

# ModernGraham Valuation

## Company Name:

Company Ticker JNPR  
Date of Analysis

Juniper Networks,  
Inc.

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	\$8,926,736,985	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.16	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	53.11%	Pass
6. Moderate PEmg Ratio	PEmg < 20	22.49	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.95	Pass

*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	2.16	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.21	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
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>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.03
MG Growth Estimate	8.88%
<b>MG Value</b>	<b>\$27.12</b>
MG Value based on 3% Growth	\$14.97
MG Value based on 0% Growth	\$8.78
Market Implied Growth Rate	6.99%

### MG Opinion

Current Price	\$23.22
% of Intrinsic Value	85.63%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>D</b>

## Stage 3: Information for Further Research

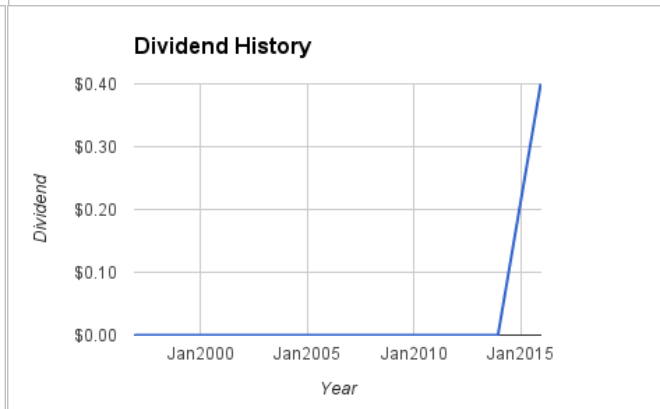
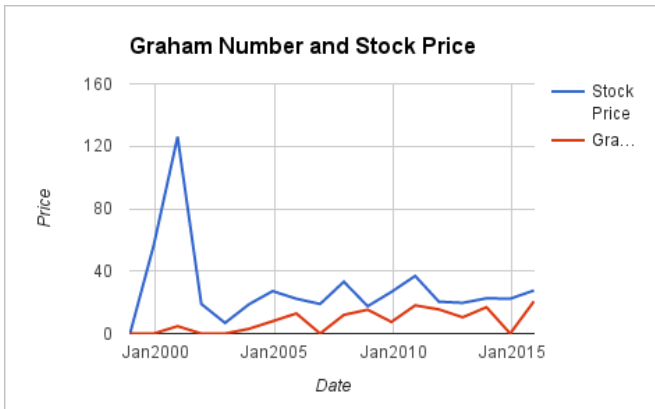
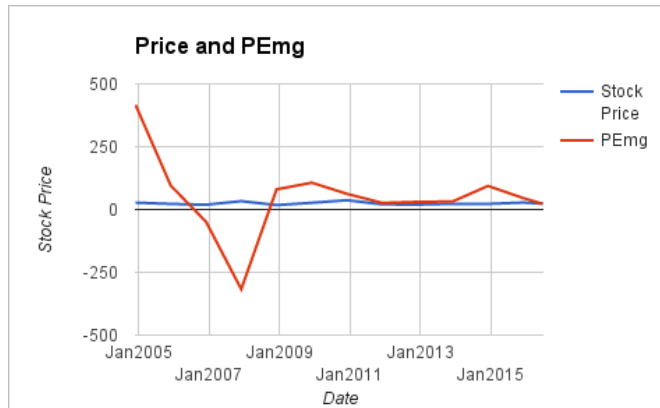
Net Current Asset Value (NCAV)	-\$2.58
Graham Number	\$22.36
PEmg	22.49
Current Ratio	2.16
PB Ratio	1.95
Current Dividend	\$0.40
Dividend Yield	1.72%
Number of Consecutive Years of Dividend Growth	3

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.85	Next Fiscal Year Estimate	\$1.03
Dec2015	\$1.59	Dec2015	\$0.61
Dec2014	-\$0.73	Dec2014	\$0.24
Dec2013	\$0.86	Dec2013	\$0.71
Dec2012	\$0.35	Dec2012	\$0.65
Dec2011	\$0.79	Dec2011	\$0.78
Dec2010	\$1.15	Dec2010	\$0.59
Dec2009	\$0.22	Dec2009	\$0.25
Dec2008	\$0.93	Dec2008	\$0.22
Dec2007	\$0.62	Dec2007	-\$0.10
Dec2006	-\$1.76	Dec2006	-\$0.39
Dec2005	\$0.59	Dec2005	\$0.24
Dec2004	\$0.25	Dec2004	\$0.07
Dec2003	\$0.10	Dec2003	-\$0.01
Dec2002	-\$0.34	Dec2002	-\$0.05
Dec2001	-\$0.04	Dec2001	\$0.07
Dec2000	\$0.43	Dec2000	\$0.10
Dec1999	-\$0.05	<b>Balance Sheet Information 3/1/2016</b>	
Dec1998	-\$0.14	Total Current Assets	\$3,274,200,000
Dec1997	\$0.00	Total Current Liabilities	\$1,515,300,000
Dec1996	\$0.00	Long-Term Debt	\$2,131,800,000
		Total Assets	\$8,917,700,000
		Intangible Assets	\$3,018,600,000
		Total Liabilities	\$4,279,600,000
		Shares Outstanding (Diluted Average)	389,300,000





**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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- [34 Companies in the Spotlight This Week – 2/7/15](#)
- [Juniper Networks Inc. Annual Valuation – 2015 \\$JNPR](#)
- [18 Companies in the Spotlight This Week – 10/25/14](#)
- [Juniper Networks Quarterly Stock Valuation – October 2014 \\$JNPR](#)
- [10 Companies in the Spotlight This Week – 7/12/14](#)

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- [Nvidia Corporation Valuation – June 2016 \\$NVDA](#)
- [Intel Corporation Valuation – May 2016 \\$INTC](#)
- [HP Inc Valuation – May 2016 \\$HPQ](#)
- [FLIR Systems Inc Valuation – May 2016 \\$FLIR](#)
- [NetApp Inc Valuation – March 2016 \\$NTAP](#)
- [Applied Materials Inc Valuation – February 2016 \\$AMAT](#)
- [Skyworks Solutions Inc Stock Valuation – February 2016 \\$SWKS](#)
- [Analog Devices Inc Stock Valuation – February 2016 \\$ADI](#)
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