ModernGraham Valuation

Company Name:

Aecom

Company Ticker ACM Date of Analysis

7/8/2018

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.

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Adequate Size of the Enterprise	Market Cap > \$2Bil	\$5,242,272,720	Pass
Sufficiently Strong Financial Condition	Current Ratio > 2	1.23	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	-34.86%	Fail
Moderate PEmg Ratio	PEmg < 20	29.49	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.23	Pass

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

Sufficiently Strong Financial Condition	Current Ratio > 1.5	1.23 Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.98 Fail
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	Fail

\$32 99

Score

Suitability

Defensive No Enterprising No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.12
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$16.22
MG Value based on 0% Growth	\$9.51
Market Implied Growth Rate	10.50%

MG Opinion

Current Price % of Intrinsic Value N/A

Opinion Overvalued MG Grade

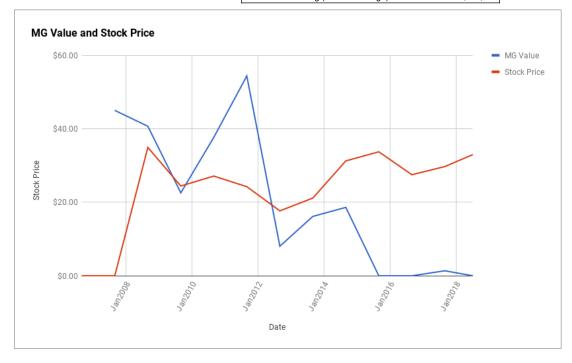
Stage 3: Information for Further Research

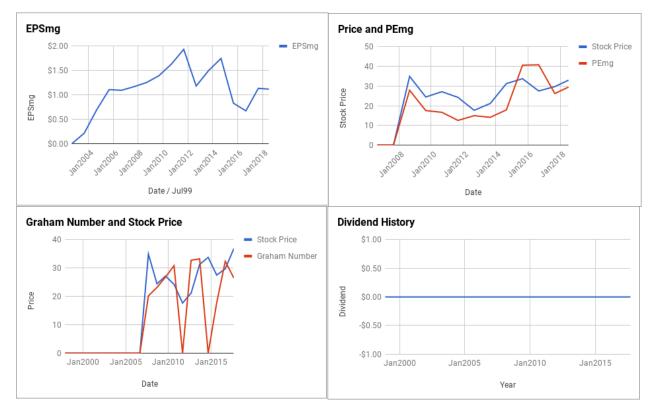
Net Current Asset Value (NCAV)	-\$21.50
Graham Number	\$26.50
PEmg	29.49
Current Ratio	1.23
PB Ratio	1.23
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend	
Growth	0

Useful Links: ModernGraham tagged articles

Morningstar Google Finance MSN Money Yahoo Finance Seeking Alpha **GuruFocus** SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate	•	Next Fiscal Year Estimate	\$1.12
Sep2017	\$2.13	Sep2017	\$1.13
Sep2016	\$0.62	Sep2016	\$0.67
Sep2015	-\$1.04	Sep2015	\$0.83
Sep2014	\$2.33	Sep2014	\$1.75
Sep2013	\$2.35	Sep2013	\$1.50
Sep2012	-\$0.52	Sep2012	\$1.18
Sep2011	\$2.33	Sep2011	\$1.93
Sep2010	\$2.05	Sep2010	\$1.63
Sep2009	\$1.73	Sep2009	\$1.39
Sep2008	\$1.41	Sep2008	\$1.25
Sep2007	\$1.15	Sep2007	\$1.17
Sep2006	\$0.74	Sep2006	\$1.10
Sep2005	\$1.68	Sep2005	\$1.11
Sep2004	\$1.57	Sep2004	\$0.70
Sep2003	\$0.65	Sep2003	\$0.22
Sep2002	\$0.00	Sep2002	\$0.00
Dec2001	\$0.00	Balance Sheet Information	3/1/2018
Dec2000	\$0.00	Total Current Assets	\$6,923,960,000
Dec1999	\$0.00	Total Current Liabilities	\$5,641,841,000
Dec1998	\$0.00	Long-Term Debt	\$3,814,976,000
		Total Assets	\$14,617,332,000
		Intangible Assets	\$6,310,772,000
		Total Liabilities	\$10,352,707,000
		Shares Outstanding (Diluted Average)	159,495,000





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

Aecom Valuation – December 2016 \$ACM
Aecom Valuation – November 2016 \$ACM

5 Speculative and Overvalued Companies to Avoid – August 2015

Aecom Analysis - Initial Coverage \$ACM

Other ModernGraham posts about related companies Lowe's Companies Inc Valuation – June 2018 \$LOW
Acuity Brands Inc Valuation – June 2018 \$AYI
Quanta Services Inc Valuation – May 2018 \$PWR

Mohawk Industries Inc Valuation - May 2018 \$MHK

Jacobs Engineering Group Inc Valuation - May 2018 \$JEC

<u>Masco Corp Valuation – May 2018 \$MAS</u> <u>D.R. Horton Inc Valuation – May 2018 \$DHI</u>

Martin Marietta Materials Inc Valuation - May 2018 \$MLM

Fluor Corporation Valuation – April 2018 \$FLR Lennar Corp Valuation – April 2018 \$LEN