

# ModernGraham Valuation

## Company Name:

Company Ticker DNB

Date of Analysis

1/16/2017

Dun & Bradstreet  
Corp



## 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	\$4,597,150,400	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.83	Fail
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	-2.66%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	23.30	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	-4.23	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	0.83	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-10.46	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		Fail
	Score		

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$5.30
MG Growth Estimate	-1.10%
<b>MG Value</b>	<b>\$33.40</b>
MG Value based on 3% Growth	\$76.84
MG Value based on 0% Growth	\$45.04
Market Implied Growth Rate	7.40%

### MG Opinion

Current Price	\$123.48
% of Intrinsic Value	369.66%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>F</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$63.37
Graham Number	\$0.00
PEmg	23.30
Current Ratio	0.83
PB Ratio	-4.23
Current Dividend	\$1.91
Dividend Yield	1.55%
Number of Consecutive Years of Dividend Growth	10

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.49	Next Fiscal Year Estimate	\$5.30
Dec2015	\$4.64	Dec2015	\$6.19
Dec2014	\$7.99	Dec2014	\$6.73
Dec2013	\$6.54	Dec2013	\$6.01
Dec2012	\$6.43	Dec2012	\$5.72
Dec2011	\$5.28	Dec2011	\$5.36
Dec2010	\$4.98	Dec2010	\$5.29
Dec2009	\$5.99	Dec2009	\$5.19
Dec2008	\$5.58	Dec2008	\$4.55
Dec2007	\$4.99	Dec2007	\$3.83
Dec2006	\$3.70	Dec2006	\$3.10
Dec2005	\$3.19	Dec2005	\$2.67
Dec2004	\$2.90	Dec2004	\$2.37
Dec2003	\$2.30	Dec2003	\$1.97
Dec2002	\$1.87	Dec2002	\$1.61
Dec2001	\$1.84	Dec2001	\$1.28
Dec2000	\$2.49	Dec2000	\$0.83
Dec1999	\$0.00	<b>Balance Sheet Information 9/1/2016</b>	
Dec1998	\$0.00	Total Current Assets	\$764,800,000
Dec1997	\$0.00	Total Current Liabilities	\$916,500,000
Dec1996	\$0.00	Long-Term Debt	\$1,586,400,000
		Total Assets	\$2,016,900,000
		Intangible Assets	\$1,076,800,000
		Total Liabilities	\$3,084,300,000
		Shares Outstanding (Diluted Average)	36,600,000





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

- [Dun & Bradstreet Corp. Analysis – September 2015 Update \\$DNB](#)
- [10 Companies in the Spotlight This Week – 7/12/14](#)

Other ModernGraham posts about related companies

- [Accenture PLC Valuation – December 2016 \\$ACN](#)
- [Automatic Data Processing Valuation – November 2016 \\$ADP](#)
- [United Rentals Inc Valuation – August 2016 \\$URI](#)
- [Robert Half International Inc Valuation – August 2016 \\$RHI](#)
- [Accenture PLC Valuation – August 2016 \\$ACN](#)
- [Fiserv Inc Valuation – August 2016 \\$FISV](#)
- [Cintas Corporation Valuation – July 2016 \\$CTAS](#)
- [Pitney Bowes Inc Valuation – July 2016 \\$PBI](#)
- [Xerox Corp Valuation – June 2016 \\$XRX](#)
- [Avery Dennison Corp Valuation – June 2016 \\$AVY](#)