ModernGraham Valuation

Company Name: ILG Inc

Company Ticker	ILG
Date of Analysis	7/1/2018

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		$4,150,781,418	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2		1.77	Fail
3. Earnings Stability	Positive EPS for 10 years prior			Pass
4. Dividend Record	Dividend Payments for 10 years prior			Fail
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end		146.92%	Pass
6. Moderate PEmg Ratio	PEmg < 20		21.18	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50		2.39	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	1.77	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.70	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		Pass
	Score		

Suitability

Defensive	**No**
Enterprising	**Yes**

Stage 2: Determination of Intrinsic Value

EPSmg	$1.56
MG Growth Estimate	6.03%
MG Value	**$32.07**
MG Value based on 3% Growth	$22.61
MG Value based on 0% Growth	$13.25
Market Implied Growth Rate	6.34%

MG Opinion

Current Price	$33.03
% of Intrinsic Value	102.98%
Opinion	**Fairly Valued**
MG Grade	**C+**

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-$5.89
Graham Number	$19.59
PEmg	21.18
Current Ratio	1.77
PB Ratio	2.39
Current Dividend	$0.60
Dividend Yield	1.82%
Number of Consecutive Years of Dividend Growth	1

EPS History		EPSmg History	
Next Fiscal Year Estimate	$1.27	Next Fiscal Year Estimate	$1.56
Dec2017	$1.34	Dec2017	$1.67
Dec2016	$2.60	Dec2016	$1.71
Dec2015	$1.26	Dec2015	$1.20
Dec2014	$1.36	Dec2014	$1.11
Dec2013	$1.40	Dec2013	$0.94
Dec2012	$0.71	Dec2012	$0.71
Dec2011	$0.71	Dec2011	$0.76
Dec2010	$0.73	Dec2010	$0.81
Dec2009	$0.67	Dec2009	$0.87
Dec2008	$0.80	Dec2008	$0.91
Dec2007	$1.26	Dec2007	$0.84
Dec2006	$0.97	Dec2006	$0.54
Dec2005	$0.82	Dec2005	$0.27
Dec2004	$0.00	Dec2004	$0.00
Dec2003	$0.00	Dec2003	$0.00
Dec2002	$0.00	Dec2002	$0.00
Dec2001	$0.00	**Balance Sheet Information**	**3/1/2018**
Dec2000	$0.00	Total Current Assets	$1,291,000,000
Dec1999	$0.00	Total Current Liabilities	$728,000,000
Dec1998	$0.00	Long-Term Debt	$958,000,000
		Total Assets	$3,770,000,000
		Intangible Assets	$1,003,000,000
		Total Liabilities	$2,032,000,000
		Shares Outstanding (Diluted Average)	125,751,000

MG Value and Stock Price

EPSmg

Price and PEmg

Graham Number and Stock Price

Dividend History
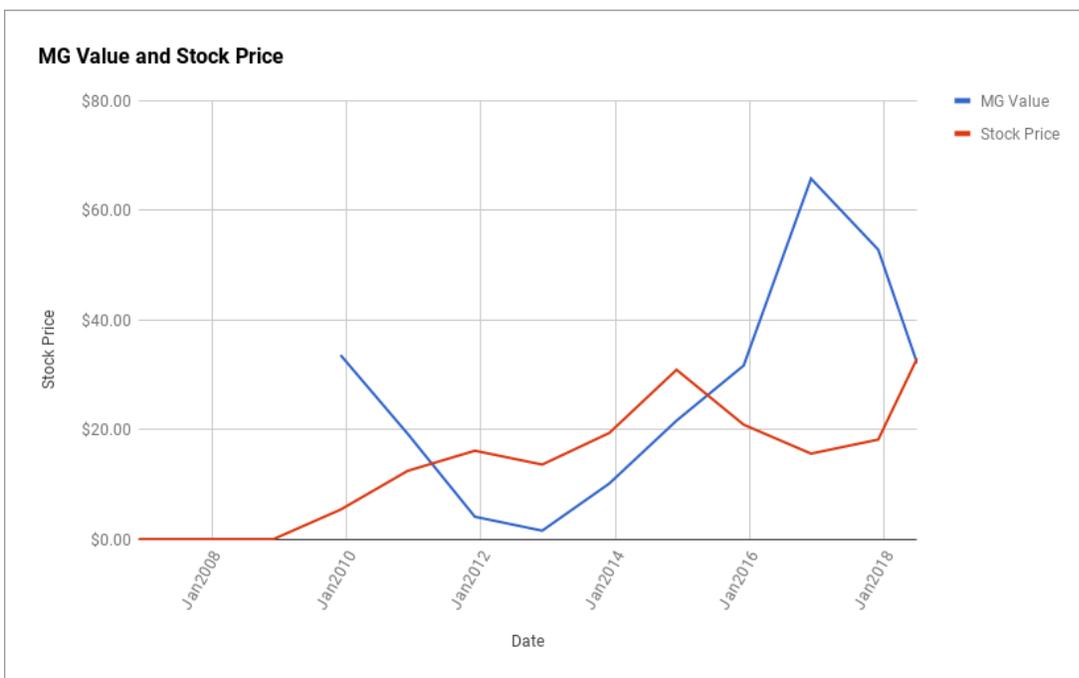
Disclaimer:

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

ILG Inc Valuation – Initial Coverage $ILG

Other ModernGraham posts about related companies

Royal Caribbean Cruises Ltd Valuation – Initial Coverage June 2018 $RCL
Expedia Group Inc Valuation – May 2018 $EXPE
Booking Holdings Inc Valuation – April 2018 $BKNG
TripAdviser Inc Valuation – March 2018 $TRIP
Expedia Inc Valuation – February 2017 $EXPE
Priceline Group Inc Valuation – July 2016 $PCLN
TripAdvisor Inc Valuation – June 2016 $TRIP
TripAdvisor Inc. Valuation – November 2015 Update $TRIP
Expedia Inc. Analysis – October 2015 Update $EXPE
Tripadvisor Stock Analysis – August 2015 Update $TRIP