

ModernGraham Valuation

Company Name:

Company Ticker A
Date of Analysis

Agilent Technologies
Inc

10/21/2015



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	\$12,038,230,818	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	4.08	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-55.85%	Fail
6. Moderate PEmg Ratio	PEmg < 20	19.52	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.95	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	4.08	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.63	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	\$1.86
MG Growth Estimate	0.44%
MG Value	\$17.43
MG Value based on 3% Growth	\$26.92
MG Value based on 0% Growth	\$15.78
Market Implied Growth Rate	5.51%

MG Opinion

Current Price	\$36.25
% of Intrinsic Value	207.99%
Opinion	Overvalued

Stage 3: Information for Further Research

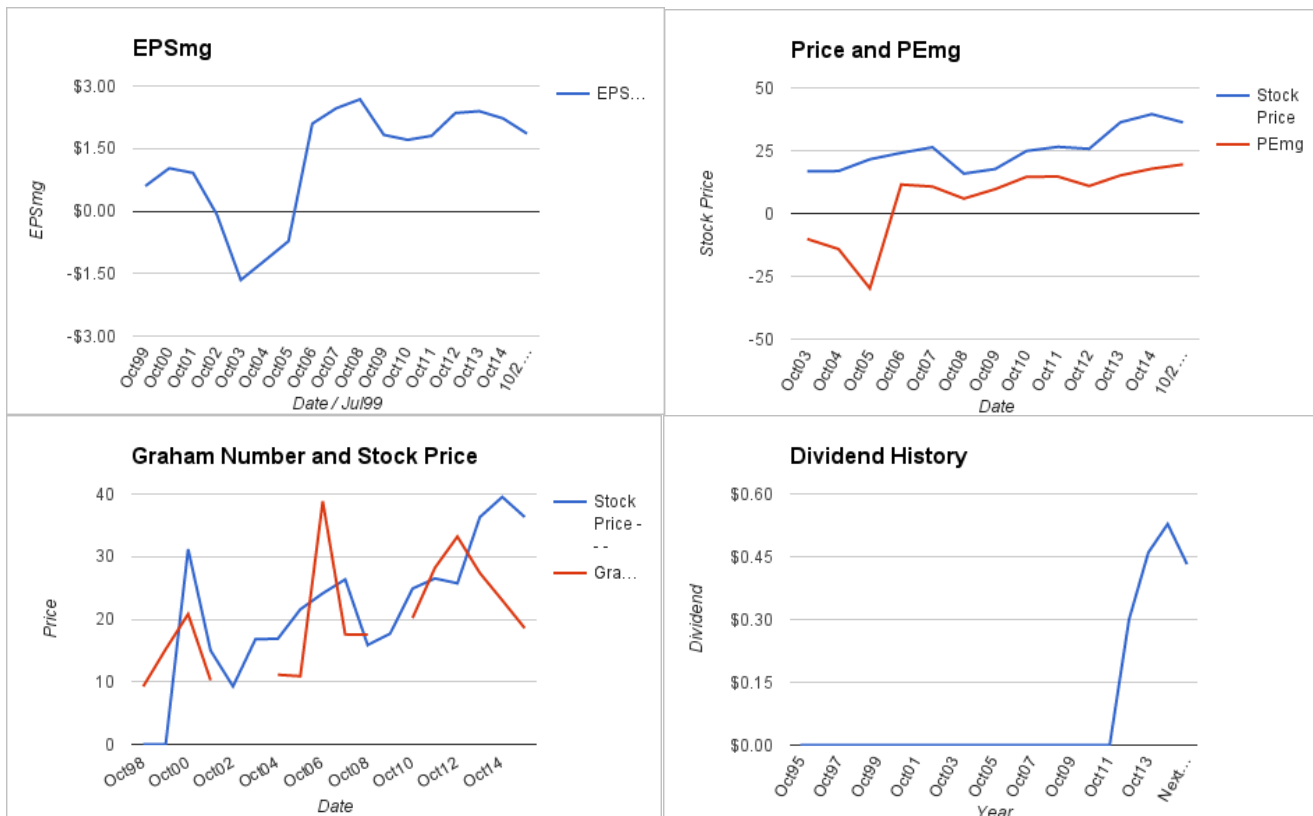
Net Current Asset Value (NCAV)	\$0.99
Graham Number	\$18.57
PEmg	19.52
Current Ratio	4.08
PB Ratio	2.95
Dividend Yield	1.19%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.24	Next Fiscal Year Estimate	\$1.86
Oct14	\$1.49	Oct14	\$2.22
Oct13	\$2.10	Oct13	\$2.39
Oct12	\$3.27	Oct12	\$2.35
Oct11	\$2.85	Oct11	\$1.80
Oct10	\$1.94	Oct10	\$1.71
Oct09	-\$0.09	Oct09	\$1.83
Oct08	\$1.87	Oct08	\$2.68
Oct07	\$1.57	Oct07	\$2.46
Oct06	\$7.50	Oct06	\$2.10
Oct05	\$0.65	Oct05	-\$0.72
Oct04	\$0.75	Oct04	-\$1.19
Oct03	-\$4.35	Oct03	-\$1.65
Oct02	-\$2.22	Oct02	-\$0.09
Oct01	\$0.38	Oct01	\$0.91
Oct00	\$1.66	Oct00	\$1.03
Oct99	\$1.35	Oct99	\$0.60
Oct98	\$0.56	Balance Sheet Information Jul15	
Oct97	\$0.00	Total Current Assets	\$3,478,000,000
Oct96	\$0.00	Total Current Liabilities	\$853,000,000
Oct95	\$0.00	Long-Term Debt	\$1,655,000,000
		Total Assets	\$7,251,000,000
		Intangible Assets	\$2,850,000,000
		Total Liabilities	\$3,148,000,000
		Shares Outstanding (Diluted Average)	334,000,000





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

- [Agilent Technologies Inc. Analysis – July 2015 Update \\$A](#)
- [27 Companies in the Spotlight This Week – 4/4/15](#)
- [Agilent Technologies Inc. Quarterly Valuation – April 2015 \\$A](#)
- [Agilent Technologies Quarterly Valuation – January 2015 \\$A](#)
- [14 Companies in the Spotlight This Week – 10/11/14](#)

Other ModernGraham posts about related companies

- [Western Digital Corporation Valuation – October 2015 Update \\$WDC](#)
- [MTS Systems Corporation Valuation – October 2015 Update \\$MTSC](#)
- [Linear Technology Corp Valuation – October 2015 Update \\$LLTC](#)
- [Altera Corporation Analysis – October 2015 Update \\$ALTR](#)
- [Lam Research Corporation Analysis – October 2015 Update \\$LRCX](#)
- [Amphenol Corporation Analysis – October 2015 Update \\$APH](#)
- [NetApp Inc. Analysis – September 2015 Update \\$NTAP](#)
- [EMC Corporation Analysis – September 2015 Update \\$EMC](#)
- [Analog Devices Inc. Analysis – September 2015 Update \\$ADI](#)
- [Garmin Limited Analysis – September 2015 Update \\$GRMN](#)