

ModernGraham Valuation

Company Name:

Ball Corporation

Company Ticker BLL

Date of Analysis

4/29/2018



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	\$14,168,369,726	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.92	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	8.31%	Fail
5. Earnings Growth	PEmg < 20	29.63	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.63	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	0.92	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-18.68	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		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.37
MG Growth Estimate	-0.59%
MG Value	\$10.03
MG Value based on 3% Growth	\$19.85
MG Value based on 0% Growth	\$11.63
Market Implied Growth Rate	10.56%

MG Opinion

Current Price	\$40.55
% of Intrinsic Value	404.33%
Opinion	Overvalued
MG Grade	F

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$26.87
Graham Number	\$22.79
PEmg	29.63
Current Ratio	0.92
PB Ratio	3.63
Current Dividend	\$0.37
Dividend Yield	0.90%
Number of Consecutive Years of Dividend Growth	1

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	
Dec2017	\$2.05	Dec2017	\$1.37
Dec2016	\$1.05	Dec2016	\$1.08
Dec2015	\$0.81	Dec2015	\$1.13
Dec2014	\$1.00	Dec2014	\$1.30
Dec2013	\$1.65	Dec2013	\$1.42
Dec2012	\$1.37	Dec2012	\$1.29
Dec2011	\$1.25	Dec2011	\$1.21
Dec2010	\$1.32	Dec2010	\$1.14
Dec2009	\$1.28	Dec2009	\$1.01
Dec2008	\$1.02	Dec2008	\$0.84
Dec2007	\$0.83	Dec2007	\$0.74
Dec2006	\$0.69	Dec2006	\$0.68
Dec2005	\$0.79	Dec2005	\$0.65
Dec2004	\$0.62	Dec2004	\$0.51
Dec2003	\$0.66	Dec2003	\$0.40
Dec2002	\$0.50	Dec2002	\$0.24
Dec2001	\$0.34	Dec2001	\$0.11
Dec2000	-\$0.23	Balance Sheet Information 12/1/2017	
Dec1999	\$0.13	Total Current Assets	\$3,758,000,000
Dec1998	\$0.20	Total Current Liabilities	\$4,107,000,000
	\$0.03	Long-Term Debt	\$6,518,000,000
		Total Assets	\$17,169,000,000
		Intangible Assets	\$7,395,000,000
		Total Liabilities	\$13,228,000,000
		Shares Outstanding (Diluted Average)	352,464,000





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

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[Ball Corporation Analysis – 2015 Update \\$BLL](#)
[19 Companies in the Spotlight This Week – 8/9/14](#)
[Ball Corporation Annual Valuation – 2014 \\$BLL](#)

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[Sealed Air Corp Valuation – April 2018 \\$SEE](#)
[Packaging Corp of America Valuation – Initial Coverage \\$PKG](#)
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[International Paper Co Valuation – March 2017 \\$IP](#)
[Schweitzer-Mauduit International Inc Valuation – Initial Coverage \\$SWM](#)
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