

ModernGraham Valuation

Alexander & Baldwin
Inc



Company Name:

Company Ticker ALEX

Date of Analysis

8/12/2015

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	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	Fail
3. Earnings Stability	Positive EPS for 10 years prior	Fail
4. Dividend Record	Dividend Payments for 10 years prior	Fail
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	Pass
6. Moderate PEmg Ratio	PEmg < 20	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	Pass

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	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	Fail
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	Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	0.90
MG Growth Estimate	-1.44%
MG Value	\$5.03
MG Value based on 3% Growth	\$12.99
MG Value based on 0% Growth	\$7.62
Market Implied Growth Rate	16.53%

MG Opinion

Current Price	\$37.23
% of Intrinsic Value	740.01%
Opinion	Overvalued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$17.19
PEmg	41.55
Current Ratio	1.35
PB Ratio	1.49
Dividend Yield	0.51%
Number of Consecutive Years of Dividend Growth	3

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	\$0.93	Next Fiscal Year Estimate	\$0.90
Dec14	\$1.25	Dec14	\$0.94
Dec13	\$0.76	Dec13	\$0.86
Dec12	\$0.48	Dec12	\$0.89
Dec11	\$0.55	Dec11	\$0.99
Dec10	\$2.22	Dec10	\$1.03
Dec09	\$1.08	Dec09	\$0.36
Dec08	\$0.00	Dec08	\$0.00
Dec07	\$0.00	Dec07	\$0.00
Dec06	\$0.00	Dec06	\$0.00
Dec05	\$0.00	Dec05	\$0.00
Dec04	\$0.00	Dec04	\$0.00
Dec03	\$0.00	Dec03	\$0.00
Dec02	\$0.00	Dec02	\$0.00
Dec01	\$0.00	Dec01	\$0.00
Dec00	\$0.00	Dec00	\$0.00
Dec99	\$0.00	Dec99	\$0.00
Dec98	\$0.00	Balance Sheet Information Jun15	
Dec97	\$0.00	Total Current Assets	\$183,300,000
Dec96	\$0.00	Total Current Liabilities	\$136,200,000
Dec95	\$0.00	Long-Term Debt	\$568,600,000
		Total Assets	\$2,269,600,000
		Intangible Assets	\$161,100,000
		Total Liabilities	\$1,032,400,000
		Outstanding Shares	49,400,000



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

[Aecom Analysis – Initial Coverage \\$ACM](#)
[Quanta Services Inc. Analysis – July 2015 Update \\$PWR](#)
[Fluor Corporation Analysis – July 2015 Update \\$FLR](#)
[Martin Marietta Materials Inc. Analysis – Initial Coverage \\$MLM](#)
[D.R. Horton Inc. Analysis – July 2015 Update \\$DHI](#)
[Jacobs Engineering Group Inc. Analysis – July 2015 Update \\$JEC](#)
[PulteGroup Analysis – June 2015 Update \\$PHM](#)
[The Best Companies of the Construction Industry – June 2015](#)
[Flowserve Corporation Quarterly Valuation – May 2015 \\$FLS](#)
[Vulcan Materials Company Annual Valuation – 2015 \\$VMC](#)