

range of disciplines, including high performance materials, electronics, safety and security, and biotechnology. The company operates on a global scale, manufacturing a wide range of products for distribution and sale to many different markets, including automotive, construction, agricultural, medical, protective apparel, electronics

depreciation rate, 4.0%. Has approx. 64,000 employees. Black-Rock, Inc. owns 6.2% of common stock; officers and directors, less than 1% (3/14 Proxy). Chair and CEO: Ellen Kullman. Incorporated: Delaware. Address: 1007 Market St., Wilmington, Delaware 19898. Telephone: 302-774-1000. Internet: www.dupont.com.

11085 13549 13367 **ANNUAL RATES** Past Est'd '11-'13 Past 5 Yrs. 4.0% 3.0% 3.0% to '17-'19 5.5% 8.5% 8.5% of change (per sh) 10 Yrs. 4.5% 5.0% 8.0% Sales "Cash Flow" Earnings Dividends Book Value 2.0% 1.0%

21191

4853

1275

7421

24384

5180 1721

6466

20834

3905

2019

516

Current Assets

Accts Payable Debt Due

Current Liab

Cal-	QU	Full					
endar	Mar.31	Jun.30	Sep.30	Dec.31	Year		
2011	10034	10264	9238	8425	37961		
2012	10180	9917	7390		34812		
2013	10408	9844	7735	7747	35734		
2014	10128	10150		8222	36600		
2015	10800	10700	8600	8700	38800		
Cal-	E/	EARNINGS PER SHARE A Full					
endar	Mar.31	Jun.30	Sep.30	Dec.31	Year		
2011	1.52	1.37	.69	.35	3.93		
2012	1.51	1.40	.32	.10	3.33		
2013	1.56	1.28	.45	.59	3.88		
2014	1.58	1.50	.55	.67	4.30		
2015	1.75	1.65	.65	.75	4.80		
Cal-	QUAR'	Full					
endar	Mar.31	Jun.30	Sep.30	Dec.31	Year		
2010	.41	.41	.41	.41	1.64		
2011	.41	.41	.41	.41	1.64		
2012	.41	.43	.43	.43	1.70		
2013	.43	.45	.45	.45	1.78		
2014	.45	.45					

DuPont reported mixed results for the first quarter. The top line declined roughly 3% for the March period. The Agriculture, Electronics & Communications, and Performance Chemicals businesses all posted lower sales. Volumes were weak in the Americas, but increased nicely elsewhere. Expenses declined somewhat, and share earnings advanced modestly.

We expect good performance in the coming quarters, assuming solid coming solid growth in global industrial demand. Sales and share net should advance at a nice pace in 2014 and 2015. Favorable industry fundamentals augur well for the Agriculture and Nutrition & Health segments. Demand for more nutritious, safe, and affordable food should continue to grow in the coming years. Meanwhile, the Electronics & Communications line ought to benefit from solid demand photovoltaic markets. Elsewhere, the Industrial Biosciences business should be able to capitalize on favorable market conditions for enzymes used in ethanol production. We also expect strong results at the Safety & Protection segment. Efforts to enhance productivity will likely give

profit margins a boost.

Stock buybacks should continue to support earnings per share. The board of directors has authorized a \$5 billion share-repurchase program. The company expects to spend \$2 billion on this front in the current year, with the remainder to be completed thereafter.

This stock is neutrally ranked for Timeliness. Looking further out, we envision healthy bottom-line growth for the company in the coming years. Moreover, DuPont earns good marks for Safety, Financial Strength, and Price Stability. This issue offers good risk-adjusted total return potential, helped by the healthy dividend yield. Still, a pullback in the share price may present patient investors with a more suitable entry point.

Michael Napoli, CFA July 11, 2014 Restated Sales (Pre-tax Operating Margins) by Business Line

2012	2013	2014	2015
13843(13.7%)	15201(16.0%)	15600(18.0%)	16200(19.0%)
1169(14.4%)	1211(14.0%)	1300(17.0%)	1500(17.0%)
2684(5.0%)	2534(8.0%)	2600(9.5%)	3200(11.0%)
13297(19.5%)	12902(17.1%)	13350(18.5%)	14000(19.5%)
	3880(17.9%)	3740(19.0%)	3890(19.0%)
5(NMF)	6(NMF)	10(NMF)	10(NMF)
34812(15.2%)	35734(15.6%)	36600(16.5%)	38800(17.0%)
	13843(13.7%) 1169(14.4%) 2684(5.0%) 13297(19.5%) 3814(9.4%) 5(NMF)	13843(13.7%) 15201(16.0%) 1169(14.4%) 1211(14.0%) 2684(5.0%) 12902(17.1%) 13297(19.5%) 12902(17.1%) 3814(9.4%) 3880(17.9%) 5(NMF) 6(NMF)	13843(13.7%) 15201(16.0%) 15600(18.0%) 1169(14.4%) 1211(14.0%) 1300(17.0%) 2694(5.0%) 2534(6.0%) 2600(9.3%) 13297(19.5%) 12902(17.1%) 13350(18.5%) 3814(9.4%) 3880(17.9%) 3740(19.0%) 5(NMF) 6(NMF) 10(NMF)

(A) Diluted earnings. Excl. nonrec. items: '98, (17¢); '99, (\$2.57); '00, (54¢); '01, \$2.99; '02, (\$3.12); '03, (69¢); '04, (62¢); '05, (25¢); '06, 50¢; '07, (6¢); '08, (53¢); '09, (12¢); '11, (25¢);

'12, (72¢); '13, (84¢). Excl. gain from discon. ops.: '99, \$6.98; '12, 34¢; '13, \$2.14. Next egs. rpt. due late July. **(B)** Div'd historically paid in mid-March, June, Sept., and Dec. ■ Div'd rein-

vest. plan available. (C) In mill. (D) Sold Textile division in 2004.

Company's Financial Strength Stock's Price Stability A++ 80 Price Growth Persistence **Earnings Predictability**