

# ModernGraham Valuation

Company Name:

Dominion Energy Inc

Company Ticker D

Date of Analysis

4/2/2018



## 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	\$43,716,082,400	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.45	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	29.42%	Fail
5. Earnings Growth	PEmg < 20	17.43	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.52	Pass
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	0.45	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-5.84	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		Pass

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$3.85
MG Growth Estimate	10.35%
<b>MG Value</b>	<b>\$112.38</b>
MG Value based on 3% Growth	\$55.82
MG Value based on 0% Growth	\$32.72
Market Implied Growth Rate	4.46%

### MG Opinion

Current Price	\$67.09
% of Intrinsic Value	59.70%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$85.60
Graham Number	\$48.80
PEmg	17.43
Current Ratio	0.45
PB Ratio	2.52
Current Dividend	\$3.04
Dividend Yield	4.52%
Number of Consecutive Years of Dividend Growth	14

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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	\$3.98	Dec2017	\$3.85
Dec2016	\$4.72	Dec2016	\$3.62
Dec2015	\$3.44	Dec2015	\$2.87
Dec2014	\$3.20	Dec2014	\$2.48
Dec2013	\$2.24	Dec2013	\$2.28
Dec2012	\$2.93	Dec2012	\$2.39
Dec2011	\$0.53	Dec2011	\$2.28
Dec2010	\$2.45	Dec2010	\$3.20
Dec2009	\$4.76	Dec2009	\$3.45
Dec2008	\$2.17	Dec2008	\$2.70
Dec2007	\$3.16	Dec2007	\$2.81
Dec2006	\$3.88	Dec2006	\$2.40
Dec2005	\$1.97	Dec2005	\$1.66
Dec2004	\$1.50	Dec2004	\$1.50
Dec2003	\$1.89	Dec2003	\$1.45
Dec2002	\$0.50	Dec2002	\$1.20
Dec2001	\$2.41	Dec2001	\$1.47
Dec2000	\$1.08	<b>Balance Sheet Information</b>	
Dec1999	\$0.93	<b>12/1/2017</b>	
Dec1998	\$0.74	Total Current Assets	\$4,334,000,000
	\$1.41	Total Current Liabilities	\$9,636,000,000
		Long-Term Debt	\$30,948,000,000
		Total Assets	\$76,585,000,000
		Intangible Assets	\$7,090,000,000
		Total Liabilities	\$59,443,000,000
		Shares Outstanding (Diluted Average)	643,800,000





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:

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[Edison International Valuation – March 2018 \\$EIX](#)

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