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.

 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
Dividend Record	Dividend Payments for 10 years prior Increase of 33% in EPS in past 10 years using 3 year averages at	Pass
5. Earnings Growth	beginning and end	127.86% Pass
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

Defensive No Enterprising Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$4.50
MG Growth Estimate	8.96%
MG Value	\$118.78
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% Opinion Fairly Valued

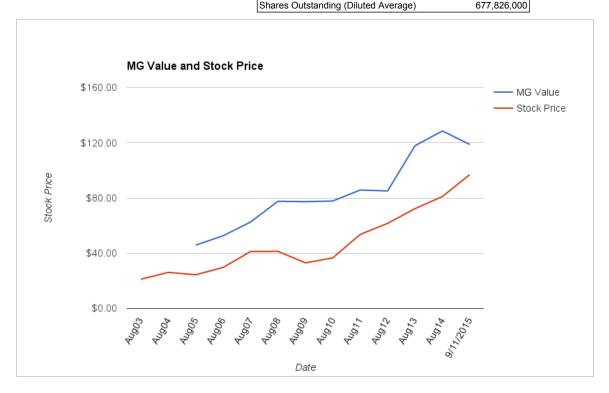
Stage 3: Information for Further Research

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: ModernGraham tagged articles

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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	Balance Sheet Information	May15
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

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