ModernGraham Valuation

Company Name:

Robert Half International Inc.



6.95 Fail

Company Ticker
Date of Analysis

11/6/2015

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.

5. Earnings Growth

6. Moderate PEmg Ratio

7. Moderate Price to Assets

RHI

1.	Adequate Size of the Enterprise	Market Cap > \$2Bil	\$7,003,151,184 Pass
2.	Sufficiently Strong Financial Condition	Current Ratio > 2	2.08 Pass
3.	Earnings Stability	Positive EPS for 10 years prior	Pass
4.	Dividend Record	Dividend Payments for 10 years prior	Pass
		Increase of 33% in EPS in past 10	

PB Ratio < 2.5 OR PB*PEmg < 50

rincrease of 33% in EPS in past 10
years using 3 year averages at
beginning and end
33.86% Pass
PEmg < 20
24.81 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	2.08 Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00 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	\$2.13
MG Growth Estimate	15.00%
MG Value	\$81.93
MG Value based on 3% Growth	\$30.86
MG Value based on 0% Growth	\$18.09
Market Implied Growth Rate	8.16%

MG Opinion

Current Price	\$52.80
% of Intrinsic Value	64.45%

Opinion Undervalued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$5.09
Graham Number	\$21.20
PEmg	24.81
Current Ratio	2.08
PB Ratio	6.95
Dividend Yield	1.48%
Number of Consecutive Years of Dividend Growth	3

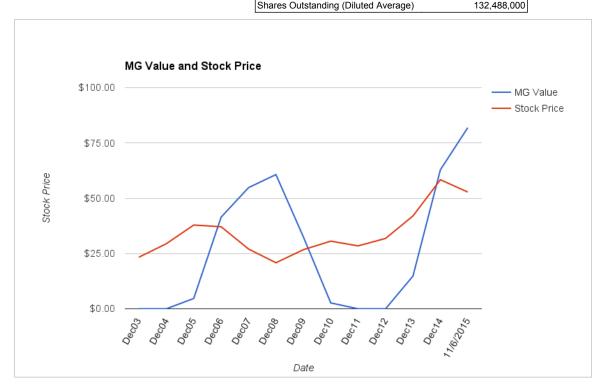
Useful Links: ModernGraham tagged articles Morningstar

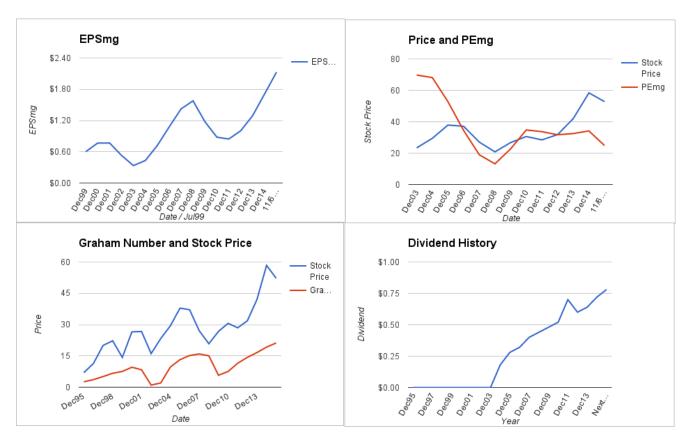
 Google Finance
 MSN Money

 Yahoo Finance
 Seeking Alpha

 GuruFocus
 SEC Filings

EPS History		EPSmg History	•	
Next Fiscal Year Estimate	\$2.67	Next Fiscal Year Estimate		\$2.13
Dec14	\$2.26	Dec14		\$1.71
Dec13	\$1.83	Dec13		\$1.29
Dec12	\$1.50	Dec12		\$1.00
Dec11	\$1.04	Dec11		\$0.84
Dec10	\$0.44	Dec10		\$0.88
Dec09	\$0.24	Dec09		\$1.18
Dec08	\$1.59	Dec08		\$1.58
Dec07	\$1.81	Dec07		\$1.42
Dec06	\$1.65	Dec06		\$1.08
Dec05	\$1.36	Dec05		\$0.72
Dec04	\$0.79	Dec04		\$0.43
Dec03	\$0.04	Dec03		\$0.33
Dec02	\$0.01	Dec02		\$0.53
Dec01	\$0.67	Dec01		\$0.77
Dec00	\$1.00	Dec00		\$0.77
Dec99	\$0.77	Dec99		\$0.60
Dec98	\$0.69	Balance Sheet Information	Sep15	
Dec97	\$0.50	Total Current Assets		\$1,383,372,000
Dec96	\$0.34	Total Current Liabilities		\$664,169,000
Dec95	\$0.23	Long-Term Debt		\$1,046,000
		Total Assets		\$1,715,272,000
		Intangible Assets		\$197,992,000
		Total Liabilities		\$708,796,000
		Shares Outstanding (Diluted Average)		132,488,000





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 8 Best Stocks For Value Investors This Week – 8/8/15

Robert Half International Inc. Analysis – August 2015 Update \$RHI

47 Companies in the Spotlight This Week - 5/16/15

Robert Half International Quarterly Valuation - May 2015 \$RHI

27 Companies in the Spotlight This Week -2/14/15

Other ModernGraham posts about related companies

Alliance Data Systems Corporation Analysis – October 2015 Update \$ADS

Automatic Data Processing Analysis – September 2015 Update \$ADP

Accenture PLC Analysis – September 2015 Update \$ACN

Dun & Bradstreet Corp. Analysis – September 2015 Update \$DNB

Cintas Corporation Analysis – August 2015 Update \$CTAS

Apollo Education Group Inc. Analysis - Initial Coverage \$APOL

Paychex Inc. Analysis – August 2015 Update \$PAYX

Robert Half International Inc. Analysis – August 2015 Update \$RHI

United Rentals Inc. Analysis - Initial Coverage \$URI

Automatic Data Processing Analysis – June 2015 Update \$ADP