

# ModernGraham Valuation

Company Name:

Fiserv Inc

Company Ticker FISV

Date of Analysis

4/9/2018



## 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	\$28,978,821,446	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.02	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	233.13%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	28.08	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	10.90	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	1.02	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	132.35	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Fail
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	\$2.50
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$96.16</b>
MG Value based on 3% Growth	\$36.22
MG Value based on 0% Growth	\$21.23
Market Implied Growth Rate	9.79%

### MG Opinion

Current Price	\$70.13
% of Intrinsic Value	72.93%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>C-</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$13.15
Graham Number	\$20.81
PEmg	28.08
Current Ratio	1.02
PB Ratio	10.90
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

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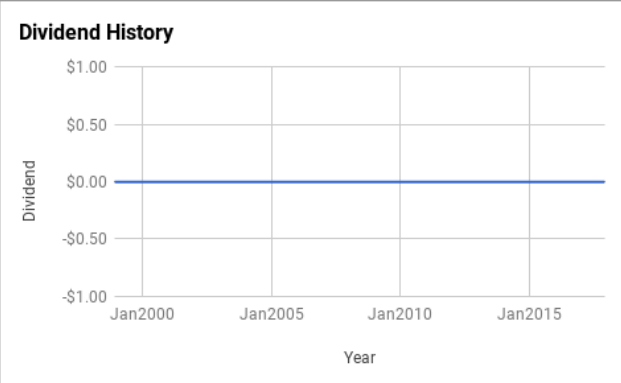
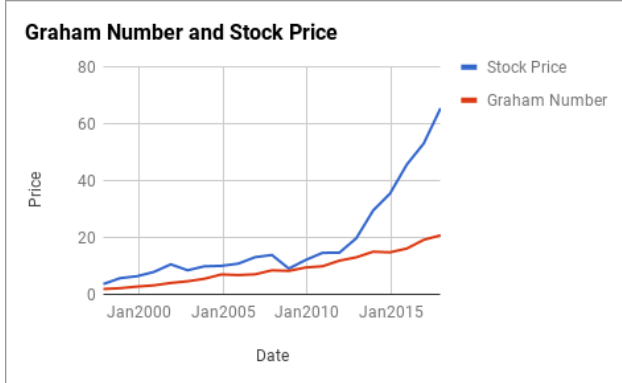
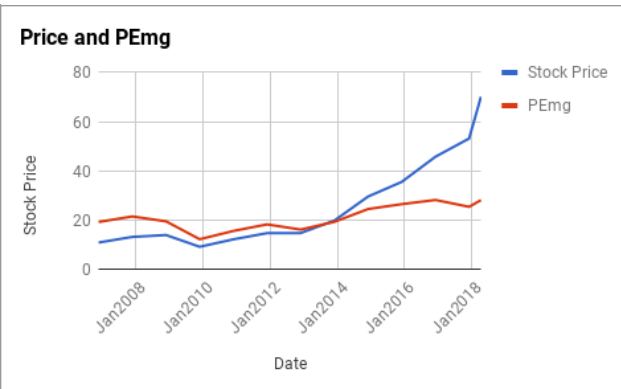
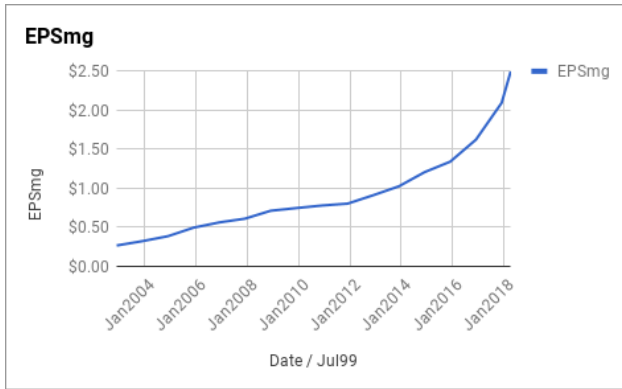
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[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.04	Next Fiscal Year Estimate	\$2.50
Dec2017	\$2.89	Dec2017	\$2.10
Dec2016	\$2.08	Dec2016	\$1.63
Dec2015	\$1.50	Dec2015	\$1.34
Dec2014	\$1.49	Dec2014	\$1.21
Dec2013	\$1.22	Dec2013	\$1.03
Dec2012	\$1.11	Dec2012	\$0.91
Dec2011	\$0.82	Dec2011	\$0.80
Dec2010	\$0.82	Dec2010	\$0.78
Dec2009	\$0.77	Dec2009	\$0.75
Dec2008	\$0.87	Dec2008	\$0.71
Dec2007	\$0.65	Dec2007	\$0.61
Dec2006	\$0.64	Dec2006	\$0.56
Dec2005	\$0.68	Dec2005	\$0.50
Dec2004	\$0.48	Dec2004	\$0.39
Dec2003	\$0.40	Dec2003	\$0.32
Dec2002	\$0.34	Dec2002	\$0.27
Dec2001	\$0.27	<b>Balance Sheet Information 12/1/2017</b>	
Dec2000	\$0.23	Total Current Assets	\$1,975,000,000
Dec1999	\$0.18	Total Current Liabilities	\$1,938,000,000
Dec1998	\$0.15	Long-Term Debt	\$4,897,000,000
		Total Assets	\$10,289,000,000
		Intangible Assets	\$7,472,000,000
		Total Liabilities	\$7,558,000,000
		Shares Outstanding (Diluted Average)	424,600,000





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

- [Fiserv Inc. Analysis – 2015 Annual Update \\$FISV](#)
- [15 Companies in the Spotlight This Week – 5/31/14](#)
- [Fiserv Inc. 2014 Annual Valuation \\$FISV](#)

Other ModernGraham posts about related companies

- [Iron Mountain Inc Valuation – April 2018 \\$IRM](#)
- [Cintas Corp Valuation – April 2018 \\$CTAS](#)
- [Xerox Corp Valuation – March 2018 \\$XRX](#)
- [Avery Dennison Corp Valuation – March 2018 \\$AVY](#)
- [Ecolab Inc Valuation – March 2018 \\$ECL](#)
- [Paychex Inc Valuation – March 2018 \\$PAYX](#)
- [United Rentals Inc Valuation – September 2017 \\$URI](#)
- [Exponent Inc Valuation – Initial Coverage \\$EXPO](#)
- [ExlService Holdings Inc Valuation – Initial Coverage \\$EXLS](#)
- [Trueblue Inc Valuation – Initial Coverage \\$TBI](#)