

# ModernGraham Valuation

Company Name:

Lindsay Corporation

Company Ticker LNN

Date of Analysis

3/26/2017



## 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	\$864,649,807	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.25	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-5.09%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	32.75	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.47	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	3.25	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.61	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Fail
	Score		

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.47
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$3.95</b>
MG Value based on 3% Growth	\$35.80
MG Value based on 0% Growth	\$20.98
Market Implied Growth Rate	12.12%

### MG Opinion

Current Price	\$80.84
% of Intrinsic Value	2046.47%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C-</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$3.95
Graham Number	\$31.56
PEmg	32.75
Current Ratio	3.25
PB Ratio	3.47
Current Dividend	\$1.14
Dividend Yield	1.41%
Number of Consecutive Years of Dividend Growth	15

### 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	\$1.90	Next Fiscal Year Estimate	\$2.47
Aug2016	\$1.85	Aug2016	\$2.96
Aug2015	\$2.22	Aug2015	\$3.54
Aug2014	\$4.00	Aug2014	\$3.99
Aug2013	\$5.47	Aug2013	\$3.64
Aug2012	\$3.38	Aug2012	\$2.66
Aug2011	\$2.90	Aug2011	\$2.23
Aug2010	\$1.98	Aug2010	\$1.84
Aug2009	\$1.11	Aug2009	\$1.65
Aug2008	\$3.20	Aug2008	\$1.72
Aug2007	\$1.31	Aug2007	\$0.96
Aug2006	\$1.00	Aug2006	\$0.79
Aug2005	\$0.41	Aug2005	\$0.71
Aug2004	\$0.78	Aug2004	\$0.86
Aug2003	\$1.08	Aug2003	\$0.90
Aug2002	\$0.76	Aug2002	\$0.88
Aug2001	\$0.67	Aug2001	\$1.00
Aug2000	\$1.06	<b>Balance Sheet Information</b>	<b>11/1/2016</b>
Aug1999	\$0.96	Total Current Assets	\$274,888,000
Aug1998	\$1.61	Total Current Liabilities	\$84,597,000
Aug1997	\$1.34	Long-Term Debt	\$116,926,000
		Total Assets	\$480,943,000
		Intangible Assets	\$122,560,000
		Total Liabilities	\$232,755,000
		Shares Outstanding (Diluted Average)	10,666,000





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
- [Lennox International Inc Valuation – Initial Coverage \\$LII](#)
  - [Standex Int'l Corp Valuation – Initial Coverage \\$SXI](#)
  - [Pentair PLC Valuation – March 2017 \\$PNR](#)
  - [Lincoln Electric Holdings Inc Valuation – Initial Coverage \\$LECO](#)
  - [Lydall Inc Valuation – Initial Coverage \\$LDL](#)
  - [Regal Beloit Corp Valuation – February 2017 \\$RBC](#)
  - [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](#)