

# ModernGraham Valuation

Company Name:

Raven Industries, Inc.

Company Ticker RAVN

Date of Analysis

9/8/2017



## 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	\$1,045,046,248	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	4.91	Pass
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	-37.68%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	40.49	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.86	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	4.91	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	Pass
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 Score		Fail

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$0.71
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$3.06</b>
MG Value based on 3% Growth	\$10.31
MG Value based on 0% Growth	\$6.05
Market Implied Growth Rate	15.99%

### MG Opinion

Current Price	\$28.80
% of Intrinsic Value	940.13%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C-</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$3.06
Graham Number	\$12.91
PEmg	40.49
Current Ratio	4.91
PB Ratio	3.86
Current Dividend	\$0.52
Dividend Yield	1.81%
Number of Consecutive Years of Dividend Growth	15

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Jan2017	\$1.03	Jan2017	\$0.71
Jan2016	\$0.56	Jan2016	\$0.65
Jan2015	\$0.13	Jan2015	\$0.79
Jan2014	\$0.86	Jan2014	\$1.15
Jan2013	\$1.17	Jan2013	\$1.25
Jan2012	\$1.44	Jan2012	\$1.24
Jan2011	\$1.39	Jan2011	\$1.08
Jan2010	\$1.12	Jan2010	\$0.90
Jan2009	\$0.79	Jan2009	\$0.78
Jan2008	\$0.85	Jan2008	\$0.75
Jan2007	\$0.77	Jan2007	\$0.66
Jan2006	\$0.70	Jan2006	\$0.58
Jan2005	\$0.67	Jan2005	\$0.49
Jan2004	\$0.49	Jan2004	\$0.37
Jan2003	\$0.39	Jan2003	\$0.28
Jan2002	\$0.30	Jan2002	\$0.22
Jan2001	\$0.23	Jan2001	\$0.17
Jan2000	\$0.16	<b>Balance Sheet Information</b>	
Jan1999	\$0.13	<b>7/1/2017</b>	
Jan1998	\$0.11	Total Current Assets	\$156,109,000
	\$0.14	Total Current Liabilities	\$31,777,000
		Long-Term Debt	\$0
		Total Assets	\$317,196,000
		Intangible Assets	\$52,069,000
		Total Liabilities	\$44,129,000
		Shares Outstanding (Diluted Average)	36,554,000





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

[Raven Industries Inc Valuation – January 2016 Update \\$RAVN](#)  
[Raven Industries Inc. Analysis – October 2015 Update \\$RAVN](#)  
[Raven Industries Inc. Analysis – Initial Coverage \\$RAVN](#)

Other  
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posts about related  
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[E I du Pont de Nemours & Co Valuation – August 2016 \\$DD](#)  
[3M Company Valuation – August 2016 \\$MMM](#)  
[General Electric Co Valuation – July 2016 \\$GE](#)  
[Illinois Tool Works Inc Valuation – July 2016 \\$ITW](#)  
[Raven Industries Inc Valuation – July 2016 \\$RAVN](#)  
[E.I. du Pont de Nemours Valuation – February 2016 \\$DD](#)  
[Honeywell International Inc Valuation – February 2016 \\$HON](#)  
[3M Company Valuation – February 2016 Update \\$MMM](#)  
[Raven Industries Inc Valuation – January 2016 Update \\$RAVN](#)  
[Illinois Tool Works Inc Valuation – January 2016 Update \\$ITW](#)