ModernGraham Valuation

Company Name:

Company Ticker NPK Date of Analysis National Presto Industries Inc.



7/13/2016

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. <i>F</i>	Adequate Size of the Enterprise	Market Cap > \$2Bil	\$664,020,229 Fail
2. 8	Sufficiently Strong Financial Condition	Current Ratio > 2	4.90 Pass
3. E	Earnings Stability	Positive EPS for 10 years prior	Pass
4. E	Dividend Record	Dividend Payments for 10 years prior	Fail
5. E	Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-27.70% Fail
6. N	Moderate PEmg Ratio	PEmg < 20	17.70 Pass
7. N	Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.13 Pass
Enterprising Investor; must	t pass 4 out of the following 5 tests, or be	suitable for the Defensive Investor.	
1. 5	Sufficiently Strong Financial Condition	Current Ratio > 1.5	4.90 Pass
2. 5	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00 Pass

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3	. Earnings Stability	Positive EPS for 5 years prior	Pass
2	. Dividend Record	Currently Pays Dividend	Pass
5	 Earnings Growth 	EPSmg greater than 5 years ago	Fail

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

	EPSmg		\$5.39
	MG Growth Estimate		-3.83%
	MG Value		\$27.14
	MG Value based on 3% Growth		\$78.16
	MG Value based on 0% Growth		\$45.82
	Market Implied Growth Rate		4.60%
MG Opinion			
	Current Price		\$95.42
	% of Intrinsic Value		351.58%
	Opinion	Overvalued	
	MG Grade	С	

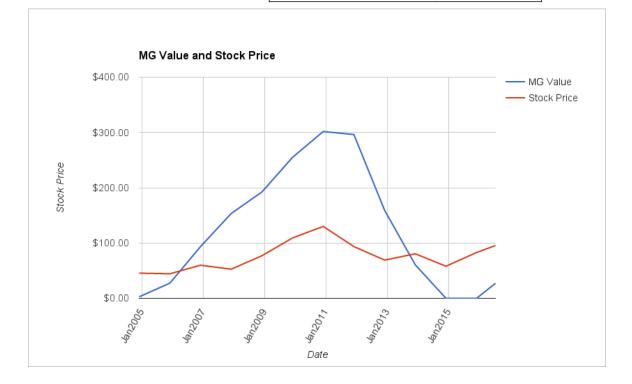
Stage 3: Information for Further Research

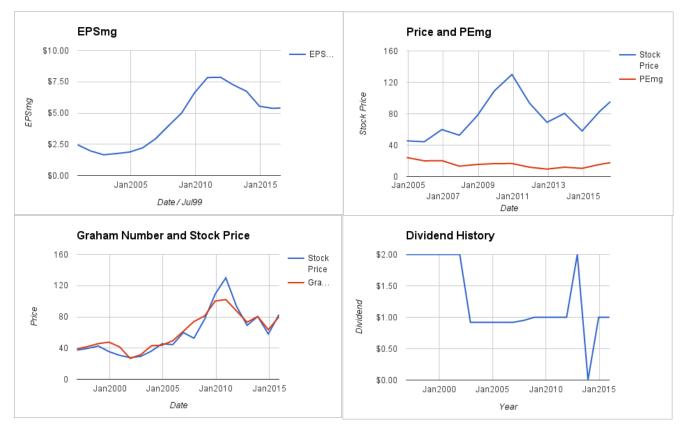
Net Current Asset Value (NCAV)	\$27.14
Graham Number	\$75.94
PEmg	17.70
Current Ratio	4.90
PB Ratio	2.13
Current Dividend	\$1.00
Dividend Yield	1.05%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

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

EPS History		EPSmg History	
Next Fiscal Year Estimate	¢5.70	Next Fiscal Year Estimate	\$5.39
Dec2015	\$5.83		\$5.3
Dec2014	\$3.82		\$5.5
Dec2013	\$5.97		\$6.7
Dec2012	\$5.64	Dec2012	\$7.2
Dec2011	\$6.98	Dec2011	\$7.8
Dec2010	\$9.26	Dec2010	\$7.8
Dec2009	\$9.13	Dec2009	\$6.6
Dec2008	\$6.45	Dec2008	\$5.0
Dec2007	\$5.65	Dec2007	\$3.9
Dec2006	\$4.09	Dec2006	\$2.9
Dec2005	\$2.78	Dec2005	\$2.2
Dec2004	\$2.26	Dec2004	\$1.8
Dec2003	\$2.27	Dec2003	\$1.7
Dec2002	\$1.27	Dec2002	\$1.6
Dec2001	\$0.92	Dec2001	\$1.9
Dec2000	\$2.16	Dec2000	\$2.4
Dec1999	\$2.84	Balance Sheet Information	3/1/201
Dec1998	\$2.68	Total Current Assets	\$237,519,00
Dec1997	\$2.31	Total Current Liabilities	\$48,515,00
Dec1996	\$2.00	Long-Term Debt	\$
		Total Assets	\$360,566,00
		Intangible Assets	\$16,388,00
		Total Liabilities	\$48,515,00
		Shares Outstanding (Diluted Average)	6,964,00





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	National Presto Industries Valuation – January 2016 Update \$NPK
	National Presto Industries Inc. Valuation – October 2015 Update \$NPK
	National Presto Industries Inc. Valuation – October 2015 Update \$NPK
	National Presto Industries Analysis – July 2015 Update \$NPK
	27 Companies in the Spotlight This Week – 4/4/15
Other ModernGraham posts about related companies	Leggett & Platt Inc Stock Valuation – February 2016 \$LEG
	National Presto Industries Valuation – January 2016 Update \$NPK
	Newell Rubbermaid Inc. Valuation – October 2015 Update \$NWL
	National Presto Industries Valuation – January 2016 Update \$NPK
	Newell Rubbermaid Inc. Valuation – October 2015 Update \$NWL
	National Presto Industries Inc. Valuation – October 2015 Update \$NPK
	Clorox Company Analysis – September 2015 Update \$CLX
	National Presto Industries Analysis – July 2015 Update \$NPK
	National Presto Industries Inc. Quarterly Valuation – March 2015 \$NPK
	National Presto Industries Inc. Quarterly Valuation – December 2014 \$NPK