

ModernGraham Valuation

Company Name:

Equinix Inc

Company Ticker EQIX

Date of Analysis

6/25/2018



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	\$33,281,682,400	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.36	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	79.58%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	186.97	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.67	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	2.36	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	5.49	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.24
MG Growth Estimate	15.00%
MG Value	\$86.19
MG Value based on 3% Growth	\$32.46
MG Value based on 0% Growth	\$19.03
Market Implied Growth Rate	89.24%

MG Opinion

Current Price	\$418.57
% of Intrinsic Value	485.64%
Opinion	Overvalued
MG Grade	F

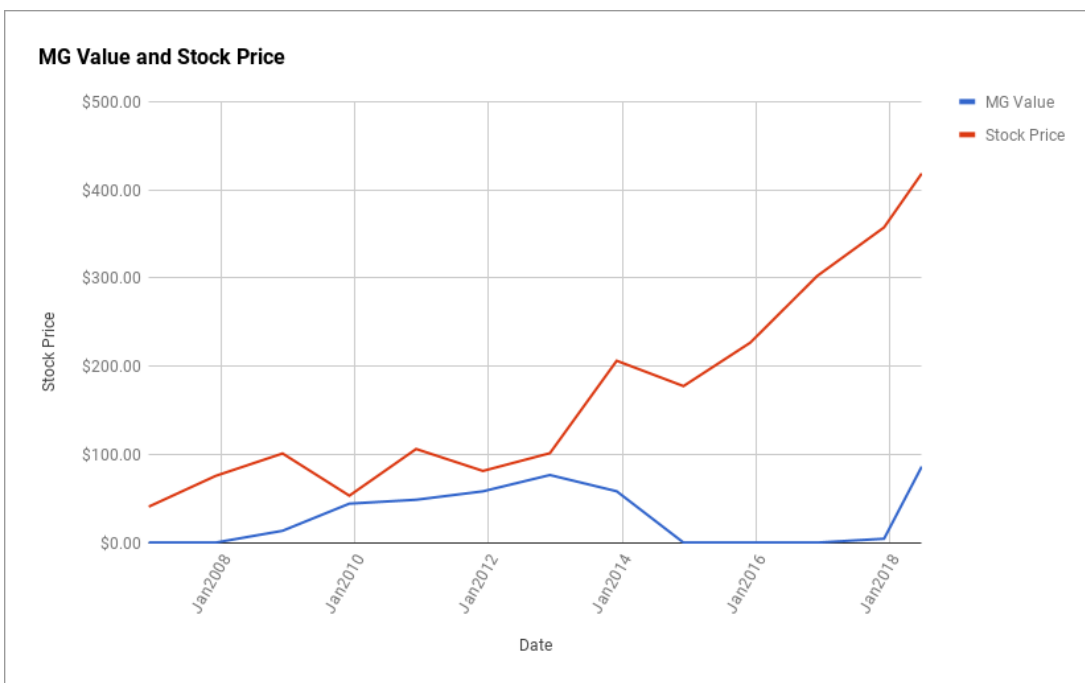
Stage 3: Information for Further Research

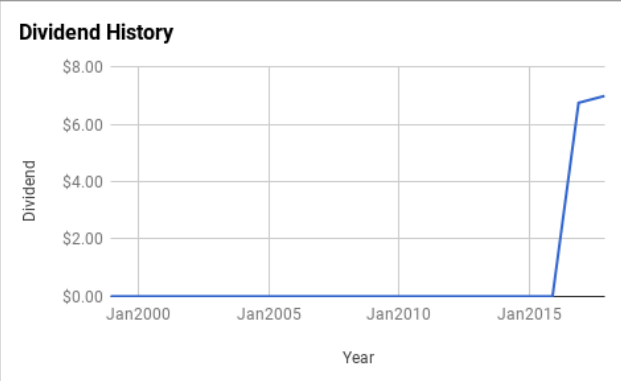
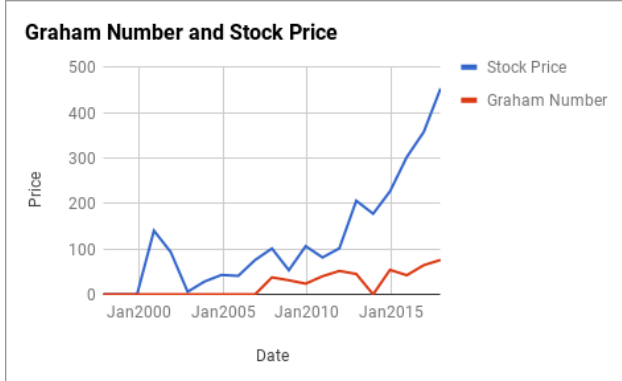
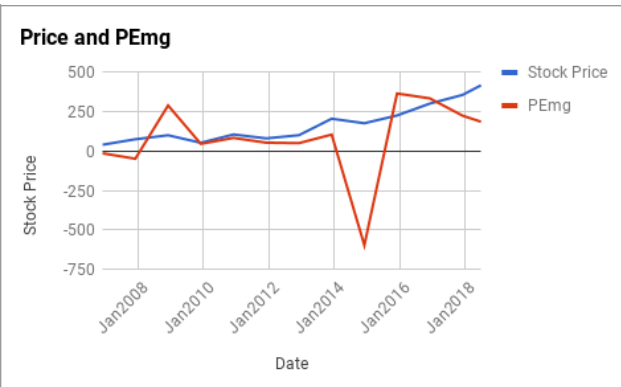
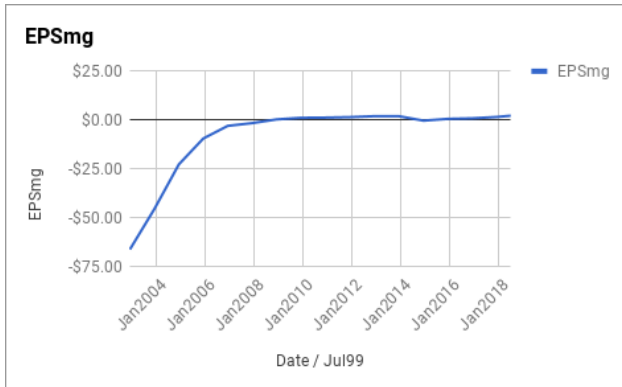
Net Current Asset Value (NCAV)	-\$123.77
Graham Number	\$75.84
PEmg	186.97
Current Ratio	2.36
PB Ratio	4.67
Current Dividend	\$8.00
Dividend Yield	1.91%
Number of Consecutive Years of Dividend Growth	3

Useful Links:

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

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.95	Next Fiscal Year Estimate	\$2.24
Dec2017	\$3.00	Dec2017	\$1.58
Dec2016	\$1.79	Dec2016	\$0.90
Dec2015	\$3.21	Dec2015	\$0.62
Dec2014	-\$4.96	Dec2014	-\$0.30
Dec2013	\$1.89	Dec2013	\$1.96
Dec2012	\$2.83	Dec2012	\$1.99
Dec2011	\$1.74	Dec2011	\$1.51
Dec2010	\$0.82	Dec2010	\$1.26
Dec2009	\$1.75	Dec2009	\$1.15
Dec2008	\$2.79	Dec2008	\$0.35
Dec2007	-\$0.16	Dec2007	-\$1.57
Dec2006	-\$0.22	Dec2006	-\$2.97
Dec2005	-\$1.78	Dec2005	-\$9.45
Dec2004	-\$3.87	Dec2004	-\$22.70
Dec2003	-\$8.76	Dec2003	-\$45.60
Dec2002	-\$7.23	Dec2002	-\$66.29
Dec2001	-\$76.62	Balance Sheet Information 3/1/2018	
Dec2000	-\$111.18	Total Current Assets	\$2,943,484,000
Dec1999	-\$159.11	Total Current Liabilities	\$1,246,475,000
Dec1998	\$0.00	Long-Term Debt	\$9,317,149,000
		Total Assets	\$19,941,928,000
		Intangible Assets	\$6,841,763,000
		Total Liabilities	\$12,801,377,000
		Shares Outstanding (Diluted Average)	79,649,000





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

- [Equinix Inc Valuation – July 2017 \\$EQIX](#)
- [5 of the Worst Stocks to Invest In – December 2016](#)
- [Equinix Inc Valuation – August 2016 \\$EQIX](#)
- [Equinix Inc. Analysis – Initial Coverage \\$EQIX](#)

Other ModernGraham posts about related companies

- [Essex Property Trust Inc Valuation – June 2018 \\$ESS](#)
- [Federal Realty Investment Trust Valuation – June 2018 \\$FRT](#)
- [UDR Inc Valuation – June 2018 \\$UDR](#)
- [Mid-America Apartment Communities Inc Valuation – June 2018 \\$MAA](#)
- [Extra Space Storage Inc Valuation – June 2018 \\$EXR](#)
- [Digital Realty Trust Inc Valuation – June 2018 \\$DLR](#)
- [Equity Residential Valuation – June 2018 \\$EQR](#)
- [Prologis Inc Valuation – May 2018 \\$PLD](#)
- [Duke Realty Corp Valuation – Initial Coverage \\$DRE](#)
- [Realty Income Corp Valuation – April 2018 \\$O](#)