
Best Idea Altria Raises Guidance

publication date: Aug 21, 2012 | author/source: RJ Towner

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[Best Ideas Newsletter](#) portfolio holding Altria (click ticker for report: [MO](#)) raised its full-year GAAP guidance range to \$2.01-\$2.05 from \$1.95-\$2.00 due to lower expected charges related to debt extinguishment. Altria, however, reaffirmed its 2012 full-year guidance for adjusted diluted earnings per share, which excludes special charges such as this one, in the range of \$2.19-\$2.23, representing a growth pace of 7%-9% from last year's adjusted earnings.

Altria tendered up to \$2 billion of unsecured notes. However, debt holders didn't redeem much at all, so Altria will take an early extinguishment charge of \$875 million during the fiscal year (lower than expected). Though the company trades within our fair value estimate range, we think shares offer a very compelling opportunity for dividend growth investors. Shares also offer some valuation upside, in our view, and we think dividend payouts will grow in the future. We also hold the cigarette-maker in the portfolio of our [Dividend Growth Newsletter](#).

Please click the link below to download our Dividend Report on Altria:

http://www.valuentum.com/downloads/20120123_1/download

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