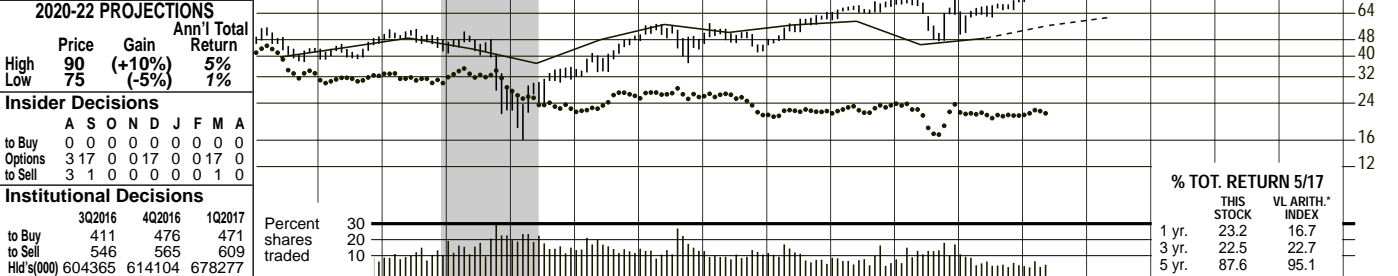


# DUPONT NYSE-DD

RECENT PRICE **80.69** P/E RATIO **20.7** (Trailing: 21.6; Median: 15.0) RELATIVE P/E RATIO **1.06** DIV'D YLD **2.0%** VALUE LINE

TIMELINESS -- F Susp. 12/25/15	High: 49.7	53.9	52.5	35.6	50.2	57.0	57.5	65.0	75.8	80.6	75.9	83.9			Target Price Range
SAFETY <b>1</b> Raised 1/31/97	Low: 38.5	42.3	21.3	16.0	31.9	37.1	41.7	45.1	59.3	47.1	50.7	72.2			2020 2021 2022
TECHNICAL -- F Susp. 12/25/15	<b>LEGENDS</b> 10.0 x "Cash Flow" p sh Relative Price Strength Options: Yes Shaded area indicates recession														
BETA 1.10 (1.00 = Market)															



2001	2002	2003	2004 <sup>P</sup>	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 <sup>F</sup>	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
24.68	24.15	27.07	27.50	28.97	29.74	32.67	33.83	28.89	34.35	40.99	37.31	38.55	38.37	28.84	28.50	<b>30.60</b>	<b>32.55</b>	Sales per sh	<b>46.15</b>
2.98	3.54	3.19	3.75	3.97	4.40	4.89	4.33	3.70	4.80	5.67	5.19	5.64	5.87	4.54	4.87	<b>5.60</b>	<b>6.15</b>	"Cash Flow" per sh	<b>8.35</b>
1.19	2.01	1.65	2.38	2.32	2.88	3.28	2.73	2.04	3.28	3.93	3.33	3.88	4.01	2.77	3.35	<b>3.90</b>	<b>4.15</b>	Earnings per sh <sup>A</sup>	<b>5.40</b>
1.40	1.40	1.40	1.40	1.46	1.48	1.52	1.64	1.64	1.64	1.64	1.70	1.78	1.84	1.72	1.52	<b>1.60</b>	<b>1.68</b>	Div's Decl'd per sh <sup>B</sup>	<b>2.08</b>
1.49	1.29	1.72	1.24	1.46	1.66	1.76	2.19	1.45	1.64	1.99	1.92	2.03	2.28	1.87	1.18	<b>1.55</b>	<b>1.80</b>	Cap'l Spending per sh	<b>2.90</b>
14.19	8.88	9.57	11.20	9.43	9.96	12.12	7.63	7.72	9.86	9.02	10.56	17.25	14.46	11.20	11.31	<b>12.65</b>	<b>13.55</b>	Book Value per sh	<b>17.00</b>
1002.0	993.94	997.28	994.34	919.61	922.07	899.29	902.37	903.81	917.31	926.12	933.02	926.99	904.98	871.35	863.00	<b>850.00</b>	<b>830.00</b>	Common Shs Outst'g <sup>C</sup>	<b>780.00</b>
36.5	21.5	25.1	18.4	19.5	14.9	15.0	15.2	13.9	12.2	12.7	14.7	14.2	16.8	23.7	19.7	<i>Bold figures are Value Line estimates</i>		Avg Ann'l P/E Ratio	<b>15.0</b>
1.87	1.17	1.43	.97	1.04	.80	.80	.91	.93	.78	.80	.94	.80	.88	1.19	1.03			Relative P/E Ratio	<b>.95</b>
3.2%	3.2%	3.4%	3.2%	3.2%	3.5%	3.1%	3.9%	5.8%	4.1%	3.3%	3.5%	3.2%	2.7%	2.6%	2.3%			Avg Ann'l Div'd Yield	<b>2.6%</b>

CAPITAL STRUCTURE as of 3/31/17				2001	2002	2003	2004 <sup>P</sup>	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 <sup>F</sup>	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
Total Debt \$10378 mill. Due in 5 Yrs \$5271 mill.				29378	30529	26109	31505	37961	34812	35734	34723	25130	24594	<b>26000</b>	<b>27000</b>	Sales (\$mill)	<b>36000</b>						
LT Debt \$8099 mill. LT Interest \$300.0 mill.				14.5%	9.5%	11.8%	14.0%	14.7%	15.2%	14.7%	17.7%	18.0%	19.3%	<b>20.0%</b>	<b>20.0%</b>	Operating Margin	<b>19.0%</b>						
(Total interest coverage: 10.3x) (41% of Cap'l)				1371.0	1444.0	1503.0	1380.0	1560.0	1713.0	1603.0	1617.0	1466.0	1258.0	<b>1400</b>	<b>1600</b>	Depreciation (\$mill)	<b>2250</b>						
Leases, Uncapitalized Annual rentals \$263 mill.				3033.7	2477.1	1853.8	3032.5	3698.2	3137.0	3632.0	3703.0	2503.0	2951.0	<b>3355</b>	<b>3485</b>	Net Profit (\$mill)	<b>4265</b>						
Pension Assets-12/16 \$16.7 bill. Oblig. \$24.8 bill.				18.8%	--	14.5%	17.7%	12.8%	--	--	25.6%	3.2%	<b>30.0%</b>	<b>30.0%</b>	Income Tax Rate	<b>30.0%</b>							
Pfd Stock \$237.0 mill. Pfd Div'd \$10.0 mill.				10.3%	8.1%	7.1%	9.6%	9.7%	9.0%	10.2%	10.7%	10.0%	12.0%	<b>12.9%</b>	<b>12.9%</b>	Net Profit Margin	<b>11.8%</b>						
Includes 700,000 shs. \$3.50 cum. callable at \$102; 1,673,000 shs. \$4.50 cum. callable at \$120				4619.0	5601.0	7898.0	9670.0	6873.0	7642.0	11017	9108.0	7402.0	8220.0	<b>10000</b>	<b>11000</b>	Working Cap'l (\$mill)	<b>14000</b>						
Common Stock 867,032,000 shs. as of 4/17/17				5955.0	7638.0	9528.0	10137	11736	10465	10741	9271.0	7642.0	8107.0	<b>9000</b>	<b>10000</b>	Long-Term Debt (\$mill)	<b>12500</b>						
MARKET CAP: \$70 billion (Large Cap)				11136	7125.0	7215.0	9278.0	8593.0	10088	16229	13320	9993.0	<b>10750</b>	<b>11250</b>	Shr. Equity (\$mill)	<b>13250</b>							
CURRENT POSITION				18.9%	17.8%	12.1%	17.1%	19.2%	16.3%	14.2%	17.1%	15.0%	17.3%	<b>17.5%</b>	<b>17.0%</b>	Return on Total Cap'l	<b>17.5%</b>						
2015				27.2%	34.8%	25.7%	32.7%	43.0%	31.1%	22.4%	27.8%	25.0%	29.5%	<b>31.0%</b>	<b>31.0%</b>	Return on Shr. Equity	<b>32.0%</b>						
2016				14.9%	14.2%	5.2%	16.9%	25.9%	15.7%	12.3%	15.3%	9.8%	16.6%	<b>18.5%</b>	<b>18.5%</b>	Retained to Com Eq	<b>20.0%</b>						
3/31/17				46%	60%	80%	49%	41%	51%	46%	62%	45%	<b>41%</b>	<b>40%</b>	All Div'ds to Net Prof	<b>38%</b>							

**BUSINESS:** DuPont is engaged in science and technology in a range of disciplines, including 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, and nutrition. In 2016: R&D, 6.7% of sales; depreciation rate, 5.2%. Has approx. 46,000 employees. Capital World Investors owns 10.5% of common stock; The Vanguard Group, 6.8%; BlackRock, Inc., 6.6%; off. and dir., less than 1% (4/17 Proxy). Chair and CEO: Edward D. Breen, Inc.: DE. Address: 974 Centre Road, Wilmington, DE 19805. Telephone: 302-774-1000. Internet: www.dupont.com.

**The merger of DuPont with Dow Chemical appears set to close in the current quarter.** The two companies have recently received antitrust clearance from the U.S. Department of Justice for the proposed merger of equals. DuPont and Dow have obtained regulatory clearance in many other jurisdictions, and are working with regulators in the remaining areas. In keeping with commitments made to obtain the European Commission's regulatory approval, DuPont will divest certain parts of its crop protection portfolio. The deal is expected to result in cost savings of about \$3 billion. The combination would create leading businesses in agriculture, specialty products, and materials science. These will then be separated into three independent, publicly traded companies via tax-free spinoffs. This would likely occur 18 months after the closing of the transaction.

**The company posted a strong earnings performance in the first quarter, and favorable comparisons ought to continue throughout the year.** We envision solid results across the board. In particular, sales will probably further benefit from strength in global automotive markets and the favorable impact from a change in the timing of seed deliveries. The Industrial BioSciences and the Nutrition & Health businesses will likely be important performance drivers here. Efforts to control operating costs will likely support profitability going forward.

**These shares are unranked for Timeliness, due to the pending merger.** On its own, the stock has unimpressive appreciation potential from the recent quotation. Though we expect a solid operating performance in the coming years, the equity presently trades at a price-to-earnings multiple somewhat above its historical average. On the bright side, DuPont earns favorable marks for Safety, Financial Strength, and Price Stability.

Michael Napoli, CFA July 7, 2017

	2015	2016	2017	2018
Agric. & Nutr.	13054(15.1%)	12784(17.2%)	13300(17.5%)	13600(17.5%)
Ind. Biosci.	1171(16.5%)	1500(17.0%)	1700(18.5%)	1850(18.5%)
Electronics	2070(16.6%)	1960(17.0%)	2200(17.5%)	2350(18.0%)
Perform. Mat.	5305(22.5%)	5249(23.5%)	5500(24.5%)	5700(24.5%)
Safety & Prot.	3527(19.4%)	2954(21.5%)	3250(21.5%)	3450(21.0%)
Other	3(NMF)	147(NMF)	50(NMF)	50(NMF)
Company Total	25130(18.0%)	24594(19.3%)	26000(20.0%)	27000(20.0%)

(A) Diluted eqs. Excl. nonrec. items: '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¢); '14, (11¢); '15, (68¢); '16, (50¢). Excl. discon. items: '12, 34¢; '13, \$2.14; '14, 2¢; '15, 7¢. Egs. may not sum due to rounding. Next eqs. rpt. late July. (B) Div'd paid mid-March, June, Sept., and Dec. (C) Div'd reinvest. plan available. (D) Sold Textile division, 4/04. (E) Completed spinoff of The Chemours Company, 7/15. (F) Unranked due to upcoming merger.

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**Company's Financial Strength** A++  
**Stock's Price Stability** 80  
**Price Growth Persistence** 65  
**Earnings Predictability** 70

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