

ModernGraham Valuation

Company Name:

Fortive Corp

Company Ticker FTV

Date of Analysis

3/6/2017



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	\$20,178,855,814	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.70	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	74299900.00%	Pass
6. Moderate PEmg Ratio	PEmg < 20	29.03	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	7.52	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	1.70	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	3.29	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
	Score		

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.01
MG Growth Estimate	15.00%
MG Value	\$77.21
MG Value based on 3% Growth	\$29.08
MG Value based on 0% Growth	\$17.05
Market Implied Growth Rate	10.27%

MG Opinion

Current Price	\$58.22
% of Intrinsic Value	75.41%
Opinion	Fairly Valued
MG Grade	C

Stage 3: Information for Further Research

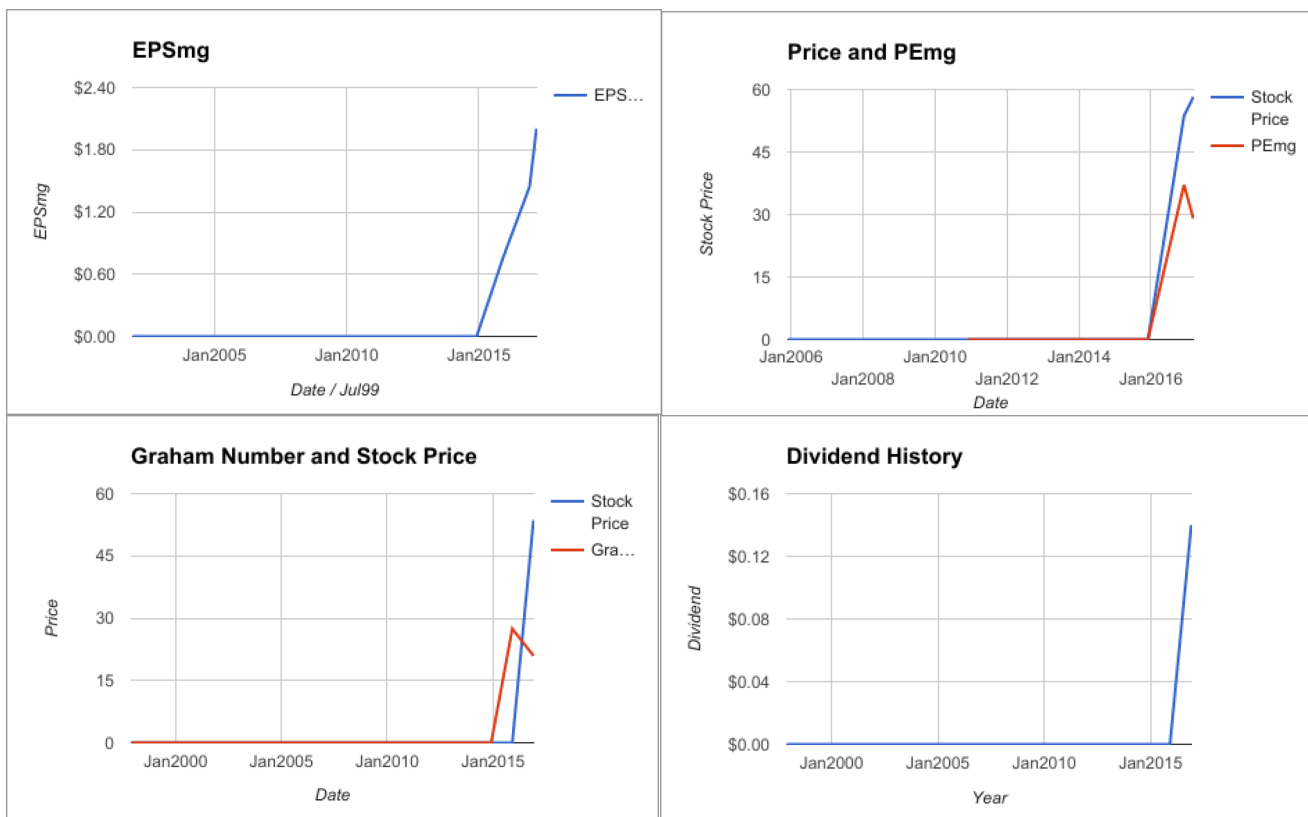
Net Current Asset Value (NCAV)	-\$8.68
Graham Number	\$21.48
PEmg	29.03
Current Ratio	1.70
PB Ratio	7.52
Current Dividend	\$0.14
Dividend Yield	0.24%
Number of Consecutive Years of Dividend Growth	2

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.64	Next Fiscal Year Estimate	\$2.01
Dec2016	\$2.51	Dec2016	\$1.44
Dec2015	\$2.28	Dec2015	\$0.76
Dec2014	\$0.00	Dec2014	\$0.00
Dec2013	\$0.00	Dec2013	\$0.00
Dec2012	\$0.00	Dec2012	\$0.00
Dec2011	\$0.00	Dec2011	\$0.00
Dec2010	\$0.00	Dec2010	\$0.00
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	Balance Sheet Information 12/1/2016	
Dec1999	\$0.00	Total Current Assets	\$2,488,700,000
Dec1998	\$0.00	Total Current Liabilities	\$1,466,500,000
Dec1997	\$0.00	Long-Term Debt	\$3,358,000,000
		Total Assets	\$8,189,800,000
		Intangible Assets	\$4,726,300,000
		Total Liabilities	\$5,501,900,000
		Shares Outstanding (Diluted Average)	347,300,000





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.

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ModernGraham
posts about the
company

#N/A

Other
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