

ModernGraham Valuation



Company Name:

Agilent Technologies
Inc

Company Ticker A

Date of Analysis

2/11/2016

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. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$11,941,998,298	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.78	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	40.00%	Pass
6. Moderate PEmg Ratio	PEmg < 20	20.09	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.85	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	3.78	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.61	Pass
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		Fail

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.77
MG Growth Estimate	-3.74%
MG Value	\$1.82
MG Value based on 3% Growth	\$25.60
MG Value based on 0% Growth	\$15.01
Market Implied Growth Rate	5.80%

MG Opinion

Current Price	\$35.47
% of Intrinsic Value	1951.15%
Opinion	Overvalued

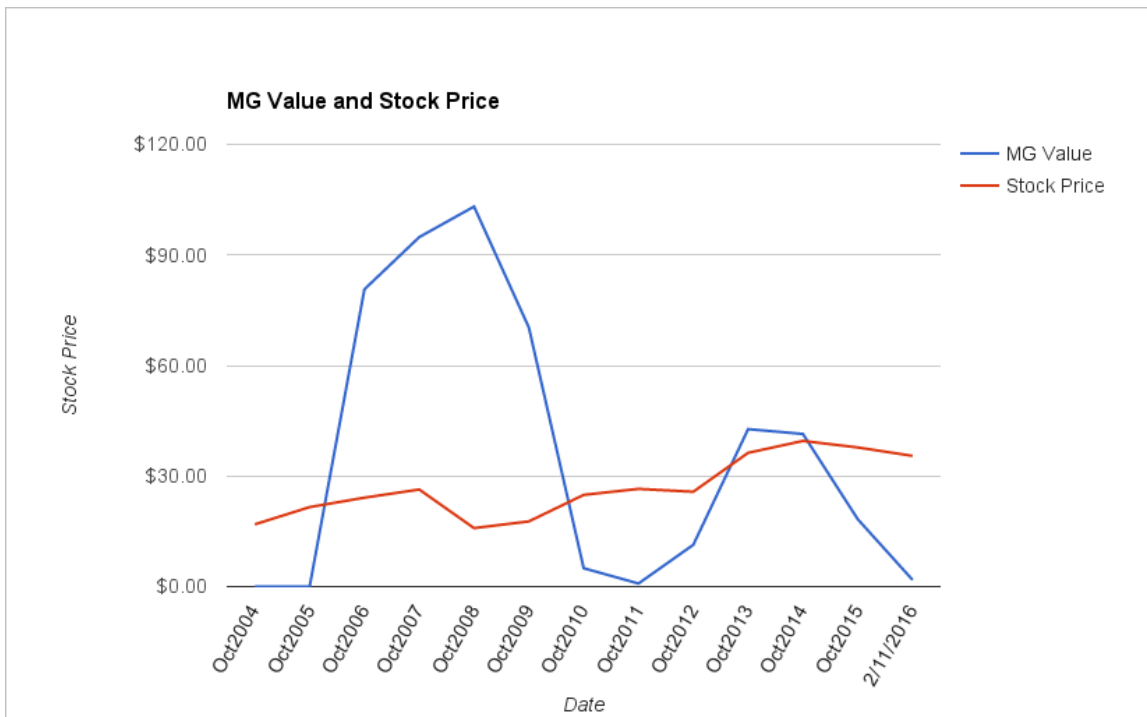
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$1.12
Graham Number	\$22.98
PEmg	20.09
Current Ratio	3.78
PB Ratio	2.85
Dividend Yield	1.13%
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	\$1.87	Next Fiscal Year Estimate	\$1.77
Oct2015	\$1.20	Oct2015	\$1.88
Oct2014	\$1.62	Oct2014	\$2.26
Oct2013	\$2.10	Oct2013	\$2.39
Oct2012	\$3.27	Oct2012	\$2.35
Oct2011	\$2.85	Oct2011	\$1.80
Oct2010	\$1.94	Oct2010	\$1.71
Oct2009	-\$0.09	Oct2009	\$1.83
Oct2008	\$1.87	Oct2008	\$2.68
Oct2007	\$1.57	Oct2007	\$2.46
Oct2006	\$7.50	Oct2006	\$2.10
Oct2005	\$0.65	Oct2005	-\$0.72
Oct2004	\$0.75	Oct2004	-\$1.19
Oct2003	-\$4.35	Oct2003	-\$1.65
Oct2002	-\$2.22	Oct2002	-\$0.09
Oct2001	\$0.38	Oct2001	\$0.91
Oct2000	\$1.66	Oct2000	\$1.03
Oct1999	\$1.35	Balance Sheet Information Oct2015	
Oct1998	\$0.56	Total Current Assets	\$3,686,000,000
Dec1997	\$0.00	Total Current Liabilities	\$976,000,000
Dec1996	\$0.00	Long-Term Debt	\$1,655,000,000
		Total Assets	\$7,479,000,000
		Intangible Assets	\$2,811,000,000
		Total Liabilities	\$3,312,000,000
		Shares Outstanding (Diluted Average)	335,000,000





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

- [Agilent Technologies Inc. Valuation – October 2015 Update \\$A](#)
- [Agilent Technologies Inc. Valuation – October 2015 Update \\$A](#)
- [Agilent Technologies Inc. Analysis – July 2015 Update \\$A](#)
- [27 Companies in the Spotlight This Week – 4/4/15](#)
- [Agilent Technologies Inc. Quarterly Valuation – April 2015 \\$A](#)

Other ModernGraham posts about related companies

- [Texas Instruments Inc Valuation – February 2016 \\$TXN](#)
- [Apple Inc Valuation – February 2016 \\$AAPL](#)
- [Ametek Inc Valuation – February 2016 Update \\$AME](#)
- [MTS Systems Corp Valuation – February 2016 Update \\$MTSC](#)
- [Linear Technology Corp Valuation – January 2016 Update \\$LLTC](#)
- [Seagate Technology PLC Valuation – January 2016 Update \\$STX](#)
- [Microchip Technology Inc Valuation – January 2016 Update \\$MCHP](#)
- [Avago Technologies Ltd Valuation – January 2016 Update \\$AVGO](#)
- [KLA-Tencor Corp Valuation – January 2016 Update \\$KLAC](#)
- [Lam Research Corp Valuation – January 2016 Update \\$LRCX](#)