

ModernGraham Valuation

Company Name:

CorVel Corporation

Company Ticker

CRVL

Date of Analysis

2/23/2017



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	\$784,384,456	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.55	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		
5. Earnings Growth		64.27%	Pass
6. Moderate PEmg Ratio	PEmg < 20	28.54	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	5.56	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	1.55	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

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.43
MG Growth Estimate	4.62%
MG Value	\$25.29
MG Value based on 3% Growth	\$20.68
MG Value based on 0% Growth	\$12.12
Market Implied Growth Rate	10.02%

MG Opinion

Current Price	\$40.70
% of Intrinsic Value	160.93%
Opinion	Overvalued
MG Grade	C

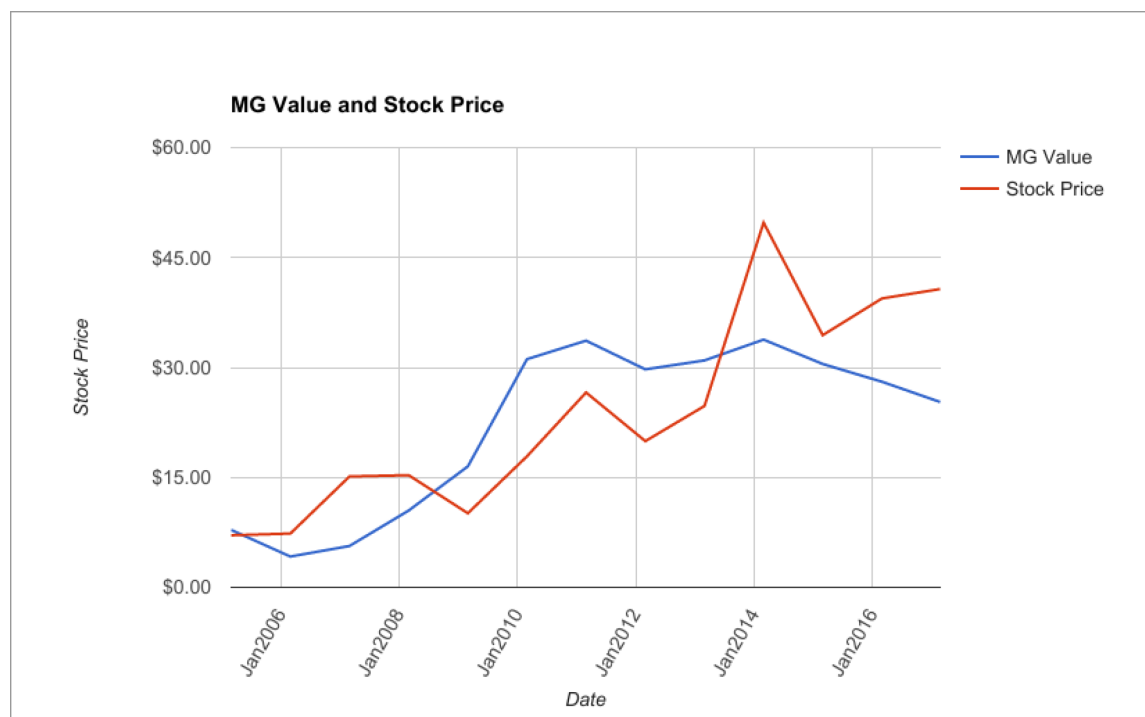
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$2.09
Graham Number	\$15.36
PEmg	28.54
Current Ratio	1.55
PB Ratio	5.56
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	
	\$1.43		\$1.43
Mar2016	\$1.43	Mar2016	\$1.40
Mar2015	\$1.37	Mar2015	\$1.34
Mar2014	\$1.61	Mar2014	\$1.29
Mar2013	\$1.19	Mar2013	\$1.09
Mar2012	\$1.14	Mar2012	\$1.01
Mar2011	\$1.03	Mar2011	\$0.91
Mar2010	\$1.03	Mar2010	\$0.81
Mar2009	\$0.71	Mar2009	\$0.66
Mar2008	\$0.84	Mar2008	\$0.59
Mar2007	\$0.65	Mar2007	\$0.47
Mar2006	\$0.34	Mar2006	\$0.39
Mar2005	\$0.32	Mar2005	\$0.42
Mar2004	\$0.49	Mar2004	\$0.46
Mar2003	\$0.50	Mar2003	\$0.42
Mar2002	\$0.43	Mar2002	\$0.36
Mar2001	\$0.38	Mar2001	\$0.32
Mar2000	\$0.33	Balance Sheet Information 12/1/2016	
Mar1999	\$0.28	Total Current Assets	\$135,552,000
Mar1998	\$0.24	Total Current Liabilities	\$87,478,000
Mar1997	\$0.20	Long-Term Debt	\$0
		Total Assets	\$237,725,000
		Intangible Assets	\$40,774,000
		Total Liabilities	\$94,724,000
		Shares Outstanding (Diluted Average)	19,549,000





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

[Charles River Laboratories Intl Inc Valuation – Initial Coverage \\$CRL](#)
[Kindred Healthcare Inc Valuation – Initial Coverage \\$KND](#)
[SurModics Inc Valuation – Initial Coverage \\$SRDX](#)
[Agilent Technologies Inc Valuation – February 2017 \\$A](#)
[Cooper Companies Inc Valuation – Initial Coverage \\$COO](#)
[Edwards Lifesciences Corp Valuation – January 2017 \\$EW](#)
[Baxter International Inc Valuation – January 2017 \\$BAX](#)
[CONMED Corporation Valuation – Initial Coverage \\$CNMD](#)
[Boston Scientific Corp Valuation – January 2017 \\$BSX](#)
[Centene Corp Valuation – Initial Coverage \\$CNC](#)