ModernGraham Valuation

Company Name:

Company Ticker KLXI Date of Analysis KLX Inc



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

2/12/2017

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

	,		
	1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$2,676,977,126 Pass
	2. Sufficiently Strong Financial Condition	Current Ratio > 2	7.44 Pass
	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	-16066.67% Fail
	6. Moderate PEmg Ratio	PEmg < 20	-53.71 Fail
	7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.18 Fail
Enterprising Inves	for; must pass 4 out of the following 5 tests, or be		
	1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	7.44 Pass
	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.69 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
		Score	

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

	EPSmg		-\$0.94
	MG Growth Estimate		-4.25%
	MG Value		\$9.53
	MG Value based on 3% Growth		-\$13.69
	MG Value based on 0% Growth		-\$8.02
	Market Implied Growth Rate		-31.10%
MG Opinion			
	Current Price		\$50.70
	% of Intrinsic Value		532.07%
	Opinion	Overvalued	
	MG Grade	D	

Stage 3: Information for Further Research

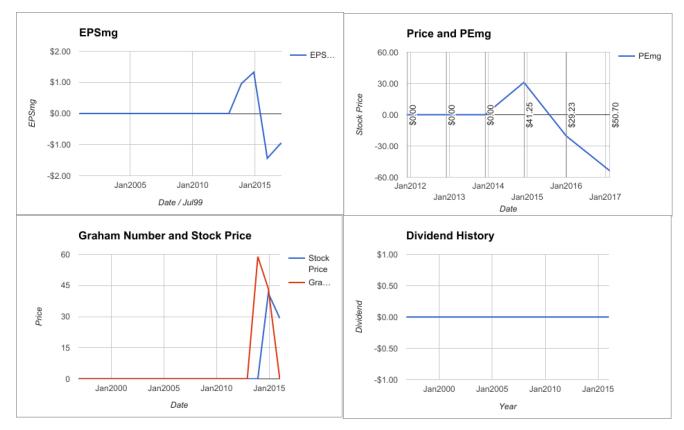
Net Current Asset Value (NCAV)	\$9.53
Graham Number	\$29.70
PEmg	-53.71
Current Ratio	7.44
PB Ratio	1.18
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles Google Finance Yahoo Finance GuruFocus Morningstar MSN Money Seeking Alpha SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate		Next Fiscal Year Estimate	-\$0.9
Jan2016	-\$7.39	Jan2016	-\$1.4
Dec2014	\$1.68	Dec2014	\$1.3
Dec2013	\$2.88	Dec2013	\$0.9
Dec2012	\$0.00	Dec2012	\$0.0
Dec2011	\$0.00	Dec2011	\$0.0
Dec2010	\$0.00	Dec2010	\$0.0
Dec2009	\$0.00	Dec2009	\$0.0
Dec2008	\$0.00	Dec2008	\$0.0
Dec2007	\$0.00	Dec2007	\$0.0
Dec2006	\$0.00	Dec2006	\$0.0
Dec2005	\$0.00	Dec2005	\$0.0
Dec2004	\$0.00	Dec2004	\$0.0
Dec2003	\$0.00	Dec2003	\$0.0
Dec2002	\$0.00	Dec2002	\$0.0
Dec2001	\$0.00	Dec2001	\$0.0
Dec2000	\$0.00	Dec2000	\$0.0
Dec1999	\$0.00	Balance Sheet Information	10/1/201
Dec1998	\$0.00	Total Current Assets	\$1,988,500,00
Dec1997	\$0.00	Total Current Liabilities	\$267,300,00
Dec1996	\$0.00	Long-Term Debt	\$1,181,300,00
		Total Assets	\$3,728,600,00
		Intangible Assets	\$1,313,600,00
		Total Liabilities	\$1,491,100,00
		Shares Outstanding (Diluted Average)	52,200,00





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
 AGCO Corporation Valuation – February 2017 \$AGCO

 ModernGraham
 PACCAR Inc Valuation – February 2017 \$PCAR

 kaman Corporation Valuation – Initial Coverage \$KAMN

 John Bean Technologies Corp Valuation – Initial Coverage \$JBT

 W. W. Grainger Inc Valuation – January 2017 \$GWW

 Allegion PLC Valuation – January 2017 \$ALLE

 Xylem Inc Valuation – January 2017 \$XYL

 Clarcor Inc Valuation – Initial Coverage \$CLC

 Caterpillar Inc Valuation – August 2016 \$CAT

Regal Beloit Corp Valuation – August 2016 \$RBC