# **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.

<ol> <li>Adequate Size of the Enterprise</li> </ol>	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	
<ol><li>Earnings Growth</li></ol>	beginning and end	164.45% Pass
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.

<ol> <li>Sufficiently Strong Financial Condition</li> </ol>	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
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Score

Suitability

Defensive No Enterprising Yes

#### Stage 2: Determination of Intrinsic Value

EPSmg	\$24.96
MG Growth Estimate	8.36%
MG Value	\$629.45
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%

Opinion **Fairly Valued** MG Grade

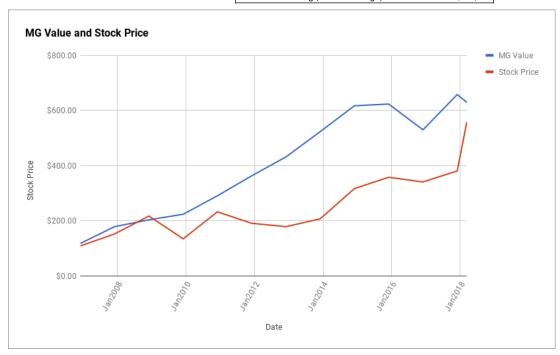
### Stage 3: Information for Further Research

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	¢27.50	Next Fiscal Year Estimate	\$24.9
Dec2017	\$27.50 \$30.23		\$24.9 \$22.8
Dec2016	\$19.04		\$18.6
Dec2015	\$19.79		\$17.7
Dec2014	\$19.25		\$16.0
Dec2013	\$16.87	Dec2013	\$13.5
Dec2012	\$13.79	Dec2012	\$11.2
Dec2011	\$12.37	Dec2011	\$9.4
Dec2010	\$10.55	Dec2010	\$7.5
Dec2009	\$6.11	Dec2009	\$5.8
Dec2008	\$5.78	Dec2008	\$5.2
Dec2007	\$7.37	Dec2007	\$4.6
Dec2006	\$3.87	Dec2006	\$3.1
Dec2005	\$3.50	Dec2005	\$2.6
Dec2004	\$2.17	Dec2004	\$2.0
Dec2003	\$2.36	Dec2003	\$1.9
Dec2002	\$2.04	Dec2002	\$1.5
Dec2001	\$1.65	Balance Sheet Information	12/1/201
Dec2000	\$1.35	Total Current Assets	\$9,737,000,00
Dec1999	\$1.04	Total Current Liabilities	\$3,314,000,00
Dec1998	\$0.66	Long-Term Debt	\$5,014,000,00
		Total Assets	\$220,217,000,00
		Intangible Assets	\$30,609,000,00
		Total Liabilities	\$188,392,000,00
		Shares Outstanding (Diluted Average)	164,793,00





#### 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:**

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12 Best Stocks For Value Investors This Week - 11/14/15 BlackRock Inc. Valuation - November 2015 Update \$BLK

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10 Undervalued Companies for the Defensive Dividend Stock Investor – August 2015

The 16 Best Stocks For Value Investors This Week – 8/1/15

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T.Rowe Price Group Inc Valuation - July 2017 \$TROW