

# ModernGraham Valuation

## Company Name:

Company Ticker XRAY

Date of Analysis

8/19/2015

DENTSPLY  
International Inc.



## Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

*Defensive Investor; must pass 6 out of the following 7 tests.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	Pass
3. Earnings Stability	Positive EPS for 10 years prior	Pass
4. Dividend Record	Dividend Payments for 10 years prior	Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	Fail
6. Moderate PEmg Ratio	PEmg < 20	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	Fail

*Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.*

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	Fail
3. Earnings Stability	Positive EPS for 5 years prior	Pass
4. Dividend Record	Currently Pays Dividend	Pass
5. Earnings Growth	EPSmg greater than 5 years ago	Pass

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	2.09
MG Growth Estimate	2.62%
<b>MG Value</b>	<b>\$28.71</b>
MG Value based on 3% Growth	\$30.31
MG Value based on 0% Growth	\$17.77
Market Implied Growth Rate	9.25%

### MG Opinion

Current Price	\$56.43
% of Intrinsic Value	196.54%
<b>Opinion</b>	<b>Overvalued</b>

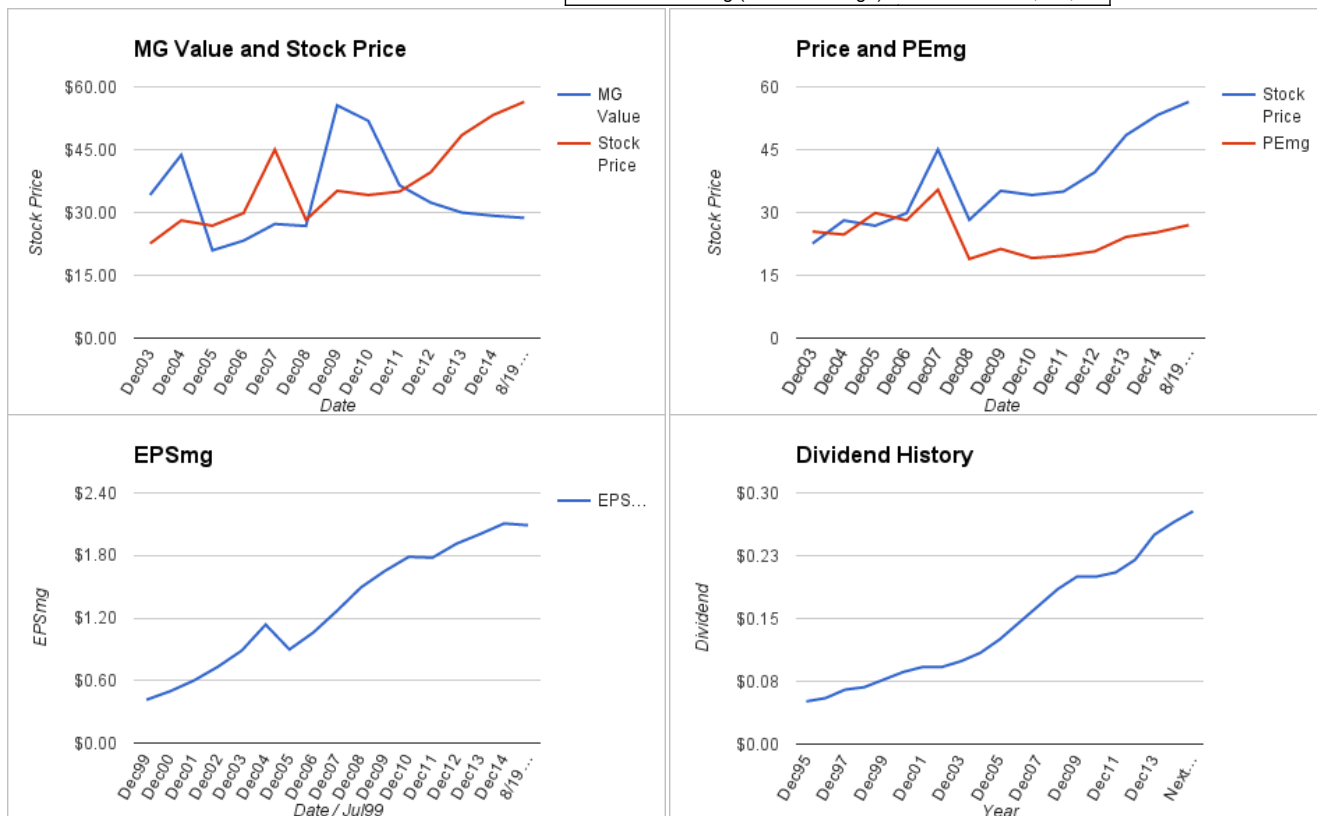
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$6.41
PEmg	27.00
Current Ratio	2.07
PB Ratio	3.47
Dividend Yield	0.49%
Number of Consecutive Years of Dividend Growth	5

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.97	Next Fiscal Year Estimate	\$2.09
Dec14	\$2.24	Dec14	\$2.11
Dec13	\$2.16	Dec13	\$2.01
Dec12	\$2.18	Dec12	\$1.91
Dec11	\$1.70	Dec11	\$1.78
Dec10	\$1.82	Dec10	\$1.79
Dec09	\$1.83	Dec09	\$1.65
Dec08	\$1.87	Dec08	\$1.49
Dec07	\$1.68	Dec07	\$1.27
Dec06	\$1.41	Dec06	\$1.06
Dec05	\$0.28	Dec05	\$0.90
Dec04	\$1.55	Dec04	\$1.14
Dec03	\$1.09	Dec03	\$0.89
Dec02	\$0.93	Dec02	\$0.73
Dec01	\$0.77	Dec01	\$0.60
Dec00	\$0.65	Dec00	\$0.50
Dec99	\$0.57	Dec99	\$0.41
Dec98	\$0.22	<b>Balance Sheet Information Jun15</b>	
Dec97	\$0.46	Total Current Assets	\$1,270,330,000
Dec96	\$0.42	Total Current Liabilities	\$612,973,000
Dec95	\$0.33	Long-Term Debt	\$1,077,779,000
		Total Assets	\$4,496,756,000
		Intangible Assets	\$2,615,277,000
		Total Liabilities	\$2,181,886,000
		Shares Outstanding (Diluted Average)	142,262,000



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

[30 Companies in the Spotlight This Week – 5/23/15](#)  
[Dentsply International Inc. Quarterly Valuation – May 2015 \\$XRAY](#)  
[17 Companies in the Spotlight This Week – 5/10/14](#)  
[Dentsply International Inc. \(XRAY\) Annual Valuation – 2014](#)

Other  
ModernGraham  
posts about related  
companies

[Align Technology Analysis – Initial Coverage \\$ALGN](#)  
[Varian Medical Systems Inc Analysis – August 2015 Update \\$VAR](#)  
[Psychemedics Corporation Analysis – August 2015 Update \\$PMD](#)  
[C.R. Bard Inc. Analysis – August 2015 Update \\$BCR](#)  
[Thermo Fisher Scientific Inc. Analysis – 2015 Update \\$TMO](#)  
[Express Scripts Inc. Analysis – 2015 Update \\$ESRX](#)  
[HCA Holdings Inc. Analysis – Initial Coverage \\$HCA](#)  
[Henry Schein Inc. Analysis – Initial Coverage \\$HSIC](#)  
[Medtronic Inc. Analysis – July 2015 Update \\$MDT](#)  
[Quest Diagnostics Inc. Analysis – July 2015 Update \\$DGX](#)