

ModernGraham Valuation

Company Name:

Linde PLC

Company Ticker LIN

Date of Analysis

4/5/2019



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	\$100,601,281,539	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.86	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 beginning and end	26.09%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	32.37	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	7.99	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	0.86	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-11.92	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
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$5.70
MG Growth Estimate	0.33%
MG Value	\$52.23
MG Value based on 3% Growth	\$82.69
MG Value based on 0% Growth	\$48.47
Market Implied Growth Rate	11.94%

MG Opinion

Current Price	\$184.62
% of Intrinsic Value	353.45%
Opinion	Overvalued
MG Grade	D+

Stage 3: Information for Further Research

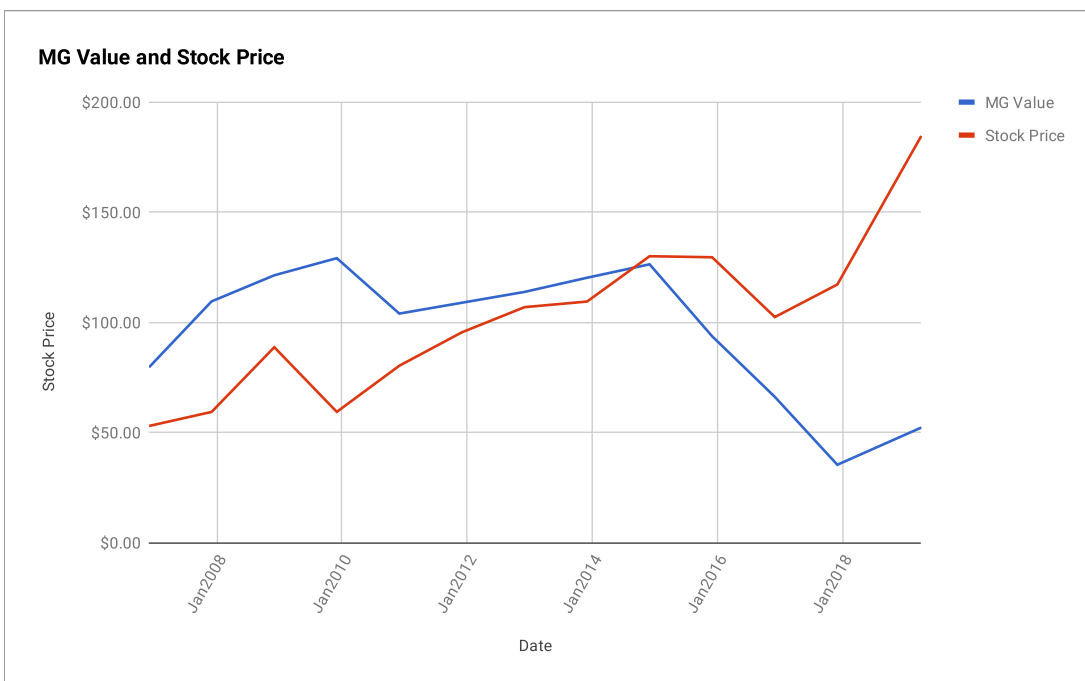
Net Current Asset Value (NCAV)	-\$34.09
Graham Number	\$58.47
PEmg	32.37
Current Ratio	0.86
PB Ratio	7.99
Current Dividend	\$3.15
Dividend Yield	1.71%
Number of Consecutive Years of Dividend Growth	20

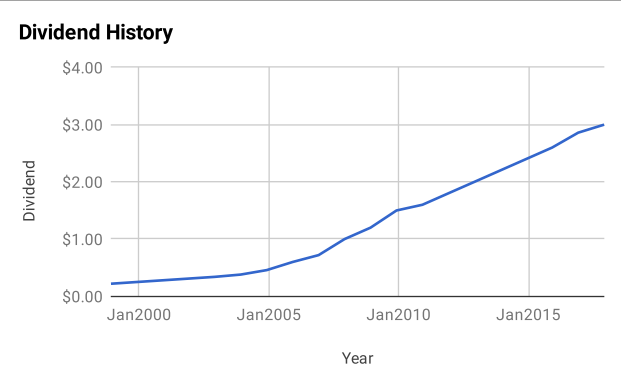
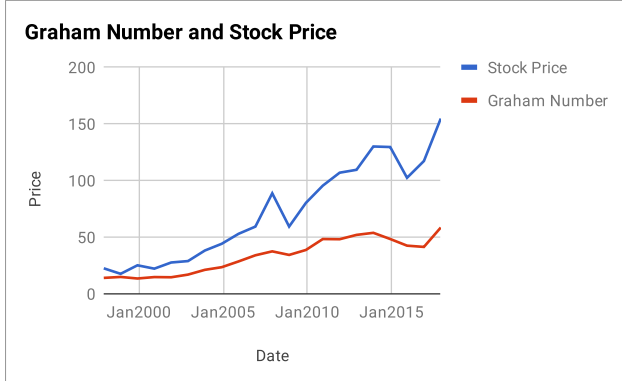
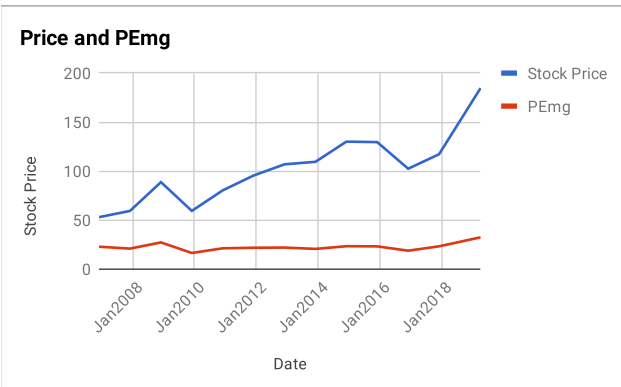
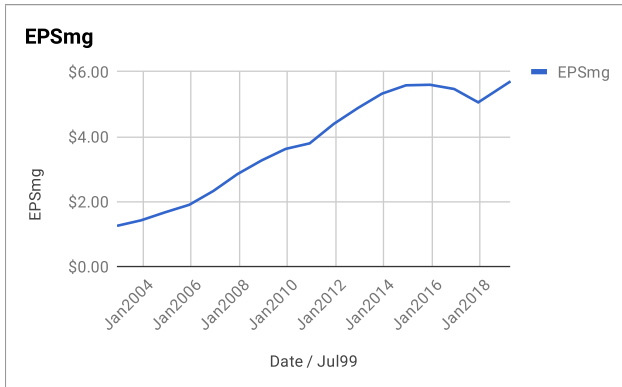
Useful Links:

[ModernGraham tagged articles](#)
[Google Finance](#)
[Yahoo Finance](#)
[GuruFocus](#)

[Morningstar](#)
[MSN Money](#)
[Seeking Alpha](#)
[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$7.24	Next Fiscal Year Estimate	\$5.70
Dec2017	\$4.32	Dec2017	\$5.05
Dec2016	\$5.21	Dec2016	\$5.47
Dec2015	\$5.35	Dec2015	\$5.60
Dec2014	\$5.73	Dec2014	\$5.58
Dec2013	\$5.87	Dec2013	\$5.32
Dec2012	\$5.61	Dec2012	\$4.88
Dec2011	\$5.45	Dec2011	\$4.39
Dec2010	\$3.84	Dec2010	\$3.79
Dec2009	\$4.01	Dec2009	\$3.62
Dec2008	\$3.80	Dec2008	\$3.27
Dec2007	\$3.62	Dec2007	\$2.84
Dec2006	\$3.00	Dec2006	\$2.33
Dec2005	\$2.20	Dec2005	\$1.90
Dec2004	\$2.10	Dec2004	\$1.67
Dec2003	\$1.77	Dec2003	\$1.42
Dec2002	\$1.24	Dec2002	\$1.25
Dec2001	\$1.31	Balance Sheet Information	
Dec2000	\$1.13	9/1/2018	
Dec1999	\$1.33	Total Current Assets	\$3,305,000,000
Dec1998	\$1.30	Total Current Liabilities	\$3,860,000,000
		Long-Term Debt	\$6,615,000,000
		Total Assets	\$19,979,000,000
		Intangible Assets	\$3,714,000,000
		Total Liabilities	\$13,244,000,000
		Shares Outstanding (Diluted Average)	291,513,000





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

#N/A

Other ModernGraham posts about related companies

- [PPG Industries Inc Valuation – February 2019 \\$PPG](#)
- [Celanese Corporation Valuation – February 2019 \\$CE](#)
- [Ecolab Inc Valuation – January 2019 \\$ECL](#)
- [FMC Corp Valuation – January 2019 \\$FMC](#)
- [Air Products & Chemicals Inc Valuation – January 2019 \\$APD](#)
- [Albemarle Corp Valuation – January 2019 \\$ALB](#)
- [LyondellBasell Industries NV Valuation – January 2019 \\$LYB](#)
- [Eastman Chemical Co Valuation – January 2019 \\$EMN](#)
- [DowDuPont Inc Valuation – November 2018 \\$DWDP](#)
- [Chemtrade Logistics Income Fund Valuation – July 2018 \\$TSE:CHE.UN](#)