ModernGraham Valuation

Company Name:

Deltic Timber Corp



Company Ticker DEL

Date of Analysis 8/14/2017

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	\$844,434,262 Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.48 Fail
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	
5. Earnings Growth	beginning and end	1.22% Fail
6. Moderate PEmg Ratio	PEmg < 20	84.71 Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.33 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	1.48	Fail
2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	23.92	Fail
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

Defensive No Enterprising No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.82
MG Growth Estimate	-3.55%
MG Value	\$1.14
MG Value based on 3% Growth	\$11.86
MG Value based on 0% Growth	\$6.95
Market Implied Growth Rate	38.10%

MG Opinion

Current Price \$69.29 % of Intrinsic Value 6086.16%

Opinion Overvalued MG Grade

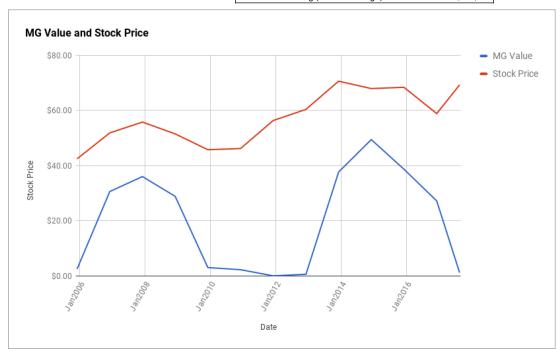
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$22.53
Graham Number	\$17.89
PEmg	84.71
Current Ratio	1.48
PB Ratio	3.33
Current Dividend	\$0.40
Dividend Yield	0.58%
Number of Consecutive Years of Dividend	
Growth	0

Useful Links: ModernGraham tagged articles

Morningstar Google Finance MSN Money Yahoo Finance Seeking Alpha <u>GuruFocus</u> **SEC Filings**

EPS History		EPSmg History	
Next Fiscal Year		l <u>_</u>	
Estimate	• • • • • • • • • • • • • • • • • • • •	Next Fiscal Year Estimate	\$0.82
Dec2016	\$0.76	Dec2016	\$0.94
Dec2015	\$0.21	Dec2015	\$1.00
Dec2014	\$1.55	Dec2014	\$1.30
Dec2013	\$2.05	Dec2013	\$1.07
Dec2012	\$0.73	Dec2012	\$0.56
Dec2011	\$0.21	Dec2011	\$0.50
Dec2010	\$0.99	Dec2010	\$0.66
Dec2009	\$0.30	Dec2009	\$0.57
Dec2008	\$0.35	Dec2008	\$0.75
Dec2007	\$0.89	Dec2007	\$0.94
Dec2006	\$0.89	Dec2006	\$0.79
Dec2005	\$1.17	Dec2005	\$0.64
Dec2004	\$0.91	Dec2004	\$0.37
Dec2003	\$0.69	Dec2003	\$0.18
Dec2002	-\$1.33	Dec2002	\$0.04
Dec2001	\$0.65	Dec2001	\$0.75
Dec2000	\$0.93	Balance Sheet Information	6/1/2017
Dec1999	\$0.69	Total Current Assets	\$31,092,000
Dec1998	\$0.48	Total Current Liabilities	\$21,022,000
Dec1997	\$1.29	Long-Term Debt	\$240,846,000
		Total Assets	\$556,147,000
		Intangible Assets	\$0
		Total Liabilities	\$303,980,000
		Shares Outstanding (Diluted Average)	12,111,000





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

First Solar Inc Valuation – February 2017 \$FSLR Innergex Renewable Energy Inc Valuation – Initial Coverage \$TSE:INE

<u>Canfor Corporation Valuation – Initial Coverage \$TSE:CFP</u> <u>First Solar Inc. Valuation – November 2015 Update \$FSLR</u>

First Solar Inc. Annual Valuation – 2014 \$FSLR