

ModernGraham Valuation



Company Name:

Delphi Automotive
PLC

Company Ticker DLPH

Date of Analysis

8/21/2016

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	\$17,879,974,329	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.30	Fail
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	49633.33%	Pass
6. Moderate PEmg Ratio	PEmg < 20	13.67	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	7.50	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	1.30	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	3.45	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

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$4.78
MG Growth Estimate	15.00%
MG Value	\$184.00
MG Value based on 3% Growth	\$69.30
MG Value based on 0% Growth	\$40.62
Market Implied Growth Rate	2.58%

MG Opinion

Current Price	\$65.31
% of Intrinsic Value	35.49%
Opinion	Undervalued
MG Grade	C-

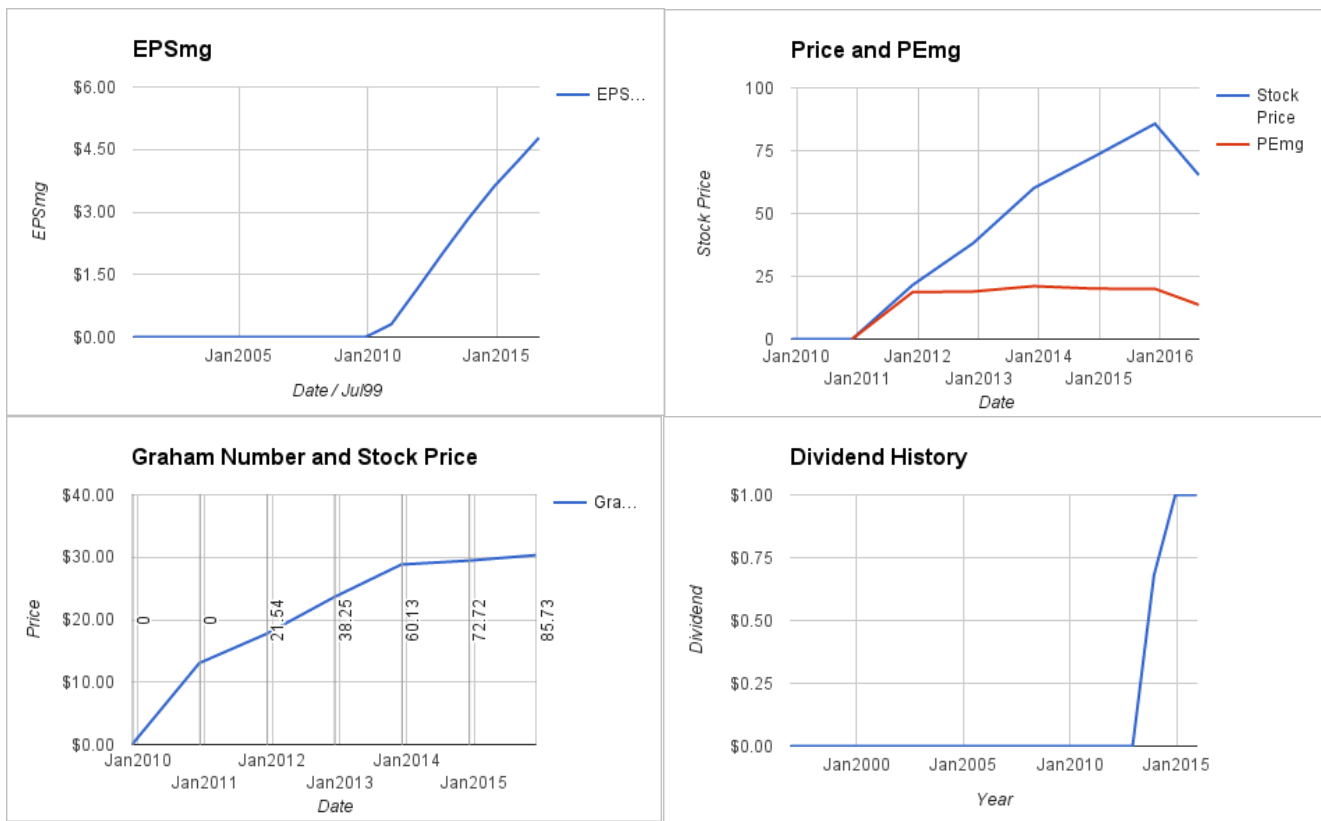
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$16.55
Graham Number	\$32.51
PEmg	13.67
Current Ratio	1.30
PB Ratio	7.50
Current Dividend	\$1.08
Dividend Yield	1.65%
Number of Consecutive Years of Dividend Growth	1

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[Google Finance](#) [MSN Money](#)
[Yahoo Finance](#) [Seeking Alpha](#)
[GuruFocus](#) [SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$5.38	Next Fiscal Year Estimate	\$4.78
Dec2015	\$5.06	Dec2015	\$4.28
Dec2014	\$4.48	Dec2014	\$3.62
Dec2013	\$3.89	Dec2013	\$2.85
Dec2012	\$3.33	Dec2012	\$2.02
Dec2011	\$2.72	Dec2011	\$1.15
Dec2010	\$0.92	Dec2010	\$0.31
Dec2009	\$0.00	Dec2009	\$0.00
Dec2008	\$0.00	Dec2008	\$0.00
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Dec2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information 6/1/2016	
Dec1998	\$0.00	Total Current Assets	\$5,051,000,000
Dec1997	\$0.00	Total Current Liabilities	\$3,899,000,000
Dec1996	\$0.00	Long-Term Debt	\$3,969,000,000
		Total Assets	\$11,957,000,000
		Intangible Assets	\$2,916,000,000
		Total Liabilities	\$9,576,000,000
		Shares Outstanding (Diluted Average)	273,370,000





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

- [Delphi Automotive Analysis – 2015 Update \\$DLPH](#)
- [17 Companies in the Spotlight This Week – June 21, 2014](#)
- [Delphi Automotive Annual Valuation – 2014 \\$DLPH](#)

Other ModernGraham posts about related companies

- [Carmax Inc Valuation – August 2016 \\$KMX](#)
- [BorgWarner Inc Valuation – August 2016 \\$BWA](#)
- [Ford Motor Company Valuation – August 2016 \\$F](#)
- [O'Reilly Automotive Inc Valuation – July 2016 \\$ORLY](#)
- [Genuine Parts Co Valuation – July 2016 \\$GPC](#)
- [Johnson Controls Inc Valuation – July 2016 \\$JCI](#)
- [Goodyear Tire & Rubber Co Valuation – July 2016 \\$GT](#)
- [Harley-Davidson Inc Valuation – June 2016 \\$HOG](#)
- [Autozone Inc Valuation – June 2016 \\$AZO](#)
- [BorgWarner Inc Valuation – February 2016 Update \\$BWA](#)