

ModernGraham Valuation

Company Name:

Accenture Plc

Company Ticker ACN

Date of Analysis

8/7/2016



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	\$75,150,730,342	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.42	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	117.00%	Pass
6. Moderate PEmg Ratio	PEmg < 20	22.47	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	10.72	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	1.42	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

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$5.10
MG Growth Estimate	8.75%
MG Value	\$132.63
MG Value based on 3% Growth	\$73.95
MG Value based on 0% Growth	\$43.35
Market Implied Growth Rate	6.99%

MG Opinion

Current Price	\$114.60
% of Intrinsic Value	86.41%
Opinion	Fairly Valued
MG Grade	C

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$0.73
Graham Number	\$34.02
PEmg	22.47
Current Ratio	1.42
PB Ratio	10.72
Current Dividend	\$2.20
Dividend Yield	1.92%
Number of Consecutive Years of Dividend Growth	5

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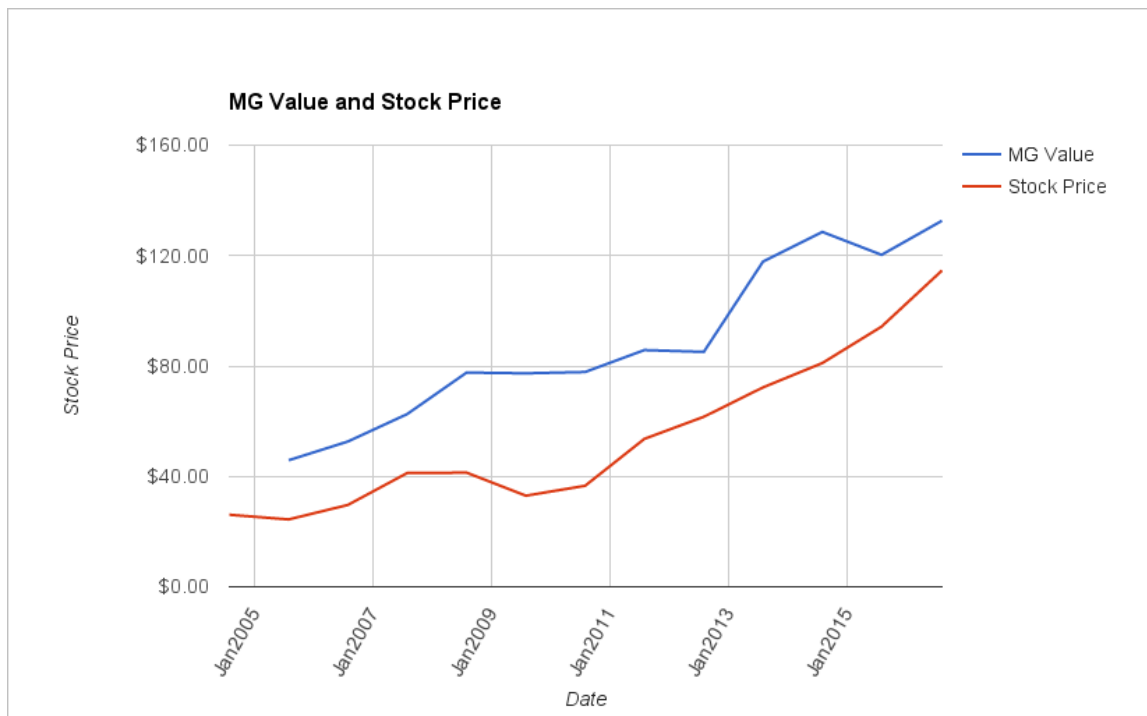
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$6.04	Next Fiscal Year Estimate	\$5.10
Aug2015	\$4.76	Aug2015	\$4.52
Aug2014	\$4.52	Aug2014	\$4.22
Aug2013	\$4.93	Aug2013	\$3.86
Aug2012	\$3.84	Aug2012	\$3.22
Aug2011	\$3.40	Aug2011	\$2.82
Aug2010	\$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	\$1.19
Aug2004	\$1.22	Aug2004	\$0.92
Aug2003	\$1.05	Aug2003	\$0.68
Aug2002	\$0.56	Aug2002	\$0.43
Aug2001	\$0.91	Aug2001	\$0.30
Aug2000	\$0.00	Aug2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information 5/1/2016	
Dec1998	\$0.00	Total Current Assets	\$11,576,011,000
Dec1997	\$0.00	Total Current Liabilities	\$8,161,133,000
Dec1996	\$0.00	Long-Term Debt	\$26,801,000
		Total Assets	\$19,191,047,000
		Intangible Assets	\$3,538,147,000
		Total Liabilities	\$12,063,722,000
		Shares Outstanding (Diluted Average)	666,403,000





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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