

ModernGraham Valuation

Company Name:

Ingevity Corp

Company Ticker NGVT

Date of Analysis

8/20/2017



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	\$2,356,897,987	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.49	Pass
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	172333233.33%	Pass
5. Earnings Growth	PEmg < 20	30.66	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	12.79	Fail
7. Moderate Price to Assets			

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	2.49	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 Score		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.82
MG Growth Estimate	15.00%
MG Value	\$70.22
MG Value based on 3% Growth	\$26.45
MG Value based on 0% Growth	\$15.50
Market Implied Growth Rate	11.08%

MG Opinion

Current Price	\$55.93
% of Intrinsic Value	79.65%
Opinion	Fairly Valued
MG Grade	C

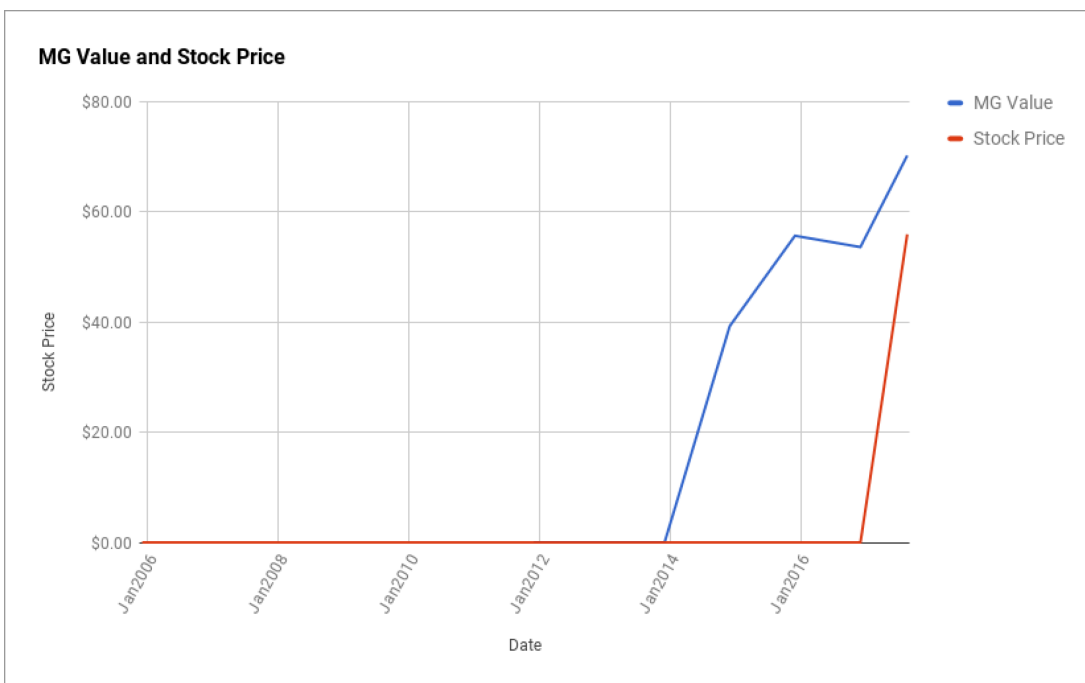
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$8.40
Graham Number	\$12.89
PEmg	30.66
Current Ratio	2.49
PB Ratio	12.79
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	
	\$2.45		\$1.82
Dec2016	\$0.83	Dec2016	\$1.39
Dec2015	\$1.89	Dec2015	\$1.45
Dec2014	\$3.06	Dec2014	\$1.02
Dec2013	\$0.00	Dec2013	\$0.00
Dec2012	\$0.00	Dec2012	\$0.00
Dec2011	\$0.00	Dec2011	\$0.00
Dec2010	\$0.00	Dec2010	\$0.00
Dec2009	\$0.00	Dec2009	\$0.00
Dec2008	\$0.00	Dec2008	\$0.00
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Balance Sheet Information	
Dec1999	\$0.00	6/1/2017	
Dec1998	\$0.00	Total Current Assets	\$332,300,000
Dec1997	\$0.00	Total Current Liabilities	\$133,500,000
		Long-Term Debt	\$0
		Total Assets	\$874,100,000
		Intangible Assets	\$18,500,000
		Total Liabilities	\$688,500,000
		Shares Outstanding (Diluted Average)	42,427,000





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

[Albemarle Corp Valuation – March 2017 \\$ALB](#)
[Sensient Technologies Corp Valuation – Initial Coverage \\$SXT](#)
[Quaker Chemical Corp Valuation – Initial Coverage \\$KWR](#)
[Kraton Corp Valuation – Initial Coverage \\$KRA](#)
[Koppers Holdings Inc Valuation – Initial Coverage \\$KOP](#)
[Air Products & Chemicals Inc Valuation – January 2017 \\$APD](#)
[Compass Minerals International Inc Valuation – Initial Coverage \\$CMP](#)
[A Schulman Inc Valuation – Initial Coverage \\$SHLM](#)
[Innophos Holdings Inc Valuation – Initial Coverage \\$IPHS](#)
[Innospec Inc Valuation – Initial Coverage \\$IOSP](#)