

# ModernGraham Valuation

Company Name:

Iron Mountain Inc

Company Ticker

IRM

Date of Analysis

7/24/2016



## 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	\$8,702,754,995	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.11	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	95.98%	Pass
5. Earnings Growth	PEmg < 20	30.72	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	17.57	Fail
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	1.11	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	59.13	Fail
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>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.34
MG Growth Estimate	5.42%
<b>MG Value</b>	<b>\$25.84</b>
MG Value based on 3% Growth	\$19.38
MG Value based on 0% Growth	\$11.36
Market Implied Growth Rate	11.11%

### MG Opinion

Current Price	\$41.06
% of Intrinsic Value	158.87%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D+</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$23.98
Graham Number	\$10.65
PEmg	30.72
Current Ratio	1.11
PB Ratio	17.57
Current Dividend	\$1.92
Dividend Yield	4.68%
Number of Consecutive Years of Dividend Growth	7

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.15	Next Fiscal Year Estimate	\$1.34
Dec2015	\$0.58	Dec2015	\$1.00
Dec2014	\$1.66	Dec2014	\$1.14
Dec2013	\$0.51	Dec2013	\$0.87
Dec2012	\$0.98	Dec2012	\$0.98
Dec2011	\$2.02	Dec2011	\$0.92
Dec2010	-\$0.27	Dec2010	\$0.42
Dec2009	\$1.08	Dec2009	\$0.74
Dec2008	\$0.40	Dec2008	\$0.57
Dec2007	\$0.76	Dec2007	\$0.63
Dec2006	\$0.64	Dec2006	\$0.54
Dec2005	\$0.56	Dec2005	\$0.43
Dec2004	\$0.48	Dec2004	\$0.29
Dec2003	\$0.44	Dec2003	\$0.15
Dec2002	\$0.30	Dec2002	-\$0.02
Dec2001	-\$0.24	Dec2001	-\$0.18
Dec2000	-\$0.15	Dec2000	-\$0.14
Dec1999	-\$0.12	<b>Balance Sheet Information 3/1/2016</b>	
Dec1998	-\$0.18	Total Current Assets	\$831,896,000
Dec1997	-\$0.20	Total Current Liabilities	\$748,493,000
Dec1996	\$0.00	Long-Term Debt	\$4,931,296,000
		Total Assets	\$6,422,309,000
		Intangible Assets	\$3,019,058,000
		Total Liabilities	\$5,925,911,000
		Shares Outstanding (Diluted Average)	212,471,000





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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