## ModernGraham Valuation

## **Company Name:**

Joy Global Inc.

Company Ticker JOY

Date of Analysis



2/4/2016

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. \$1,016,589,444 Fail 1. Adequate Size of the Enterprise Market Cap > \$2Bil 2. Sufficiently Strong Financial Condition Current Ratio > 2 2.27 Pass 3. Earnings Stability Positive EPS for 10 years prior Fail 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

5. Earnings Growth -181.68% Fail 6. Moderate PEmg Ratio -8.67 Fail PEmg < 20 7. Moderate Price to Assets PB Ratio < 2.5 OR PB\*PEmg < 50 0.79 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 2.27 Pass 2. Sufficiently Strong Financial Condition Debt to NCA < 1.1 0.92 Pass 3. Earnings Stability Positive EPS for 5 years prior Fail 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

**EPSmq** -\$1.32 MG Growth Estimate -4.25% MG Value \$0.00 MG Value based on 3% Growth -\$19.20 MG Value based on 0% Growth -\$11.25 Market Implied Growth Rate -8.59%

MG Opinion

**Current Price** \$11.48

% of Intrinsic Value N/A Opinion Overvalued

Stage 3: Information for Further Research

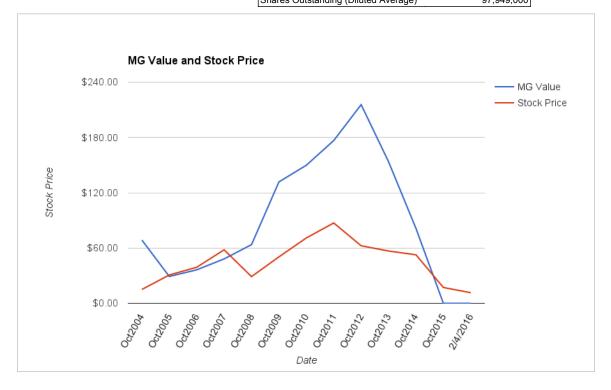
Net Current Asset Value (NCAV) -\$2.29 Graham Number \$9.23 PEmg -8.67 **Current Ratio** 2.27 PB Ratio 0.79 Dividend Yield 6.97%

Number of Consecutive Years of Dividend

**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	\$0.26	Next Fiscal Year Estimate	-\$1.32
Oct2015	-\$12.08	Oct2015	-\$0.80
Oct2014	\$3.35	Oct2014	\$4.93
Oct2013	\$4.99	Oct2013	\$5.59
Oct2012	\$7.13	Oct2012	\$5.60
Oct2011	\$5.72	Oct2011	\$4.59
Oct2010	\$4.40	Oct2010	\$3.89
Oct2009	\$4.41	Oct2009	\$3.42
Oct2008	\$3.45	Oct2008	\$2.69
Oct2007	\$2.51	Oct2007	\$2.05
Oct2006	\$3.38	Oct2006	\$1.54
Oct2005	\$1.20	Oct2005	\$1.34
Oct2004	\$0.46	Oct2004	\$1.78
Oct2003	\$0.16	Oct2003	\$1.37
Oct2002	-\$0.25	Oct2002	\$1.03
Oct2001	\$12.27	Oct2001	\$0.93
Oct2000	\$0.00	Oct2000	-\$4.09
Oct1999	-\$16.12	Balance Sheet Information	Oct2015
Oct1998	-\$0.18	Total Current Assets	\$2,068,442,000
Oct1997	\$1.30	Total Current Liabilities	\$910,920,000
Oct1996	\$1.08	Long-Term Debt	\$1,060,643,000
		Total Assets	\$3,712,446,000
		Intangible Assets	\$610,331,000
		Total Liabilities	\$2,292,437,000
		Shares Outstanding (Diluted Average)	97,949,000





## 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 Joy Global Inc. Valuation – November 2015 Update \$JOY

Joy Global Inc. Analysis – August 2015 Update \$JOY

47 Companies in the Spotlight This Week – 5/16/15

Joy Global Inc. Quarterly Valuation – May 2015 \$JOY

5 Undervalued Companies for Value Investors with a High Beta - May 2015

Other ModernGraham posts about related companies Allegion PLC Valuation – February 2016 Update \$ALLE

Rockwell Automation Inc Valuation – February 2016 Update \$ROK

Parker Hannifin Corp Valuation - January 2016 Update \$PH

Stanley Black & Decker Inc Valuation – January 2016 Update \$SWK

Paccar Inc Valuation – January 2016 Update \$PCAR

Xylem Inc Valuation – January 2016 Update \$XYL

Xylem Inc Valuation – January 2016 Update \$XYL

Roper Technologies Inc Valuation – January 2016 Update \$ROP

W W Grainger Inc Valuation – January 2016 Update \$GWW

Deere & Company Valuation – January 2016 Update \$DE