

# ModernGraham Valuation

LyondellBasell  
Industries NV



## Company Name:

Company Ticker LYB

Date of Analysis

3/1/2018

## 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	\$42,688,497,611	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.46	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		
5. Earnings Growth		-100.42%	Fail
6. Moderate PEmg Ratio	PEmg < 20	11.10	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.79	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	2.46	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.23	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 Score		Pass

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$9.75
MG Growth Estimate	8.86%
<b>MG Value</b>	<b>\$255.65</b>
MG Value based on 3% Growth	\$141.40
MG Value based on 0% Growth	\$82.89
Market Implied Growth Rate	1.30%

### MG Opinion

Current Price	\$108.22
% of Intrinsic Value	42.33%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>B</b>

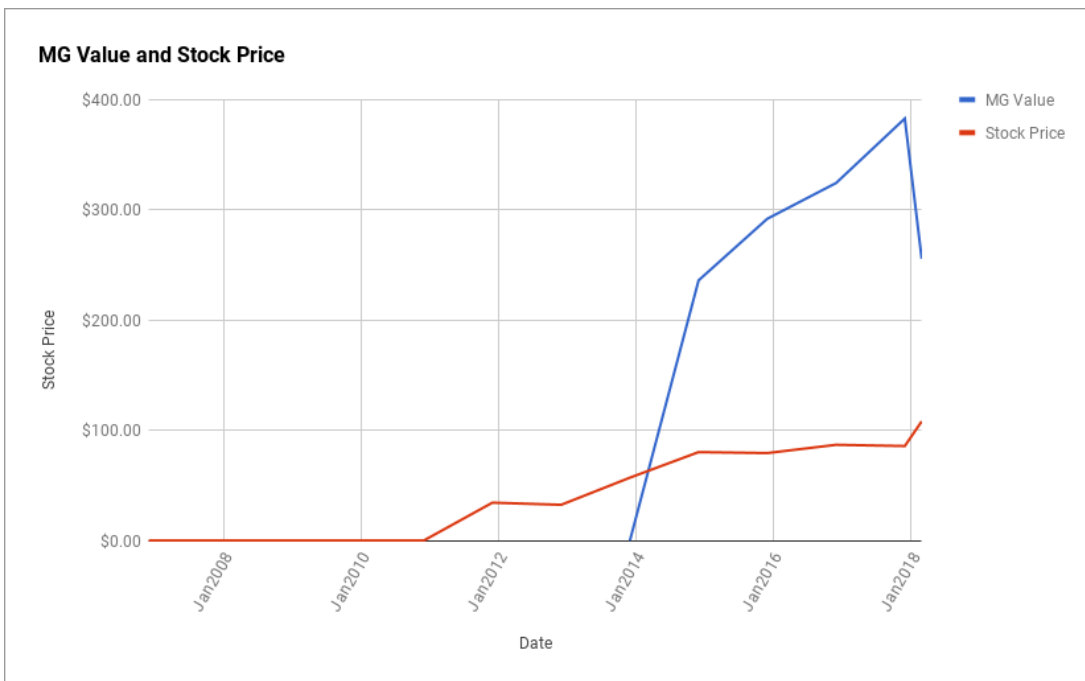
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$13.94
Graham Number	\$66.06
PEmg	11.10
Current Ratio	2.46
PB Ratio	4.79
Current Dividend	\$3.55
Dividend Yield	3.28%
Number of Consecutive Years of Dividend Growth	7

### 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	\$8.56	Next Fiscal Year Estimate	\$9.75
Dec2017	\$12.23	Dec2017	\$9.94
Dec2016	\$9.13	Dec2016	\$8.43
Dec2015	\$9.59	Dec2015	\$7.58
Dec2014	\$7.99	Dec2014	\$6.13
Dec2013	\$6.75	Dec2013	-\$469.00
Dec2012	\$4.92	Dec2012	-\$944.17
Dec2011	\$3.74	Dec2011	-\$1,419.05
Dec2010	\$2.78	Dec2010	-\$1,893.79
Dec2009	-\$7,105.20	Dec2009	-\$2,368.40
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	<b>Balance Sheet Information 12/1/2017</b>	
Dec2000	\$0.00	Total Current Assets	\$11,738,000,000
Dec1999	\$0.00	Total Current Liabilities	\$4,777,000,000
Dec1998	\$0.00	Long-Term Debt	\$8,549,000,000
		Total Assets	\$26,206,000,000
		Intangible Assets	\$1,138,000,000
		Total Liabilities	\$17,257,000,000
		Shares Outstanding (Diluted Average)	396,000,000





**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
- [Green Plains Inc Valuation – Initial Coverage \\$GPRI](#)
  - [PolyOne Corp Valuation – Initial Coverage \\$POL](#)
  - [Ingevity Corp Valuation – Initial Coverage \\$INGVT](#)
  - [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](#)