

# 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.*

1. Adequate Size of the Enterprise	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
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	94.50%	Pass
5. Earnings Growth	PEmg < 20	34.60	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	10.86	Fail
7. Moderate Price to Assets			

*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

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.64
MG Growth Estimate	4.55%
<b>MG Value</b>	<b>\$46.49</b>
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%
<b>Opinion</b>	<b>Overvalued</b>

## Stage 3: Information for Further Research

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

### 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	\$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	<b>Balance Sheet Information Jul15</b>	
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](#)

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ModernGraham  
posts about related  
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[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](#)