# **ModernGraham Valuation**

### **Company Name:**

Intuit Inc.

Company Ticker

INTU

Date of Analysis 10/6/2015



## 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.

<ol> <li>Adequate Size of the Enterprise</li> </ol>	Market Cap > \$2Bil	\$25,354,147,551 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.47 Fail
3. Earnings Stability	Positive EPS for 10 years prior	Pass
Dividend Record	Dividend Payments for 10 years prior	Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at	
5. Earnings Growth	beginning and end	94.50% Pass
6. Moderate PEmg Ratio	PEmg < 20	34.60 Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	10.86 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	1.47 Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.61 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	\$2.64
MG Growth Estimate	4.55%
MG Value	\$46.49
MG Value based on 3% Growth	\$38.32
MG Value based on 0% Growth	\$22.46
Market Implied Growth Rate	13.05%

MG Opinion

Current Price \$91.43
% of Intrinsic Value 196.66%

Opinion Overvalued

### Stage 3: Information for Further Research

Not Comment Asset Value (NICA) ()	¢0.07
Net Current Asset Value (NCAV)	-\$0.27
Graham Number	\$25.27
PEmg	34.60
Current Ratio	1.47
PB Ratio	10.86
Dividend Yield	1.09%
Number of Consecutive Years of Dividend Growth	2

Morningstar

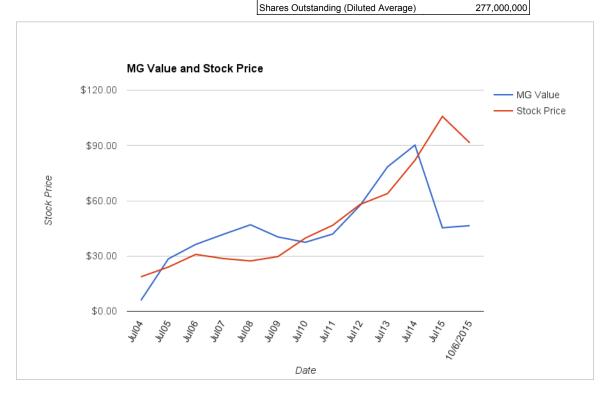
Useful Links: ModernGraham tagged articles

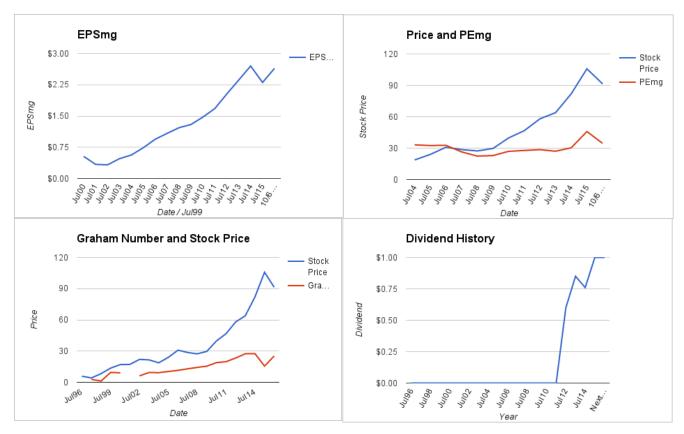
 Google Finance
 MSN Money

 Yahoo Finance
 Seeking Alpha

 GuruFocus
 SEC Filings

EPS History		EPSmg History	•	
Next Fiscal Year Estimate	\$3.38	Next Fiscal Year Estimate		\$2.64
Jul15	\$1.28	Jul15		\$2.30
Jul14	\$3.12	Jul14		\$2.70
Jul13	\$2.83	Jul13		\$2.36
Jul12	\$2.60	Jul12		\$2.03
Jul11	\$2.00	Jul11		\$1.68
Jul10	\$1.77	Jul10		\$1.47
Jul09	\$1.35	Jul09		\$1.30
Jul08	\$1.41	Jul08		\$1.22
Jul07	\$1.24	Jul07		\$1.08
Jul06	\$1.16	Jul06		\$0.94
Jul05	\$1.01	Jul05		\$0.74
Jul04	\$0.79	Jul04		\$0.57
Jul03	\$0.81	Jul03		\$0.48
Jul02	\$0.32	Jul02		\$0.33
Jul01	-\$0.20	Jul01		\$0.34
Jul00	\$0.73	Jul00		\$0.53
Jul99	\$0.97	Balance Sheet Information	Jul15	
Jul98	\$0.02	Total Current Assets		\$2,560,000,000
Jul97	\$0.25	Total Current Liabilities		\$1,744,000,000
Jul96	-\$0.08	Long-Term Debt		\$500,000,000
		Total Assets		\$4,968,000,000
		Intangible Assets		\$1,353,000,000
		Total Liabilities		\$2,636,000,000
		Shares Outstanding (Diluted Average)		277 000 000





#### 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 Intuit Inc. Analysis – July 2015 Update \$INTU
Intuit Inc. Quarterly Valuation – April 2015 \$INTU
58 Companies in the Spotlight This Week – 1/31/15
Intuit Inc. Quarterly Valuation – January 2015 \$INTU
14 Companies in the Spotlight This Week – 10/18/14

Other ModernGraham posts about related companies

Oracle Corporation Analysis – October 2015 Update \$ORCL

CA Inc. Analysis – August 2015 Update \$CA

The Best Companies of the Software Industry – August 2015

Ansys Inc. Analysis – Initial Coverage \$ANSS

Yahoo! Inc. Analysis – August 2015 Update \$YHOO

Autodesk Inc. Analysis – August 2015 Update \$ADSK

Microsoft Corporation Analysis - August 2015 Update \$MSFT

Cisco Systems Inc. Analysis – August 2015 Update \$CSCO

Google Inc. Analysis – July 2015 Update \$GOOGL

Intuit Inc. Analysis - July 2015 Update \$INTU