

ModernGraham Valuation

Company Name:

Axiom Corporation

Company Ticker ACXM

Date of Analysis

11/30/2016



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	\$2,045,397,577 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.93 Fail
3. Earnings Stability	Positive EPS for 10 years prior	Fail
4. Dividend Record	Dividend Payments for 10 years prior	Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	
5. Earnings Growth		-61.70% Fail
6. Moderate PEmg Ratio	PEmg < 20	133.54 Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.97 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	1.93 Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.84 Pass
3. Earnings Stability	Positive EPS for 5 years prior	Fail
4. Dividend Record	Currently Pays Dividend	Fail
5. Earnings Growth	EPSmg greater than 5 years ago	Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.20
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$2.88
MG Value based on 0% Growth	\$1.69
Market Implied Growth Rate	62.52%

MG Opinion

Current Price	\$26.53
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	F

Stage 3: Information for Further Research

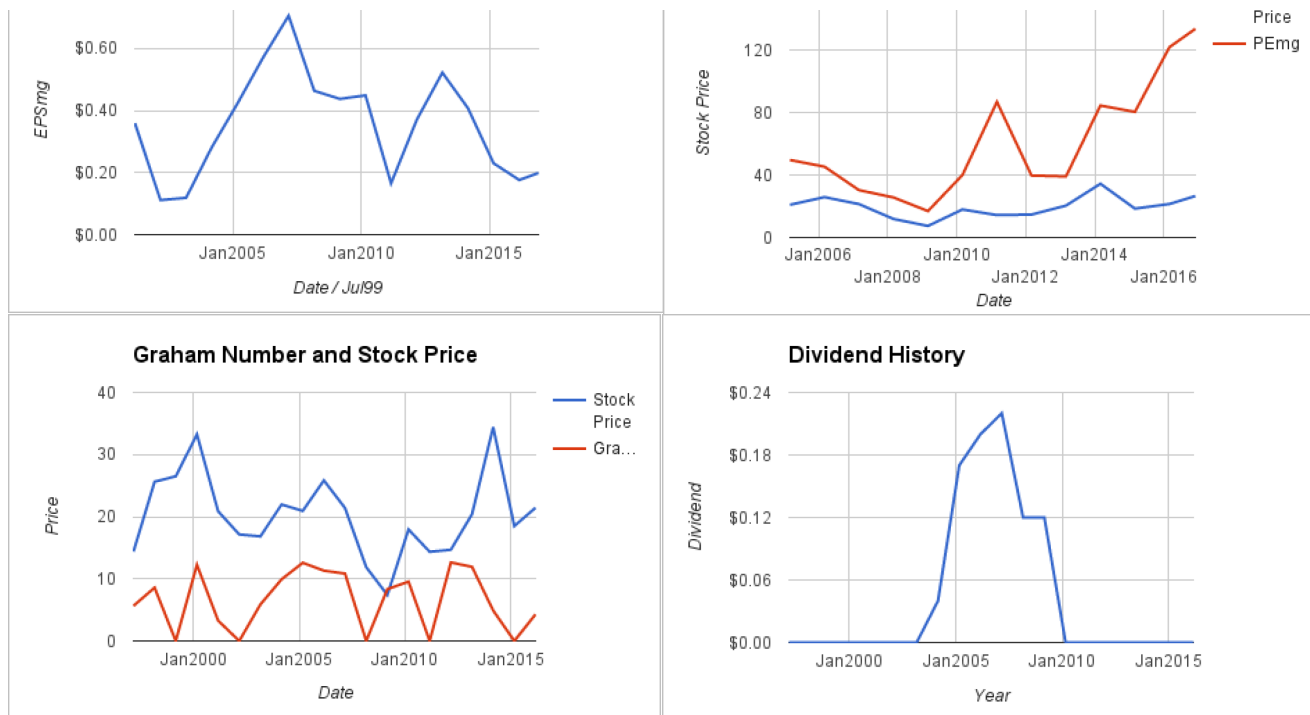
Net Current Asset Value (NCAV)	-\$0.51
Graham Number	\$9.18
PEmg	133.54
Current Ratio	1.93
PB Ratio	2.97
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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		Next Fiscal Year Estimate	
Mar2016	\$0.09	Mar2016	\$0.18
Mar2015	-\$0.14	Mar2015	\$0.23
Mar2014	\$0.12	Mar2014	\$0.41
Mar2013	\$0.75	Mar2013	\$0.52
Mar2012	\$0.89	Mar2012	\$0.37
Mar2011	-\$0.36	Mar2011	\$0.17
Mar2010	\$0.56	Mar2010	\$0.45
Mar2009	\$0.48	Mar2009	\$0.44
Mar2008	-\$0.10	Mar2008	\$0.46
Mar2007	\$0.80	Mar2007	\$0.71
Mar2006	\$0.71	Mar2006	\$0.57
Mar2005	\$0.74	Mar2005	\$0.42
Mar2004	\$0.64	Mar2004	\$0.28
Mar2003	\$0.24	Mar2003	\$0.12
Mar2002	-\$0.36	Mar2002	\$0.11
Mar2001	\$0.07	Mar2001	\$0.36
Mar2000	\$1.00	Balance Sheet Information 9/1/2016	
Mar1999	-\$0.19	Total Current Assets	\$354,181,000
Mar1998	\$0.57	Total Current Liabilities	\$183,969,000
Mar1997	\$0.47	Long-Term Debt	\$142,341,000
		Total Assets	\$1,102,057,000
		Intangible Assets	\$557,580,000
		Total Liabilities	\$394,569,000
		Shares Outstanding (Diluted Average)	79,277,000





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:

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ModernGraham
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company

[5 Speculative and Overvalued Companies to Avoid – August 2015](#)
[Axiom Corporation Analysis – Initial Coverage \\$ACXM](#)

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[Cognizant Technology Solutions Corp Valuation – July 2016 \\$CTSH](#)
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