

ModernGraham Valuation

Company Name:

salesforce.com, inc.

Company Ticker CRM

Date of Analysis

3/29/2019



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	\$121,301,431,411	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.95	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	-1259.69%	Fail
5. Earnings Growth	PEmg < 20	114.55	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	7.90	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	0.95	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-5.55	Fail
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		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.37
MG Growth Estimate	15.00%
MG Value	\$52.85
MG Value based on 3% Growth	\$19.90
MG Value based on 0% Growth	\$11.67
Market Implied Growth Rate	53.03%

MG Opinion

Current Price	\$157.24
% of Intrinsic Value	297.53%
Opinion	Overvalued
MG Grade	F

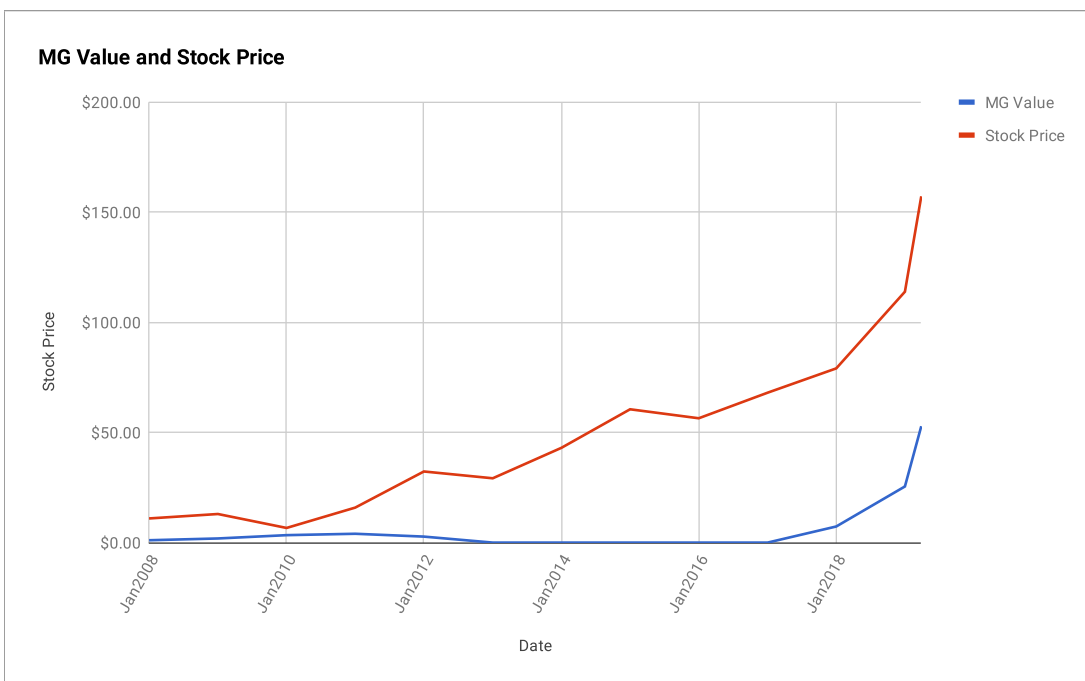
Stage 3: Information for Further Research

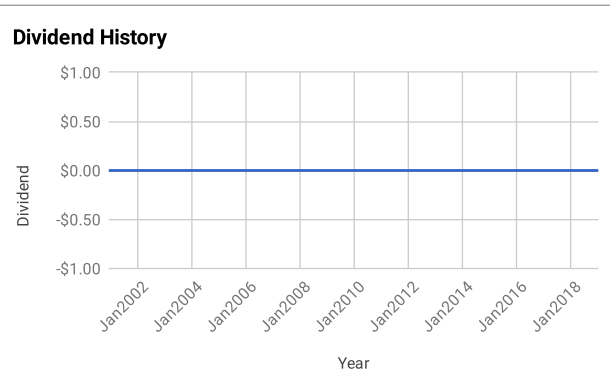
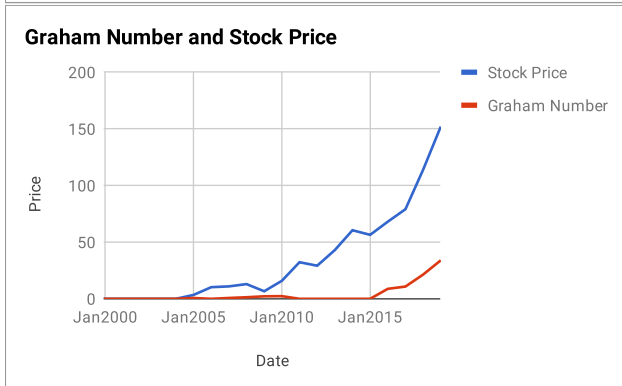
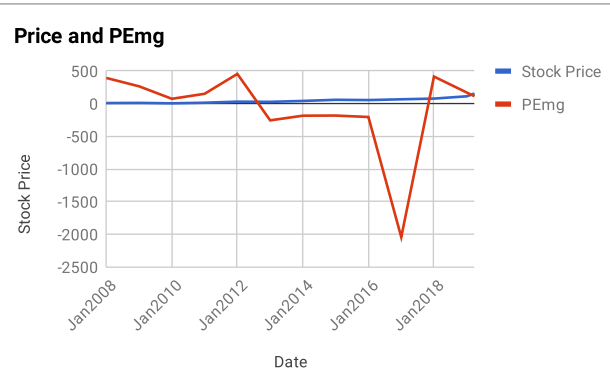
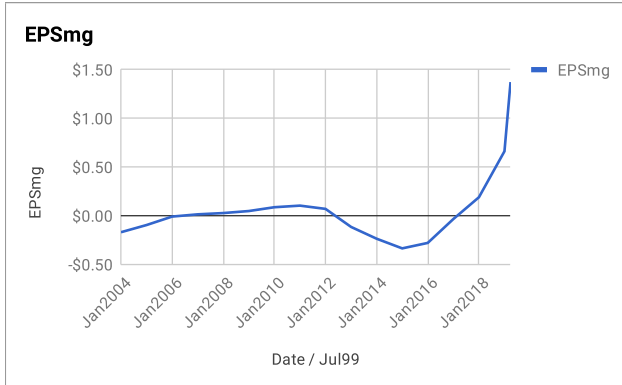
Net Current Asset Value (NCAV)	-\$5.67
Graham Number	\$33.94
PEmg	114.55
Current Ratio	0.95
PB Ratio	7.90
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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	\$1.37
Jan2019	\$2.51	Jan2019	\$0.66
Jan2018	\$1.43	Jan2018	\$0.19
Jan2017	\$0.49	Jan2017	-\$0.03
Jan2016	\$0.46	Jan2016	-\$0.28
Jan2015	-\$0.07	Jan2015	-\$0.33
Jan2014	-\$0.42	Jan2014	-\$0.24
Jan2013	-\$0.39	Jan2013	-\$0.11
Jan2012	-\$0.48	Jan2012	\$0.07
Jan2011	-\$0.02	Jan2011	\$0.10
Jan2010	\$0.12	Jan2010	\$0.09
Jan2009	\$0.16	Jan2009	\$0.05
Jan2008	\$0.09	Jan2008	\$0.03
Jan2007	\$0.04	Jan2007	\$0.01
Jan2006	\$0.00	Jan2006	-\$0.01
Jan2005	\$0.06	Jan2005	-\$0.09
Jan2004	\$0.02	Jan2004	-\$0.17
Jan2003	\$0.01	Balance Sheet Information 1/1/2019	
Jan2002	-\$0.09	Total Current Assets	\$10,683,000,000
Jan2001	-\$0.34	Total Current Liabilities	\$11,255,000,000
Dec2000	-\$0.60	Long-Term Debt	\$3,173,000,000
	\$0.00	Total Assets	\$30,737,000,000
		Intangible Assets	\$14,926,000,000
		Total Liabilities	\$15,132,000,000
		Shares Outstanding (Diluted Average)	784,000,000





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:

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company

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[Salesforce.com Inc Valuation – April 2017 \\$CRM](#)
[Salesforce.com Valuation – January 2016 Update \\$CRM](#)
[26 Companies in the Spotlight This Week – 12/13/14](#)
[Salesforce.com Inc. Annual Valuation – 2014 \\$CRM](#)

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[Fortinet Inc Valuation – February 2019 \\$FTNT](#)
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[Symantec Corp Valuation – February 2019 \\$SYMC](#)
[Intuit Inc Valuation – February 2019 \\$INTU](#)
[Adobe Inc Valuation – February 2019 \\$ADBE](#)
[Autodesk Inc Valuation – February 2019 \\$ADSK](#)
[F5 Networks Inc Valuation – February 2019 \\$FFIV](#)
[Cadence Design Systems Inc Valuation – January 2019 \\$CDNS](#)