

ModernGraham Valuation

Company Name:

Company Ticker XRAY

Date of Analysis

11/19/2015

DENTSPLY
International Inc.



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	\$8,529,085,742	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.29	Fail
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	28.63%	Fail
6. Moderate PEmg Ratio	PEmg < 20	29.09	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.80	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	1.29	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.56	Fail
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	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.09
MG Growth Estimate	2.65%
MG Value	\$28.88
MG Value based on 3% Growth	\$30.35
MG Value based on 0% Growth	\$17.79
Market Implied Growth Rate	10.29%

MG Opinion

Current Price	\$60.89
% of Intrinsic Value	210.87%
Opinion	Overvalued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$6.42
Graham Number	\$26.96
PEmg	29.09
Current Ratio	1.29
PB Ratio	3.80
Dividend Yield	0.47%
Number of Consecutive Years of Dividend Growth	5

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	\$1.98	Next Fiscal Year Estimate	\$2.09
Dec14	\$2.24	Dec14	\$2.11
Dec13	\$2.16	Dec13	\$2.01
Dec12	\$2.18	Dec12	\$1.91
Dec11	\$1.70	Dec11	\$1.78
Dec10	\$1.82	Dec10	\$1.79
Dec09	\$1.83	Dec09	\$1.65
Dec08	\$1.87	Dec08	\$1.49
Dec07	\$1.68	Dec07	\$1.27
Dec06	\$1.41	Dec06	\$1.06
Dec05	\$0.28	Dec05	\$0.90
Dec04	\$1.55	Dec04	\$1.14
Dec03	\$1.09	Dec03	\$0.89
Dec02	\$0.93	Dec02	\$0.73
Dec01	\$0.77	Dec01	\$0.60
Dec00	\$0.65	Dec00	\$0.50
Dec99	\$0.57	Dec99	\$0.41
Dec98	\$0.22	Balance Sheet Information Sep15	
Dec97	\$0.46	Total Current Assets	\$1,208,100,000
Dec96	\$0.42	Total Current Liabilities	\$933,400,000
Dec95	\$0.33	Long-Term Debt	\$701,900,000
		Total Assets	\$4,402,200,000
		Intangible Assets	\$2,584,700,000
		Total Liabilities	\$2,122,100,000
		Shares Outstanding (Diluted Average)	142,400,000





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:

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ModernGraham
posts about the
company

[Dentsply International Inc. Analysis – August 2015 Update \\$XRAY](#)

[30 Companies in the Spotlight This Week – 5/23/15](#)

[Dentsply International Inc. Quarterly Valuation – May 2015 \\$XRAY](#)

[17 Companies in the Spotlight This Week – 5/10/14](#)

[Dentsply International Inc. \(XRAY\) Annual Valuation – 2014](#)

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posts about related
companies

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[DaVita HealthCare Partners Inc Valuation – November 2015 Update \\$DVA](#)

[Align Technology Inc. Valuation – November 2015 Update \\$ALGN](#)

[Varian Medical Systems Inc. Valuation – November 2015 Update \\$VAR](#)

[Psychemedics Corporation Valuation – November 2015 Update \\$PMD](#)

[C.R. Bard Inc. Valuation – November 2015 Update \\$BCR](#)

[Henry Schein Inc. Valuation – October 2015 Update \\$HSIC](#)

[Medtronic PLC Valuation – October 2015 Update \\$MDT](#)

[PerkinElmer Inc. Analysis – October 2015 Update \\$PKI](#)

[Quest Diagnostics Inc. Analysis – October 2015 Update \\$DGX](#)