ModernGraham Valuation

Company Name: PerkinElmer, Inc.

Company Ticker PKI

Date of Analysis 1/28/2016

MG ModernGraham

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	$5,436,491,594	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.94	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	60.45%	Pass
6. Moderate PEmg Ratio	PEmg < 20	32.16	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.59	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	1.94	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.98	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	**Yes**

Stage 2: Determination of Intrinsic Value

EPSmg	$1.46
MG Growth Estimate	2.29%
MG Value	**$19.10**
MG Value based on 3% Growth	$21.18
MG Value based on 0% Growth	$12.42
Market Implied Growth Rate	11.83%

MG Opinion

Current Price	$46.97
% of Intrinsic Value	245.91%
Opinion	**Overvalued**

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-$7.97
Graham Number	$29.66
PEmg	32.16
Current Ratio	1.94
PB Ratio	2.59
Dividend Yield	0.60%
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

EPS History		EPSmg History	
Next Fiscal Year Estimate	$2.13	Next Fiscal Year Estimate	$1.46
Dec2014	$1.39	Dec2014	$1.21
Dec2013	$1.47	Dec2013	$1.16
Dec2012	$0.61	Dec2012	$1.05
Dec2011	$0.07	Dec2011	$1.27
Dec2010	$3.31	Dec2010	$1.72
Dec2009	$0.73	Dec2009	$1.01
Dec2008	$1.07	Dec2008	$1.16
Dec2007	$1.09	Dec2007	$1.15
Dec2006	$0.95	Dec2006	$0.98
Dec2005	$2.04	Dec2005	$0.82
Dec2004	$0.74	Dec2004	$0.22
Dec2003	$0.41	Dec2003	$0.11
Dec2002	-$1.21	Dec2002	$0.16
Dec2001	$0.32	Dec2001	$0.85
Dec2000	$0.89	Dec2000	$1.06
Dec1999	$1.69	Dec1999	$1.02
Dec1998	$1.11	**Balance Sheet Information**	**Sep2015**
Dec1997	$0.37	Total Current Assets	$1,073,837,000
Dec1996	$0.64	Total Current Liabilities	$554,276,000
Dec1995	$0.00	Long-Term Debt	$1,027,269,000
		Total Assets	$4,031,667,000
		Intangible Assets	$2,678,182,000
		Total Liabilities	$1,977,343,000
		Shares Outstanding (Diluted Average)	113,422,000

MG Value and Stock Price

EPSmg

Price and PEmg

Graham Number and Stock Price

Dividend History

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	PerkinElmer Inc. Analysis – October 2015 Update $PKI
	5 Speculative and Overvalued Companies to Avoid – October 2014
	14 Companies in the Spotlight This Week – 10/18/14
	PerkinElmer Inc. Annual Stock Valuation – 2014 $PKI
Other ModernGraham posts about related companies	Quest Diagnostics Inc Valuation – January 2016 Update $DGX
	Dentsply International Inc Valuation – November 2015 Update $XRAY
	UnitedHealth Group Inc. Valuation – November 2015 Update $UNH
	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