ModernGraham Valuation

Cognizant Technology Solutions Corp



Company Name:

Company Ticker CTSH Date of Analysis

1/18/2019

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.

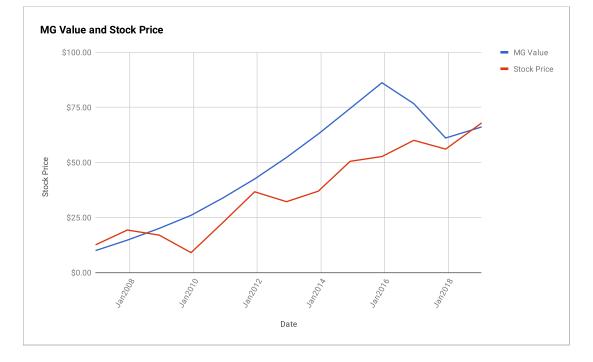
Defensive Investor; must p	bass 6 out of the following 7 tests.					
1.	Adequate Size of the Enterprise	Market Cap > \$2Bil	\$39,362,325,383	Pass		
2.	Sufficiently Strong Financial Condition	Current Ratio > 2	3.24	Pass		
3.	Earnings Stability	Positive EPS for 10 years prior		Pass		
4.	Dividend Record	Dividend Payments for 10 years prior		Fail		
		Increase of 33% in EPS in past 10				
5	Earnings Growth	years using 3 year averages at beginning and end	146.00%	Pass		
	Moderate PEmg Ratio	PEmg < 20	23.65			
	Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.59			
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	3.24	Pass		
2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.10	Pass		
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		Pass		
		Score				
Suitability						
•	fensive	Νο				
En	terprising	Yes				
Stage 2: Determin	nation of Intrinsic Value					
EP	PSmg	\$2.87				
MG	G Growth Estimate	7.26%				
MG	G Value	\$66.09				
MG	G Value based on 3% Growth	\$41.63				
MG	G Value based on 0% Growth	\$24.41				
Ма	arket Implied Growth Rate	7.58%				
MG Opinion						
Cu	Irrent Price	\$67.92				
% (of Intrinsic Value	102.77%				
Ор	binion	Fairly Valued				
MG	G Grade	C+				
Stage 3: Information for Further Research						
-	et Current Asset Value (NCAV)	\$7.64				
	aham Number	\$37.96				
		23.65				
	irrent Ratio	3.24				
	B Ratio	3.59				
	Irrent Dividend	\$0.45				
	vidend Yield	\$0.45 0.66%				
	Imber of Consecutive Years of Dividend	0.00%				
	owth	1				

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SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate	\$3.53	Next Fiscal Year Estimate	\$2.87
Dec2017	\$2.53	Dec2017	\$2.50
Dec2016	\$2.55	Dec2016	\$2.4
Dec2015	\$2.65	Dec2015	\$2.24
Dec2014	\$2.35	Dec2014	\$1.94
Dec2013	\$2.02	Dec2013	\$1.63
Dec2012	\$1.72	Dec2012	\$1.30
Dec2011	\$1.43	Dec2011	\$1.1
Dec2010	\$1.19	Dec2010	\$0.8
Dec2009	\$0.89	Dec2009	\$0.6
Dec2008	\$0.72	Dec2008	\$0.5
Dec2007	\$0.58	Dec2007	\$0.3
Dec2006	\$0.39	Dec2006	\$0.2
Dec2005	\$0.28	Dec2005	\$0.1
Dec2004	\$0.18	Dec2004	\$0.1
Dec2003	\$0.11	Dec2003	\$0.0
Dec2002	\$0.07	Dec2002	\$0.0
Dec2001	\$0.05	Balance Sheet Information	9/1/2018
Dec2000	\$0.04	Total Current Assets	\$8,727,000,000
Dec1999	\$0.02	Total Current Liabilities	\$2,693,000,000
Dec1998	\$0.03	Long-Term Debt	\$624,000,00
		Total Assets	\$15,274,000,000
		Intangible Assets	\$4,058,000,000
		Total Liabilities	\$4,296,000,00
		Shares Outstanding (Diluted Average)	580,000,000





Disclaimer:

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