

ModernGraham Valuation

Company Name:

Company Ticker JBLU
Date of Analysis

JetBlue Airways
Corporation

1/25/2017



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	\$7,174,947,237	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.80	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-7700.00%	Fail
6. Moderate PEmg Ratio	PEmg < 20	13.79	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.94	Pass

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	0.80	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-3.40	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.58
MG Growth Estimate	15.00%
MG Value	\$60.78
MG Value based on 3% Growth	\$22.89
MG Value based on 0% Growth	\$13.42
Market Implied Growth Rate	2.65%

MG Opinion

Current Price	\$21.77
% of Intrinsic Value	35.82%
Opinion	Undervalued
MG Grade	C+

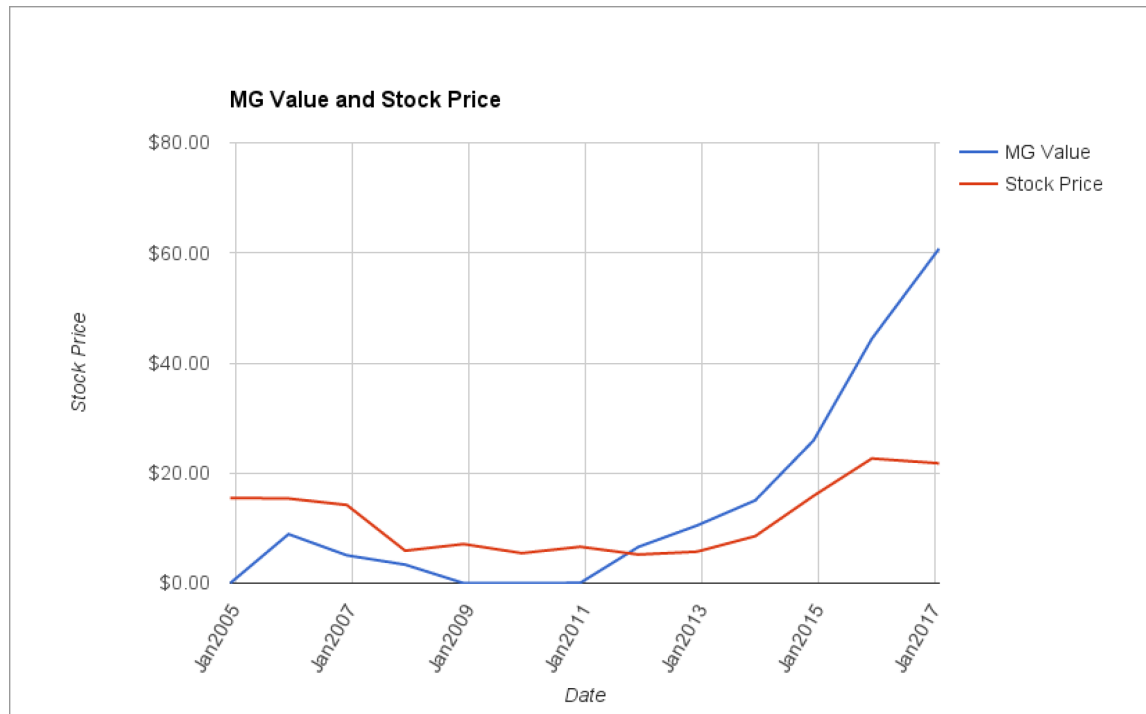
Stage 3: Information for Further Research

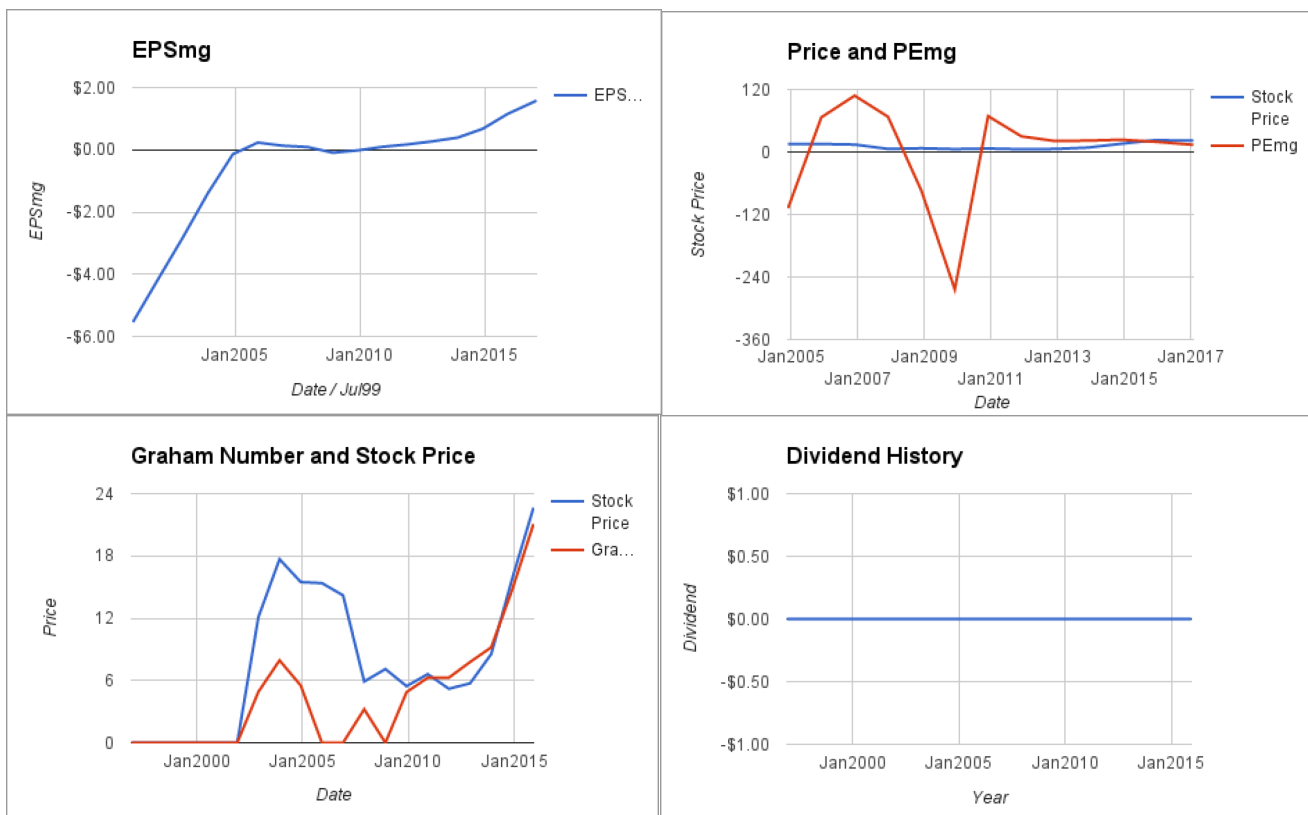
Net Current Asset Value (NCAV)	-\$10.86
Graham Number	\$23.97
PEmg	13.79
Current Ratio	0.80
PB Ratio	1.94
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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		\$2.15	Next Fiscal Year Estimate		\$1.58
Dec2015		\$1.98	Dec2015		\$1.15
Dec2014		\$1.19	Dec2014		\$0.67
Dec2013		\$0.52	Dec2013		\$0.39
Dec2012		\$0.40	Dec2012		\$0.27
Dec2011		\$0.28	Dec2011		\$0.17
Dec2010		\$0.31	Dec2010		\$0.10
Dec2009		\$0.20	Dec2009		-\$0.02
Dec2008		-\$0.37	Dec2008		-\$0.10
Dec2007		\$0.10	Dec2007		\$0.09
Dec2006		\$0.00	Dec2006		\$0.13
Dec2005		-\$0.13	Dec2005		\$0.23
Dec2004		\$0.28	Dec2004		-\$0.14
Dec2003		\$0.64	Dec2003		-\$1.40
Dec2002		\$0.37	Dec2002		-\$2.82
Dec2001		\$0.34	Dec2001		-\$4.17
Dec2000		-\$7.90	Dec2000		-\$5.54
Dec1999		-\$10.91	Balance Sheet Information 9/1/2016		
Dec1998		\$0.00	Total Current Assets		\$2,008,000,000
Dec1997		\$0.00	Total Current Liabilities		\$2,505,000,000
Dec1996		\$0.00	Long-Term Debt		\$1,689,000,000
			Total Assets		\$9,579,000,000
			Intangible Assets		\$0
			Total Liabilities		\$5,733,000,000
			Shares Outstanding (Diluted Average)		343,100,000





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

#N/A

Other ModernGraham posts about related companies

- [Delta Air Lines Inc Valuation – July 2016 \\$DAL](#)
- [Southwest Airlines Company Valuation – October 2015 Update \\$LUV](#)
- [Alaska Air Group Inc. Analysis – Initial Coverage \\$ALK](#)
- [American Airlines Group Analysis – 2015 Initial Coverage \\$AAL](#)
- [Delta Air Lines Inc. Annual Valuation – 2015 \\$DAL](#)
- [Southwest Airlines Company Annual Valuation – 2014 \\$LUV](#)