

UnitedHealth Group (UNH)

Date: 02/12/2012

Stock Prices

Current Price = \$53.32

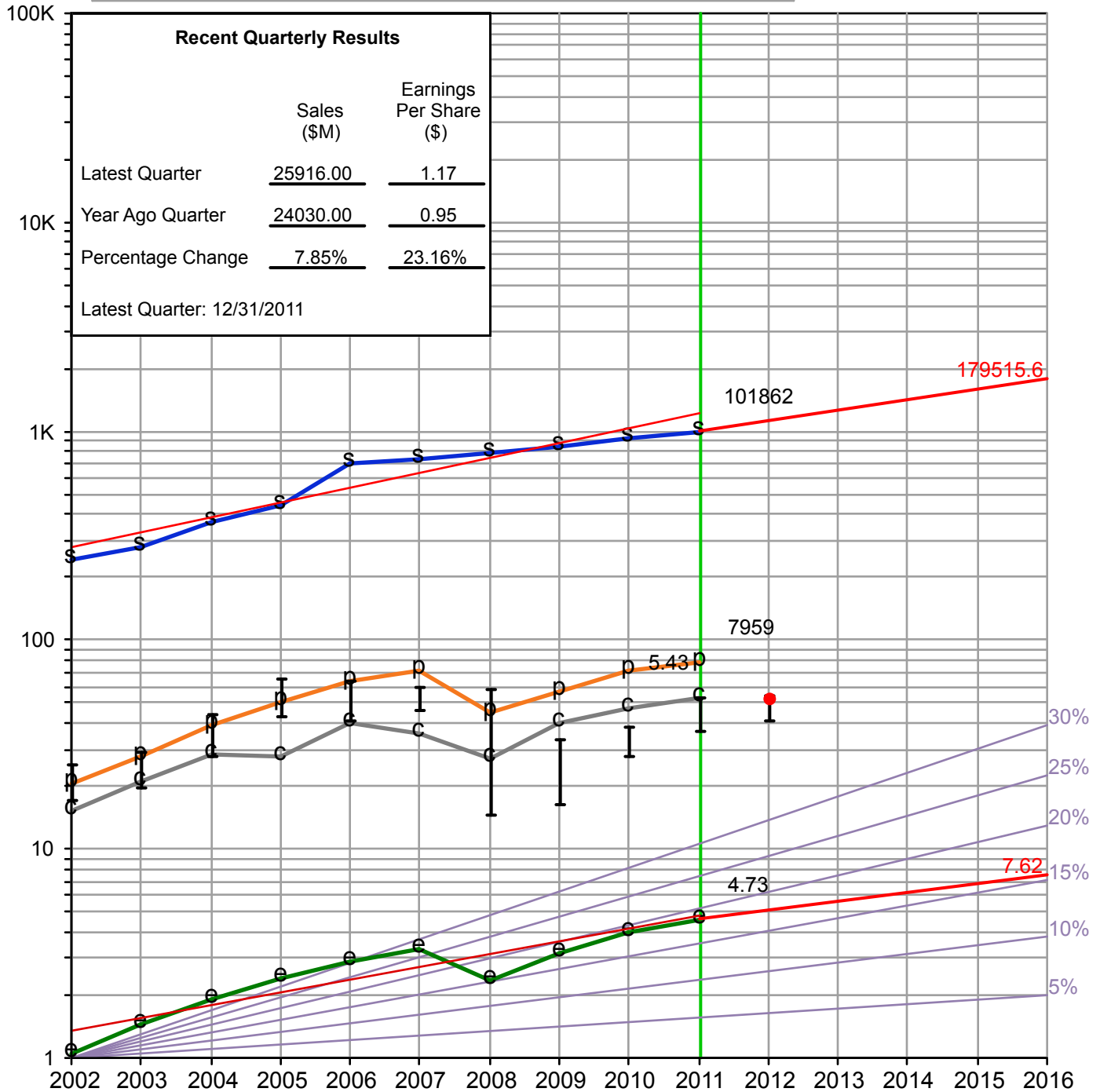
52 Week Range = \$41.27 to \$54.18

Exchange: NYSE

Industry: Health Care Plans

Share Data

Authorized	Issued	Debt (\$M): 11638.00
Preferred:	0.000	% Total Cap.: 29.15%
Common: 1075.000	1058.000	
Preferred Stock Dividend:	Dilution: 17.000	



(1) Historical Sales Growth = 17.76%
 (2) Estimated Sales Growth = 12.00%

(3) Historical EPS Growth = 15.04%
 (4) Estimated EPS Growth = 10.00%

ACE 5-year EPS Growth Estimate: 10.0%

2 EVALUATING MANAGEMENT

UnitedHealth Group (UNH) - 02/10/2012

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	5 Yr Ave	Trend
% Pretax Profit on Sales (Net Before Tax/Sales)	8.4	9.9	10.7	11.3	9.1	9.7	5.7	6.7	7.8	7.8	7.5	FLAT
% Earned on Invested Capital (EPS/Book Val)	29.1	33.9	24.0	17.7	19.2	22.0	14.0	15.7	17.2	17.8	17.3	FLAT
% Debt to Equity	21.5	34.0	32.6	21.8	28.8	44.5	54.3	37.5	32.5	37.5	41.3	DOWN

3 PRICE & EARNINGS HISTORY

Current Price: 53.32

52 Week High= 54.18

52 Week Low= 41.27

Year	High Price	Low Price	EPS	PE High	PE Low	Dividend	Payout	High Yield
2007	59.5	45.8	3.42	17.4	13.4	0.030	0.9	0.1
2008	57.9	14.5	2.40	24.1	6.0	0.030	1.2	0.2
2009	33.2	16.2	3.24	10.3	5.0	0.030	0.9	0.2
2010	38.1	27.8	4.10	9.3	6.8	0.405	9.9	1.5
2011	53.5	36.4	4.73	11.3	7.7	0.613	13.0	1.7
TOTAL	242.1	140.7						
AVE	48.4	28.1		14.5	7.8		5.2	
Average Price Earnings Ratio: 11.2					Current Price Earnings Ratio: 11.3			

Current PE Ratio Based on Current EPS [\$4.72]

Projected PE Ratio of [10.3] Based on Projected EPS [\$5.2]

4 EVALUATING BUY, HOLD, & SELL

A. CALCULATED HIGH PRICE - 5 YEARS

Ave High PE 13.5 X Estimated High Earnings/Share 7.62 Projected High Price = \$ 102.9

B. CALCULATED LOW PRICE - 5 YEARS

(a) Avg. Low P/E 7.8 X Estimated Low Earnings/Share 4.73 = \$ 36.89

(b) Avg. Low Price of Last 5 Years = \$28.1

(e) Price Variant = \$31.5

(c) Recent Market Low = \$16.2

(d) Dividend Price Support = \$36.1

Selected Estimated Low Price \$ 36.9

C. BUY/HOLD/SELL ZONES

Selected High of \$102.90 minus Selected Low of \$36.90 = \$66.00 Range. 1/4 of Range = \$16.500

Lower 1/4 = \$36.9 To \$53.40 (Buy)

25%/50%/25% Zoning

Center 1/2 = \$53.40 To \$86.40 (Hold)

Upper 1/4 = \$86.40 To \$102.9 (Sell)

D. UPSIDE RISK ANALYSIS

High Price 102.9 - Current Price 53.32 = **3.0** to 1

Current price of \$53.32 is in the BUY zone

Current Price 53.32 - Low Price 36.9

PEG Ratio = 1.13

Relative Value = 100.9%

Proj PEG = 1.03

Proj Rel Value = 91.7%

5 YIELD ANALYSIS

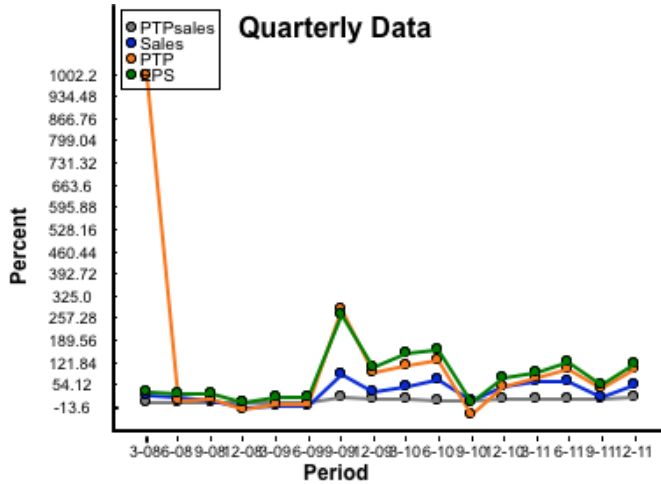
Current Yield = (100 * Current Dividend)÷Current Price = 100 * 0.65 / 53.3 = 1.2%

Ave. 5 Yr. Yield = (Ave. EPS(5Yr) * Ave. Payout)÷Current Price = (6.30 * 5.2)/53.3 = 0.6%

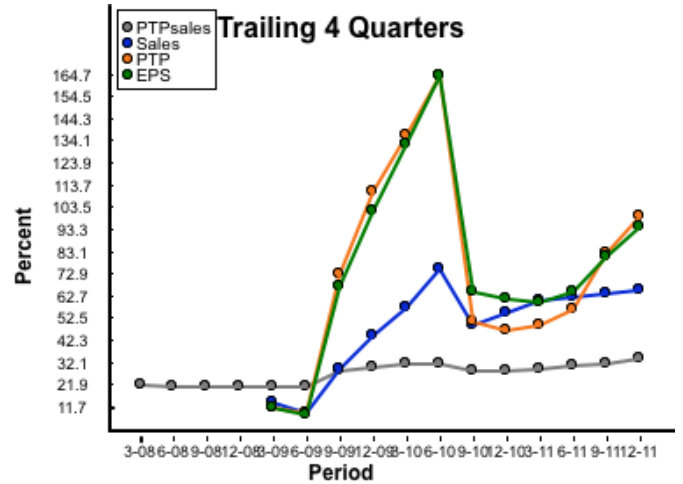
Price Appreciation = ((100*Projected High Price÷Current Price)-100)÷5 = 18.6 %

Average Total Return = Price Appreciation+Ave. 5 Yr. Yield = 19.2 %

	P.A.R	Tot. Ret.
Average Yield	0.5%	0.4%
Annual Appreciation	<u>8.8%</u>	<u>14.1%</u>
Compounded Annual Return	9.3%	14.4%



Quarterly Performance



Trailing Twelve Months

Quarterly Performance

Period	SALES		PRETAX PROFIT			EARNINGS	
	\$ mil	% Chg	\$ mil	% Sales	% Chg	\$	% Chg
12-11	46333.0	73.3%	17477.0	37.7%	119.5%	13.87	115.7%
9-11	28270.0	39.0%	8791.0	31.1%	61.0%	7.05	51.9%
6-11	28571.0	82.0%	9551.0	33.4%	122.5%	7.79	121.9%
3-11	24667.0	82.7%	7900.0	32.0%	96.1%	6.40	92.2%
12-10	26741.0	70.5%	7963.0	29.8%	67.4%	6.43	75.2%
9-10	20343.0	25.3%	5461.0	26.8%	-13.6%	4.64	0.7%
6-10	15700.0	88.3%	4292.0	27.3%	147.8%	3.51	160.0%
3-10	13499.0	65.4%	4029.0	29.8%	132.9%	3.33	150.4%
12-09	15683.0	54.3%	4758.0	30.3%	108.3%	3.67	106.2%
9-09	16238.0	105.7%	6320.0	38.9%	299.5%	4.61	265.9%
6-09	8337.0	11.7%	1732.0	20.8%	14.7%	1.35	13.4%
3-09	8163.0	8.7%	1730.0	21.2%	17.1%	1.33	14.7%
12-08	10167.0	5.8%	2284.0	22.5%	-1.8%	1.78	1.1%
9-08	7895.0	27.0%	1582.0	20.0%	28.6%	1.26	24.8%
6-08	7464.0	38.0%	1510.0	20.2%	26.3%	1.19	29.3%
3-08	7512.0	42.7%	1477.0	19.7%	1002.2%	1.16	33.3%

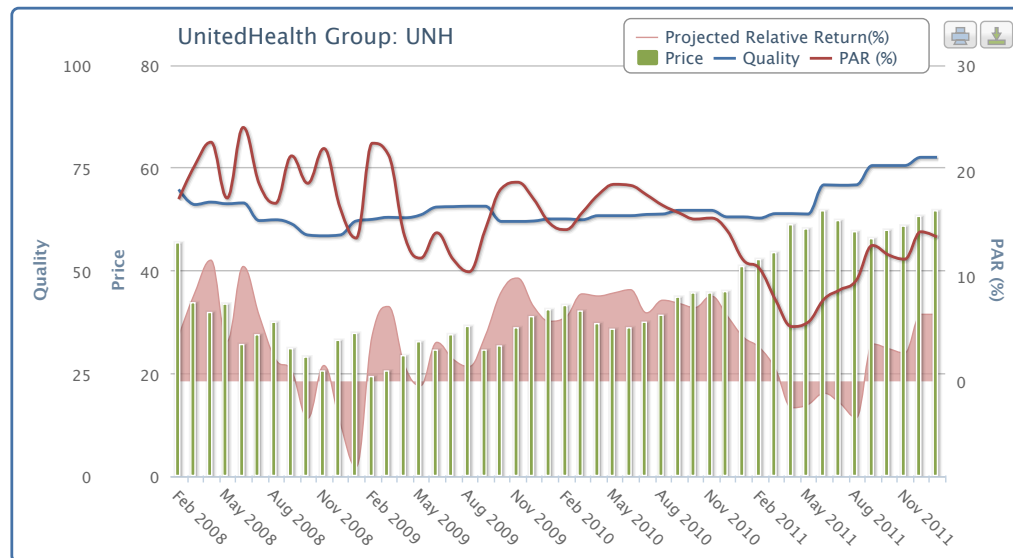
Trailing Twelve Months

Period	SALES	PRETAX PROFIT		EPS	PERCENT CHANGE		
	\$ mil	\$ mil	% Sales	\$	Sales	PTP	EPS
12-11	127841.0	43719.0	34.2%	35.11	67.6%	101.1%	96.0%
9-11	108249.0	34205.0	31.6%	27.67	66.0%	84.5%	82.6%
6-11	100322.0	30875.0	30.8%	25.26	64.1%	59.2%	67.1%
3-11	87451.0	25616.0	29.3%	20.98	62.7%	52.1%	61.9%
12-10	76283.0	21745.0	28.5%	17.91	57.5%	49.6%	63.4%
9-10	65225.0	18540.0	28.4%	15.15	52.0%	53.7%	67.0%
6-10	61120.0	19399.0	31.7%	15.12	76.8%	164.7%	164.3%
3-10	53757.0	16839.0	31.3%	12.96	59.6%	137.0%	133.1%
12-09	48421.0	14540.0	30.0%	10.96	46.6%	112.2%	103.3%
9-09	42905.0	12066.0	28.1%	9.07	32.1%	75.0%	68.9%
6-09	34562.0	7328.0	21.2%	5.72	12.2%	12.0%	11.7%
3-09	33689.0	7106.0	21.1%	5.56	17.2%	14.1%	14.6%
12-08	33038.0	6853.0	20.7%	5.39			
9-08	32479.0	6895.0	21.2%	5.37			
6-08	30801.0	6543.0	21.2%	5.12			
3-08	28747.0	6229.0	21.7%	4.85			

Equity Analysis Guide: UnitedHealth Group (UNH)

Company	Ticker	Sector Industry	Quality	PAR
UnitedHealth Group	UNH	Healthcare Medical Services (Managed Care)	77.6	13.1%
Current Price (02/10)			\$53.32	
CAPS Rating (Rate this stock on CAPS)			★★★★★	
Expected Income Statement				
Current Sales			101,500.0	
Sales Growth Forecast			8.3%	
Net Profit Margin			4.9%	
Projected Shares Outstanding			924.66	
EPS - Five year Forecast			\$7.93	
Average P/E Ratio			12.0	
Projected Average Price			\$95.19	
Price Appreciation (Annualized)			12.3%	
Annual Dividend Yield			0.8%	
Projected Annual Return			13.1%	
Quality				
Financial Strength		94	23.5	
EPS Stability		89	22.3	
Industry Sales Growth Rate		6.5%	16.0	
Industry Net Profit Margin		3.8%	16.0	
Calculated Quality Rating			77.6	
Fool CAPS				
Total Players				
3320 Outperforms		154 Underperforms		
All-Stars (1100)				
1081 Outperforms (98%)		19 Underperforms		

Fundamental Data Updated: 12/16/2011



Quality Legend:	
Blue	Excellent with quality greater than 65.
Green	Good with quality between 55 and 65.
Neutral	Average or below average with quality between 35 and 55.
Red	Poor with quality less than 35.
PAR Legend:	
Green	PAR is within the target range of MIPAR +5-10%, currently 12.4%-17.4%
Yellow	PAR is above the target range of MIPAR +10%, currently 17.4%
PAR	Projected Annual Return
MIPAR	The Manifest Investing Median PAR of all stocks in the database.
Company Name Legend:	

MIPAR	7.4%
Sweet Spot	12.4%-17.4%

Top in Industry:

Medical Services (Managed Care)		
Ticker	Quality	PAR
AFAM	63.5	17.5%
UNH	77.6	13.1%
HS	71.8	14.3%
WLP	69.7	12.9%
AMED	52.0	18.8%

Top in Sector:

Healthcare		
Ticker	Quality	PAR
MASI	83.8	17.6%
SYK	89.8	14.6%
QSII	81.8	16.4%
BRLI	83.6	18.9%
ENSG	78.6	16.8%