

ModernGraham Valuation

Company Name:

BlackRock, Inc.

Company Ticker

BLK

Date of Analysis

6/21/2016



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	\$57,940,839,420	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.70	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	194.22%	Pass
5. Earnings Growth	PEmg < 20	18.86	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.05	Pass
7. Moderate Price to Assets			

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	3.70	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.89	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

Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$18.46
MG Growth Estimate	9.69%
MG Value	\$514.44
MG Value based on 3% Growth	\$267.61
MG Value based on 0% Growth	\$156.88
Market Implied Growth Rate	5.18%

MG Opinion

Current Price	\$348.00
% of Intrinsic Value	67.65%
Opinion	Undervalued
MG Grade	B+

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$1,116.82
Graham Number	\$268.64
PEmg	18.86
Current Ratio	3.70
PB Ratio	2.05
Current Dividend	\$8.83
Dividend Yield	2.54%
Number of Consecutive Years of Dividend Growth	7

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Google Finance	MSN Money
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$18.48	Next Fiscal Year Estimate	\$18.46
Dec2015	\$19.79	Dec2015	\$17.77
Dec2014	\$19.25	Dec2014	\$16.03
Dec2013	\$16.87	Dec2013	\$13.59
Dec2012	\$13.79	Dec2012	\$11.21
Dec2011	\$12.37	Dec2011	\$9.45
Dec2010	\$10.55	Dec2010	\$7.59
Dec2009	\$6.11	Dec2009	\$5.87
Dec2008	\$5.91	Dec2008	\$5.36
Dec2007	\$7.53	Dec2007	\$4.69
Dec2006	\$3.87	Dec2006	\$3.11
Dec2005	\$3.50	Dec2005	\$2.60
Dec2004	\$2.17	Dec2004	\$2.07
Dec2003	\$2.36	Dec2003	\$1.91
Dec2002	\$2.04	Dec2002	\$1.57
Dec2001	\$1.65	Dec2001	\$1.21
Dec2000	\$1.35	Dec2000	\$0.86
Dec1999	\$1.04	Balance Sheet Information 3/1/2016	
Dec1998	\$0.67	Total Current Assets	\$7,610,000,000
Dec1997	\$0.00	Total Current Liabilities	\$2,057,000,000
Dec1996	\$0.00	Long-Term Debt	\$4,968,000,000
		Total Assets	\$222,958,000,000
		Intangible Assets	\$30,466,000,000
		Total Liabilities	\$194,564,000,000
		Shares Outstanding (Diluted Average)	167,399,000





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.

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