

# ModernGraham Valuation

Company Name:

PolyOne Corporation

Company Ticker POL

Date of Analysis

9/4/2017



## 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	\$3,005,021,133	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.08	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	-516.67%	Fail
5. Earnings Growth	PEmg < 20	39.31	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	5.44	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	2.08	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.35	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago Score		Fail

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$0.93
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$0.00</b>
MG Value based on 3% Growth	\$13.55
MG Value based on 0% Growth	\$7.94
Market Implied Growth Rate	15.40%

### MG Opinion

Current Price	\$36.74
% of Intrinsic Value	N/A
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>F</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$12.36
Graham Number	\$0.00
PEmg	39.31
Current Ratio	2.08
PB Ratio	5.44
Current Dividend	\$0.50
Dividend Yield	1.35%
Number of Consecutive Years of Dividend Growth	6

### 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		Next Fiscal Year Estimate	
Dec2016	-\$0.58	Dec2016	\$0.93
Dec2015	\$1.95	Dec2015	\$1.65
Dec2014	\$1.63	Dec2014	\$1.51
Dec2013	\$0.85	Dec2013	\$1.48
Dec2012	\$2.53	Dec2012	\$1.69
Dec2011	\$0.80	Dec2011	\$0.97
Dec2010	\$1.84	Dec2010	\$0.79
Dec2009	\$1.69	Dec2009	\$0.22
Dec2008	\$0.53	Dec2008	-\$0.37
Dec2007	-\$2.94	Dec2007	-\$0.60
Dec2006	\$0.12	Dec2006	\$0.33
Dec2005	\$1.33	Dec2005	\$0.18
Dec2004	\$0.51	Dec2004	-\$0.50
Dec2003	\$0.26	Dec2003	-\$0.91
Dec2002	-\$3.07	Dec2002	-\$1.12
Dec2001	-\$0.65	Dec2001	-\$0.01
Dec2000	-\$0.51	Dec2000	\$0.33
Dec1999	\$0.26	<b>Balance Sheet Information</b>	
Dec1998	\$2.15	<b>6/1/2017</b>	
Dec1997	\$0.00	Total Current Assets	\$1,135,300,000
	\$0.00	Total Current Liabilities	\$546,200,000
	\$0.00	Long-Term Debt	\$1,382,500,000
		Total Assets	\$2,712,600,000
		Intangible Assets	\$1,001,900,000
		Total Liabilities	\$2,155,300,000
		Shares Outstanding (Diluted Average)	82,500,000





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

[Ingevity Corp Valuation – Initial Coverage \\$NGVT](#)  
[Praxair Inc Valuation – August 2017 \\$PX](#)  
[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](#)