

ModernGraham Valuation

Company Name:

Dover Corp

Company Ticker DOV

Date of Analysis

3/2/2018



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	\$15,128,959,930	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.40	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	28.21%	Fail
5. Earnings Growth	PEmg < 20	20.93	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.54	Fail
7. Moderate Price to Assets			

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	1.40	Fail
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 Score		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$4.68
MG Growth Estimate	-0.47%
MG Value	\$35.39
MG Value based on 3% Growth	\$67.87
MG Value based on 0% Growth	\$39.79
Market Implied Growth Rate	6.22%

MG Opinion

Current Price	\$97.97
% of Intrinsic Value	276.85%
Opinion	Overvalued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$19.38
Graham Number	\$55.52
PEmg	20.93
Current Ratio	1.40
PB Ratio	3.54
Current Dividend	\$1.82
Dividend Yield	1.86%
Number of Consecutive Years of Dividend Growth	20

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		Next Fiscal Year Estimate	
Dec2017	\$5.15	Dec2017	\$4.67
Dec2016	\$3.25	Dec2016	\$4.52
Dec2015	\$5.46	Dec2015	\$5.10
Dec2014	\$4.59	Dec2014	\$4.83
Dec2013	\$5.78	Dec2013	\$4.67
Dec2012	\$4.41	Dec2012	\$3.94
Dec2011	\$4.74	Dec2011	\$3.58
Dec2010	\$3.70	Dec2010	\$2.98
Dec2009	\$1.91	Dec2009	\$2.65
Dec2008	\$3.12	Dec2008	\$2.93
Dec2007	\$3.26	Dec2007	\$2.68
Dec2006	\$2.74	Dec2006	\$2.14
Dec2005	\$2.50	Dec2005	\$1.66
Dec2004	\$2.02	Dec2004	\$1.27
Dec2003	\$1.44	Dec2003	\$1.20
Dec2002	-\$0.60	Dec2002	\$1.33
Dec2001	\$1.22	Balance Sheet Information	
Dec2000	\$2.54	12/1/2017	
Dec1999	\$4.41	Total Current Assets	\$3,207,120,000
Dec1998	\$1.69	Total Current Liabilities	\$2,298,193,000
		Long-Term Debt	\$2,986,702,000
		Total Assets	\$10,657,653,000
		Intangible Assets	\$6,201,839,000
		Total Liabilities	\$6,274,473,000
		Shares Outstanding (Diluted Average)	158,281,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author held a long position in DOV 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

[Dover Corporation Valuation – July 2016 \\$DOV](#)
[Dividend Growth Stocks for Intelligent Investors – June 2016](#)
[Dividend Growth Stocks for Intelligent Investors – February 2016](#)
[13 Best Stocks For Value Investors This Week – 12/12/15](#)
[Dover Corp Valuation – December 2015 Update \\$DOV](#)

Other
ModernGraham
posts about related
companies

[Briggs & Stratton Corp Valuation – Initial Coverage \\$BGG](#)
[Albany International Corp Valuation – Initial Coverage \\$AIN](#)
[Terex Corporation Valuation – Initial Coverage \\$TEX](#)
[Donaldson Co Inc Valuation – Initial Coverage \\$DCI](#)
[Stanley Black & Decker Inc Valuation – April 2017 \\$SWK](#)
[Lindsay Corp Valuation – Initial Coverage \\$LNN](#)
[Lennox International Inc Valuation – Initial Coverage \\$LII](#)
[Standex Int'l Corp Valuation – Initial Coverage \\$SXI](#)
[Pentair PLC Valuation – March 2017 \\$PNR](#)
[Lincoln Electric Holdings Inc Valuation – Initial Coverage \\$LECO](#)