

# ModernGraham Valuation

Company Name:

Equinix Inc

Company Ticker EQIX

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	\$37,530,357,298	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.00	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	138.03%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	111.90	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	5.05	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	1.00	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	15,449.18	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 Score		Pass

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$4.03
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$154.98</b>
MG Value based on 3% Growth	\$58.37
MG Value based on 0% Growth	\$34.22
Market Implied Growth Rate	51.70%

### MG Opinion

Current Price	\$450.45
% of Intrinsic Value	290.66%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D</b>

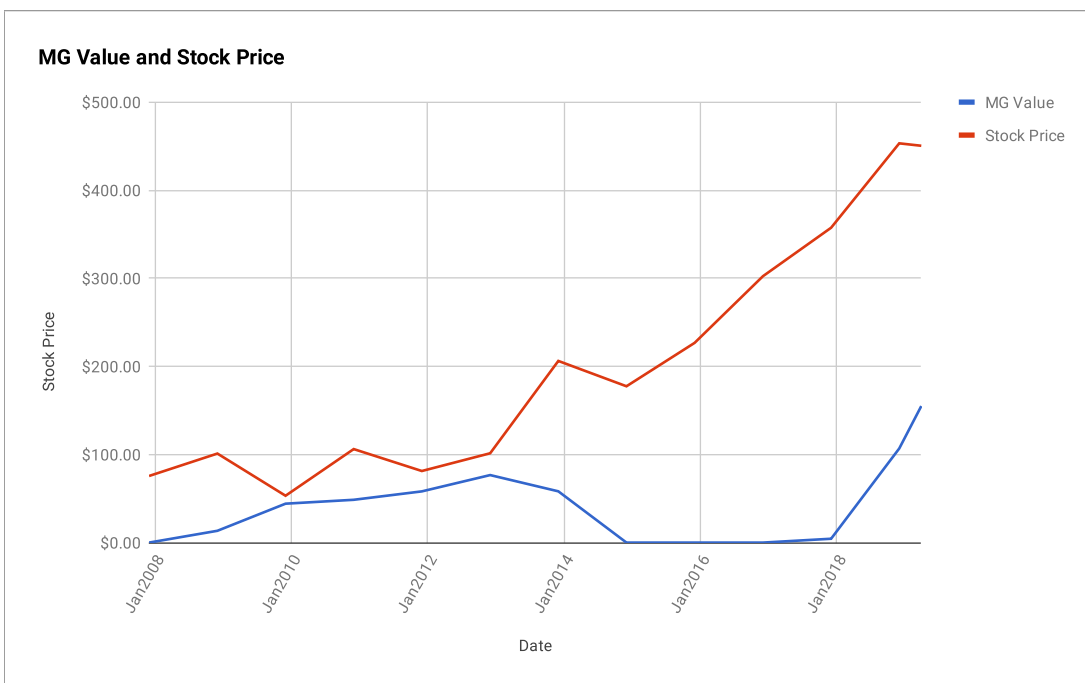
## Stage 3: Information for Further Research

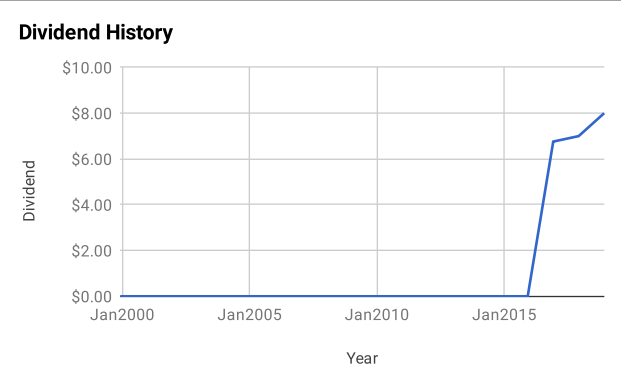
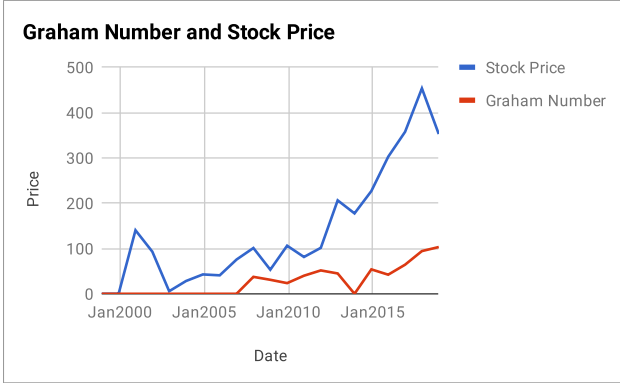
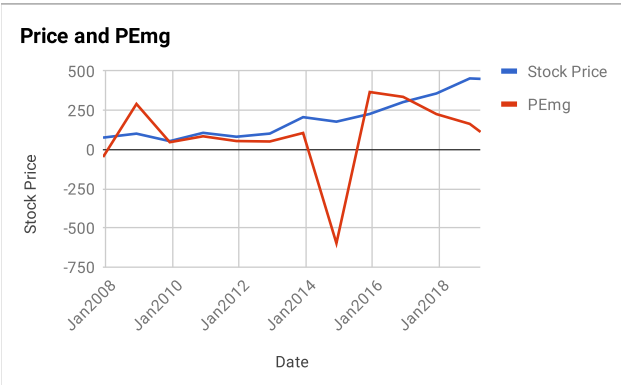
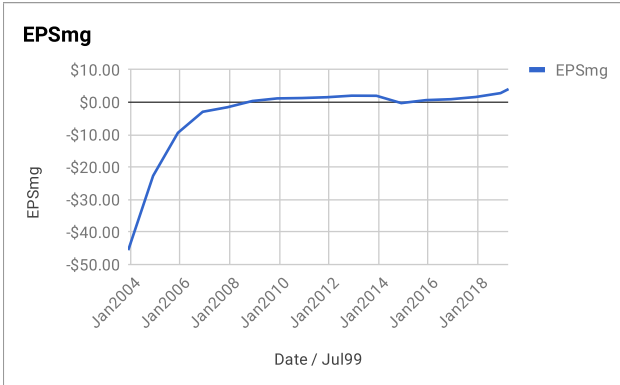
Net Current Asset Value (NCAV)	-\$142.24
Graham Number	\$103.19
PEmg	111.90
Current Ratio	1.00
PB Ratio	5.05
Current Dividend	\$9.12
Dividend Yield	2.02%
Number of Consecutive Years of Dividend Growth	4

### 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	\$5.27	Next Fiscal Year Estimate	\$4.03
Dec2018	\$4.56	Dec2018	\$2.78
Dec2017	\$3.00	Dec2017	\$1.58
Dec2016	\$1.79	Dec2016	\$0.90
Dec2015	\$3.21	Dec2015	\$0.62
Dec2014	-\$4.96	Dec2014	-\$0.30
Dec2013	\$1.89	Dec2013	\$1.96
Dec2012	\$2.83	Dec2012	\$1.99
Dec2011	\$1.74	Dec2011	\$1.51
Dec2010	\$0.82	Dec2010	\$1.26
Dec2009	\$1.75	Dec2009	\$1.15
Dec2008	\$2.79	Dec2008	\$0.35
Dec2007	-\$0.16	Dec2007	-\$1.57
Dec2006	-\$0.22	Dec2006	-\$2.97
Dec2005	-\$1.78	Dec2005	-\$9.45
Dec2004	-\$3.87	Dec2004	-\$22.70
Dec2003	-\$8.76	Dec2003	-\$45.60
Dec2002	-\$7.23	<b>Balance Sheet Information 12/1/2018</b>	
Dec2001	-\$76.62	Total Current Assets	\$1,515,682,000
Dec2000	-\$111.18	Total Current Liabilities	\$1,515,071,000
Dec1999	-\$159.11	Long-Term Debt	\$9,439,448,000
		Total Assets	\$20,244,638,000
		Intangible Assets	\$7,169,684,000
		Total Liabilities	\$13,025,359,000
		Shares Outstanding (Diluted Average)	80,920,000





**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**
- [Equinix Inc Valuation – June 2018 \\$EQIX](#)
  - [Equinix Inc Valuation – July 2017 \\$EQIX](#)
  - [5 of the Worst Stocks to Invest In – December 2016](#)
  - [Equinix Inc Valuation – August 2016 \\$EQIX](#)
  - [Equinix Inc. Analysis – Initial Coverage \\$EQIX](#)

- Other ModernGraham posts about related companies**
- [Kimco Realty Corp Valuation – March 2019 #KIM](#)
  - [Essex Property Trust Inc Valuation – March 2019 #ESS](#)
  - [Federal Realty Investment Trust Valuation – March 2019 #FRT](#)
  - [UDR Inc Valuation – March 2019 #UDR](#)
  - [Mid-America Apartment Communities Inc Valuation – March 2019 #MAA](#)
  - [Extra Space Storage Inc Valuation – March 2019 #EXR](#)
  - [Digital Realty Trust Inc Valuation – March 2019 #DLR](#)
  - [Equity Residential Valuation – March 2019 #EQR](#)
  - [Prologis Inc Valuation – March 2019 #PLD](#)
  - [Duke Realty Corp Valuation – March 2019 \\$DRE](#)