

ModernGraham Valuation

Company Name:

Koppers Holdings Inc.

Company Ticker KOP

Date of Analysis

3/7/2018



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	\$878,570,199	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.80	Fail
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	33.26%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	32.83	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	9.42	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	1.80	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.95	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.29
MG Growth Estimate	4.45%
MG Value	\$22.46
MG Value based on 3% Growth	\$18.71
MG Value based on 0% Growth	\$10.97
Market Implied Growth Rate	12.16%

MG Opinion

Current Price	\$42.35
% of Intrinsic Value	188.59%
Opinion	Overvalued
MG Grade	F

Stage 3: Information for Further Research

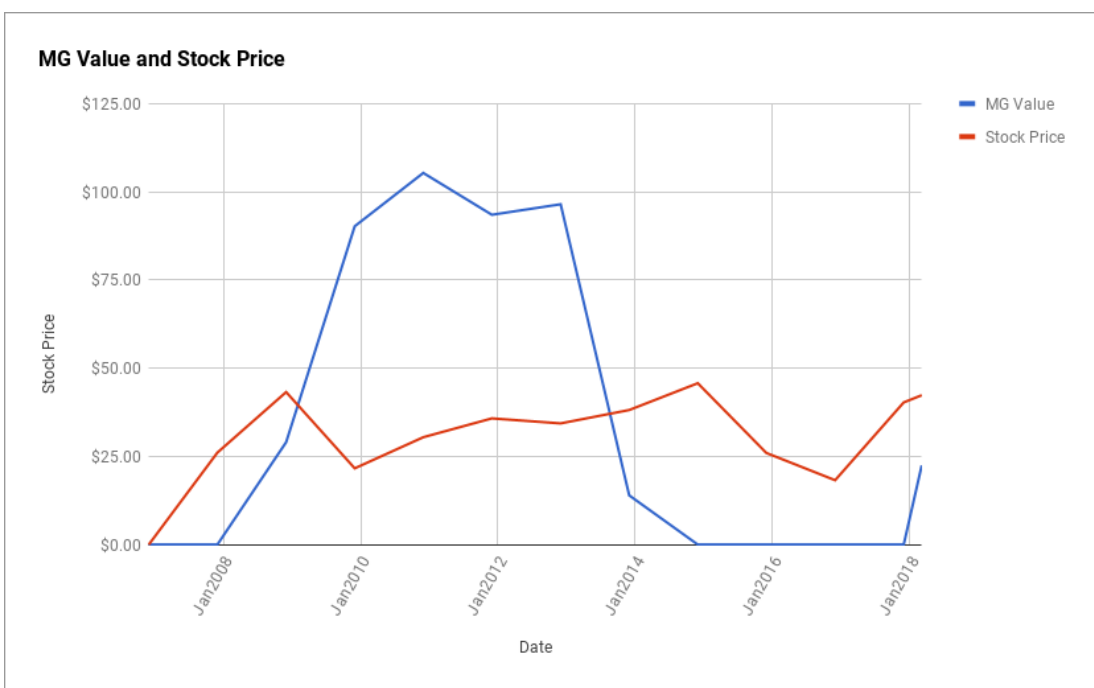
Net Current Asset Value (NCAV)	-\$26.72
Graham Number	\$19.44
PEmg	32.83
Current Ratio	1.80
PB Ratio	9.42
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

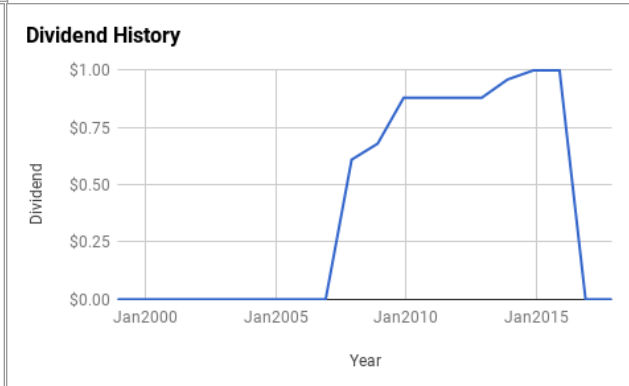
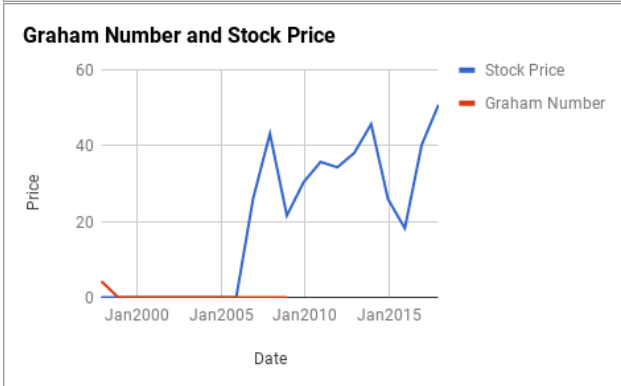
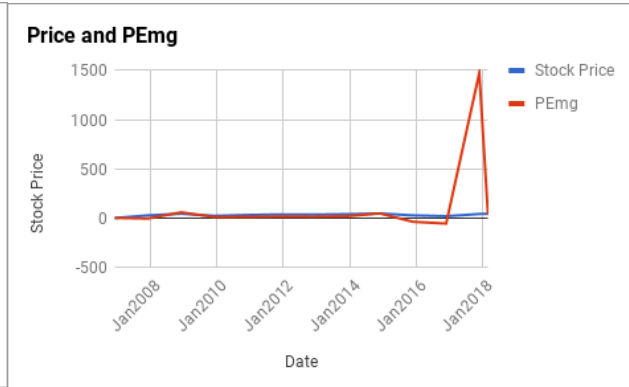
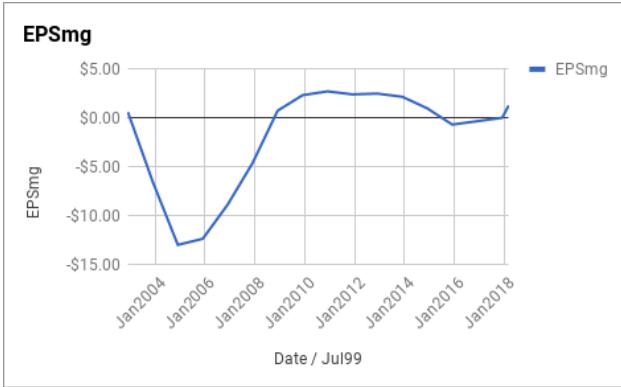
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.70	Next Fiscal Year Estimate	\$1.29
Dec2017	\$1.32	Dec2017	\$0.03
Dec2016	\$1.39	Dec2016	-\$0.32
Dec2015	-\$3.51	Dec2015	-\$0.67
Dec2014	-\$1.58	Dec2014	\$0.99
Dec2013	\$1.94	Dec2013	\$2.18
Dec2012	\$3.13	Dec2012	\$2.51
Dec2011	\$1.77	Dec2011	\$2.43
Dec2010	\$2.13	Dec2010	\$2.74
Dec2009	\$0.91	Dec2009	\$2.34
Dec2008	\$6.65	Dec2008	\$0.75
Dec2007	\$3.03	Dec2007	-\$4.60
Dec2006	\$0.75	Dec2006	-\$8.87
Dec2005	-\$6.58	Dec2005	-\$12.37
Dec2004	-\$23.15	Dec2004	-\$13.00
Dec2003	-\$21.09	Dec2003	-\$6.55
Dec2002	\$1.19	Dec2002	\$0.61
Dec2001	\$0.79	Balance Sheet Information 12/1/2017	
Dec2000	\$0.00	Total Current Assets	\$506,700,000
Dec1999	\$0.00	Total Current Liabilities	\$281,200,000
Dec1998	\$0.00	Long-Term Debt	\$665,600,000
		Total Assets	\$1,200,200,000
		Intangible Assets	\$317,800,000
		Total Liabilities	\$1,100,300,000
		Shares Outstanding (Diluted Average)	22,219,000





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.

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