ModernGraham Valuation

Company Name:

Company Ticker CA Date of Analysis

CA, Inc.



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

1/29/2016

Defensive Investor; must pass 6 out of the following 7 tests.

	1.	Adequate Size of the Enterprise	Market Cap > \$2Bil	\$11,913,125,951	Pass
	2.	Sufficiently Strong Financial Condition	Current Ratio > 2	1.28	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	140.98%	Pass
	6.	Moderate PEmg Ratio	PEmg < 20	14.52	Pass
	7.	Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.30	Pass
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	1.28	Fail
	2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.59	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

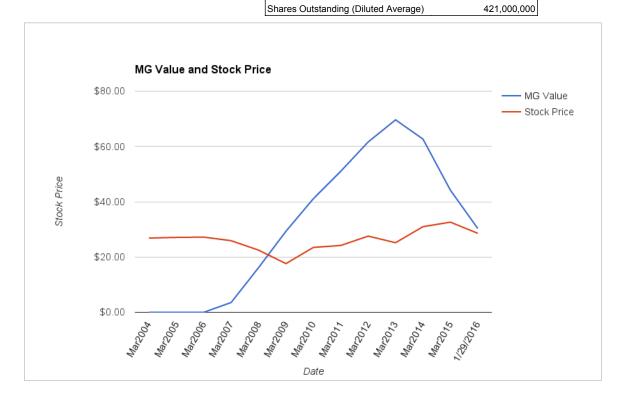
Suitability

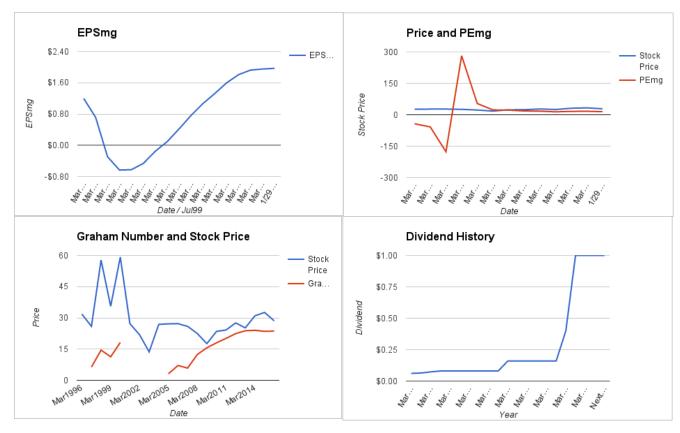
Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

•	EPSmg	\$1	.97
	MG Growth Estimate	3.4	
	MG Value	\$30	
	MG Value based on 3% Growth	\$28	
	MG Value based on 0% Growth	\$16	
	Market Implied Growth Rate	3.0	
MG Opinion			
	Current Price	\$28	.58
	% of Intrinsic Value	94.2	9%
	Opinion	Fairly Valued	
		-	
Stage 3: Infor	mation for Further Research		
	Net Current Asset Value (NCAV)	-\$5	.17
	Graham Number	\$23	.64
	PEmg	14	.52
	Current Ratio	1	.28
	PB Ratio	2	.30
	Dividend Yield	3.5	0%
	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	
		<u>-</u>	

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.96	Next Fiscal Year Estimate	\$1.97
Mar2015	\$1.90	Mar2015	\$1.95
Mar2014	\$2.02	Mar2014	\$1.92
Mar2013	\$2.07	Mar2013	\$1.81
Mar2012	\$1.93	Mar2012	\$1.60
Mar2011	\$1.61	Mar2011	\$1.33
Mar2010	\$1.47	Mar2010	\$1.07
Mar2009	\$1.29	Mar2009	\$0.76
Mar2008	\$0.93	Mar2008	\$0.42
Mar2007	\$0.22	Mar2007	\$0.09
Mar2006	\$0.27	Mar2006	-\$0.15
Mar2005	\$0.05	Mar2005	-\$0.47
Mar2004	-\$0.15	Mar2004	-\$0.62
Mar2003	-\$0.65	Mar2003	-\$0.63
Mar2002	-\$2.11	Mar2002	-\$0.29
Mar2001	-\$0.46	Mar2001	\$0.71
Mar2000	\$1.23	Mar2000	\$1.20
Mar1999	\$1.11	Balance Sheet Information	Dec2015
Mar1998	\$2.06	Total Current Assets	\$3,454,000,000
Mar1997	\$0.65	Total Current Liabilities	\$2,699,000,000
Mar1996	-\$0.10	Long-Term Debt	\$1,956,000,000
		Total Assets	\$10,857,000,000
		Intangible Assets	\$6,989,000,000
		Total Liabilities	\$5,630,000,000
		Change Outstanding (Diluted Augusta)	404 000 000





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	10 Undervalued Companies for the Defensive Dividend Stock Investor – December 2015	
ModernGraham posts about the	The Best Companies of the Software Industry – August 2015	
company	10 Undervalued Companies for the Defensive Dividend Stock Investor – August 2015	
	5 Undervalued Companies for Defensive Investors With High Dividend Yields – July 2015	
	The 12 Best Stocks For Value Investors This Week – 5/30/15	
Other ModernGraham	Intuit Inc Valuation – January 2016 Update \$INTU	
posts about related	Oracle Corporation Valuation – January 2016 Update \$ORCL	
companies	Ansys Inc. Valuation – November 2015 Update \$ANSS	
	Yahoo! Inc. Valuation – November 2015 Update \$YHOO	
	Microsoft Corporation Valuation – November 2015 Update \$MSFT	
	Cisco Systems Inc. Valuation – November 2015 Update \$CSCO	
	Alphabet Inc. Valuation – October 2015 Update \$GOOG \$GOOGL	
	Intuit Inc. Analysis – October 2015 Update \$INTU	
	Oracle Corporation Analysis – October 2015 Update \$ORCL	

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