

Accenture plc: deep skepticism and low stock price. Is it a BUY?

Our valuation of Accenture plc on June 19, 2026. FREE VALUATION FOR EVERYONE.



VIAVALENS
JUN 20, 2026



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Accenture plc is a global professional services group that designs and delivers large-scale business and technology transformations for corporate and public-sector clients in more than 120 countries, with a particular focus on cloud, data and artificial intelligence-driven “reinvention” programs.

Based on the last four reported quarters, the company generated annual sales of USD 73,101 million and an operating result of USD 11,528 million, implying a robust operating margin of 15.8%. Today, Accenture's profile is increasingly shaped by its investments in data and AI capabilities, its global delivery network and its role as a leading partner for clients that want to modernize their digital core while managing cyber, regulatory and sustainability challenges.

Current developments

Accenture is in the middle of a strategic shift from classic project-based IT consulting towards longer-duration "reinvention" mandates in which it helps clients rebuild their processes, data architectures and applications around cloud platforms and generative AI, supported by a growing portfolio of proprietary AI tools and targeted acquisitions in high-value niches such as advanced analytics and cybersecurity.

At the same time, the wider IT-services industry is being reshaped by the move from experimentation to scaled AI deployment, by tighter IT budgets that force CIOs to prioritize high-impact automation over discretionary projects, and by the rise of industry-specific cloud stacks and platform engineering, trends that tend to favor large, trusted providers like Accenture that can bundle strategy, implementation and managed services on a global basis."

Our share value calculation on June 19, 2026 for paid subscribers:

The stock is undervalued.

The valuation of the share depends on the assessment of how AI will affect the business model in the future. There is no slump visible in the fundamental figures. However, capital markets trade on expectations and have clearly punished the share. We assume very moderate growth,

clearly below historical levels. We address the uncertain risks and opportunities from AI with a beta factor of 1.2 and calculate with very high costs of equity. In this way, we price in the risk and still identify an undervaluation.

Never catch a falling knife!

We recommend waiting for a bottoming formation in the share price before buying the stock.

Intrinsic Valuation Overview		
Accenture plc	Date:	19.06.26
ISIN	IE00B4BNMY34	
Internet	www.accenture.com	
Incorporation	Ireland	
Primary Industry: IT Consulting and Other Services		
Value per Share in USD		154.45
Stock Market Share Price in USD		127.98
Price / Value		83%
52 Week Low in USD		125.60
52 Week High in USD		307.77
Number of Shares Outstanding in million		613.9
thereof Freefloat		99.8%
Key numbers at Date of Valuation in USD million		
Market Capitalization		78,572
Total revenue of last four quarters		73,101
EBIT of last four quarters		11,528
EBIT-Margin of last four quarters		15.8%

Share VIAVALENS stock selection

Value drivers

- Scaling of generative-AI and data-driven “reinvention” programs across blue-chip clients, turning AI from project work into long-duration transformation mandates.
- Growth of high-stickiness managed services and outsourcing, where Accenture runs mission-critical processes and platforms and benefits from low churn and built-in price escalation.
- Deep ecosystem partnerships with the leading cloud and software platforms, securing preferred-partner status on large deals and giving the firm early access to new technology roadmaps.
- Continuous bolt-on acquisitions in areas like cybersecurity, data and niche industry capabilities, refreshing the portfolio and defending pricing power in specialist domains.
- Strong global brand and delivery network that allows Accenture to win complex multi-country mandates and arbitrage talent and cost between onshore and offshore locations.

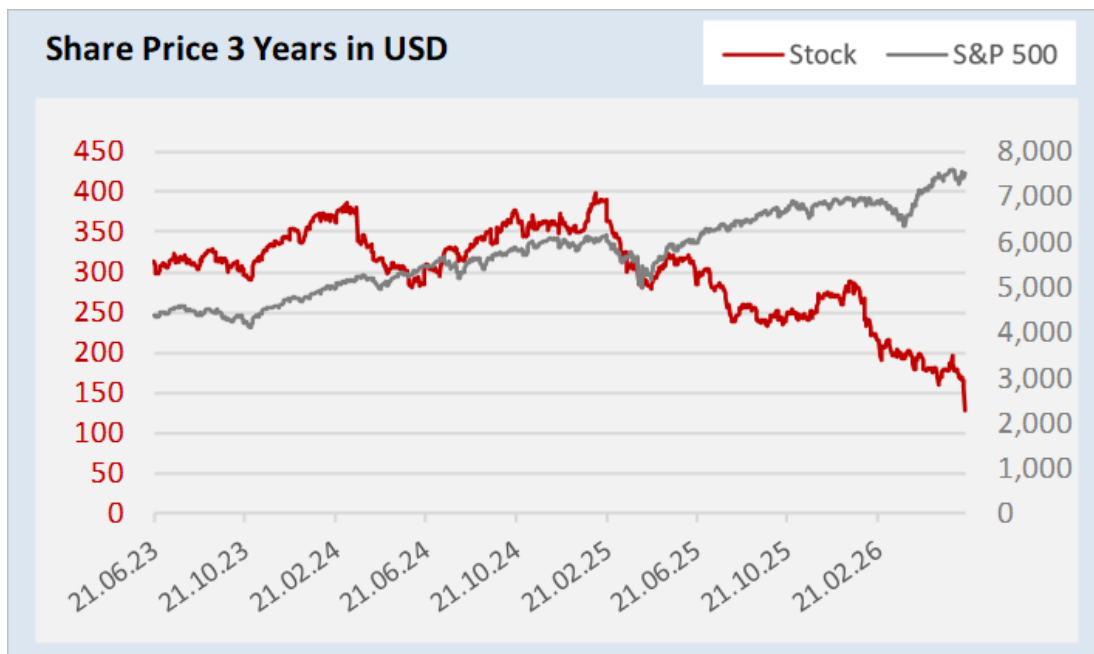
Stock price performance

Accenture’s share price has suffered a brutal de-rating, sliding from a 52-week high of USD 307.77 to currently around USD 127.98, as investors shifted from AI euphoria to deep skepticism about how much of the consulting and IT-services pie AI will actually expand rather than cannibalize.

The sell-off has been amplified by cautious revenue guidance, target cuts from previously bullish analysts and worries that tight IT budgets force CIOs to reshuffle, not grow, their spending, even while AI projects remain board-level priorities.

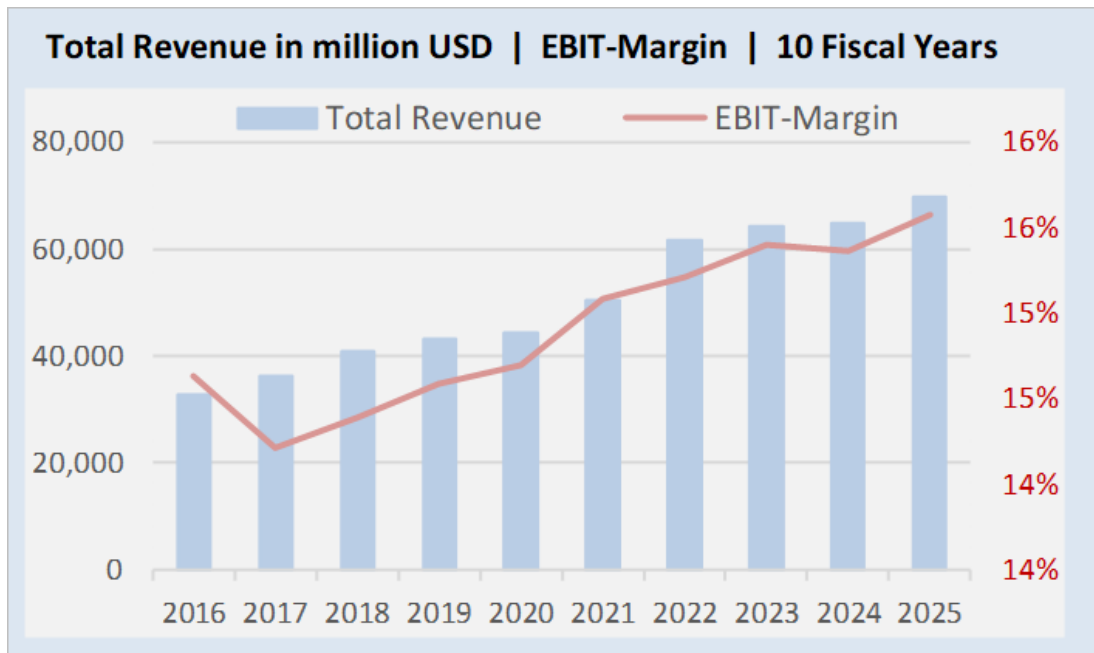
In other words, the market is now pricing Accenture less like a quality compounder and more like a cyclical contractor just as the company is

leaning hardest into AI-heavy, multi-year transformation work – a tension that creates both risk and opportunity for patient investors.



Business Development

In the last three fiscal years, revenue changed by 4.1%, 1.2% and most recently by 7.4%. In addition to those changes in top-line sales, we are looking at the operating margins achieved. In the last three fiscal years, EBIT-Margins amounted to 15.4%, 15.4% and most recently 15.6%. The mean EBIT margin during the last 10 years was 14.9%; over the last five years, however, it was 15.4% (Median). Over the last four quarters the EBIT-Margin amounted to 15.8%.



Analyst Forecasts

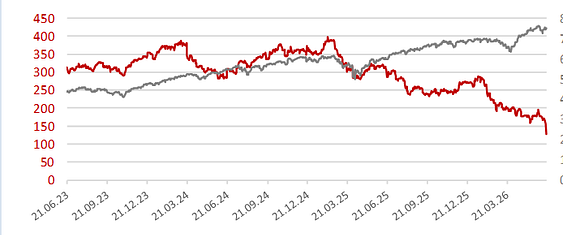
Based on the most recent annual financial statements as of 31.08.25, analysts expect revenue growth of about 5.6% (2026e), 4.6% (2027e), and 5.7% (2028e). The EBIT margin for the next three fiscal years is forecasted (Median) at 15.8%; 15.9% and 16.1%. Accordingly, earnings before interest and taxes (EBIT) in fiscal year 2028e would amount to USD 13,052 million (EBIT). Financial industry analysts see target prices for the share between USD 135.00 and USD 320.00; the Median is USD 190.00.

Key Ratios		19.6.26 12:00 AM
Market Enterprise Value / EBITDA		5.7
Market Enterprise Value / EBIT		6.9
Price / Diluted EPS Before Extra		10.2
Price / Normalized EPS		11.3
Price / Book Value		2.5
Net Debt / EBITDA		-0.1
Dividends per Share in USD		5.94
Expected Dividends per Share in USD		7.05
Expected Dividend Yield		5.5%

Peergroup Multiples		19.6.26 12:00 AM	
	Enterprise Value / EBITDA _{LTM}	PE	Price/Book
Accenture plc	5.7	11.3	2.5
Cognizant Technology	5.5	10.9	1.5
Globant S.A.	4.3	11.4	0.7
International Business	17.0	35.0	7.5
EPAM Systems	4.8	12.8	1.3
Itera ASA	10.5	30.5	10.0
Webstep ASA	5.3	11.9	1.1
Tata Consultancy	10.6	18.6	7.4
Wirtek A/S	16.3	NM	2.3
Tieto Oyj	9.3	20.9	2.2
Netcompany Group	14.4	32.5	4.3

Our opinion on the value of the share is based on a company valuation using a discounted cash flow (DCF) model.

Accenture plc full DCF model

Accenture plc		Share Price 3 Years in USD				— Stock — S&P 500						Date:		19.06.26
www.accenture.com												Share Price USD		127.98
Latest Quarterly Report	31.05.26											Value per Share YCV		154.45
Latest Fiscal Year	31.08.25											Price / Value		83%
Shares Outstanding mln	613.9											52 Week Low		125.60
Freefloat	100%											52 Week High		307.77
Rating	AA-											TV/TEV		51%
Net Debt / EBITDA	-0.1											Dividend Per Share 202		5.94
Market Capitalization mln	78,572											Expected DPS		7.05
in million USD												Expected Dividend Yield		5.5%
Historical Data	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	
Total Revenue	32,883	36,177	40,993	43,215	44,327	50,533	61,594	64,112	64,896	69,673	73,566	76,930	81,286	
change yoy	5.9%	10.0%	13.3%	5.4%	2.6%	14.0%	21.9%	4.1%	1.2%	7.4%	5.6%	4.6%	5.7%	
EBIT	4,810	5,143	5,899	6,305	6,514	7,622	9,367	9,873	9,969	10,854	11,592	12,258	13,052	
/ Total Revenue	14.6%	14.2%	14.4%	14.6%	14.7%	15.1%	15.2%	15.4%	15.4%	15.6%	15.8%	15.9%	16.1%	
Forecast	LTM	LTM+1	LTM+2	LTM+3	LTM+4	LTM+5	LTM+6	LTM+7	LTM+8	LTM+9	LTM+10	terminal	Median	
Total Revenue	73,101	75,254	78,296	82,849	87,190	91,439	95,617	99,692	103,637	107,420	112,211	117,216	93,528	
change yoy	8.7%	2.9%	4.0%	5.8%	5.2%	4.9%	4.6%	4.3%	4.0%	3.7%	4.5%	4.5%	4.4%	
EBIT	11,528	10,776	11,637	12,077	12,673	13,253	13,818	14,365	14,890	15,389	16,029	16,743	13,535	
/ Total Revenue	15.8%	14.3%	14.9%	14.6%	14.5%	14.5%	14.5%	14.4%	14.4%	14.3%	14.3%	14.3%	14.4%	
Other	2,186													
Income Tax	-2,710	-2,155	-2,327	-2,415	-2,535	-2,651	-2,764	-2,873	-2,978	-3,078	-3,206	-3,349	-2,707	
Tax / EBIT	19.8%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	
EBIT-T		8,621	9,310	9,661	10,138	10,602	11,054	11,492	11,912	12,311	12,823	13,395	10,828	
change yoy		-21.7%	8.0%	3.8%	4.9%	4.6%	4.3%	4.0%	3.7%	3.3%	4.2%	4.5%	4.1%	
Reinvestment (net)		-1,206	-1,805	-1,721	-1,685	-1,656	-1,616	-1,564	-1,500	-1,899	-1,984	-2,596	-1,670	
Revenue Increase / Reinvest		2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.0	2.5	
FCFF		7,415	7,505	7,940	8,454	8,946	9,439	9,929	10,412	10,412	10,839	10,798	9,192	
Reinvestment Rate		14.0%	19.4%	17.8%	16.6%	15.6%	14.6%	13.6%	12.6%	15.4%	15.5%	19.4%	15.4%	
ROCE		163.0%	131.2%	109.6%	96.6%	87.2%	80.3%	11.0%	70.8%	65.7%	61.9%	57.5%	83.7%	
WACC		11.4%	11.4%	11.4%	11.4%	11.4%	11.5%	11.5%	11.5%	11.5%	11.5%	11.5%	11.5%	
PV TV	51,825	57,734	64,324	71,674	79,871	89,014	99,215	110,596	123,294	137,465	153,280	= Terminal Value		
PV FCFF	50,615	6,656	6,046	5,740	5,482	5,203	4,923	4,643	4,364	3,911	3,648	R-Rate	19.4%	
TEV	102,440	106,787	111,470	116,266	121,109	126,028	131,031	136,133	141,351	147,186	153,280	"g"=w(rf)	4.5%	
TEV/EBIT	4.5	5.4	5.5	5.9	6.3	6.7	7.2	7.7	8.3	8.9	9.6	TV = FCFF/(wacc-g)		
Total Enterprise Value (TEV)			102,440		Cost of Capital USD		Remarks							
Total Cash & ST Investments			10,172		i (risk free)		Historical Total Revenue and EBIT can be found in the company's published reports.							
Long Term Marketable Securities					ERP adj.		The ratio of EBIT to Total Revenue is the so-called EBIT margin .							
(Market Value of) Debt			-14,943		Beta		The three subsequent years ending (e) are based on analyst estimates for the fiscal years .							
Financial Receivables							Forecasts are based on the most current financials by adding data of the last twelve months (LTM) .							
Minority Interest			-1,617		i (Equity)		If the date of the last quarterly report falls on the date of the fiscal year, LTM (Last Twelve Months) numbers correspond to the most recent annual financial statements.							
Unearned Revenue, Non-Current, Other			-1,038		i (Debt)		Sales in absolute terms are forecasted based on the selected annual growth rates .							
Debt Equivalent of Unfunded Benefit Oblig			-1,116		Tax		The EBIT line item of the forecast is determined based on the selected annual EBIT-Margin .							
Cashout legal disputes					i after Tax		The item "Other" includes numbers not included in operating EBIT.							
Value of Stock Options					Market Cap		The above can be applied if the history consistently shows annual special effects.							
Value of cross holdings & LT Investments			925		Debt Value		Tax payments are calculated based on the selected tax rates (Tax/EBIT).							
Equity Value 100%			94,822		WACC		Since EBIT-T does not include tax-deductible interest expenses, a so-called "tax shield" is taken into account in the discount rate.							
Revenue Distribution of Industries							Reinvestments comprise investments in fixed and current assets, net of depreciation and amortization, including acquisitions.							
IT Consulting and Other Serv			30%		United States		FCFF is the resulting free cash flow before interest and principal payments of the company and is available to investors (shareholders and debt investors).							
IT Consulting & Other Service			21%		EMEA (Excluding Ireland)		The R-Rate (Reinvestment-Rate) is the ratio of EBIT-T (excluding "Other") to Total Revenue.							
IT Consulting & Other Service			18%		Asia Pacific		Annual Reinvestment increase the annual invested capital (" Capital Employed ").							
IT Consulting & Other Service			16%		Americas Excluding Unit		ROCE ("return on capital employed") relates EBIT-T (excluding other) to invested capital.							
IT Consulting & Other Service			14%		Ireland		WACC is the Weighted Average Cost of Capital (blended discount rate for equity and debt) and is derived for each company on the valuation date.							
							WACC includes market risk, country risk, and the company's relative systematic risk based on the so-called bottom-up Beta of the respective industries (see methodology).							
							The Terminal Value and the expected FCFF are discounted to the valuation date using the WACC (present value, or "PV"), taking into account the respected risk.							
							Disclaimer: This document does not constitute a recommendation.							

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Read further if you are interested to learn how we calculate the intrinsic value per share.

Discounted Cashflow Model Key Inputs

Sales volume

The starting point for our forecast for the DCF model is the quoted annual sales of USD 73,101 million (LTM). LTM stands for “Last Twelve Months” and adds together the last four quarterly reports to provide a current annual view. We estimate sales growth for the first three planning periods (LTM+1 to LTM+3) at 2.9%, 4.0% and 5.8%. Accordingly, we did not adopt the analysts’ growth rates but instead adjusted them in light of the company’s expected quarterly performance. For the subsequent planning periods (LTM+3 to LTM+10) up to steady state, we assume annual sales changes between a minimum of 3.7% und a maximum of 5.2%.

EBIT

For the first three forecasted periods (LTM+1 to LTM+3), we consider EBIT margins of 14.3%, 14.9% and 14.6%. In steady state, we advocate an EBIT margin of 14.3%; EBIT would therefore amount to USD 16,743 million. We do not see any need to consider special effects below the operational EBIT line item.

Key assumptions in USD million		
Expected Revenue next 4 quarters (LTM+1)		75,254
Expected Revenue LTM+2	+4.0%	78,296
Expected Revenue LTM+3	+5.8%	82,849
Possible Revenue in 10 years		112,211
Expected EBIT-Margin next 4 quarters		14.3%
Expected EBIT-Margin LTM+2		14.9%
Expected EBIT-Margin LTM+3		14.6%
Possible EBIT-Margin in 10 years		14.3%
Expected Tax / EBIT		20.0%
Expected Reinvestment / EBIT-T		15.4%

Tax

We take future tax payments into account using percentages on the resulting EBIT line, i.e. the result before financing interest. It is part of the valuation mechanism to disregard tax-deductible interest in the assessment basis (EBIT), as this is reflected in the discount rate ("tax shield"). Taking into account the history and any loss carryforwards, we consider effective tax rates of 20.0%.

Reinvestment

Reinvestment include investments in fixed and current assets, net of depreciation and amortization. In this case, we calculate future reinvestment by using the Sales / Capital - Ratio: Company revenue is related to tied-up capital (ratio: revenue/capital). This ratio expresses how much capital must be tied up for a given revenue.

Since the DCF model includes revenue forecasts, the (implicitly) Capital Employed can be calculated. The change of Capital Employed from one period to the next results in annual reinvestment. Typically, the Sales to Capital - Ratio ranges somewhere between 0.5 und 5.0 (depending on the capital intensity of the respective industry.). The lower the ratio, the more must be invested for a given revenue. For example, if the ratio is 3.0 (revenue/capital), €30 must be invested for €100 in revenue.

Calculated Reinvestment

The DCF model forecasts a change in sales over 10 years by 53.5% (Revenue LTM+10 / Revenue LTM). We assume that business volume will grow over time and take into account necessary reinvestment. The Sales/Capital-Ratio (LTM+10) that is chosen amounts to 2.52. The selection is based on an analysis of the company's history (statistical relevance) in comparison to industry benchmarks.

For the forecasting, sales growth is divided by the Sales/Capital-Ratio. The calculation is: (USD 117,216 - USD 75,254 million) / 2.52. For the 10 Years forecast, the total amounts to USD 16,635 million for plausible reinvestment. We distribute the justified necessary reinvestment over the 10 planning periods, taking into account the assumed annual development of sales.

Terminal Value

The DCF model calculates the free cash flows before financing (FCFF) for each of the 10 planning periods and then takes into account a so called Terminal Value. In accordance with standard valuation methodology, we assume the eternal existence of the company and point out that a cash flow far in the future hardly affects the present value. We calculate the Terminal Value using the methodically recognized formula: Terminal Value = Terminal Cash Flow / (WACC - growth rate g).

In this case, the calculation is:

Terminal Value = USD 10,798 Mio. / (11.5% - 4.5%) = USD 153,280 million (Enterprise Value in 10 years from the date of valuation). The growth rate “g” is based on the risk-free interest rate, in our and academic opinion the best indicator for long-term economic growth in the respective currency. The present value of the Terminal Value included in the valuation result amounts to (only) USD 51,825 million.

Discount Rates

We use the DCF model based on the entity approach, which is the most widely used in theory and practice. Accordingly, cash flows before debt service are discounted using weighted cost of capital. In this case we use a discount rate of 11.4% (LTM), the mathematical derivation of which we explain and justify below. Taking into account expected leverage ratios, we adjust the discount rate over time until 11.5% for the cash flow in steady state.

Derivation and justification

As a risk-free interest rate, we use the daily traded yield of a safe 10-year government bond, as of the valuation date in the amount of 4.5% (USD). For taking stock market equity risk into account, we consider a risk premium of 6.0% in a first step. One important feature of our methodology is to price in the regional risk of the company and in this case we change the risk premium to 6.9%.

The regional adjustment of the risk premium takes into account the location of the company and its regional sales markets, which Accenture plc regularly publishes. As a risk measure, we use the current prices traded on the capital market for country default risk (credit default swaps) and calculate weights based on the regional sales distribution.

We calculate the cost of equity as follows:

Cost of Equity = risk-free rate + Beta * regional adjusted risk premium
= 4.5% + 1.20 * 6.9% = 12.7%. The formula is the recognized derivation along the so-called Capital Asset Pricing Model, whereas the “Beta” as a relative measure adjusts the risk premium individually (relative risk).

Calculation of Discount Rate	
Risk-free Rate (10Y Government Bond) USD	4.5%
Equity Risk Premium based on sales regions	6.9%
Relative Risk (relevered Beta of Industries)	1.20
Adjustment in case of specific Country Risk	0.0%
Cost of Equity	12.7%
Cost of Debt at Date of valuation	5.6%
Marginal Tax Rate of Country	20.0%
Cost of Debt after Tax	4.5%
Market Capitalization in USD million	78,572
Value of Debt in USD million	14,943
Weighted Average Cost of Capital (WACC)	11.4%
WACC at steady state	11.5%

Releverd Beta of relevant industries

“Beta” represents the systematic risk of the company; a Beta of less than 1.0 implies a lower risk than the market and vice versa. Our models always use specially derived bottom-up Betas, never the regression Beta of the individual stock, which we consider an unsuitable risk

measure. Our Beta therefore takes into account the systematic risk of the industries in which Accenture plc operates.

Many companies operate in different industries; we calculate weights based on industrial revenue distribution and consider premiums or discounts depending on the stability of the EBIT margin (CAPM plus). In accordance with our methodology, we adjust Beta to the specific leverage ratio ("levered Beta") and each company is assigned an individually justified risk that must be priced in.

Cost of Debt

We estimate Cost of Debt as of the valuation date at 5.6%. This is the interest rate at which the company can currently borrow long-term funds. We determine the aforementioned interest rate based on a company rating and the currently traded yields of 10-year corporate bonds of the same rating class. Necessarily, in accordance with correct practise, we reduce the Cost of Debt by the Marginal Tax Rate (tax-shield), in this case in the amount of 20.0%. The Cost of Debt taken into account is therefore 4.5%.

Weighted Average Cost of Capital (WACC)

Taking into account current market capitalization and debt, we weigh the Cost of Equity in this case with 84.0% and the Cost of Debt with 16.0%.

All this results in the quoted Weighted Average Cost of Capital:

$$\text{WACC} = 12.7\% * 84.0\% + 4.5\% * 16.0\% = 11.4\%$$

Valuation Results and Equity Bridge in USD million	
Present Value of free cash flows over 10 Years	50,615
Present value of Terminal Value	51,825
Enterprise Value	102,440
Total Cash & ST Investments	10,172
(Market Value of) Debt	-14,943
Minority Interest	-1,617
Unearned Revenue, Non-Current, Other	-1,038
Debt Equivalent of Unfunded Benefit Obligation	-1,116
Value of cross holdings & LT Investments	925
Equity Value	94,822
Intrinsic Value per Share in USD	154.45

Final Remarks

The present value of the terminal value and the present value of all 10 discounted cash flows add up to the debt & cash free Enterprise Value. The Enterprise Value in this case amounts to USD 102,440 million = USD 51,825 million (Present Value of Terminal Value) plus USD 50,615 million (Present Value of forecasted cash flows).

In accordance with correct methodology, cash including tradable securities (USD 10,172 million) are added and interest bearing liabilities (USD 14,943 million) are subtracted.

In addition, we analyze the liabilities of the balance sheets to consider additional items in the so-called “equity bridge” if necessary. These may include, in particular, accrued advance payments, consolidated minority shares or uncovered pension provisions, as well as other items. After

deducting or adding the items listed individually in the equity bridge of the DCF model, the Equity Value as of the valuation date is USD 94,822 million.

The Intrinsic Value per Share is calculated when dividing the Equity Value by the number of outstanding shares (614 million). Value per Share as of the valuation date therefore amounts to USD 154.45.

The Intrinsic Value per Share can be compared with the current stock market price (USD 127.98) and can be used for investment decisions. Based on this company valuation, the ratio of Share Price to Share Value as of the valuation date is: 82.9%.

Buy or sell it or not, your decision.

Thank you for joining the VIAVALENS way!

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