

ModernGraham Valuation

Company Name:

Company Ticker DD
Date of Analysis

E I Du Pont De
Nemours And Co

11/11/2015



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	\$58,236,998,881	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.04	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	32.16%	Fail
6. Moderate PEmg Ratio	PEmg < 20	18.72	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	5.39	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	2.04	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.94	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	\$3.56
MG Growth Estimate	2.83%
MG Value	\$50.38
MG Value based on 3% Growth	\$51.59
MG Value based on 0% Growth	\$30.24
Market Implied Growth Rate	5.11%

MG Opinion

Current Price	\$66.62
% of Intrinsic Value	132.24%
Opinion	Overvalued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$13.74
Graham Number	\$26.45
PEmg	18.72
Current Ratio	2.04
PB Ratio	5.39
Dividend Yield	2.72%
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	\$2.53	Next Fiscal Year Estimate	\$3.56
Dec14	\$3.92	Dec14	\$3.98
Dec13	\$5.18	Dec13	\$3.80
Dec12	\$2.91	Dec12	\$3.01
Dec11	\$3.68	Dec11	\$2.99
Dec10	\$3.28	Dec10	\$2.70
Dec09	\$1.92	Dec09	\$2.46
Dec08	\$2.20	Dec08	\$2.66
Dec07	\$3.22	Dec07	\$2.69
Dec06	\$3.38	Dec06	\$2.09
Dec05	\$2.07	Dec05	\$1.48
Dec04	\$1.77	Dec04	\$1.32
Dec03	\$0.96	Dec03	\$1.61
Dec02	-\$1.12	Dec02	\$2.37
Dec01	\$4.16	Dec01	\$4.03
Dec00	\$2.19	Dec00	\$3.86
Dec99	\$6.99	Dec99	\$4.40
Dec98	\$3.90	Balance Sheet Information Sep15 Total Current Assets \$17,046,000,000 Total Current Liabilities \$8,354,000,000 Long-Term Debt \$8,155,000,000 Total Assets \$40,302,000,000 Intangible Assets \$8,463,000,000 Total Liabilities \$29,295,000,000 Shares Outstanding (Diluted Average) 891,286,000	
Dec97	\$2.08		
Dec96	\$3.18		
Dec95	\$2.81		





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 Best Companies of the Chemicals Industry – August 2015](#)
[The 20 Best Stocks For Value Investors This Week – 8/15/15](#)
[E I Du Pont de Nemours & Company Analysis – August 2015 Update \\$DD](#)
[5 Undervalued Dow Stocks to Research – August 2015](#)
[47 Companies in the Spotlight This Week – 5/16/15](#)

Other
ModernGraham
posts about related
companies

[E I Du Pont de Nemours & Company Analysis – August 2015 Update \\$DD](#)
[E. I. Du Pont De Nemours and Company Quarterly Valuation – May 2015 \\$DD](#)
[Honeywell International Inc. Valuation – October 2015 Update \\$HON](#)
[Raven Industries Inc. Analysis – October 2015 Update \\$RAVN](#)
[Illinois Tool Works Inc. Analysis – October 2015 Update \\$ITW](#)
[3M Company Analysis – September 2015 Update \\$MMM](#)
[Honeywell International Inc. Analysis – July 2015 Update \\$HON](#)
[Raven Industries Inc. Analysis – Initial Coverage \\$RAVN](#)
[Illinois Tool Works Analysis – July 2015 Update \\$ITW](#)
[3M Company Quarterly Valuation – May 2015 \\$MMM](#)