

# ModernGraham Valuation

Company Name:

Verisk Analytics, Inc.

Company Ticker VRSK

Date of Analysis

6/6/2018



## 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	\$17,916,797,057	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.45	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 beginning and end	194.49%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	31.78	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	8.47	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	0.45	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-2.39	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago Score		Pass

### Suitability

Defensive	No
Enterprising	No

## Stage 2: Determination of Intrinsic Value

EPSmg	\$3.44
MG Growth Estimate	10.61%
<b>MG Value</b>	<b>\$102.35</b>
MG Value based on 3% Growth	\$49.93
MG Value based on 0% Growth	\$29.27
Market Implied Growth Rate	11.64%

### MG Opinion

Current Price	\$109.42
% of Intrinsic Value	106.91%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>D+</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$19.85
Graham Number	\$32.22
PEmg	31.78
Current Ratio	0.45
PB Ratio	8.47
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

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[GuruFocus](#)

[Morningstar](#)  
[MSN Money](#)  
[Seeking Alpha](#)  
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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
	\$3.95		\$3.44
Dec2017	\$3.29	Dec2017	\$3.07
Dec2016	\$3.45	Dec2016	\$2.82
Dec2015	\$3.01	Dec2015	\$2.40
Dec2014	\$2.37	Dec2014	\$2.02
Dec2013	\$2.02	Dec2013	\$1.73
Dec2012	\$1.92	Dec2012	\$1.48
Dec2011	\$1.63	Dec2011	\$1.14
Dec2010	\$1.30	Dec2010	\$0.79
Dec2009	\$0.70	Dec2009	\$0.45
Dec2008	\$0.83	Dec2008	\$0.28
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</b>	
Dec2000	\$0.00	<b>3/1/2018</b>	
Dec1999	\$0.00	Total Current Assets	\$708,600,000
Dec1998	\$0.00	Total Current Liabilities	\$1,558,100,000
		Long-Term Debt	\$2,028,300,000
		Total Assets	\$6,246,900,000
		Intangible Assets	\$4,810,800,000
		Total Liabilities	\$4,062,600,000
		Shares Outstanding (Diluted Average)	168,993,000





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 [Verisk Analytics Inc Valuation – Initial Coverage \\$VRSK](#)

ModernGraham  
posts about the  
company

Other [Alliance Data Systems Corp Valuation – May 2018 \\$ADS](#)  
ModernGraham [Whirlpool Corporation Valuation – April 2018 \\$WHR](#)  
posts about related [IHS Markit Ltd Valuation – Initial Coverage April 2018 \\$INFO](#)  
companies [Automatic Data Processing Inc Valuation – April 2018 \\$ADP](#)  
[Accenture PLC Valuation – April 2018 \\$ACN](#)  
[Fiserv Inc Valuation – April 2018 \\$FISV](#)  
[Iron Mountain Inc Valuation – April 2018 \\$IRM](#)  
[Cintas Corp Valuation – April 2018 \\$CTAS](#)  
[Xerox Corp Valuation – March 2018 \\$XRX](#)  
[Avery Dennison Corp Valuation – March 2018 \\$AVY](#)