

ModernGraham Valuation

Company Name:

Diebold Nixdorf Inc

Company Ticker DBD

Date of Analysis

7/16/2017



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	\$1,607,666,752	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.41	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	58.87%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	31.53	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.00	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	1.41	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.24	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.67
MG Growth Estimate	15.00%
MG Value	\$25.95
MG Value based on 3% Growth	\$9.77
MG Value based on 0% Growth	\$5.73
Market Implied Growth Rate	11.51%

MG Opinion

Current Price	\$21.25
% of Intrinsic Value	81.89%
Opinion	Fairly Valued
MG Grade	C-

Stage 3: Information for Further Research

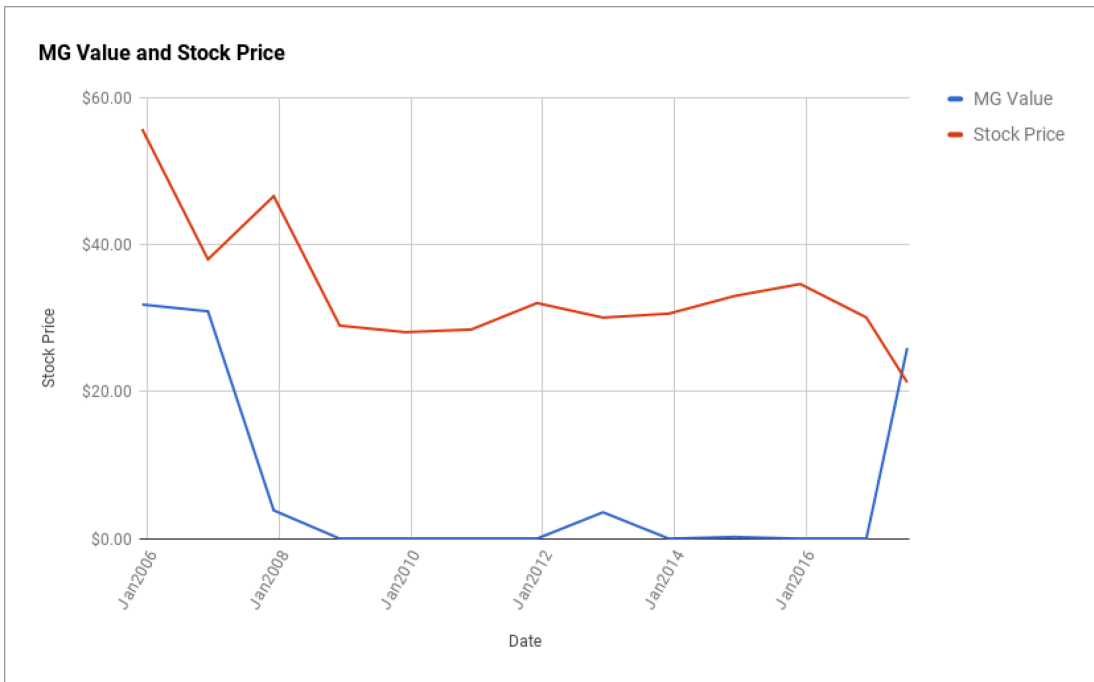
Net Current Asset Value (NCAV)	-\$28.02
Graham Number	\$16.83
PEmg	31.53
Current Ratio	1.41
PB Ratio	3.00
Current Dividend	\$0.96
Dividend Yield	4.53%
Number of Consecutive Years of Dividend Growth	0

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.60	Next Fiscal Year Estimate	\$0.67
Dec2016	-\$0.48	Dec2016	\$0.19
Dec2015	\$1.12	Dec2015	\$0.57
Dec2014	\$1.76	Dec2014	\$0.33
Dec2013	-\$2.85	Dec2013	-\$0.21
Dec2012	\$1.15	Dec2012	\$1.05
Dec2011	\$2.22	Dec2011	\$0.95
Dec2010	-\$0.31	Dec2010	\$0.45
Dec2009	\$0.39	Dec2009	\$0.90
Dec2008	\$1.33	Dec2008	\$1.27
Dec2007	\$0.59	Dec2007	\$1.39
Dec2006	\$1.55	Dec2006	\$1.81
Dec2005	\$1.43	Dec2005	\$1.87
Dec2004	\$2.53	Dec2004	\$2.00
Dec2003	\$2.37	Dec2003	\$1.72
Dec2002	\$1.37	Dec2002	\$1.41
Dec2001	\$0.93	Dec2001	\$1.46
Dec2000	\$1.92	Balance Sheet Information	3/1/2017
Dec1999	\$1.85	Total Current Assets	\$2,601,500,000
Dec1998	\$1.10	Total Current Liabilities	\$1,846,200,000
Dec1997	\$1.76	Long-Term Debt	\$1,689,700,000
		Total Assets	\$5,244,600,000
		Intangible Assets	\$1,765,200,000
		Total Liabilities	\$4,711,500,000
		Shares Outstanding (Diluted Average)	75,300,000





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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