

ModernGraham Valuation

Enterprise Products
Partners L.P.



Company Name:

Company Ticker EPD

Date of Analysis

7/1/2018

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	\$60,574,911,153	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.77	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	75.66%	Pass
6. Moderate PEmg Ratio	PEmg < 20	20.61	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.62	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	0.77	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-11.24	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago Score		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.34
MG Growth Estimate	0.11%
MG Value	\$11.70
MG Value based on 3% Growth	\$19.47
MG Value based on 0% Growth	\$11.41
Market Implied Growth Rate	6.05%

MG Opinion

Current Price	\$27.67
% of Intrinsic Value	236.40%
Opinion	Overvalued
MG Grade	C

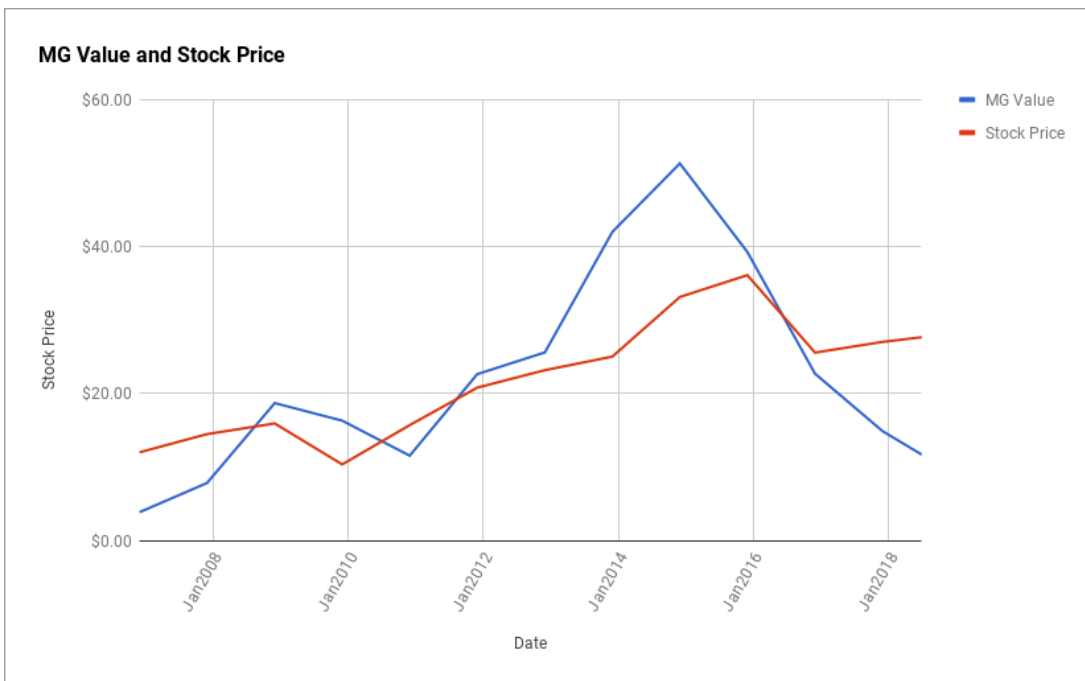
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$11.82
Graham Number	\$18.58
PEmg	20.61
Current Ratio	0.77
PB Ratio	2.62
Current Dividend	\$1.67
Dividend Yield	6.03%
Number of Consecutive Years of Dividend Growth	20

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	\$1.47	Next Fiscal Year Estimate	\$1.34
Dec2017	\$1.30	Dec2017	\$1.30
Dec2016	\$1.20	Dec2016	\$1.31
Dec2015	\$1.26	Dec2015	\$1.35
Dec2014	\$1.47	Dec2014	\$1.33
Dec2013	\$1.41	Dec2013	\$1.18
Dec2012	\$1.35	Dec2012	\$1.01
Dec2011	\$1.19	Dec2011	\$0.80
Dec2010	\$0.58	Dec2010	\$0.61
Dec2009	\$0.50	Dec2009	\$0.62
Dec2008	\$0.92	Dec2008	\$0.65
Dec2007	\$0.48	Dec2007	\$0.49
Dec2006	\$0.61	Dec2006	\$0.46
Dec2005	\$0.46	Dec2005	\$0.39
Dec2004	\$0.44	Dec2004	\$0.38
Dec2003	\$0.21	Dec2003	\$0.39
Dec2002	\$0.24	Dec2002	\$0.46
Dec2001	\$0.70	Balance Sheet Information 3/1/2018	
Dec2000	\$0.66	Total Current Assets	\$6,791,000,000
Dec1999	\$0.41	Total Current Liabilities	\$8,839,600,000
Dec1998	\$0.05	Long-Term Debt	\$23,016,400,000
		Total Assets	\$55,482,300,000
		Intangible Assets	\$9,481,600,000
		Total Liabilities	\$32,517,400,000
		Shares Outstanding (Diluted Average)	2,177,200,000





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 [Enterprise Products Partners LP Valuation – August 2016 \\$EPD](#)
[Enterprise Products Partners LP Analysis – Initial Coverage \\$EPD](#)

Other ModernGraham posts about related companies [Noble Corp PLC Valuation – June 2018 \\$NE](#)
[Rowan Companies PLC Valuation – June 2018 \\$RDC](#)
[Diamond Offshore Drilling Inc Valuation – June 2018 \\$DO](#)
[Transocean Ltd Valuation – June 2018 \\$RIG](#)
[Nabors Industries Ltd Valuation – June 2018 \\$NBR](#)
[QEP Resources Inc Valuation – June 2018 \\$QEP](#)
[Pioneer Natural Resources Co Valuation – June 2018 \\$PXD](#)
[Schlumberger Ltd Valuation – June 2018 \\$SLB](#)
[Anadarko Petroleum Corp Valuation – June 2018 \\$APC](#)
[Apache Corp Valuation – June 2018 \\$APA](#)