

# ModernGraham Valuation

Company Name:

BlackRock, Inc.

Company Ticker BLK

Date of Analysis

3/14/2018



## 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	\$89,835,338,145	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.94	Pass
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	164.45%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	22.40	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.89	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	2.94	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.78	Pass
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

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$24.96
MG Growth Estimate	8.36%
<b>MG Value</b>	<b>\$629.45</b>
MG Value based on 3% Growth	\$361.89
MG Value based on 0% Growth	\$212.14
Market Implied Growth Rate	6.95%

### MG Opinion

Current Price	\$558.96
% of Intrinsic Value	88.80%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>C+</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$1,084.12
Graham Number	\$349.67
PEmg	22.40
Current Ratio	2.94
PB Ratio	2.89
Current Dividend	\$10.00
Dividend Yield	1.79%
Number of Consecutive Years of Dividend Growth	8

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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	\$27.50	Dec2017	\$24.96
Dec2016	\$30.23	Dec2016	\$22.80
Dec2015	\$19.04	Dec2015	\$18.64
Dec2014	\$19.79	Dec2014	\$17.77
Dec2013	\$19.25	Dec2013	\$16.03
Dec2012	\$16.87	Dec2012	\$13.59
Dec2011	\$13.79	Dec2011	\$11.21
Dec2010	\$12.37	Dec2010	\$9.42
Dec2009	\$10.55	Dec2009	\$7.54
Dec2008	\$6.11	Dec2008	\$5.80
Dec2007	\$5.78	Dec2007	\$5.28
Dec2006	\$7.37	Dec2006	\$4.64
Dec2005	\$3.87	Dec2005	\$3.11
Dec2004	\$3.50	Dec2004	\$2.60
Dec2003	\$2.17	Dec2003	\$2.07
Dec2002	\$2.36	Dec2002	\$1.91
Dec2001	\$2.04	Dec2002	\$1.57
Dec2000	\$1.65	<b>Balance Sheet Information</b>	
Dec1999	\$1.35	<b>12/1/2017</b>	
Dec1998	\$1.04	Total Current Assets	\$9,737,000,000
	\$0.66	Total Current Liabilities	\$3,314,000,000
		Long-Term Debt	\$5,014,000,000
		Total Assets	\$220,217,000,000
		Intangible Assets	\$30,609,000,000
		Total Liabilities	\$188,392,000,000
		Shares Outstanding (Diluted Average)	164,793,000





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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[Total System Services Inc Valuation – February 2018 \\$TSS](#)  
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[Encore Capital Group Inc Valuation – Initial Coverage \\$ECPG](#)  
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