ModernGraham Valuation

Company Name:

Company Ticker ORCL Date of Analysis

Oracle Corporation



Pass

1/6/2016

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.

1. Adec	quate Size of the Enterprise	Market Cap > \$2Bil	\$150,402,564,884	Pass
2. Suffi	iciently Strong Financial Condition	Current Ratio > 2	4.26	Pass
3. Earn	nings Stability	Positive EPS for 10 years prior		Pass
4. Divic	dend Record	Dividend Payments for 10 years prior		Fail
5. Earn		Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	132.43%	Pass
6. Mod	lerate PEmg Ratio	PEmg < 20	15.86	Pass
7. Mod	lerate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.37	Fail
Enterprising Investor; must pas	ss 4 out of the following 5 tests, or be	suitable for the Defensive Investor.		
1. Suffi	iciently Strong Financial Condition	Current Ratio > 1.5	4.26	Pass
2. Suffi	iciently Strong Financial Condition	Debt to NCA < 1.1	0.89	Pass
3. Earn	nings Stability	Positive EPS for 5 years prior		Pass
4. Divic	dend Record	Currently Pays Dividend		Pass

EPSmg greater than 5 years ago

Suit	ability	

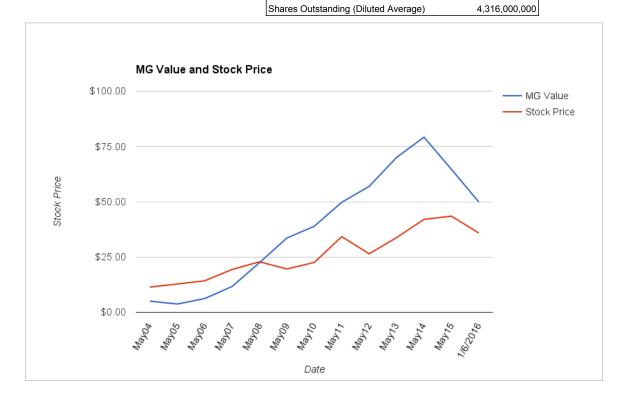
Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

5. Earnings Growth

0			
	EPSmg	\$2.2	26
	MG Growth Estimate	6.78	%
	MG Value	\$49.8	89
	MG Value based on 3% Growth	\$32.7	78
	MG Value based on 0% Growth	\$19.2	22
	Market Implied Growth Rate	3.68	%
MG Opinion			
	Current Price	\$35.8	86
	% of Intrinsic Value	71.88	%
	Opinion	Undervalued	
Stage 3: Infor	mation for Further Research		
	Net Current Asset Value (NCAV)	-\$0.4	45
	Graham Number	\$23.7	71
	PEmg	15.8	86
	Current Ratio	4.2	26
	PB Ratio	3.3	37
	Dividend Yield	1.59	%
	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	\$2.29	Next Fiscal Year Estimate	\$2.26
May15	\$2.21	May15	\$2.20
May14	\$2.38	May14	\$2.09
May13	\$2.26	May13	\$1.84
May12	\$1.96	May12	\$1.56
May11	\$1.67	May11	\$1.29
May10	\$1.21	May10	\$1.06
May09	\$1.09	May09	\$0.93
May08	\$1.06	May08	\$0.80
May07	\$0.81	May07	\$0.65
May06	\$0.64	May06	\$0.54
May05	\$0.55	May05	\$0.48
May04	\$0.50	May04	\$0.49
May03	\$0.43	May03	\$0.49
May02	\$0.39	May02	\$0.50
May01	\$0.44	May01	\$0.50
May00	\$1.05	May00	\$0.46
May99	\$0.22	Balance Sheet Information	Nov15
May98	\$0.14	Total Current Assets	\$58,618,000,000
May97	\$0.14	Total Current Liabilities	\$13,754,000,000
May96	\$0.10	Long-Term Debt	\$39,940,000,000
		Total Assets	\$106,483,000,000
		Intangible Assets	\$39,770,000,000
		Total Liabilities	\$60,559,000,000
		1	





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.

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	Oracle Corporation Analysis – October 2015 Update \$ORCL	
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	Intuit Inc. Analysis – October 2015 Update \$INTU	
	Oracle Corporation Analysis – October 2015 Update \$ORCL	
	CA Inc. Analysis – August 2015 Update \$CA	
	The Best Companies of the Software Industry – August 2015	
	Ansys Inc. Analysis – Initial Coverage \$ANSS	