

# ModernGraham Valuation

Company Name:

Copart, Inc.

Company Ticker

CPRT

Date of Analysis

2/8/2017



## 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	\$6,557,491,914	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.76	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	140.08%	Pass
5. Earnings Growth	PEmg < 20	28.75	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	8.39	Fail
7. Moderate Price to Assets			

*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	1.76	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		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.98
MG Growth Estimate	9.27%
<b>MG Value</b>	<b>\$53.57</b>
MG Value based on 3% Growth	\$28.72
MG Value based on 0% Growth	\$16.84
Market Implied Growth Rate	10.13%

### MG Opinion

Current Price	\$56.95
% of Intrinsic Value	106.31%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>C</b>

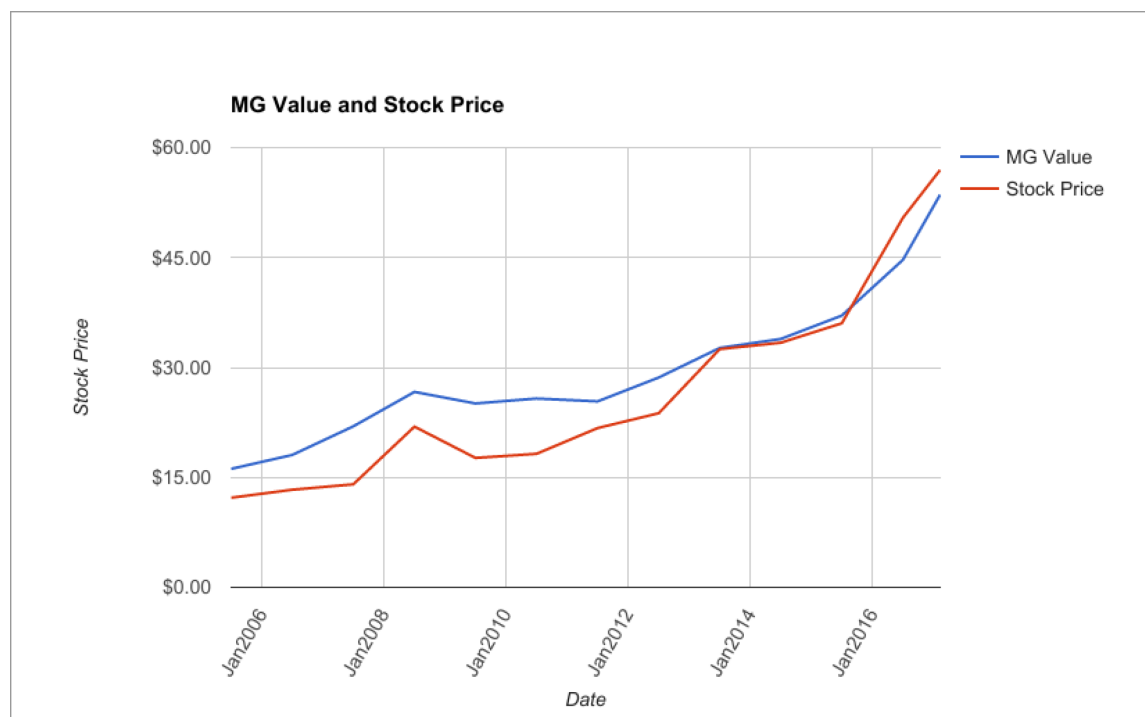
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$2.80
Graham Number	\$19.31
PEmg	28.75
Current Ratio	1.76
PB Ratio	8.39
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.35	Next Fiscal Year Estimate	\$1.98
Jul2016	\$2.21	Jul2016	\$1.73
Jul2015	\$1.67	Jul2015	\$1.45
Jul2014	\$1.36	Jul2014	\$1.31
Jul2013	\$1.39	Jul2013	\$1.22
Jul2012	\$1.39	Jul2012	\$1.10
Jul2011	\$1.08	Jul2011	\$0.93
Jul2010	\$0.89	Jul2010	\$0.83
Jul2009	\$0.83	Jul2009	\$0.76
Jul2008	\$0.88	Jul2008	\$0.69
Jul2007	\$0.73	Jul2007	\$0.57
Jul2006	\$0.52	Jul2006	\$0.47
Jul2005	\$0.55	Jul2005	\$0.42
Jul2004	\$0.44	Jul2004	\$0.34
Jul2003	\$0.31	Jul2003	\$0.27
Jul2002	\$0.32	Jul2002	\$0.23
Jul2001	\$0.25	Jul2001	\$0.17
Jul2000	\$0.18	<b>Balance Sheet Information 10/1/2016</b>	
Jul1999	\$0.13	Total Current Assets	\$630,711,000
Jul1998	\$0.09	Total Current Liabilities	\$357,678,000
Jul1997	\$0.08	Long-Term Debt	\$0
		Total Assets	\$1,770,396,000
		Intangible Assets	\$265,334,000
		Total Liabilities	\$962,989,000
		Shares Outstanding (Diluted Average)	118,879,000





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

[Standard Motor Products Inc Valuation – Initial Coverage \\$SMP](#)  
[Harman International Industries Inc Valuation – January 2017 \\$HAR](#)  
[BorgWarner Inc Valuation – December 2016 \\$BWA](#)  
[Ford Motor Company Valuation – November 2016 \\$F](#)  
[CarMax Inc Valuation – November 2016 \\$KMX](#)  
[Advance Auto Parts Inc Valuation – November 2016 \\$AAP](#)  
[General Motors Company Valuation – November 2016 \\$GM](#)  
[Delphi Automotive PLC Valuation – August 2016 \\$DLP](#)  
[Carmax Inc Valuation – August 2016 \\$KMX](#)  
[BorgWarner Inc Valuation – August 2016 \\$BWA](#)