ModernGraham Valuation

Company Name:

Intuit Inc.

Company Ticker

INTU

Date of Analysis

1/25/2016



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.

 Adequate Size of the Enterprise 	Market Cap > \$2Bil	\$24,713,450,045 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.76 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	
5. Earnings Growth	beginning and end	96.25% Pass
6. Moderate PEmg Ratio	PEmg < 20	34.41 Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	23.74 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	0.76 Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-1.09 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	\$2.67
MG Growth Estimate	4.72%
MG Value	\$47.82
MG Value based on 3% Growth	\$38.66
MG Value based on 0% Growth	\$22.66
Market Implied Growth Rate	12.95%

MG Opinion

Current Price \$91.73
% of Intrinsic Value 191.81%

Opinion Overvalued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$4.98
Graham Number	\$17.58
PEmg	34.41
Current Ratio	0.76
PB Ratio	23.74
Dividend Yield	1.14%
Number of Consecutive Years of Dividend Growth	2

Morningstar

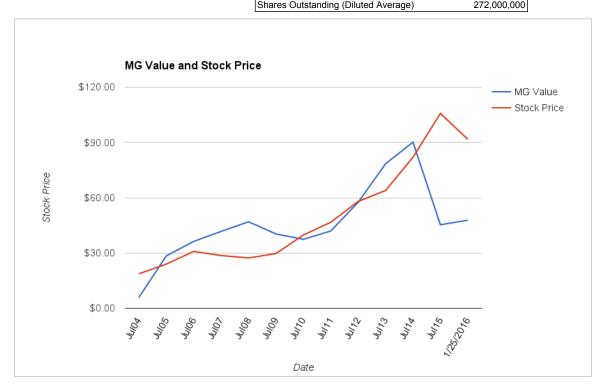
Useful Links: ModernGraham tagged articles

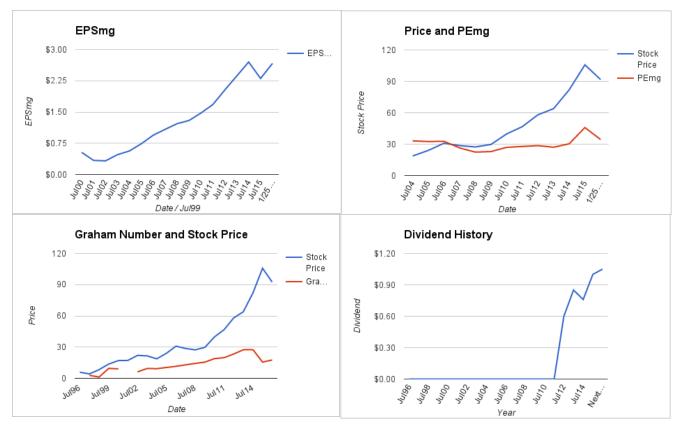
 Google Finance
 MSN Money

 Yahoo Finance
 Seeking Alpha

 GuruFocus
 SEC Filings

EPS History		EPSmg History	•	
Next Fiscal Year Estimate	\$3.45	Next Fiscal Year Estimate		\$2.67
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	Balance Sheet Information	Oct15	
Jul98	\$0.02	Total Current Assets		\$1,427,000,000
Jul97	\$0.25	Total Current Liabilities		\$1,887,000,000
Jul96	-\$0.08	Long-Term Debt		\$500,000,000
		Total Assets		\$3,833,000,000
		Intangible Assets		\$1,351,000,000
		Total Liabilities		\$2,782,000,000
		Shares Outstanding (Diluted Average)		272.000.000





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 – October 2015 Update \$INTU 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

Other ModernGraham posts about related companies

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Cisco Systems Inc. Valuation – November 2015 Update \$CSCO

Alphabet Inc. Valuation – October 2015 Update \$GOOG \$GOOGL

Intuit Inc. Analysis – October 2015 Update \$INTU

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CA Inc. Analysis – August 2015 Update \$CA

The Best Companies of the Software Industry – August 2015