

# ModernGraham Valuation

Company Name:

Juniper Networks, Inc.

Company Ticker JNPR

Date of Analysis

1/12/2019



## 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.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$9,709,181,730	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.47	Pass
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	82.41%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	23.07	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.12	Pass

*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	2.47	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.70	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.22
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$46.94</b>
MG Value based on 3% Growth	\$17.68
MG Value based on 0% Growth	\$10.36
Market Implied Growth Rate	7.28%

### MG Opinion

Current Price	\$28.13
% of Intrinsic Value	59.92%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>B-</b>

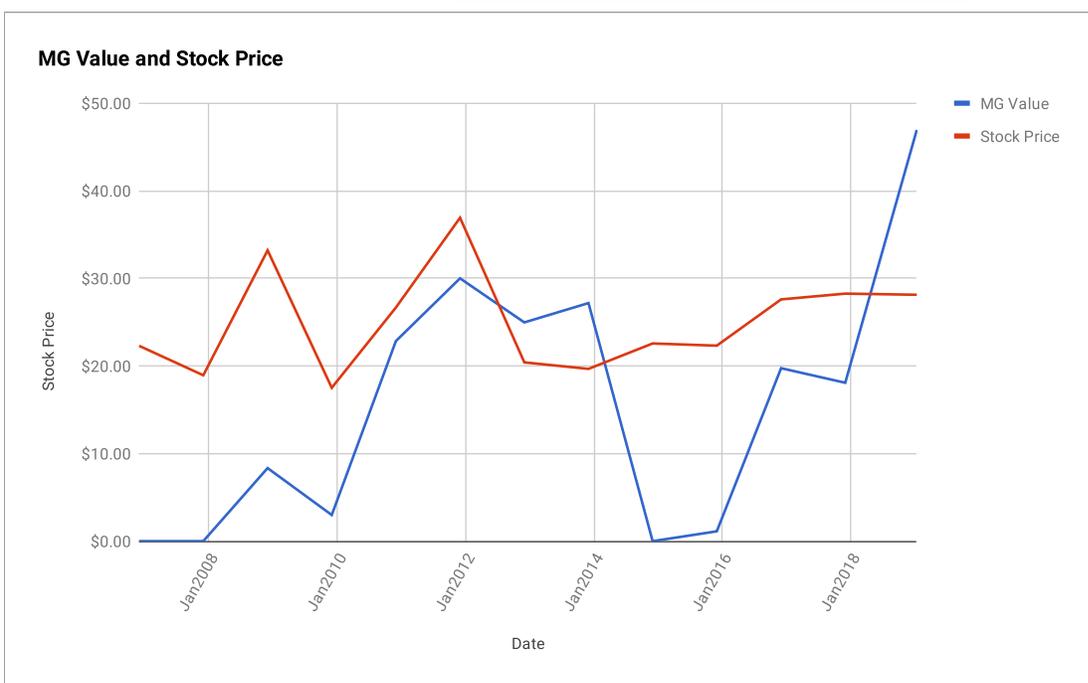
## Stage 3: Information for Further Research

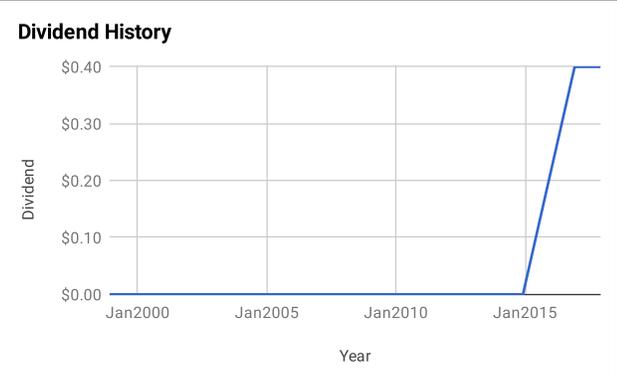
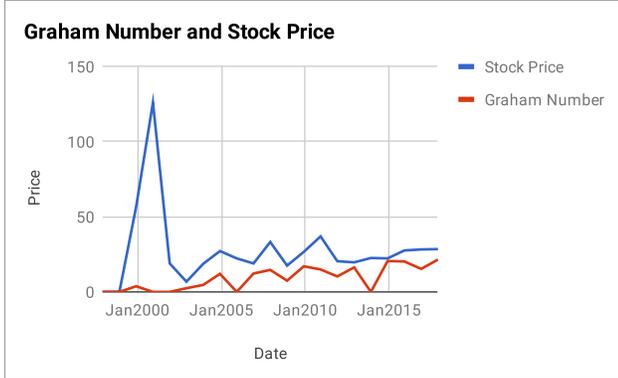
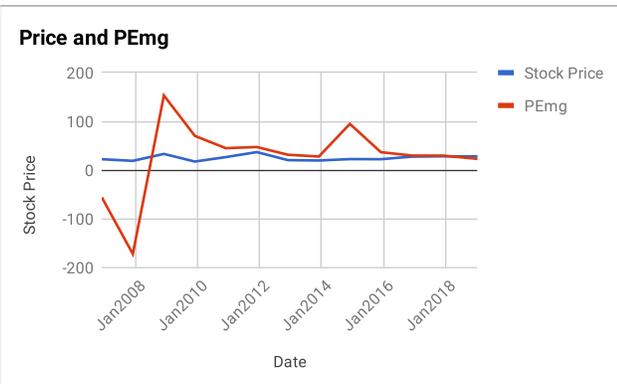
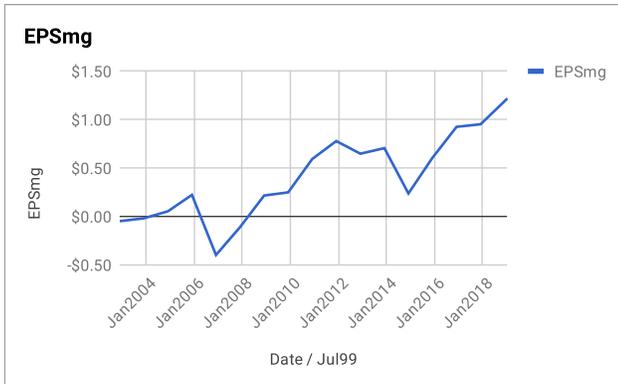
Net Current Asset Value (NCAV)	-\$0.45
Graham Number	\$21.54
PEmg	23.07
Current Ratio	2.47
PB Ratio	2.12
Current Dividend	\$0.40
Dividend Yield	1.42%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.61	Next Fiscal Year Estimate	\$1.22
Dec2017	\$0.80	Dec2017	\$0.95
Dec2016	\$1.53	Dec2016	\$0.93
Dec2015	\$1.59	Dec2015	\$0.61
Dec2014	-\$0.73	Dec2014	\$0.24
Dec2013	\$0.86	Dec2013	\$0.71
Dec2012	\$0.35	Dec2012	\$0.65
Dec2011	\$0.79	Dec2011	\$0.78
Dec2010	\$1.15	Dec2010	\$0.59
Dec2009	\$0.22	Dec2009	\$0.25
Dec2008	\$0.93	Dec2008	\$0.22
Dec2007	\$0.62	Dec2007	-\$0.11
Dec2006	-\$1.76	Dec2006	-\$0.40
Dec2005	\$0.58	Dec2005	\$0.22
Dec2004	\$0.24	Dec2004	\$0.05
Dec2003	\$0.07	Dec2003	-\$0.02
Dec2002	-\$0.34	Dec2002	-\$0.05
Dec2001	-\$0.04	<b>Balance Sheet Information 9/1/2018</b>	
Dec2000	\$0.43	Total Current Assets	\$4,290,700,000
Dec1999	-\$0.01	Total Current Liabilities	\$1,740,500,000
Dec1998	-\$0.13	Long-Term Debt	\$1,788,600,000
		Total Assets	\$9,100,300,000
		Intangible Assets	\$3,209,300,000
		Total Liabilities	\$4,449,400,000
		Shares Outstanding (Diluted Average)	350,500,000





**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 Companies for Enterprising Investors Near 52 Week Lows – April 2018](#)
  - [Juniper Networks Inc Valuation – March 2018 \\$JNPR](#)
  - [Juniper Networks Inc Valuation – June 2016 \\$JNPR](#)
  - [34 Companies in the Spotlight This Week – 2/7/15](#)
  - [Juniper Networks Inc. Annual Valuation – 2015 \\$JNPR](#)

- Other ModernGraham posts about related companies**
- [SBA Communications Corp Valuation – January 2019 \\$SBAC](#)
  - [Harris Corp Valuation – December 2018 \\$HRS](#)
  - [Verizon Communications Inc Valuation – November 2018 \\$VZ](#)
  - [Lumentum Holdings Inc Valuation – October 2018 \\$LITE](#)
  - [Windstream Holdings Inc Valuation – September 2018 \\$WIN](#)
  - [Sierra Wireless Inc Valuation – September 2018 \\$TSE:SW](#)
  - [Frontier Communications Corp Valuation – August 2018 \\$FTR](#)
  - [Consolidated Communications Holdings Inc Valuation – August 2018 \\$CNLS](#)
  - [Comtech Telecommunications Corp Valuation – August 2018 \\$CMTL](#)
  - [Shaw Communications Inc Valuation – July 2018 \\$TSE:SJR.B](#)