ModernGraham Valuation

Company Name:

CBRE Group Inc

3.57 Fail

Company Ticker CBRE

Date of Analysis 6/1/2018

7. Moderate Price to Assets

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	\$15,651,811,146 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.18 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	
5. Earnings Growth	beginning and end	346.98% Pass
Moderate PEmg Ratio	PEmg < 20	21.20 Fail

PB Ratio < 2.5 OR PB*PEmg < 50

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	1.18 Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.99 Fail
3. Earnings Stability	Positive EPS for 5 years prior	Pass
Dividend Record	Currently Pays Dividend	Fail
5. Earnings Growth	EPSmg greater than 5 years ago	Pass

Score

Suitability

Defensive No Enterprising No

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.17
MG Growth Estimate	15.00%
MG Value	\$83.67
MG Value based on 3% Growth	\$31.51
MG Value based on 0% Growth	\$18.47
Market Implied Growth Rate	6.35%

MG Opinion

Current Price \$46.07 % of Intrinsic Value 55.06%

Opinion Undervalued MG Grade

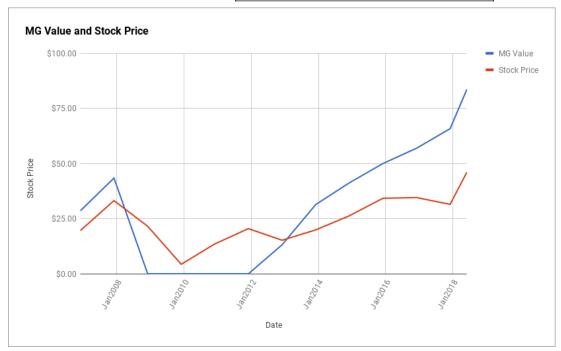
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$5.06
Graham Number	\$27.99
PEmg	21.20
Current Ratio	1.18
PB Ratio	3.57
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend	
Growth	0

Useful Links: ModernGraham tagged articles

Morningstar Google Finance MSN Money Yahoo Finance Seeking Alpha <u>GuruFocus</u> SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate	•	Next Fiscal Year Estimate	\$2.17
Dec2017	\$2.03	Dec2017	\$1.71
Dec2016	\$1.69	Dec2016	\$1.48
Dec2015	\$1.63	Dec2015	\$1.30
Dec2014	\$1.45	Dec2014	\$1.07
Dec2013	\$0.95	Dec2013	\$0.82
Dec2012	\$0.97	Dec2012	\$0.34
Dec2011	\$0.74	Dec2011	-\$0.09
Dec2010	\$0.63	Dec2010	-\$0.41
Dec2009	\$0.12	Dec2009	-\$0.67
Dec2008	-\$4.81	Dec2008	-\$0.74
Dec2007	\$1.66	Dec2007	\$1.13
Dec2006	\$1.35	Dec2006	\$0.74
Dec2005	\$0.95	Dec2005	\$0.42
Dec2004	\$0.30	Dec2004	\$0.17
Dec2003	-\$0.23	Dec2003	\$0.11
Dec2002	\$0.15	Dec2002	\$0.25
Dec2001	\$0.73	Balance Sheet Information	3/1/2018
Dec2000	\$0.00	Total Current Assets	\$5,754,300,000
Dec1999	\$0.00	Total Current Liabilities	\$4,869,655,000
Dec1998	\$0.00	Long-Term Debt	\$1,758,188,000
	<u> </u>	Total Assets	\$11,907,442,000
		Intangible Assets	\$4,677,134,000
		Total Liabilities	\$7,488,768,000
		Shares Outstanding (Diluted Average)	342,590,000





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 CBRE Group Inc Valuation – July 2016 \$CBG 58 Companies in the Spotlight This Week – 1/31/15 CBRE Group Inc. Annual Valuation – 2015 \$CBG 14 Companies in the Spotlight This Week – 1/11/14 ModernGraham Valuation: CBRE Group Inc. (CBG)

Other ModernGraham posts about related companies Franklin Resources Inc Valuation – May 2018 \$BEN S&P Global Inc Valuation – May 2018 \$SPGI Equifax Inc Valuation – May 2018 \$EFX

<u>Discover Financial Services Valuation – May 2018 \$DFS</u>
<u>Affiliated Managers Group Inc Valuation – May 2018 \$AMG</u>

<u>The Western Union Co Valuation – April 2018 \$WU</u>

<u>Northern Trust Corp Valuation – April 2018 \$NTRS</u>

Nasdaq Inc Valuation – April 2018 \$NDAQ

CME Group Inc Valuation - May 2018 \$CME

Leucadia National Corp Valuation - March 2018 \$LUK