

ModernGraham Valuation

Company Name:

Teradata Corporation

Company Ticker TDC

Date of Analysis

8/2/2018



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	\$4,724,002,779	Pass
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	-69.13%	Fail
5. Earnings Growth	PEmg < 20	95.85	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	7.29	Fail
7. Moderate Price to Assets			

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	0.74	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		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.40
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$5.85
MG Value based on 0% Growth	\$3.43
Market Implied Growth Rate	43.68%

MG Opinion

Current Price	\$38.66
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	F

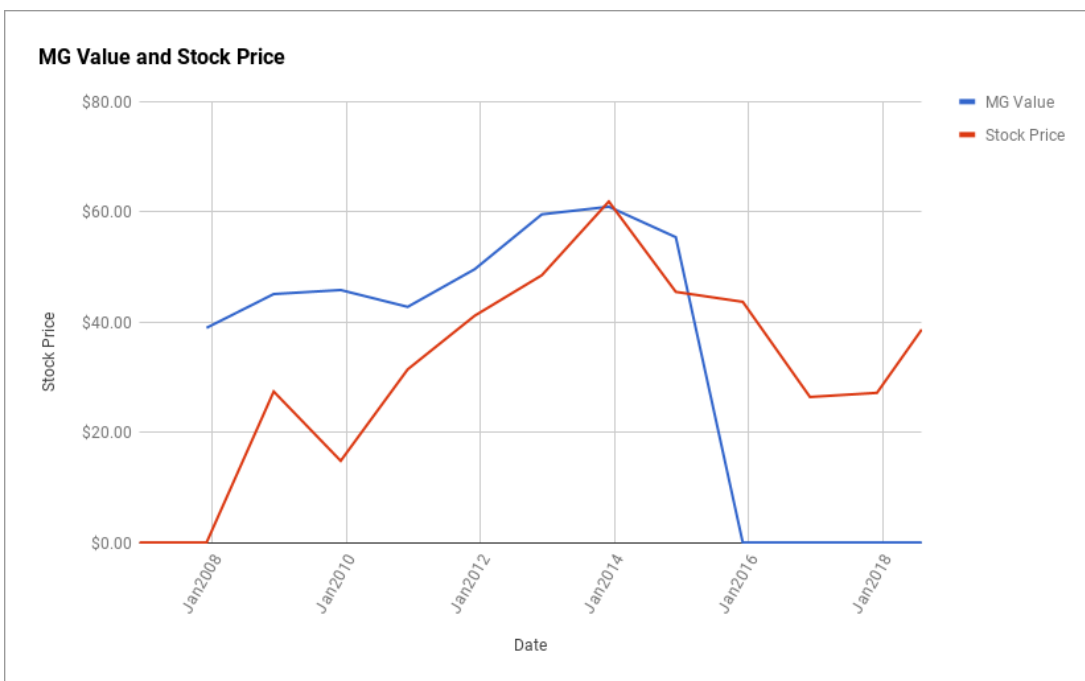
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$1.49
Graham Number	\$12.21
PEmg	95.85
Current Ratio	1.68
PB Ratio	7.29
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	
	\$1.21		\$0.40
Dec2017	-\$0.53	Dec2017	\$0.23
Dec2016	\$0.95	Dec2016	\$0.84
Dec2015	-\$1.53	Dec2015	\$1.03
Dec2014	\$2.33	Dec2014	\$2.26
Dec2013	\$2.27	Dec2013	\$2.15
Dec2012	\$2.44	Dec2012	\$2.00
Dec2011	\$2.05	Dec2011	\$1.71
Dec2010	\$1.77	Dec2010	\$1.47
Dec2009	\$1.46	Dec2009	\$1.29
Dec2008	\$1.39	Dec2008	\$1.17
Dec2007	\$1.10	Dec2007	\$1.01
Dec2006	\$1.06	Dec2006	\$0.88
Dec2005	\$1.14	Dec2005	\$0.68
Dec2004	\$0.76	Dec2004	\$0.39
Dec2003	\$0.50	Dec2003	\$0.17
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Balance Sheet Information	
Dec2000	\$0.00	3/1/2018	
Dec1999	\$0.00	Total Current Assets	\$1,530,000,000
Dec1998	\$0.00	Total Current Liabilities	\$913,000,000
		Long-Term Debt	\$456,000,000
		Total Assets	\$2,355,000,000
		Intangible Assets	\$529,000,000
		Total Liabilities	\$1,711,000,000
		Shares Outstanding (Diluted Average)	121,400,000





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

- [5 of the Worst Stocks to Invest In – February 2017](#)
- [Teradata Corp Valuation – January 2017 \\$TDC](#)
- [Teradata Corporation Analysis – September 2015 Update \\$TDC](#)
- [The 6 Best Stocks For Value Investors This Week – 6/13/15](#)
- [Teradata Corporation Analysis – June 2015 Update \\$TDC](#)

Other ModernGraham posts about related companies

- [Silicon Laboratories Inc Valuation – August 2018 \\$SLAB](#)
- [Itron Inc Valuation – July 2018 \\$ITRI](#)
- [Celestica Inc Valuation – July 2018 \\$TSE-CLS](#)
- [Ciena Corp Valuation – July 2018 \\$CIEN](#)
- [iRobot Corp Valuation – July 2018 \\$IRBT](#)
- [ScanSource Inc Valuation – July 2018 \\$SCSC](#)
- [Cognex Corp Valuation – July 2018 \\$CGNX](#)
- [Sanmina Corp Valuation – July 2018 \\$SANM](#)
- [II-VI Inc Valuation – July 2018 \\$IIVI](#)
- [CEVA Inc Valuation – July 2018 \\$CEVA](#)