pot Dil	1.6

Stock Selection Guide

Symbol: UNH

1 VISUAL ANALYSIS of Sales, Earnings, and Price



- | | | | |
|-----------------------------------|-------|--|-------|
| (1) Historical Sales Growth | 11.9% | (3) Historical Earnings Per Share Growth | 14.5% |
| (2) Estimated Future Sales Growth | 8.1% | (4) Estimated Future Earnings Per Share Growth | 8.1% |

2 EVALUATING Management

UnitedHealth Group

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Last 5 Year Avg.
Pre-tax Profit on Sales	7.9%	7.9%	7.8%	7.3%	7.4%	6.5%	6.4%	7.0%	7.1%	7.5%	6.9%
% Earned on Equity	17.2%	17.6%	17.3%	17.0%	16.7%	17.3%	18.3%	22.9%	23.4%	24.7%	21.3%
% Debt To Capital	34.3%	33.2%	35.0%	34.4%	34.9%	48.7%	46.3%	39.9%	41.4%	41.4%	43.5%

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

CLOSING PRICE 273.44 (03/09/20)

HIGH THIS YEAR 306.72

LOW THIS YEAR 208.07

	A	B	C	D	E	F	G	H
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
2015	126.2	95.0	6.01	21.0	15.8	1.88	31.2	*2.0
2016	164.0	107.5	7.25	22.6	14.8	2.38	32.8	*2.2
2017	231.8	156.1	10.72	21.6	14.6	2.88	26.8	1.8
2018	287.9	208.5	12.19	23.6	17.1	3.45	28.3	1.7
2019	300.0	208.1	14.33	20.9	14.5	4.14	28.9	2.0
AVERAGE		190.9		22.0	15.4		29.6	
CURRENT/TTM			14.33			4.32	30.1	
AVERAGE PRICE EARNINGS RATIO: 18.7				CURRENT PRICE EARNINGS RATIO: 19.1				

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE - NEXT 5 YEARS

Avg. High P/E 22.0 X Estimate High Earnings/Share 21.15 = Forecasted High Price \$ 465.4

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 15.4 X Estimate Low Earnings/Share 14.33 = Forecasted Low Price \$ 220.7

(b) Avg. Low Price of Last 5 Years 190.9

(c) Recent Market Low Price 208.1

(d) Price Dividend Will Support $\frac{\text{Indicated Dividend}}{\text{High Yield}} = \frac{4.32}{2.21\%} = 195.6$

Selected Forecasted Low Price \$ 220.7

C ZONING using 25%-50%-25%

Forecasted High Price 465.4 Minus Forecasted Low Price 220.7 = 244.7 Range. 25% of Range 61.2

Buy Zone 220.7 to 281.9

Hold Zone 281.9 to 404.2

Sell Zone 404.2 to 465.4

Present Market Price of 273.44 is in the **BUY** Zone

D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price} - \text{Present Price}}{\text{Present Price}} = \frac{465.4 - 273.44}{273.44} = 0.7019$
 $\frac{\text{Present Price} - \text{Low Price}}{\text{Present Price}} = \frac{273.44 - 220.7}{273.44} = 0.1919$
 Ratio = $\frac{0.7019}{0.1919} = 3.6$ To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

$\frac{\text{High Price} - \text{Closing Price}}{\text{Closing Price}} = \frac{465.4 - 273.44}{273.44} = 0.7019$
 $0.7019 \times 100 = 70.19\% \approx 70.2\%$ % Appreciation

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A $\frac{\text{Indicated Annual Dividend}}{\text{Closing Price}} = \frac{4.14}{273.44} = 0.0158 = 1.6\%$ Current Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{29.6\%}{22.00} = 1.3\%$

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast Average PE}} = \frac{29.6\%}{18.70} = 1.6\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 11.2 %
 Average Yield 1.3 %
 Annualized Rate of Return 12.6 %

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

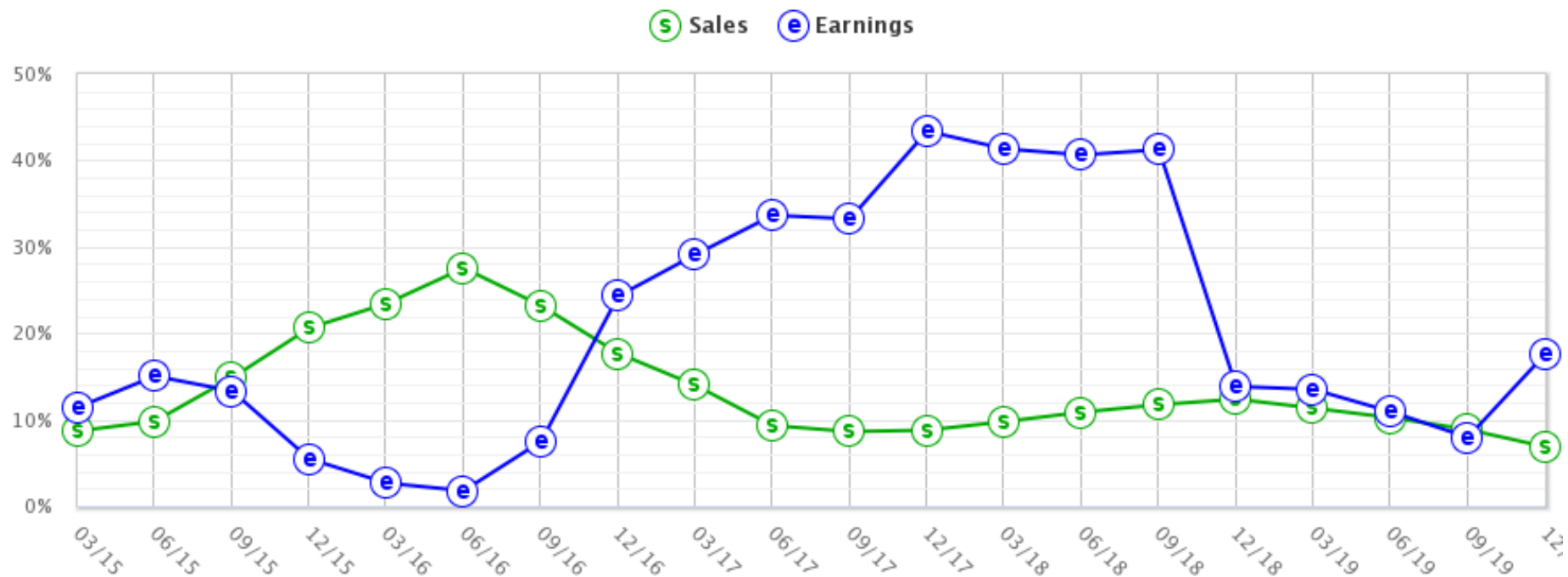
Annualized Appreciation 7.7 %
 Average Yield 1.6 %
 Annualized Rate of Return 9.2 %

Notes: UNH 3/7/20

Date	Subject	Description	Type
06/12/19	Hold	if drop below 200 SMA buy otherwise watch or hold or buy below 229	Community

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data



Period	Quarterly Data								Last 12 Months Data									
	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit			Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change		\$	\$ Mil	%Sales		\$ Mil	%Rate	EPS	Pre-Tax Profit	Sales	
12/19	3.68	18.7	4,658.0	7.7	13.0	60,468.0	4.1	21.3	14.33	17,981.0	7.5	240,269.0	3,741.8	20.8	17.6	12.8	6.8	
09/19	3.67	13.3	4,565.0	7.6	7.7	59,885.0	6.6	20.5	13.75	17,446.0	7.3	237,877.0	3,718.2	21.3	7.9	12.6	8.8	
06/19	3.42	14.8	4,326.0	7.2	12.1	60,013.0	7.7	21.8	13.32	17,118.0	7.3	234,166.0	3,733.4	21.8	10.9	13.8	10.2	
03/19	3.56	24.0	4,432.0	7.4	19.0	59,903.0	9.1	19.7	12.88	16,652.0	7.2	229,884.0	3,643.0	21.9	13.5	13.9	11.3	
12/18	3.10	-15.1	4,123.0	7.1	12.4	58,076.0	12.2	23.3	12.19	15,944.0	7.1	224,871.0	3,557.5	22.3	13.8	13.7	12.4	
09/18	3.24	29.1	4,237.0	7.5	11.7	56,174.0	12.2	22.5	12.74	15,490.0	7.1	218,558.0	2,500.5	16.1	41.2	16.7	11.7	
06/18	2.98	28.4	3,860.0	6.9	12.5	55,731.0	11.9	22.0	12.01	15,047.0	7.1	212,459.0	2,805.5	18.6	40.6	17.6	10.8	
03/18	2.87	28.7	3,724.0	6.8	19.0	54,890.0	13.2	21.5	11.35	14,617.0	7.1	206,525.0	3,071.4	21.0	41.3	18.9	9.8	
12/17	3.65	86.2	3,669.0	7.1	25.7	51,763.0	9.5	-1.4	10.71	14,023.0	7.0	200,136.0	3,245.3	23.1	43.4	18.2	8.8	
09/17	2.51	23.6	3,794.0	7.6	14.6	50,075.0	8.6	32.5	9.02	13,273.0	6.8	195,647.0	4,495.6	33.9	33.2	19.0	8.6	

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data

Quarterly Data									Last 12 Months Data								
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit		Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change			\$	\$ Mil		%Sales	\$ Mil	%Rate	EPS	Pre-Tax Profit
06/17	2.32	28.2	3,430.0	6.9	17.0	49,797.0	7.6	31.5	8.54	12,790.0	6.7	191,674.0	4,580.1	35.8	33.6	20.3	9.3
03/17	2.23	33.5	3,130.0	6.5	15.9	48,501.0	9.4	30.0	8.03	12,292.0	6.5	188,169.0	4,662.4	37.9	29.1	17.7	14.0
12/16	1.96	55.6	2,919.0	6.2	32.2	47,274.0	8.9	41.5	7.47	11,863.0	6.4	184,012.0	4,789.1	40.4	24.3	16.0	17.7
09/16	2.03	23.0	3,311.0	7.2	18.7	46,102.0	11.6	40.3	6.77	11,152.0	6.2	180,157.0	4,552.5	40.8	7.5	4.8	23.2
06/16	1.81	10.4	2,932.0	6.3	6.9	46,292.0	28.4	40.0	6.39	10,630.0	6.1	175,374.0	4,385.4	41.3	1.8	0.3	27.5
03/16	1.67	14.4	2,701.0	6.1	8.5	44,344.0	24.5	39.8	6.22	10,442.0	6.3	165,131.0	4,367.1	41.8	2.6	1.9	23.4
12/15	1.26	-18.7	2,208.0	5.1	-15.5	43,419.0	30.5	43.3	6.01	10,231.0	6.5	156,397.0	4,368.1	42.7	5.4	6.0	20.6
09/15	1.65	1.2	2,789.0	6.7	1.4	41,319.0	26.8	42.0	6.30	10,637.0	7.3	146,245.0	4,513.0	42.4	13.3	14.2	14.8
06/15	1.64	15.5	2,744.0	7.6	14.5	36,049.0	11.5	42.2	6.28	10,599.0	7.7	137,513.0	4,491.1	42.4	15.0	17.5	9.8
03/15	1.46	32.7	2,490.0	7.0	31.5	35,610.0	13.0	43.3	6.06	10,252.0	7.7	133,788.0	4,318.9	42.1	11.4	15.9	8.7
12/14	1.55	9.9	2,614.0	7.9	14.9	33,267.0	7.5	42.2	5.70	9,656.0	7.4	129,695.0	4,036.9	41.8	3.6	8.3	6.5
09/14	1.63	6.5	2,751.0	8.4	12.1	32,587.0	7.0	41.8	5.56	9,318.0	7.3	127,361.0	3,780.8	40.6	5.1	8.8	6.7
06/14	1.42	1.4	2,397.0	7.4	7.7	32,324.0	7.0	41.3	5.46	9,020.0	7.2	125,235.0	3,529.8	39.1	3.8	5.3	7.9
03/14	1.10	-5.2	1,894.0	6.0	-3.4	31,517.0	4.6	42.0	5.44	8,848.0	7.2	123,124.0	3,334.1	37.7	6.0	5.2	9.0
12/13	1.41	17.5	2,276.0	7.4	18.0	30,933.0	8.2	37.3	5.50	8,915.0	7.3	121,744.0	3,243.5	36.4	4.2	3.4	10.7
09/13	1.53	2.0	2,453.0	8.1	0.0	30,461.0	12.2	36.0	5.29	8,567.0	7.2	119,395.0	3,077.9	35.9	0.8	-0.7	11.5
06/13	1.40	10.2	2,225.0	7.4	7.3	30,213.0	11.5	35.5	5.26	8,566.0	7.4	116,091.0	3,088.3	36.1	6.9	5.5	10.5
03/13	1.16	-11.5	1,961.0	6.5	-9.6	30,137.0	11.2	36.8	5.13	8,414.0	7.4	112,965.0	3,034.3	36.1	6.7	4.8	9.6
12/12	1.20	2.6	1,928.0	6.7	-0.4	28,584.0	10.9	35.5	5.28	8,622.0	7.8	109,938.0	3,092.9	35.9	11.9	8.3	8.6
09/12	1.50	28.2	2,452.0	9.0	26.3	27,157.0	8.2	36.5	5.25	8,629.0	8.1	107,128.0	3,084.9	35.8	16.7	11.9	8.4
06/12	1.27	9.5	2,073.0	7.7	4.7	27,087.0	8.0	35.5	4.92	8,118.0	7.7	105,081.0	2,862.0	35.3	10.1	4.2	7.9
03/12	1.31	7.4	2,169.0	8.0	3.1	27,110.0	7.4	36.0	4.81	8,025.0	7.8	103,068.0	2,839.4	35.4	11.9	5.7	7.8
12/11	1.17	23.2	1,935.0	7.5	14.9	25,774.0	10.0	35.0	4.72	7,959.0	7.9	101,208.0	2,815.9	35.4	14.8	7.8	8.2
09/11	1.17	2.6	1,941.0	7.7	-4.2	25,110.0	6.1	34.5	4.50	7,708.0	7.8	98,855.0	2,786.2	36.1			
06/11	1.16	17.2	1,980.0	7.9	11.1	25,074.0	7.8	36.0	4.47	7,793.0	8.0	97,413.0	2,864.7	36.8			
03/11	1.22	18.4	2,103.0	8.3	11.2	25,250.0	8.9	36.0	4.30	7,595.0	7.9	95,603.0	2,810.3	37.0			
12/10	0.95		1,684.0	7.2		23,421.0		38.1									
09/10	1.14		2,026.0	8.6		23,668.0		37.0									
06/10	0.99		1,782.0	7.7		23,264.0		37.0									
03/10	1.03		1,891.0	8.2		23,193.0		37.0									