

ModernGraham Valuation



Expeditors
International of
Washington

Company Name:

Company Ticker EXPD

Date of Analysis

6/24/2016

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. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$8,733,337,460	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.44	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	76.96%	Pass
6. Moderate PEmg Ratio	PEmg < 20	22.73	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.89	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	2.44	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		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.09
MG Growth Estimate	5.12%
MG Value	\$39.14
MG Value based on 3% Growth	\$30.30
MG Value based on 0% Growth	\$17.76
Market Implied Growth Rate	7.12%

MG Opinion

Current Price	\$47.50
% of Intrinsic Value	121.37%
Opinion	Overvalued
MG Grade	C+

Stage 3: Information for Further Research

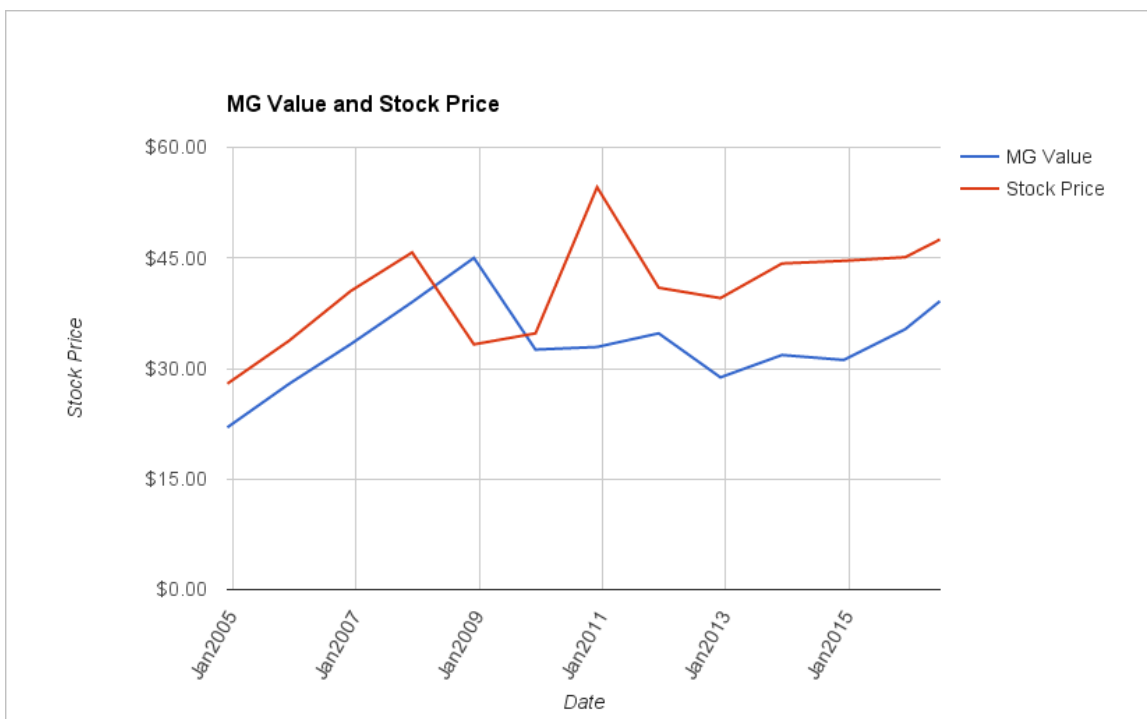
Net Current Asset Value (NCAV)	\$6.49
Graham Number	\$22.07
PEmg	22.73
Current Ratio	2.44
PB Ratio	4.89
Current Dividend	\$0.72
Dividend Yield	1.52%
Number of Consecutive Years of Dividend Growth	20

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[Morningstar](#)
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.21	Next Fiscal Year Estimate	\$2.09
Dec2015	\$2.40	Dec2015	\$1.98
Dec2014	\$1.92	Dec2014	\$1.75
Dec2013	\$1.68	Dec2013	\$1.62
Dec2012	\$1.57	Dec2012	\$1.56
Dec2011	\$1.79	Dec2011	\$1.51
Dec2010	\$1.59	Dec2010	\$1.33
Dec2009	\$1.11	Dec2009	\$1.18
Dec2008	\$1.37	Dec2008	\$1.17
Dec2007	\$1.21	Dec2007	\$1.01
Dec2006	\$1.06	Dec2006	\$0.86
Dec2005	\$0.98	Dec2005	\$0.72
Dec2004	\$0.71	Dec2004	\$0.57
Dec2003	\$0.56	Dec2003	\$0.48
Dec2002	\$0.52	Dec2002	\$0.42
Dec2001	\$0.44	Dec2001	\$0.35
Dec2000	\$0.38	Dec2000	\$0.28
Dec1999	\$0.28	Balance Sheet Information 3/1/2016	
Dec1998	\$0.22	Total Current Assets	\$2,087,480,000
Dec1997	\$0.18	Total Current Liabilities	\$854,415,000
Dec1996	\$0.12	Long-Term Debt	\$0
		Total Assets	\$2,679,743,000
		Intangible Assets	\$7,927,000
		Total Liabilities	\$900,492,000
		Shares Outstanding (Diluted Average)	183,018,000





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

- [Expeditors International of Washington Valuation – January 2016 Update \\$EXPD](#)
- [Expeditors International of Washington Analysis – October 2015 Update \\$EXPD](#)
- [Expeditors International of Washington Analysis – June 2015 Update \\$EXPD](#)
- [18 Companies in the Spotlight This Week – 3/21/15](#)
- [Expeditors International of Washington Quarterly Valuation – March 2015 \\$EXPD](#)

Other ModernGraham posts about related companies

- [Expeditors International of Washington Valuation – January 2016 Update \\$EXPD](#)
- [FedEx Corp Valuation – November 2015 Update \\$FDX](#)
- [United Parcel Service Inc. Valuation – October 2015 Update \\$UPS](#)
- [Expeditors International of Washington Analysis – October 2015 Update \\$EXPD](#)
- [FedEx Corporation Analysis – August 2015 Update \\$FDX](#)
- [C.H. Robinson Worldwide Inc. Analysis – 2015 Update \\$CHRW](#)
- [Expeditors International of Washington Analysis – June 2015 Update \\$EXPD](#)
- [FedEx Corporation Quarterly Valuation – March 2015 \\$FDX](#)
- [Expeditors International of Washington Quarterly Valuation – March 2015 \\$EXPD](#)
- [Ryder System Inc. Annual Valuation – 2015 \\$R](#)