

ModernGraham Valuation

Company Name:

Loading...

Company Ticker DRI

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	Loading...	Loading...
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.39	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	12.95%	Fail
5. Earnings Growth		Loading...	Loading...
6. Moderate PEmg Ratio	PEmg < 20	Loading...	Loading...
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	Loading...	Loading...

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	0.39	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-1.03	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	Loading...
Enterprising	Loading...

Stage 2: Determination of Intrinsic Value

EPSmg	\$3.58
MG Growth Estimate	3.45%
MG Value	\$55.10
MG Value based on 3% Growth	\$51.85
MG Value based on 0% Growth	\$30.40
Market Implied Growth Rate	Loading...

MG Opinion

Current Price	Loading...
% of Intrinsic Value	Loading...
Opinion	Loading...
MG Grade	Loading...

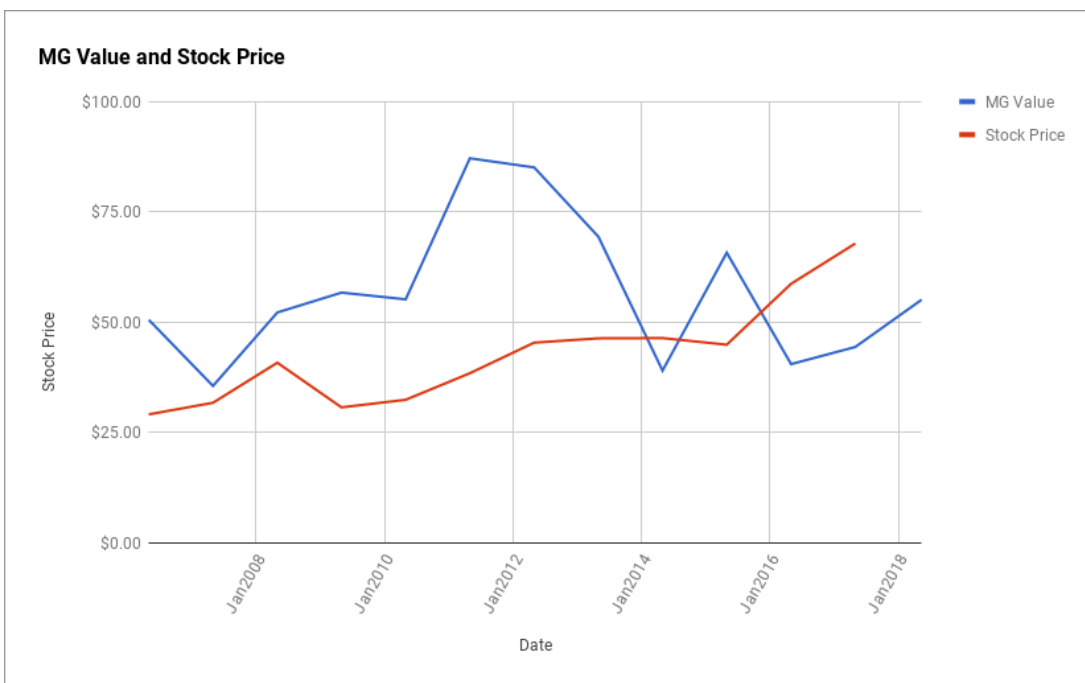
Stage 3: Information for Further Research

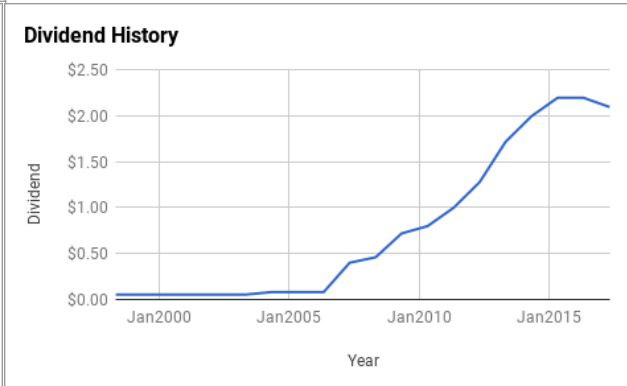
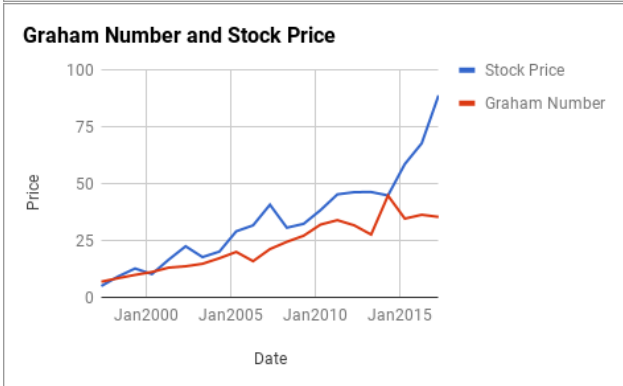
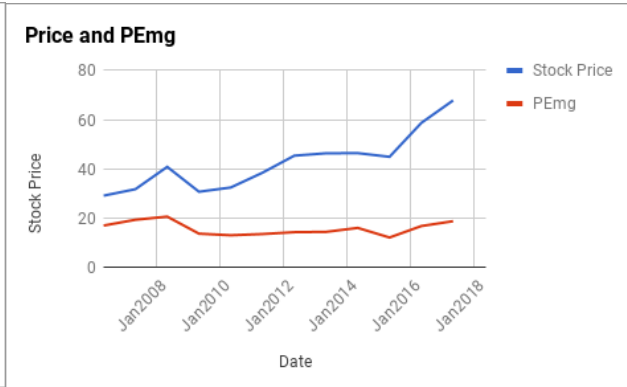
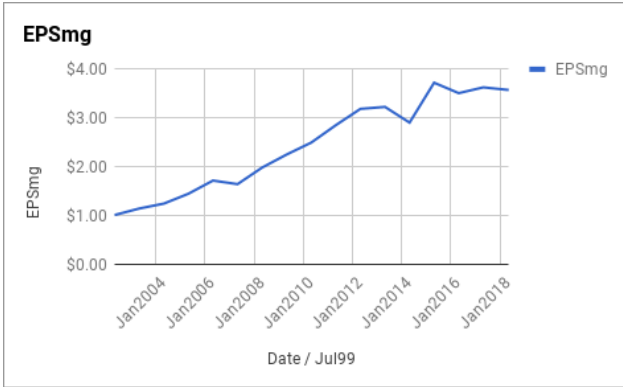
Net Current Asset Value (NCAV)	-\$21.96
Graham Number	\$35.43
PEmg	Loading...
Current Ratio	0.39
PB Ratio	Loading...
Current Dividend	\$2.24
Dividend Yield	Loading...
Number of Consecutive Years of Dividend Growth	1

Useful Links:

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| ModernGraham tagged articles | Morningstar |
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| GuruFocus | SEC Filings |

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.33	Next Fiscal Year Estimate	\$3.58
May2017	\$3.80	May2017	\$3.63
May2016	\$2.90	May2016	\$3.51
May2015	\$5.47	May2015	\$3.72
May2014	\$2.15	May2014	\$2.91
May2013	\$3.13	May2013	\$3.23
May2012	\$3.57	May2012	\$3.19
May2011	\$3.39	May2011	\$2.85
May2010	\$2.84	May2010	\$2.50
May2009	\$2.65	May2009	\$2.25
May2008	\$2.60	May2008	\$1.99
May2007	\$1.35	May2007	\$1.65
May2006	\$2.16	May2006	\$1.72
May2005	\$1.78	May2005	\$1.45
May2004	\$1.34	May2004	\$1.25
May2003	\$1.27	May2003	\$1.15
May2002	\$1.30	May2002	\$1.01
May2001	\$1.06	Balance Sheet Information 2/1/2018	
May2000	\$0.89	Total Current Assets	\$569,600,000
May1999	\$0.66	Total Current Liabilities	\$1,467,500,000
May1998	\$0.45	Long-Term Debt	\$926,400,000
		Total Assets	\$5,454,700,000
		Intangible Assets	\$2,132,200,000
		Total Liabilities	\$3,329,800,000
		Shares Outstanding (Diluted Average)	125,700,000





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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 - <https://www.moderngraham.com/2014/10/31/5-speculative-and-overvalued-companies-to-avoid-october-2014/>
 - <https://www.moderngraham.com/2014/09/27/17-companies-in-the-spotlight-this-week-9272014/>
 - <https://www.moderngraham.com/2014/09/23/darden-restaurants-inc-annual-valuation-2014-dri/>

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