# **ModernGraham Valuation**

# **Company Name:**

Company Ticker APOL Date of Analysis Apollo Education Group Inc



## Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

1/9/2017

Defensive Investor; must pass 6 out of the following 7 tests.

1	<ol> <li>Adequate Size of the Enterprise</li> </ol>	Market Cap > \$2Bil	\$1,090,765,953	Fail
2	2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.52	Fail
3	<ol> <li>Earnings Stability</li> </ol>	Positive EPS for 10 years prior		Fail
4	<ol> <li>Dividend Record</li> </ol>	Dividend Payments for 10 years prior		Fail
		Increase of 33% in EPS in past 10 years using 3 year averages at		
5	5. Earnings Growth	beginning and end	-105.37%	Fail
6	<ol><li>Moderate PEmg Ratio</li></ol>	PEmg < 20	43.85	Fail
7	<ol> <li>Moderate Price to Assets</li> </ol>	PB Ratio < 2.5 OR PB*PEmg < 50	1.01	Pass
Enterprising Investor; mu	ust pass 4 out of the following 5 tests, or be s	uitable for the Defensive Investor.		
1	<ol> <li>Sufficiently Strong Financial Condition</li> </ol>	Current Ratio > 1.5	1.52	Pass
2	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.09	Pass
3	<ol> <li>Earnings Stability</li> </ol>	Positive EPS for 5 years prior		Fail
4	<ol> <li>Dividend Record</li> </ol>	Currently Pays Dividend		Fail
5	5. Earnings Growth	EPSmg greater than 5 years ago		Fail
		Score		
Suitability				
[	Defensive	No		
E	Enterprising	No		

### Stage 2: Determination of Intrinsic Value

	EPSmg		\$0.23
	MG Growth Estimate		-4.25%
	MG Value		\$1.35
	MG Value based on 3% Growth		\$3.29
	MG Value based on 0% Growth		\$1.93
	Market Implied Growth Rate		17.68%
MG Opinion			
	Current Price		\$9.94
	% of Intrinsic Value		739.01%
	Opinion	Overvalued	
	MG Grade	F	

#### Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$1.35
Graham Number	\$0.00
PEmg	43.85
Current Ratio	1.52
PB Ratio	1.01
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	

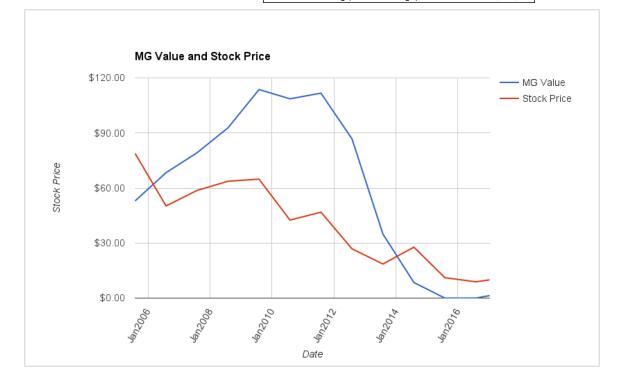
 Useful Links:
 ModernGraham tagged articles
 Morningstar

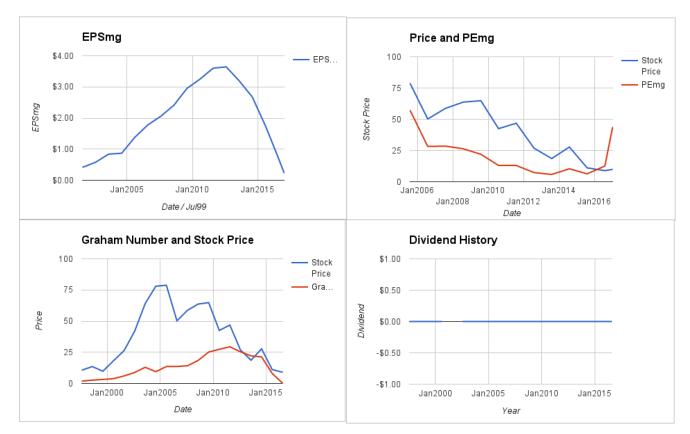
 Google Finance
 MSN Money

 Yahoo Finance
 Seeking Alpha

 GuruFocus
 SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate		Next Fiscal Year Estimate	\$0.23
Aug2016	-\$0.78	Aug2016	\$0.71
Aug2015	\$0.27	Aug2015	\$1.75
Aug2014	\$1.86	Aug2014	\$2.67
Aug2013	\$2.19	Aug2013	\$3.19
Aug2012	\$3.45	Aug2012	\$3.64
Aug2011	\$4.04	Aug2011	\$3.60
Aug2010	\$3.62	Aug2010	\$3.25
Aug2009	\$3.75	Aug2009	\$2.95
Aug2008	\$2.87	Aug2008	\$2.47
Aug2007	\$2.35	Aug2007	\$2.00
Aug2006	\$2.35	Aug2006	\$1.78
Aug2005	\$2.30	Aug2005	\$1.38
Aug2004	\$0.77	Aug2004	\$0.87
Aug2003	\$1.27	Aug2003	\$0.84
Aug2002	\$0.84	Aug2002	\$0.58
Aug2001	\$0.57	Aug2001	\$0.4
Aug2000	\$0.41	Balance Sheet Information	8/1/2016
Aug1999	\$0.33	Total Current Assets	\$1,088,725,000
Aug1998	\$0.26	Total Current Liabilities	\$715,477,000
Aug1997	\$0.19	Long-Term Debt	\$35,186,000
		Total Assets	\$2,012,906,000
		Intangible Assets	\$463,845,000
		Total Liabilities	\$942,572,000
		Shares Outstanding (Diluted Average)	108,660,000





#### 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 Apollo Education Group Inc. Analysis – Initial Coverage \$APOL
ModernGraham
posts about the
company

Other ModernGraham posts about related companies Automatic Data Processing Valuation – November 2016 \$ADP United Rentals Inc Valuation – August 2016 \$URI Robert Half International Inc Valuation – August 2016 \$RHI Accenture PLC Valuation – August 2016 \$ACN Fiserv Inc Valuation – August 2016 \$FISV Cintas Corporation Valuation – July 2016 \$CTAS Pitney Bowes Inc Valuation – July 2016 \$PBI Xerox Corp Valuation – June 2016 \$XRX Avery Dennison Corp Valuation – June 2016 \$AVY Ecolab Inc Valuation – June 2016 \$ECL