

# ModernGraham Valuation

Company Name:

Intuit Inc.

Company Ticker INTU

Date of Analysis

2/7/2019



## 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	\$57,448,073,834	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.41	Fail
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 years using 3 year averages at beginning and end	132.03%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	47.06	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	20.98	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	1.41	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.58	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

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$4.70
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$180.90</b>
MG Value based on 3% Growth	\$68.13
MG Value based on 0% Growth	\$39.94
Market Implied Growth Rate	19.28%

### MG Opinion

Current Price	\$221.12
% of Intrinsic Value	122.23%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$0.33
Graham Number	\$36.26
PEmg	47.06
Current Ratio	1.41
PB Ratio	20.98
Current Dividend	\$1.56
Dividend Yield	0.71%
Number of Consecutive Years of Dividend Growth	4

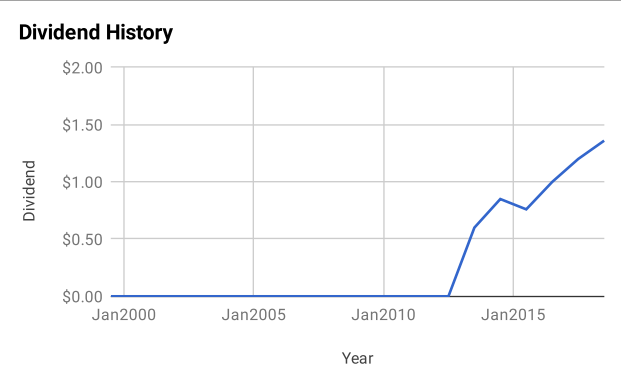
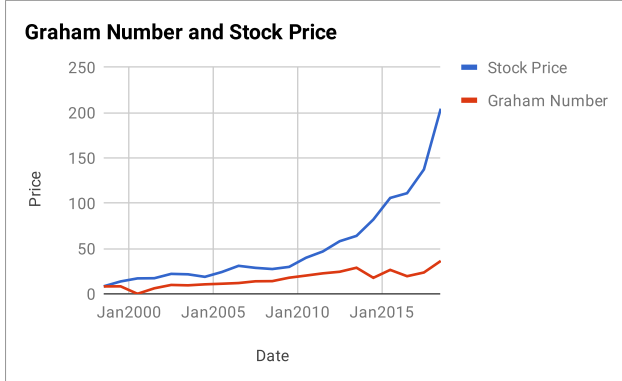
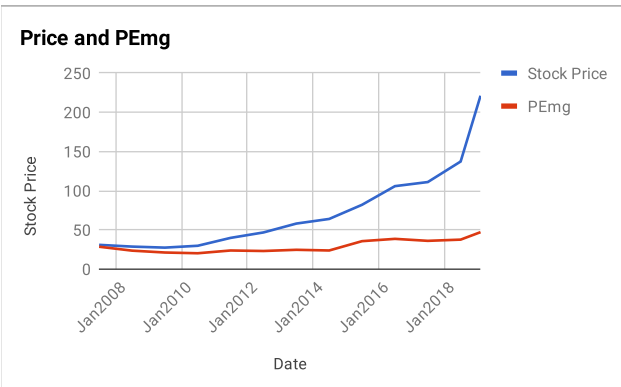
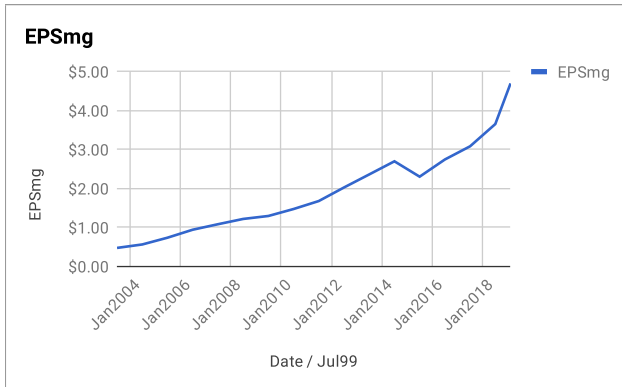
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[Morningstar](#)  
[MSN Money](#)  
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$6.42	Next Fiscal Year Estimate	\$4.70
Jul2018	\$4.64	Jul2018	\$3.66
Jul2017	\$3.72	Jul2017	\$3.08
Jul2016	\$3.69	Jul2016	\$2.75
Jul2015	\$1.28	Jul2015	\$2.30
Jul2014	\$3.12	Jul2014	\$2.70
Jul2013	\$2.83	Jul2013	\$2.36
Jul2012	\$2.60	Jul2012	\$2.03
Jul2011	\$2.00	Jul2011	\$1.68
Jul2010	\$1.77	Jul2010	\$1.47
Jul2009	\$1.35	Jul2009	\$1.30
Jul2008	\$1.41	Jul2008	\$1.22
Jul2007	\$1.24	Jul2007	\$1.08
Jul2006	\$1.16	Jul2006	\$0.94
Jul2005	\$1.01	Jul2005	\$0.74
Jul2004	\$0.79	Jul2004	\$0.57
Jul2003	\$0.81	Jul2003	\$0.48
Jul2002	\$0.32	<b>Balance Sheet Information 10/1/2018</b>	
Jul2001	-\$0.20	Total Current Assets	\$2,232,000,000
Jul2000	\$0.73	Total Current Liabilities	\$1,586,000,000
Jul1999	\$0.97	Long-Term Debt	\$375,000,000
		Total Assets	\$4,928,000,000
		Intangible Assets	\$1,665,000,000
		Total Liabilities	\$2,146,000,000
		Shares Outstanding (Diluted Average)	264,000,000





**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**
  - [Intuit Inc Valuation – April 2018 \\$INTU](#)
  - [Intuit Inc Valuation – March 2017 \\$INTU](#)
  - [Intuit Inc Valuation – January 2016 Update \\$INTU](#)
  - [Intuit Inc. Analysis – October 2015 Update \\$INTU](#)
  - [Intuit Inc. Analysis – July 2015 Update \\$INTU](#)
  
- Other ModernGraham posts about related companies**
  - [Autodesk Inc Valuation – February 2019 \\$ADSK](#)
  - [F5 Networks Inc Valuation – February 2019 \\$FFIV](#)
  - [Cadence Design Systems Inc Valuation – January 2019 \\$CDNS](#)
  - [Oracle Corporation Valuation – January 2019 \\$ORCL](#)
  - [Red Hat Inc Valuation – January 2019 \\$RHT](#)
  - [Alphabet Inc Valuation – January 2019 \\$GOOG \\$GOOGL](#)
  - [Ansys Inc Valuation – January 2019 \\$ANSS](#)
  - [Citrix Systems Inc Valuation – January 2019 \\$CTXS](#)
  - [Microsoft Corporation Valuation – November 2018 \\$MSFT](#)
  - [Cisco Systems Inc Valuation – November 2018 \\$CSCO](#)