

# ModernGraham Valuation

Alexander & Baldwin  
Inc



## Company Name:

Company Ticker ALEX

Date of Analysis

7/27/2018

## 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	\$1,674,345,366	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.45	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	97.51%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	15.76	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.27	Pass

*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	1.45	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	14.42	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		Pass

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.48
MG Growth Estimate	11.60%
<b>MG Value</b>	<b>\$46.81</b>
MG Value based on 3% Growth	\$21.41
MG Value based on 0% Growth	\$12.55
Market Implied Growth Rate	3.63%

### MG Opinion

Current Price	\$23.27
% of Intrinsic Value	49.71%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>C-</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$11.18
Graham Number	\$13.30
PEmg	15.76
Current Ratio	1.45
PB Ratio	1.27
Current Dividend	\$0.21
Dividend Yield	0.90%
Number of Consecutive Years of Dividend Growth	0

### 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	\$0.60	Next Fiscal Year Estimate	\$1.48
Dec2017	\$4.34	Dec2017	\$1.72
Dec2016	-\$0.18	Dec2016	\$0.46
Dec2015	\$0.54	Dec2015	\$0.76
Dec2014	\$1.25	Dec2014	\$0.83
Dec2013	\$0.76	Dec2013	\$0.66
Dec2012	\$0.44	Dec2012	\$0.59
Dec2011	\$0.55	Dec2011	\$0.61
Dec2010	\$0.78	Dec2010	\$0.55
Dec2009	\$1.08	Dec2009	\$0.36
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 3/1/2018</b>	
Dec2000	\$0.00	Total Current Assets	\$178,500,000
Dec1999	\$0.00	Total Current Liabilities	\$123,300,000
Dec1998	\$0.00	Long-Term Debt	\$795,800,000
		Total Assets	\$2,310,700,000
		Intangible Assets	\$182,800,000
		Total Liabilities	\$985,500,000
		Shares Outstanding (Diluted Average)	72,200,000





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

- [Alexander & Baldwin Inc Valuation – December 2016 \\$ALEX](#)
- [5 Speculative and Overvalued Companies to Avoid – August 2015](#)
- [Alexander & Baldwin Inc Analysis – Initial Coverage \\$ALEX](#)

Other ModernGraham posts about related companies

- [Sabra Health Care REIT Inc Valuation – July 2018 \\$SBRA](#)
- [National Retail Properties Inc Valuation – July 2018 \\$NNN](#)
- [Equinix Inc Valuation – June 2018 \\$EQIX](#)
- [Kimco Realty Corp Valuation – June 2018 \\$KIM](#)
- [Essex Property Trust Inc Valuation – June 2018 \\$ESS](#)
- [Federal Realty Investment Trust Valuation – June 2018 \\$FRT](#)
- [UDR Inc Valuation – June 2018 \\$UDR](#)
- [Mid-America Apartment Communities Inc Valuation – June 2018 \\$MAA](#)
- [Extra Space Storage Inc Valuation – June 2018 \\$EXR](#)
- [Digital Realty Trust Inc Valuation – June 2018 \\$DLR](#)