

# ModernGraham Valuation

Company Name:

Twitter Inc

Company Ticker TWTR

Date of Analysis

6/29/2018



## 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	\$32,069,056,823	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	10.23	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		Fail
5. Earnings Growth		-85.00%	Fail
6. Moderate PEmg Ratio	PEmg < 20	-286.05	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	6.42	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	10.23	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.34	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Fail
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	-\$0.15
MG Growth Estimate	13.55%
<b>MG Value</b>	<b>\$0.00</b>
MG Value based on 3% Growth	-\$2.21
MG Value based on 0% Growth	-\$1.30
Market Implied Growth Rate	-147.27%

### MG Opinion

Current Price	\$43.67
% of Intrinsic Value	N/A
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D</b>

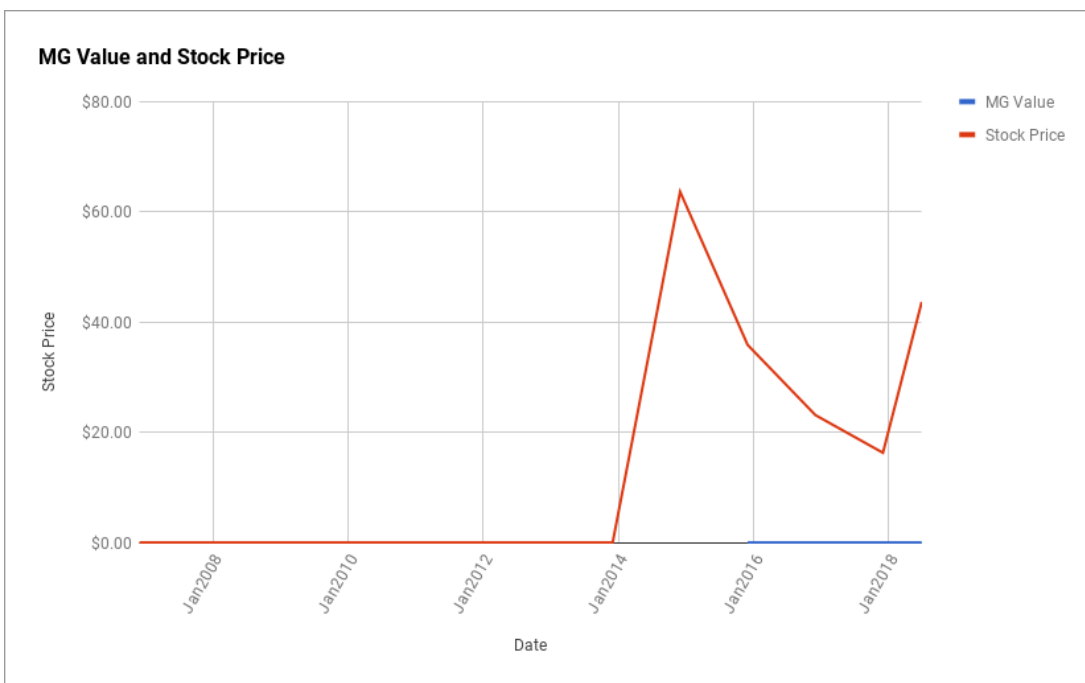
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$4.02
Graham Number	\$9.23
PEmg	-286.05
Current Ratio	10.23
PB Ratio	6.42
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.56	Next Fiscal Year Estimate	-\$0.15
Dec2017	-\$0.15	Dec2017	-\$0.74
Dec2016	-\$0.65	Dec2016	-\$1.12
Dec2015	-\$0.79	Dec2015	-\$1.40
Dec2014	-\$0.96	Dec2014	-\$1.58
Dec2013	-\$3.41	Dec2013	-\$1.64
Dec2012	-\$0.68	Dec2012	-\$0.65
Dec2011	-\$1.60	Dec2011	-\$0.53
Dec2010	\$0.00	Dec2010	\$0.00
Dec2009	\$0.00	Dec2009	\$0.00
Dec2008	\$0.00	Dec2008	\$0.00
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	<b>Balance Sheet Information 3/1/2018</b>	
Dec2000	\$0.00	Total Current Assets	\$5,409,235,000
Dec1999	\$0.00	Total Current Liabilities	\$528,654,000
Dec1998	\$0.00	Long-Term Debt	\$1,650,064,000
		Total Assets	\$7,539,441,000
		Intangible Assets	\$1,235,726,000
		Total Liabilities	\$2,329,005,000
		Shares Outstanding (Diluted Average)	765,861,000





**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

#N/A

Other ModernGraham posts about related companies

- [eBay Inc Valuation – May 2018 \\$EBAY](#)
- [Facebook Inc Valuation – March 2018 \\$FB](#)
- [Salesforce.com Inc Valuation – April 2017 \\$CRM](#)
- [Paypal Holdings Inc Valuation – Initial Coverage \\$PYPL](#)
- [Netflix Inc Valuation – February 2017 \\$NFLX](#)
- [Shutterstock Inc Valuation – Initial Coverage \\$SSTK](#)
- [Synchronoss Technologies Inc Valuation – Initial Coverage \\$SNCR](#)
- [eBay Inc Valuation – December 2016 \\$EBAY](#)
- [Facebook Inc Valuation – July 2016 \\$FB](#)
- [Salesforce.com Valuation – January 2016 Update \\$CRM](#)