

ModernGraham Valuation

Company Name:

Company Ticker JBLU

Date of Analysis

7/31/2018

JetBlue Airways
Corporation



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	\$5,719,208,040	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.59	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	696.20%	Pass
5. Earnings Growth	PEmg < 20	9.41	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.27	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	0.59	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-1.13	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	\$1.91
MG Growth Estimate	15.00%
MG Value	\$73.64
MG Value based on 3% Growth	\$27.73
MG Value based on 0% Growth	\$16.26
Market Implied Growth Rate	0.46%

MG Opinion

Current Price	\$18.00
% of Intrinsic Value	24.44%
Opinion	Undervalued
MG Grade	C-

Stage 3: Information for Further Research

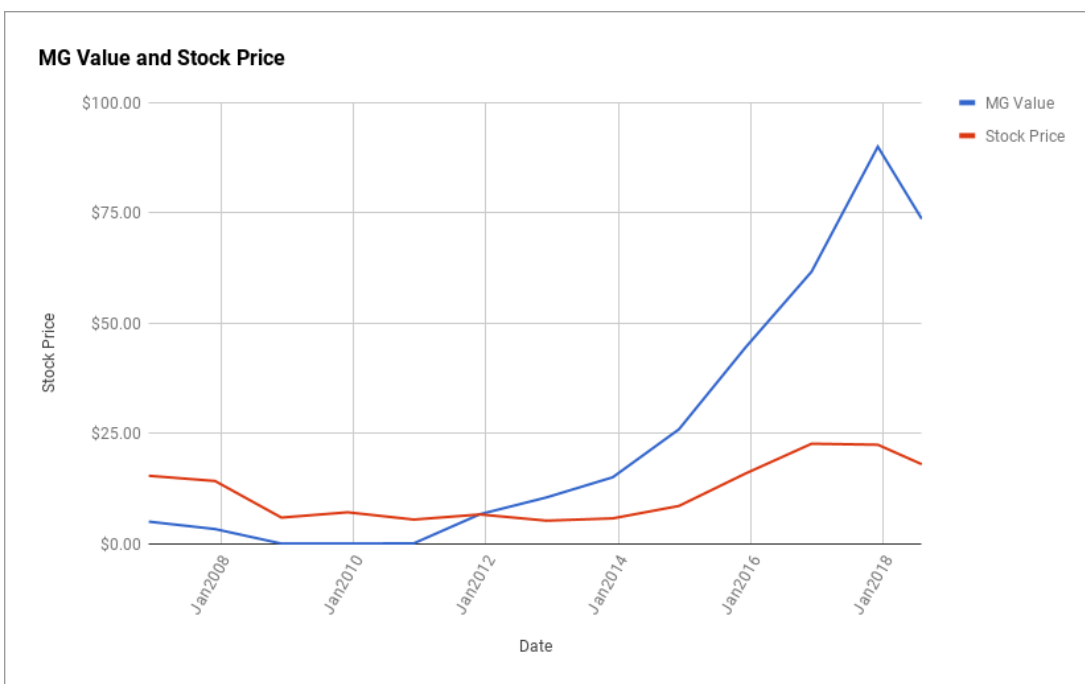
Net Current Asset Value (NCAV)	-\$12.73
Graham Number	\$14.26
PEmg	9.41
Current Ratio	0.59
PB Ratio	1.27
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.60	Next Fiscal Year Estimate	\$1.91
Dec2017	\$3.47	Dec2017	\$2.34
Dec2016	\$2.22	Dec2016	\$1.60
Dec2015	\$1.98	Dec2015	\$1.15
Dec2014	\$1.19	Dec2014	\$0.67
Dec2013	\$0.52	Dec2013	\$0.39
Dec2012	\$0.40	Dec2012	\$0.27
Dec2011	\$0.28	Dec2011	\$0.17
Dec2010	\$0.31	Dec2010	\$0.10
Dec2009	\$0.20	Dec2009	-\$0.02
Dec2008	-\$0.37	Dec2008	-\$0.10
Dec2007	\$0.10	Dec2007	\$0.09
Dec2006	-\$0.01	Dec2006	\$0.13
Dec2005	-\$0.13	Dec2005	\$0.23
Dec2004	\$0.28	Dec2004	-\$0.14
Dec2003	\$0.64	Dec2003	-\$1.40
Dec2002	\$0.37	Dec2002	-\$2.82
Dec2001	\$0.34	Balance Sheet Information 6/1/2018	
Dec2000	-\$7.90	Total Current Assets	\$1,448,000,000
Dec1999	-\$10.91	Total Current Liabilities	\$2,449,000,000
Dec1998	\$0.00	Long-Term Debt	\$1,128,000,000
		Total Assets	\$9,940,000,000
		Intangible Assets	\$0
		Total Liabilities	\$5,459,000,000
		Shares Outstanding (Diluted Average)	315,000,000





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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