

ModernGraham Valuation

United Continental
Holdings Inc



Company Name:

Company Ticker

UAL

Date of Analysis

3/10/2018

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	\$20,860,118,191	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.56	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	-2165.31%	Fail
5. Earnings Growth	PEmg < 20	8.77	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.37	Pass
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	0.56	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-2.10	Fail
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	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$8.16
MG Growth Estimate	15.00%
MG Value	\$314.03
MG Value based on 3% Growth	\$118.27
MG Value based on 0% Growth	\$69.33
Market Implied Growth Rate	0.14%

MG Opinion

Current Price	\$71.55
% of Intrinsic Value	22.78%
Opinion	Undervalued
MG Grade	C-

Stage 3: Information for Further Research

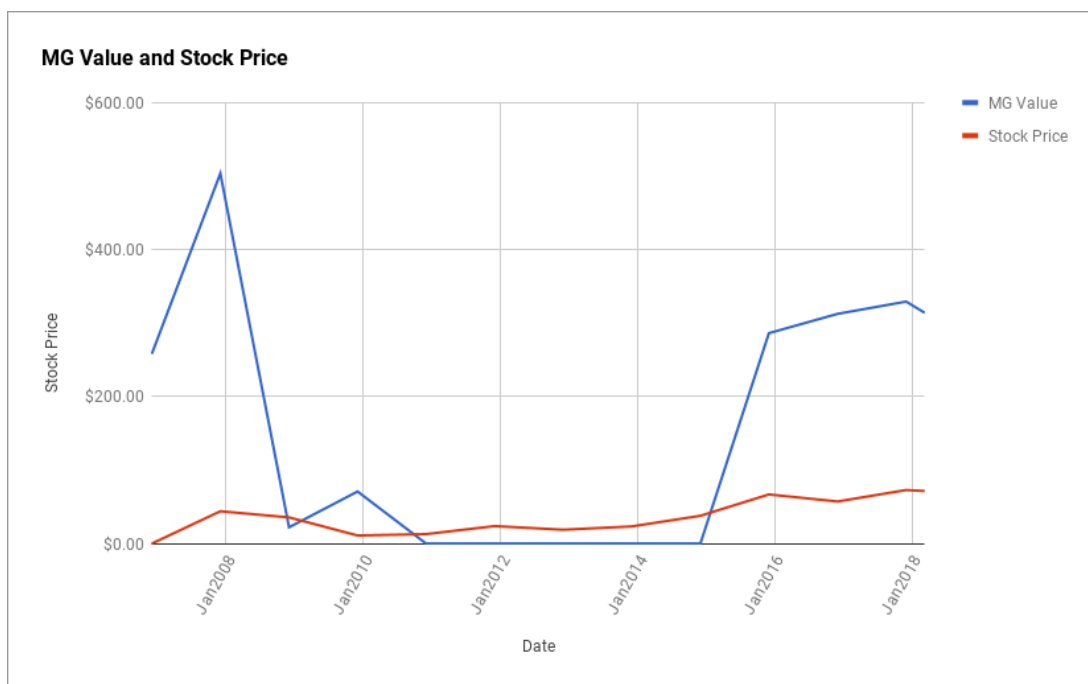
Net Current Asset Value (NCAV)	-\$90.56
Graham Number	\$66.32
PEmg	8.77
Current Ratio	0.56
PB Ratio	2.37
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$6.37	Next Fiscal Year Estimate	\$8.16
Dec2017	\$7.02	Dec2017	\$8.55
Dec2016	\$6.85	Dec2016	\$8.12
Dec2015	\$19.47	Dec2015	\$7.44
Dec2014	\$2.93	Dec2014	\$1.32
Dec2013	\$1.53	Dec2013	\$0.24
Dec2012	-\$2.18	Dec2012	-\$3.32
Dec2011	\$2.26	Dec2011	-\$5.32
Dec2010	\$1.08	Dec2010	\$4.18
Dec2009	-\$4.32	Dec2009	\$1.84
Dec2008	-\$42.59	Dec2008	\$0.58
Dec2007	\$2.79	Dec2007	\$13.08
Dec2006	\$196.75	Dec2006	\$6.70
Dec2005	-\$182.29	Dec2005	-\$80.11
Dec2004	-\$15.25	Dec2004	-\$28.43
Dec2003	-\$27.36	Dec2003	-\$30.74
Dec2002	-\$53.55	Dec2002	-\$26.74
Dec2001	-\$40.04	Balance Sheet Information 12/1/2017	
Dec2000	\$0.04	Total Current Assets	\$7,113,000,000
Dec1999	\$9.94	Total Current Liabilities	\$12,676,000,000
Dec1998	\$6.83	Long-Term Debt	\$11,703,000,000
		Total Assets	\$42,326,000,000
		Intangible Assets	\$8,062,000,000
		Total Liabilities	\$33,520,000,000
		Shares Outstanding (Diluted Average)	291,600,000





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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company

#N/A

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[American Airlines Group Analysis – 2015 Initial Coverage \\$AAL](#)
[Delta Air Lines Inc. Annual Valuation – 2015 \\$DAL](#)
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