

# ModernGraham Valuation

Company Name:

Intrepid Potash, Inc.

Company Ticker IPI

Date of Analysis

7/28/2018



## 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	\$529,848,805	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.28	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	-135.13%	Fail
5. Earnings Growth	PEmg < 20	-3.73	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.34	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	3.28	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.60	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago Score		Fail

### Suitability

Defensive	No
Enterprising	No

## Stage 2: Determination of Intrinsic Value

EPSmg	-\$1.11
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$0.08</b>
MG Value based on 3% Growth	-\$16.13
MG Value based on 0% Growth	-\$9.46
Market Implied Growth Rate	-6.11%

### MG Opinion

Current Price	\$4.15
% of Intrinsic Value	5182.64%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D</b>

## Stage 3: Information for Further Research

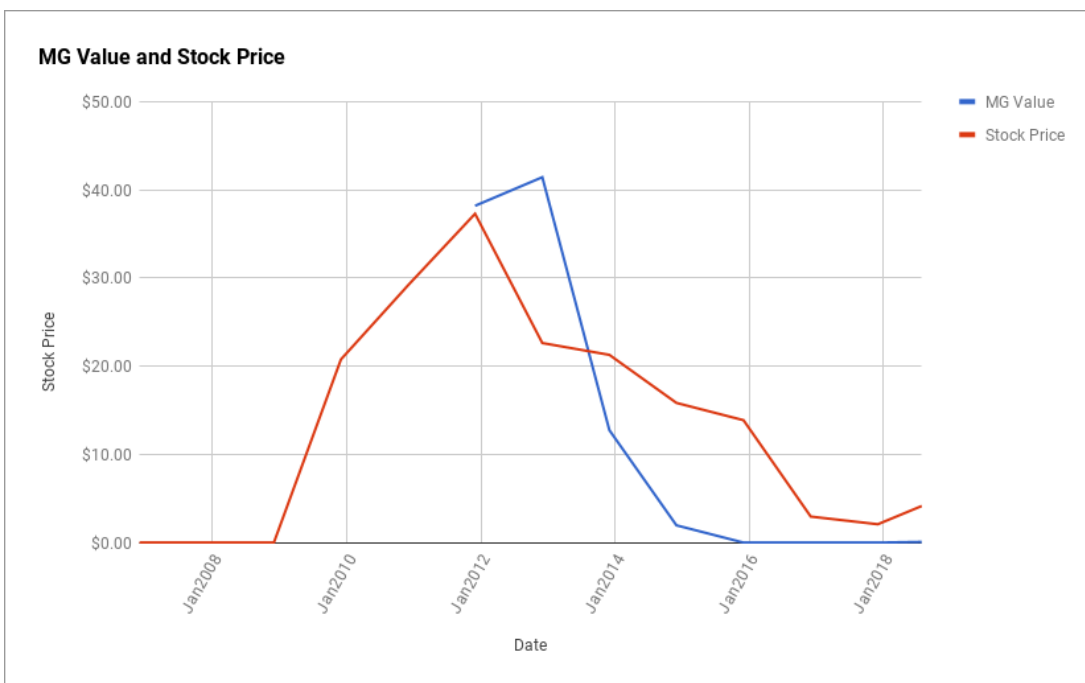
Net Current Asset Value (NCAV)	\$0.08
Graham Number	\$2.66
PEmg	-3.73
Current Ratio	3.28
PB Ratio	1.34
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

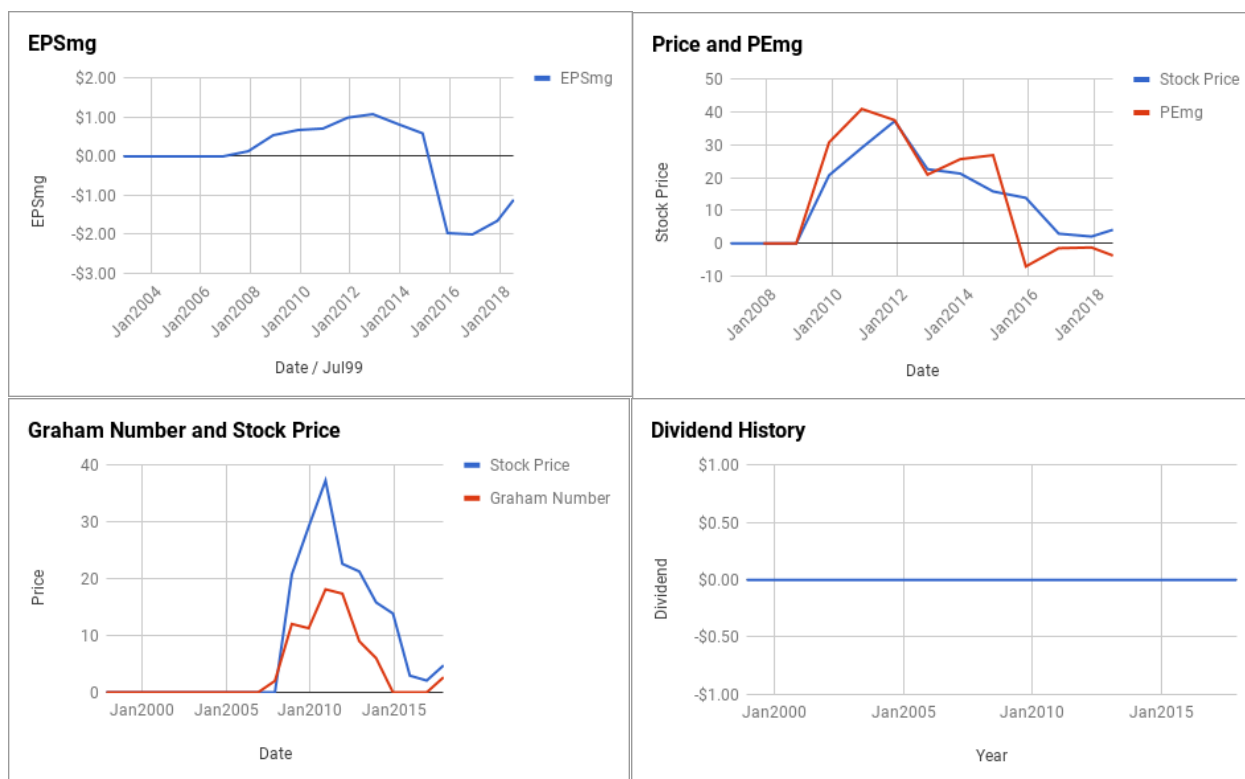
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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	-\$0.20	Dec2017	-\$1.65
Dec2016	-\$0.88	Dec2016	-\$2.00
Dec2015	-\$6.94	Dec2015	-\$1.97
Dec2014	\$0.13	Dec2014	\$0.59
Dec2013	\$0.30	Dec2013	\$0.83
Dec2012	\$1.16	Dec2012	\$1.08
Dec2011	\$1.45	Dec2011	\$0.99
Dec2010	\$0.60	Dec2010	\$0.71
Dec2009	\$0.74	Dec2009	\$0.67
Dec2008	\$1.31	Dec2008	\$0.54
Dec2007	\$0.39	Dec2007	\$0.13
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</b>	
Dec2000	\$0.00	<b>3/1/2018</b>	
Dec1999	\$0.00	Total Current Assets	\$117,750,000
Dec1998	\$0.00	Total Current Liabilities	\$35,916,000
		Long-Term Debt	\$49,470,000
		Total Assets	\$512,022,000
		Intangible Assets	\$0
		Total Liabilities	\$107,279,000
		Shares Outstanding (Diluted Average)	130,765,000





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 [Intrepid Potash Inc Valuation – Initial Coverage \\$IPI](#)

Other  
ModernGraham  
posts about related  
companies [Mosaic Company Valuation – May 2018 \\$MOS](#)  
[CF Industries Holdings Inc Valuation – April 2018 \\$CF](#)  
[LSB Industries Inc Valuation – Initial Coverage \\$LXU](#)  
[Monsanto Company Valuation – March 2017 \\$MON](#)  
[Mosaic Company Valuation – February 2017 \\$MOS](#)  
[Scotts Miracle-Gro Inc Valuation – Initial Coverage \\$SMG](#)  
[Intrepid Potash Inc Valuation – Initial Coverage \\$IPI](#)  
[CF Industries Holdings Inc Valuation – August 2016 \\$CF](#)  
[CF Industries Valuation – March 2016 \\$CF](#)  
[Monsanto Company Valuation – January 2016 Update \\$MON](#)