

# ModernGraham Valuation

Company Name:

Accenture Plc

Company Ticker ACN

Date of Analysis

9/11/2015



## 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	\$64,178,783,607	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.40	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. 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	127.86%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	21.57	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	11.12	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	1.40	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.01	Pass
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	\$4.50
MG Growth Estimate	8.96%
<b>MG Value</b>	<b>\$118.78</b>
MG Value based on 3% Growth	\$65.20
MG Value based on 0% Growth	\$38.22
Market Implied Growth Rate	6.53%

### MG Opinion

Current Price	\$96.99
% of Intrinsic Value	81.65%
<b>Opinion</b>	<b>Fairly Valued</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$0.48
Graham Number	\$31.00
PEmg	21.57
Current Ratio	1.40
PB Ratio	11.12
Dividend Yield	2.10%
Number of Consecutive Years of Dividend Growth	4

### 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	\$4.70	Next Fiscal Year Estimate	\$4.50
Aug14	\$4.52	Aug14	\$4.22
Aug13	\$4.93	Aug13	\$3.86
Aug12	\$3.84	Aug12	\$3.22
Aug11	\$3.40	Aug11	\$2.82
Aug10	\$2.66	Aug10	\$2.44
Aug09	\$2.44	Aug09	\$2.23
Aug08	\$2.65	Aug08	\$2.02
Aug07	\$1.97	Aug07	\$1.63
Aug06	\$1.59	Aug06	\$1.37
Aug05	\$1.56	Aug05	\$1.19
Aug04	\$1.22	Aug04	\$0.92
Aug03	\$1.05	Aug03	\$0.68
Aug02	\$0.56	Aug02	\$0.43
Aug01	\$0.91	Aug01	\$0.30
Aug00	\$0.00	Aug00	\$0.00
Aug99	\$0.00	Aug99	\$0.00
Aug98	\$0.00	<b>Balance Sheet Information</b>	<b>May15</b>
Aug97	\$0.00	Total Current Assets	\$11,069,520,000
Aug96	\$0.00	Total Current Liabilities	\$7,888,442,000
Aug95	\$0.00	Long-Term Debt	\$27,217,000
		Total Assets	\$17,308,730,000
		Intangible Assets	\$3,088,922,000
		Total Liabilities	\$11,397,510,000
		Shares Outstanding (Diluted Average)	677,826,000





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

[The 10 Best Stocks For Value Investors This Week – 6/20/15](#)  
[Accenture plc Analysis – June 2015 Update \\$ACN](#)  
[18 Companies in the Spotlight This Week – 3/15/15](#)  
[Accenture PLC Quarterly Valuation – March 2015 \\$ACN](#)  
[26 Companies in the Spotlight This Week – 12/13/14](#)

Other  
ModernGraham  
posts about related  
companies

[Dun & Bradstreet Corp. Analysis – September 2015 Update \\$DNB](#)  
[Cintas Corporation Analysis – August 2015 Update \\$CTAS](#)  
[Apollo Education Group Inc. Analysis – Initial Coverage \\$APOL](#)  
[Paychex Inc. Analysis – August 2015 Update \\$PAYX](#)  
[Robert Half International Inc. Analysis – August 2015 Update \\$RHI](#)  
[United Rentals Inc. Analysis – Initial Coverage \\$URI](#)  
[Automatic Data Processing Analysis – June 2015 Update \\$ADP](#)  
[Accenture plc Analysis – June 2015 Update \\$ACN](#)  
[Fiserv Inc. Analysis – 2015 Annual Update \\$FISV](#)  
[Paychex Inc. Quarterly Valuation – May 2015 \\$PAYX](#)