

# ModernGraham Valuation

Company Name:

Citrix Systems, Inc.

Company Ticker CTXS

Date of Analysis

5/21/2016



## 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	\$12,828,047,292	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.10	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	167.09%	Pass
6. Moderate PEmg Ratio	PEmg < 20	29.49	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	6.27	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	1.10	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	8.08	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.82
MG Growth Estimate	11.26%
<b>MG Value</b>	<b>\$87.53</b>
MG Value based on 3% Growth	\$40.92
MG Value based on 0% Growth	\$23.99
Market Implied Growth Rate	10.49%

### MG Opinion

Current Price	\$83.21
% of Intrinsic Value	95.06%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>D+</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$10.66
Graham Number	\$38.48
PEmg	29.49
Current Ratio	1.10
PB Ratio	6.27
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$4.90	Next Fiscal Year Estimate	\$2.82
12/1/2015	\$1.99	12/1/2015	\$1.79
12/1/2014	\$1.47	12/1/2014	\$1.69
12/1/2013	\$1.80	12/1/2013	\$1.73
12/1/2012	\$1.86	12/1/2012	\$1.61
12/1/2011	\$1.87	12/1/2011	\$1.42
12/1/2010	\$1.46	12/1/2010	\$1.17
12/1/2009	\$1.03	12/1/2009	\$1.02
12/1/2008	\$0.96	12/1/2008	\$0.99
12/1/2007	\$1.14	12/1/2007	\$0.97
12/1/2006	\$0.97	12/1/2006	\$0.85
12/1/2005	\$0.93	12/1/2005	\$0.76
12/1/2004	\$0.75	12/1/2004	\$0.65
12/1/2003	\$0.74	12/1/2003	\$0.60
12/1/2002	\$0.52	12/1/2002	\$0.52
12/1/2001	\$0.54	12/1/2001	\$0.49
12/1/2000	\$0.47	12/1/2000	\$0.43
12/1/1999	\$0.61	<b>Balance Sheet Information 3/1/2016</b>	
12/1/1998	\$0.34	Total Current Assets	\$1,787,570,000
12/1/1997	\$0.24	Total Current Liabilities	\$1,624,264,000
12/1/1996	\$0.11	Long-term Debt	\$1,320,240,000
		Total Assets	\$5,518,689,000
		Intangible Assets	\$2,244,028,000
		Total Liabilities	\$3,450,609,000
		Shares Outstanding (Diluted Average)	155,945,000





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

[Citrix Systems Inc. Annual Valuation – 2015 \\$CTXS](#)

Other ModernGraham posts about related companies

- [Symantec Corp Valuation – February 2016 \\$SYMC](#)
- [Microsoft Corp Valuation – February 2016 \\$MSFT](#)
- [Cisco Systems Inc Valuation – February 2016 \\$CSCO](#)
- [CA Inc Valuation – January 2016 Update \\$CA](#)
- [Intuit Inc Valuation – January 2016 Update \\$INTU](#)
- [Microsoft Corp Valuation – February 2016 \\$MSFT](#)
- [Cisco Systems Inc Valuation – February 2016 \\$CSCO](#)
- [CA Inc Valuation – January 2016 Update \\$CA](#)
- [Intuit Inc Valuation – January 2016 Update \\$INTU](#)
- [Oracle Corporation Valuation – January 2016 Update \\$ORCL](#)