

ModernGraham Valuation

Company Name:

LivePerson, Inc.

Company Ticker LPSN

Date of Analysis

4/10/2017



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	\$375,049,878	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.23	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	431.25%	Pass
5. Earnings Growth	PEmg < 20	-31.61	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.70	Fail
7. Moderate Price to Assets			

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	1.23	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago Score		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.21
MG Growth Estimate	-4.25%
MG Value	\$0.20
MG Value based on 3% Growth	-\$3.06
MG Value based on 0% Growth	-\$1.80
Market Implied Growth Rate	-20.05%

MG Opinion

Current Price	\$6.68
% of Intrinsic Value	3408.02%
Opinion	Overvalued
MG Grade	D

Stage 3: Information for Further Research

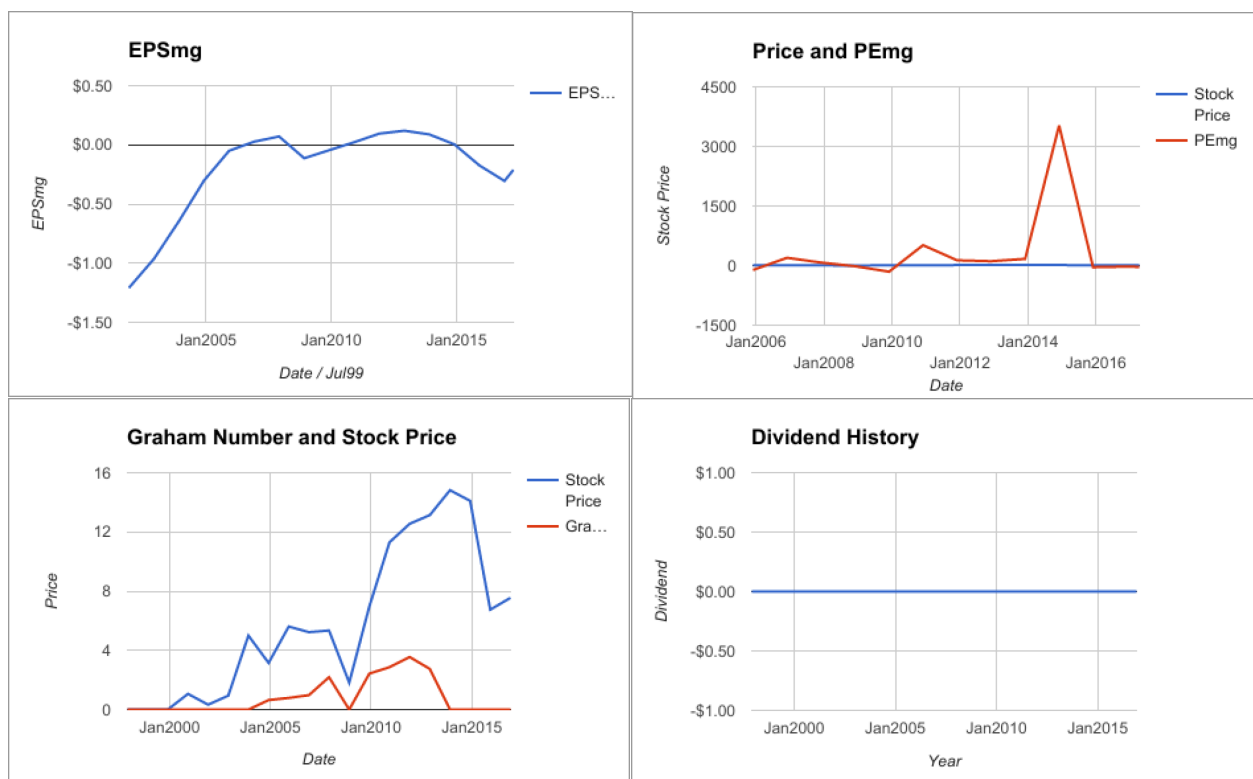
Net Current Asset Value (NCAV)	\$0.20
Graham Number	\$2.07
PEmg	-31.61
Current Ratio	1.23
PB Ratio	2.70
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
	\$0.08		-\$0.21
Dec2016	-\$0.46	Dec2016	-\$0.31
Dec2015	-\$0.47	Dec2015	-\$0.17
Dec2014	-\$0.13	Dec2014	\$0.00
Dec2013	-\$0.06	Dec2013	\$0.09
Dec2012	\$0.11	Dec2012	\$0.12
Dec2011	\$0.22	Dec2011	\$0.09
Dec2010	\$0.18	Dec2010	\$0.02
Dec2009	\$0.16	Dec2009	-\$0.05
Dec2008	-\$0.50	Dec2008	-\$0.11
Dec2007	\$0.12	Dec2007	\$0.07
Dec2006	\$0.05	Dec2006	\$0.03
Dec2005	\$0.06	Dec2005	-\$0.05
Dec2004	\$0.05	Dec2004	-\$0.30
Dec2003	-\$0.02	Dec2003	-\$0.65
Dec2002	-\$0.20	Dec2002	-\$0.96
Dec2001	-\$0.80	Dec2001	-\$1.21
Dec2000	-\$2.50	Balance Sheet Information 12/1/2016	
Dec1999	-\$1.38	Total Current Assets	\$92,151,000
Dec1998	\$0.00	Total Current Liabilities	\$74,683,000
Dec1997	\$0.00	Long-Term Debt	\$0
		Total Assets	\$219,638,000
		Intangible Assets	\$96,755,000
		Total Liabilities	\$81,162,000
		Shares Outstanding (Diluted Average)	56,064,000





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

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[Convergys Corp Valuation – Initial Coverage \\$CVG](#)
[International Business Machines Corp Valuation – March 2017 \\$IBM](#)
[Verisk Analytics Inc Valuation – Initial Coverage \\$VRSK](#)
[CSRA Inc Valuation – Initial Coverage \\$CSRA](#)
[CSG Systems International Inc Valuation – Initial Coverage \\$CSGS](#)
[Computer Programs & Systems Inc Valuation – Initial Coverage \\$CPSI](#)
[Qualcomm Inc Valuation – February 2017 \\$QCOM](#)
[Verisign Inc Valuation – February 2017 \\$VRSN](#)
[Jack Henry & Associates Inc Valuation – Initial Coverage \\$JKHY](#)