

ModernGraham Valuation

Company Name:

Shutterstock Inc

Company Ticker SSTK

Date of Analysis

8/22/2018



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	\$1,688,458,839	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.68	Fail
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	9866.67%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	53.47	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.98	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	1.68	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	Pass
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	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.96
MG Growth Estimate	3.72%
MG Value	\$15.24
MG Value based on 3% Growth	\$13.87
MG Value based on 0% Growth	\$8.13
Market Implied Growth Rate	22.48%

MG Opinion

Current Price	\$51.15
% of Intrinsic Value	335.54%
Opinion	Overvalued
MG Grade	C

Stage 3: Information for Further Research

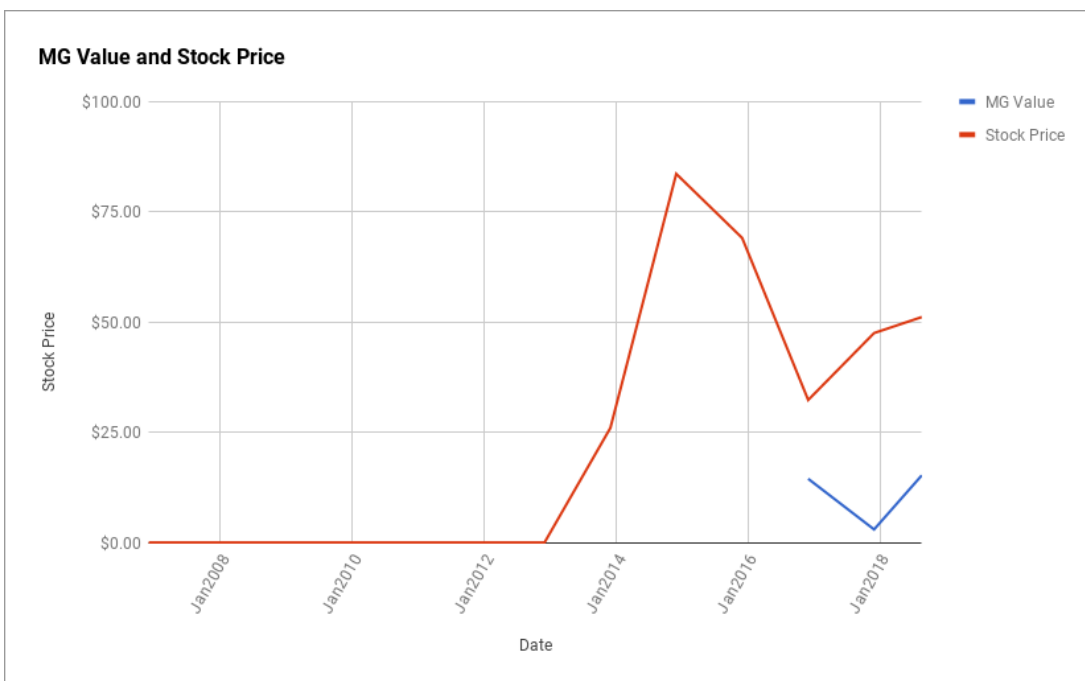
Net Current Asset Value (NCAV)	\$3.65
Graham Number	\$18.12
PEmg	53.47
Current Ratio	1.68
PB Ratio	4.98
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	\$0.96
Dec2017	\$0.47	Dec2017	\$0.64
Dec2016	\$0.91	Dec2016	\$0.79
Dec2015	\$0.54	Dec2015	\$0.74
Dec2014	\$0.61	Dec2014	\$0.77
Dec2013	\$0.77	Dec2013	\$0.73
Dec2012	\$1.79	Dec2012	\$0.60
Dec2011	\$0.00	Dec2011	\$0.00
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	Balance Sheet Information 6/1/2018	
Dec2000	\$0.00	Total Current Assets	\$361,892,000
Dec1999	\$0.00	Total Current Liabilities	\$216,004,000
Dec1998	\$0.00	Long-Term Debt	\$0
		Total Assets	\$593,255,000
		Intangible Assets	\$118,254,000
		Total Liabilities	\$234,342,000
		Shares Outstanding (Diluted Average)	34,913,000





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.

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