

ModernGraham Valuation

Company Name:

Lydall, Inc.

Company Ticker

LDL

Date of Analysis

3/2/2017



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	\$884,724,960	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.83	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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		-831.07%	Fail
6. Moderate PEmg Ratio	PEmg < 20	23.32	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.31	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	2.83	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.78	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	\$2.25
MG Growth Estimate	15.00%
MG Value	\$86.68
MG Value based on 3% Growth	\$32.64
MG Value based on 0% Growth	\$19.14
Market Implied Growth Rate	7.41%

MG Opinion

Current Price	\$52.50
% of Intrinsic Value	60.57%
Opinion	Undervalued
MG Grade	C+

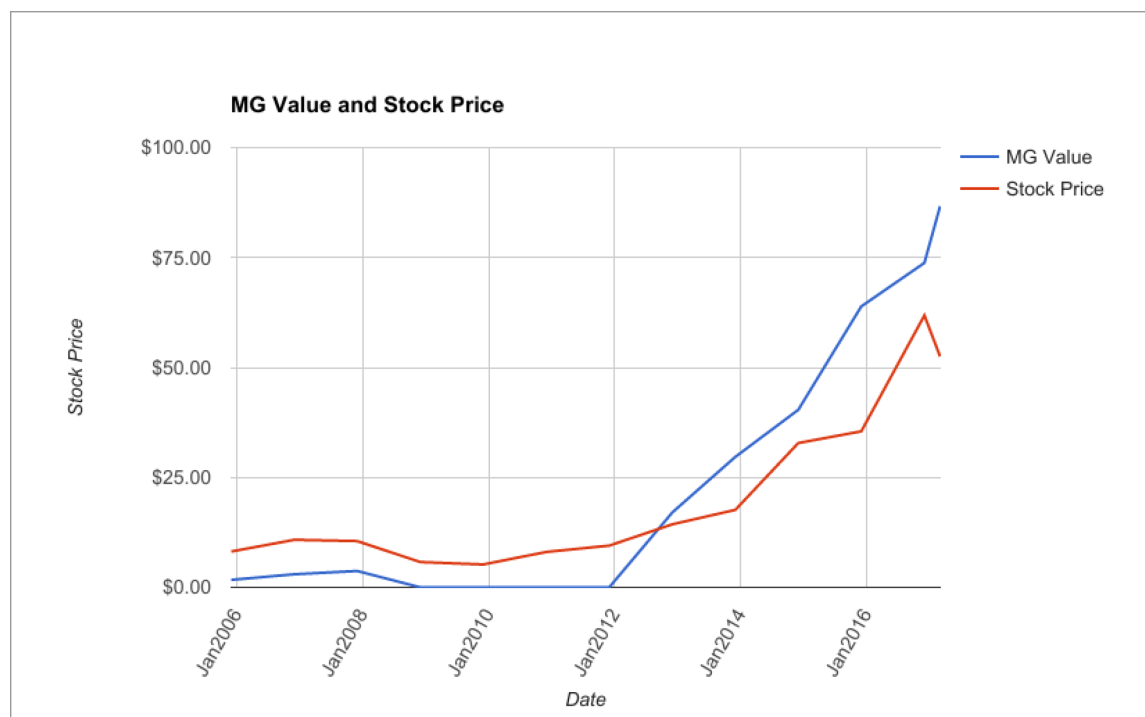
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$0.12
Graham Number	\$30.88
PEmg	23.32
Current Ratio	2.83
PB Ratio	3.31
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	\$2.66	Next Fiscal Year Estimate	\$2.25
Dec2016	\$2.16	Dec2016	\$1.92
Dec2015	\$2.71	Dec2015	\$1.66
Dec2014	\$1.28	Dec2014	\$1.05
Dec2013	\$1.14	Dec2013	\$0.77
Dec2012	\$0.99	Dec2012	\$0.44
Dec2011	\$0.82	Dec2011	\$0.14
Dec2010	\$0.16	Dec2010	-\$0.13
Dec2009	-\$0.88	Dec2009	-\$0.16
Dec2008	-\$0.31	Dec2008	\$0.21
Dec2007	\$0.55	Dec2007	\$0.44
Dec2006	\$0.63	Dec2006	\$0.40
Dec2005	\$0.32	Dec2005	\$0.31
Dec2004	-\$0.03	Dec2004	\$0.30
Dec2003	\$0.47	Dec2003	\$0.44
Dec2002	\$0.69	Dec2002	\$0.41
Dec2001	\$0.39	Dec2001	\$0.35
Dec2000	-\$0.15	Balance Sheet Information 12/1/2016	
Dec1999	\$0.68	Total Current Assets	\$255,606,000
Dec1998	\$0.26	Total Current Liabilities	\$90,444,000
Dec1997	\$1.27	Long-Term Debt	\$128,141,000
		Total Assets	\$527,029,000
		Intangible Assets	\$105,053,000
		Total Liabilities	\$253,573,000
		Shares Outstanding (Diluted Average)	17,241,000





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

[Snap-on Inc Valuation – February 2017 \\$SNA](#)
[Kennametal Inc Valuation – Initial Coverage \\$KMT](#)
[SPX Corporation Valuation – Initial Coverage \\$SPXC](#)
[KLX Inc Valuation – Initial Coverage \\$KLXI](#)
[AGCO Corporation Valuation – February 2017 \\$AGCO](#)
[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](#)