ModernGraham Valuation

Company Name: Cooper Companies Inc

Company Ticker COO

Date of Analysis 5/14/2018

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	$11,398,490,945	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.83	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	200.48%	Pass
6. Moderate PEmg Ratio	PEmg < 20	29.59	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.65	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	2.83	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	3.12	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		Pass
	Score		

Suitability

Defensive	**No**
Enterprising	**Yes**

Stage 2: Determination of Intrinsic Value

EPSmg		$7.96
MG Growth Estimate		8.48%
MG Value		**$202.61**
MG Value based on 3% Growth		$115.36
MG Value based on 0% Growth		$67.63
Market Implied Growth Rate		10.55%

MG Opinion

Current Price		$235.43
% of Intrinsic Value		116.20%
Opinion	**Overvalued**	
MG Grade	**C**	

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-$39.61
Graham Number	$131.11
PEmg	29.59
Current Ratio	2.83
PB Ratio	3.65
Current Dividend	$0.06
Dividend Yield	0.03%
Number of Consecutive Years of Dividend Growth	0

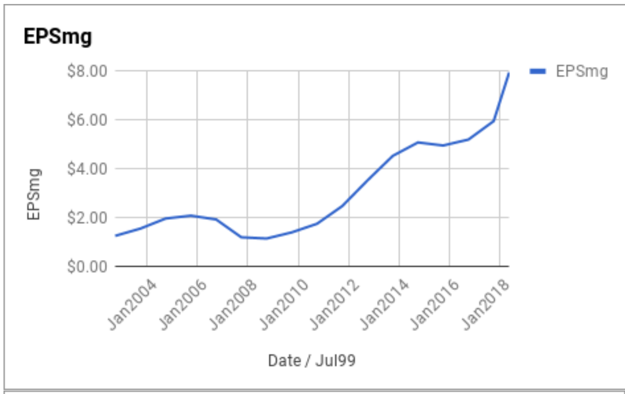
Useful Links:

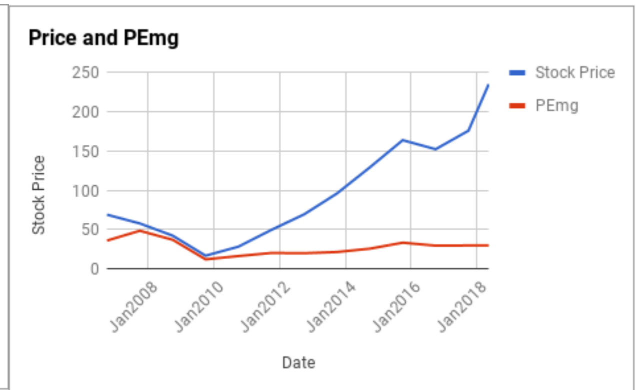
ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

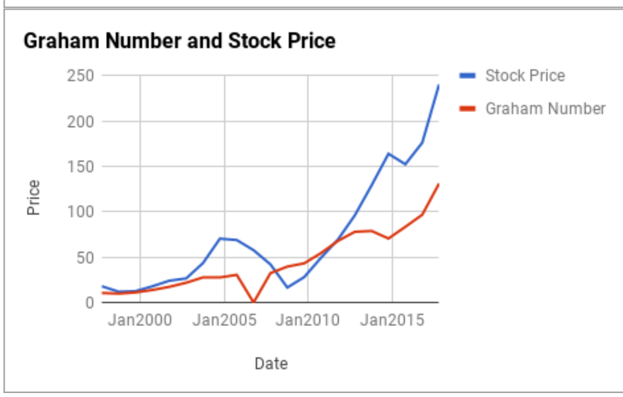
EPS History		
Next Fiscal Year Estimate		$11.74
	Oct2017	$7.52
	Oct2016	$5.59
	Oct2015	$4.14
	Oct2014	$5.51
	Oct2013	$5.96
	Oct2012	$5.05
	Oct2011	$3.63
	Oct2010	$2.43
	Oct2009	$2.21
	Oct2008	$1.43
	Oct2007	-$0.25
	Oct2006	$1.44
	Oct2005	$2.04
	Oct2004	$2.59
	Oct2003	$2.09
	Oct2002	$1.57
	Oct2001	$1.22
	Oct2000	$1.00
	Oct1999	$0.88
	Oct1998	$1.31

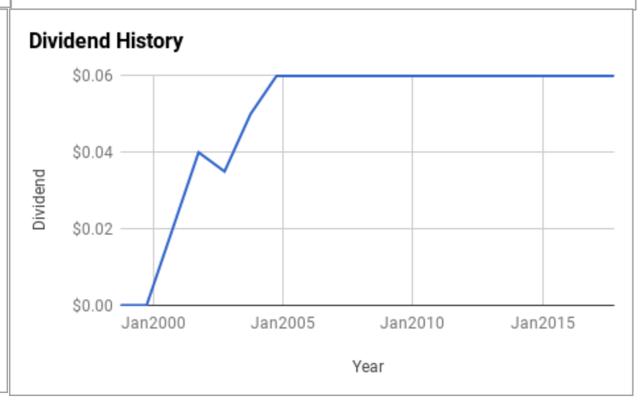
EPSmg History		
Next Fiscal Year Estimate		$7.96
	Oct2017	$5.96
	Oct2016	$5.20
	Oct2015	$4.96
	Oct2014	$5.08
	Oct2013	$4.53
	Oct2012	$3.53
	Oct2011	$2.47
	Oct2010	$1.75
	Oct2009	$1.40
	Oct2008	$1.14
	Oct2007	$1.19
	Oct2006	$1.93
	Oct2005	$2.08
	Oct2004	$1.96
	Oct2003	$1.55
	Oct2002	$1.25

Balance Sheet Information	**1/1/2018**
Total Current Assets	$1,175,500,000
Total Current Liabilities	$415,700,000
Long-Term Debt	$2,372,900,000
Total Assets	$6,268,600,000
Intangible Assets	$4,042,200,000
Total Liabilities	$3,112,300,000
Shares Outstanding (Diluted Average)	48,900,000









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	Cooper Companies Inc Valuation – Initial Coverage $COO
Other ModernGraham posts about related companies	Edwards Lifesciences Corp Valuation – May 2018 $EW Baxter International Inc Valuation – May 2018 $BAX Boston Scientific Corp Valuation – May 2018 $BSX Centene Corp Valuation – May 2018 $CNC Abbott Laboratories Valuation – May 2018 $ABT Becton Dickinson and Co Valuation – May 2018 $BDX IQVIA Holdings Inc Valuation – Initial Coverage May 2018 $IQV Thermo Fisher Scientific Inc Valuation – April 2018 $TMO Illumina Inc Valuation – April 2018 $ILMN Waters Corp Valuation – April 2018 $WAT