

ModernGraham Valuation

Company Name:

DowDuPont Inc

Company Ticker

DWDP

Date of Analysis

2/23/2018



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	\$171,427,692,032	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.91	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	101.71%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	22.67	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.71	Pass

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	1.91	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.26	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	\$3.23
MG Growth Estimate	4.66%
MG Value	\$57.55
MG Value based on 3% Growth	\$46.85
MG Value based on 0% Growth	\$27.47
Market Implied Growth Rate	7.09%

MG Opinion

Current Price	\$73.26
% of Intrinsic Value	127.29%
Opinion	Overvalued
MG Grade	C+

Stage 3: Information for Further Research

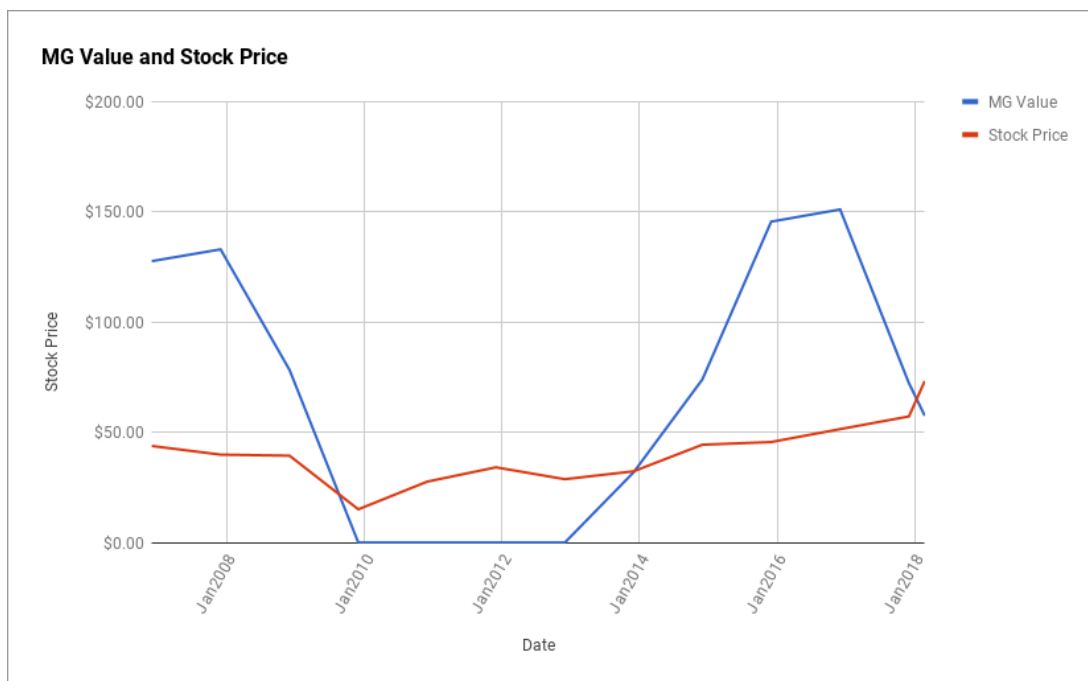
Net Current Asset Value (NCAV)	-\$17.88
Graham Number	\$60.71
PEmg	22.67
Current Ratio	1.91
PB Ratio	1.71
Current Dividend	\$1.76
Dividend Yield	2.40%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

[ModernGraham tagged articles](#)
[Google Finance](#)
[Yahoo Finance](#)
[GuruFocus](#)

[Morningstar](#)
[MSN Money](#)
[Seeking Alpha](#)
[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	\$3.82	Dec2017	\$3.23
Dec2016	\$0.91	Dec2016	\$3.10
Dec2015	\$3.52	Dec2015	\$3.92
Dec2014	\$6.15	Dec2014	\$3.78
Dec2013	\$2.87	Dec2013	\$2.47
Dec2012	\$3.68	Dec2012	\$2.07
Dec2011	\$0.70	Dec2011	\$1.21
Dec2010	\$2.05	Dec2010	\$1.49
Dec2009	\$1.72	Dec2009	\$1.44
Dec2008	\$0.32	Dec2008	\$1.69
Dec2007	\$0.62	Dec2007	\$2.58
Dec2006	\$2.99	Dec2006	\$3.45
Dec2005	\$3.82	Dec2005	\$3.32
Dec2004	\$4.62	Dec2004	\$2.62
Dec2003	\$2.93	Dec2003	\$1.49
Dec2002	\$1.87	Dec2002	\$0.87
Dec2001	-\$0.37	Dec2001	\$0.60
Dec2000	-\$0.43	Balance Sheet Information 12/1/2017	
Dec1999	\$2.22	Total Current Assets	\$49,893,000,000
Dec1998	\$1.97	Total Current Liabilities	\$26,128,000,000
	\$1.92	Long-Term Debt	\$30,056,000,000
		Total Assets	\$192,164,000,000
		Intangible Assets	\$92,801,000,000
		Total Liabilities	\$91,834,000,000
		Shares Outstanding (Diluted Average)	2,346,000,000





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

[10 Undervalued Companies for the Defensive Dividend Stock Investor – June 2016](#)
[10 Companies Benjamin Graham Would Invest In Today – February 2016](#)
[10 Undervalued Companies for the Defensive Dividend Stock Investor – February 2016](#)
[18 Best Stocks For Value Investors This Week – 1/30/16](#)
[Dow Chemical Co Valuation – January 2016 Update \\$DOW](#)

Other
ModernGraham
posts about related
companies

[Green Plains Inc Valuation – Initial Coverage \\$GPRI](#)
[PolyOne Corp Valuation – Initial Coverage \\$POL](#)
[Ingevity Corp Valuation – Initial Coverage \\$INGVT](#)
[Praxair Inc Valuation – August 2017 \\$PX](#)
[Albemarle Corp Valuation – March 2017 \\$ALB](#)
[Sensient Technologies Corp Valuation – Initial Coverage \\$SXT](#)
[Quaker Chemical Corp Valuation – Initial Coverage \\$KWR](#)
[Kraton Corp Valuation – Initial Coverage \\$KRA](#)
[Koppers Holdings Inc Valuation – Initial Coverage \\$KOP](#)
[Air Products & Chemicals Inc Valuation – January 2017 \\$APD](#)