

# ModernGraham Valuation

Company Name:

Accenture Plc

Company Ticker ACN

Date of Analysis

2/4/2016



## 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	\$67,173,050,010	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.25	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	104.39%	Pass
6. Moderate PEmg Ratio	PEmg < 20	21.39	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	11.69	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	1.25	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.01	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		Pass

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$4.80
MG Growth Estimate	7.39%
<b>MG Value</b>	<b>\$111.82</b>
MG Value based on 3% Growth	\$69.65
MG Value based on 0% Growth	\$40.83
Market Implied Growth Rate	6.44%

### MG Opinion

Current Price	\$102.73
% of Intrinsic Value	91.87%
<b>Opinion</b>	<b>Fairly Valued</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$2.19
Graham Number	\$32.47
PEmg	21.39
Current Ratio	1.25
PB Ratio	11.69
Dividend Yield	2.06%
Number of Consecutive Years of Dividend Growth	5

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<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
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<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$5.15	Next Fiscal Year Estimate	\$4.80
Aug2015	\$4.76	Aug2015	\$4.52
Aug2014	\$4.52	Aug2014	\$4.22
Aug2013	\$4.93	Aug2013	\$3.86
Aug2012	\$3.84	Aug2012	\$3.22
Aug2011	\$3.39	Aug2011	\$2.81
Aug2010	\$2.66	Aug2010	\$2.44
Aug2009	\$2.44	Aug2009	\$2.23
Aug2008	\$2.65	Aug2008	\$2.02
Aug2007	\$1.97	Aug2007	\$1.63
Aug2006	\$1.59	Aug2006	\$1.37
Aug2005	\$1.56	Aug2005	\$1.13
Aug2004	\$1.22	Aug2004	\$0.80
Aug2003	\$1.05	Aug2003	\$0.50
Aug2002	\$0.56	Aug2002	\$0.19
Aug2001	\$0.00	Aug2001	\$0.00
Aug2000	\$0.00	Aug2000	\$0.00
Dec1999	\$0.00	<b>Balance Sheet Information</b> <b>Nov2015</b>	
Dec1998	\$0.00	Total Current Assets	\$10,623,048,000
Dec1997	\$0.00	Total Current Liabilities	\$8,472,398,000
Dec1996	\$0.00	Long-Term Debt	\$25,807,000
		Total Assets	\$17,993,875,000
		Intangible Assets	\$4,044,550,000
		Total Liabilities	\$12,093,450,000
		Shares Outstanding (Diluted Average)	671,301,000





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:

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ModernGraham  
posts about the  
company

[The Best Companies of the Business Support Industry – November 2015](#)  
[The 10 Best Stocks For Value Investors This Week – 6/20/15](#)  
[Accenture plc Analysis – June 2015 Update \\$ACN](#)  
[18 Companies in the Spotlight This Week – 3/15/15](#)  
[Accenture PLC Quarterly Valuation – March 2015 \\$ACN](#)

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[The Best Companies of the Business Support Industry – November 2015](#)  
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[Robert Half International Inc. Valuation – November 2015 Update \\$RHI](#)  
[Alliance Data Systems Corporation Analysis – October 2015 Update \\$ADS](#)  
[Automatic Data Processing Analysis – September 2015 Update \\$ADP](#)  
[Accenture PLC Analysis – September 2015 Update \\$ACN](#)  
[Dun & Bradstreet Corp. Analysis – September 2015 Update \\$DNB](#)  
[Cintas Corporation Analysis – August 2015 Update \\$CTAS](#)  
[Apollo Education Group Inc. Analysis – Initial Coverage \\$APOL](#)