ModernGraham Valuation

Company Name:

Danaher Corporation



Company Ticker DHR

Date of Analysis 3/12/2019

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	\$91,024,671,224 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.47 Fail
3. Earnings Stability	Positive EPS for 10 years prior	Pass
4. Dividend Record	Dividend Payments for 10 years prior	Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at	
5. Earnings Growth	beginning and end	29.20% Fail
6. Moderate PEmg Ratio	PEmg < 20	31.84 Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.21 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	1.47 Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	4.30 Fail
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
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\$127.55

360.87%

Score

Suitability

MG Opinion

Defensive No Enterprising No

Stage 2: Determination of Intrinsic Value

EPSmg	\$4.01
MG Growth Estimate	0.16%
MG Value	\$35.34
MG Value based on 3% Growth	\$58.09
MG Value based on 0% Growth	\$34.05
Market Implied Growth Rate	11.67%

% of Intrinsic Value

Opinion Overvalued MG Grade

Stage 3: Information for Further Research

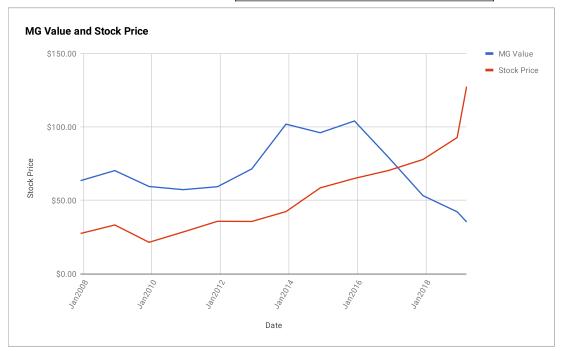
Current Price

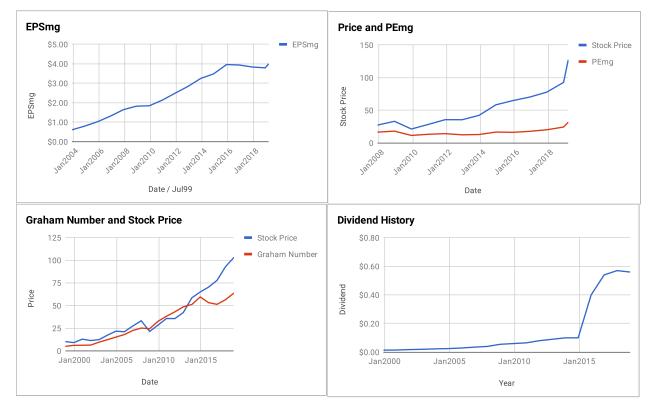
Net Current Asset Value (NCAV)	-\$17.60
Graham Number	\$63.81
PEmg	31.84
Current Ratio	1.47
PB Ratio	3.21
Current Dividend	\$0.64
Dividend Yield	0.50%
Number of Consecutive Years of Dividend	
Growth	1

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	\$4.01
Dec2018	\$3.74	Dec2018	\$3.79
Dec2017	\$3.53	Dec2017	\$3.84
Dec2016	\$3.65	Dec2016	\$3.94
Dec2015	\$4.74	Dec2015	\$3.96
Dec2014	\$3.63	Dec2014	\$3.49
Dec2013	\$3.80	Dec2013	\$3.25
Dec2012	\$3.36	Dec2012	\$2.84
Dec2011	\$3.11	Dec2011	\$2.49
Dec2010	\$2.64	Dec2010	\$2.13
Dec2009	\$1.73	Dec2009	\$1.85
Dec2008	\$1.98	Dec2008	\$1.83
Dec2007	\$2.10	Dec2007	\$1.65
Dec2006	\$1.74	Dec2006	\$1.32
Dec2005	\$1.38	Dec2005	\$1.03
Dec2004	\$1.15	Dec2004	\$0.81
Dec2003	\$0.84	Dec2003	\$0.61
Dec2002	\$0.47	Balance Sheet Information	12/1/2018
Dec2001	\$0.50	Total Current Assets	\$7,093,800,000
Dec2000	\$0.56	Total Current Liabilities	\$4,841,500,000
Dec1999	\$0.45	Long-Term Debt	\$9,688,500,000
		Total Assets	\$47,832,500,000
		Intangible Assets	\$37,579,100,000
		Total Liabilities	\$19,605,800,000
		Shares Outstanding (Diluted Average)	711,100,000





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 <u>Danaher Corp Valuation – May 2018 \$DHR</u>

<u>Danaher Corporation Valuation – February 2017 \$DHR</u>

<u>Danaher Corporation Valuation – November 2015 Update \$DHR</u>

<u>Danaher Corporation Analysis – August 2015 Update \$DHR</u>

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Other ModernGraham posts about related companies Agilent Technologies Inc Valuation - March 2019 #A

ResMed Inc Valuation - March 2019 #RMD

Cooper Companies Inc Valuation - March 2019 #COO

Edwards Lifesciences Corp Valuation - March 2019 \$EW

Boston Scientific Corporation Valuation – March 2019 \$BSX

Baxter International Inc Valuation - March 2019 \$BAX

Centene Corp Valuation - March 2019 \$CNC

Abbott Laboratories Valuation – February 2019 \$ABT

Becton Dickinson and Co Valuation – February 2019 \$BDX

IQVIA Holdings Inc Valuation – February 2019 \$IQV