

ModernGraham Valuation

Company Name:

Copart, Inc.

Company Ticker CPRT

Date of Analysis

8/9/2018



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	\$13,893,111,000	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.33	Pass
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	220.00%	Pass
5. Earnings Growth	PEmg < 20	43.10	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	9.98	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	2.33	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.11	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	\$1.39
MG Growth Estimate	15.00%
MG Value	\$53.59
MG Value based on 3% Growth	\$20.18
MG Value based on 0% Growth	\$11.83
Market Implied Growth Rate	17.30%

MG Opinion

Current Price	\$60.00
% of Intrinsic Value	111.96%
Opinion	Overvalued
MG Grade	F

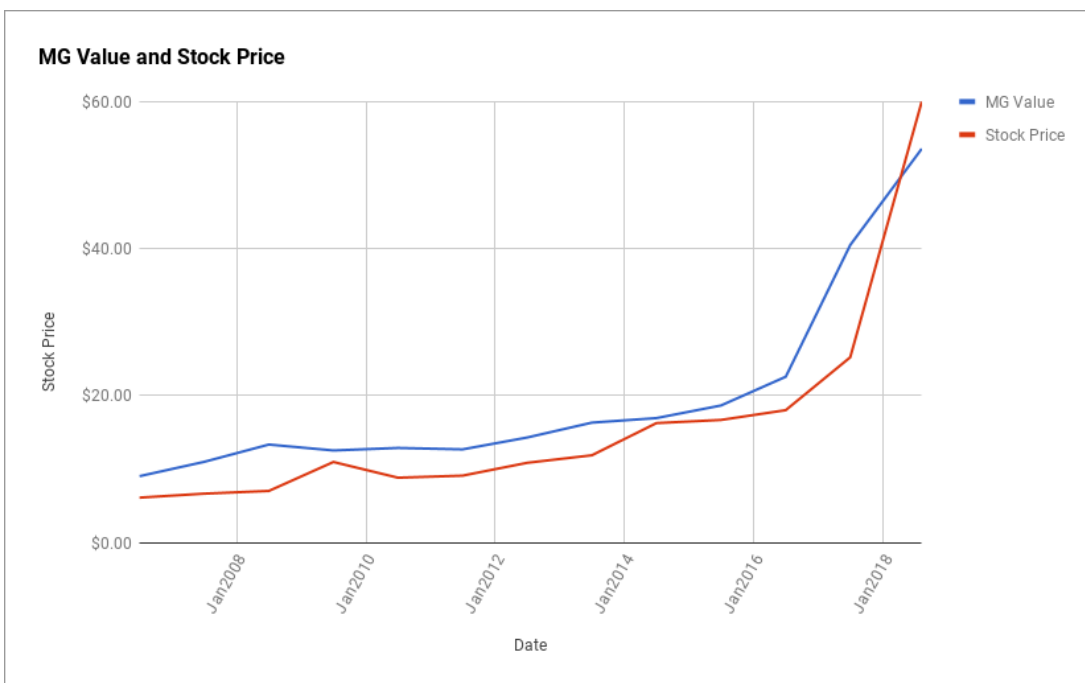
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$0.30
Graham Number	\$13.54
PEmg	43.10
Current Ratio	2.33
PB Ratio	9.98
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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	\$1.39
Jul2017	\$1.71	Jul2017	\$1.15
Jul2016	\$1.66	Jul2016	\$0.87
Jul2015	\$1.11	Jul2015	\$0.73
Jul2014	\$0.84	Jul2014	\$0.65
Jul2013	\$0.68	Jul2013	\$0.61
Jul2012	\$0.70	Jul2012	\$0.55
Jul2011	\$0.54	Jul2011	\$0.46
Jul2010	\$0.45	Jul2010	\$0.41
Jul2009	\$0.42	Jul2009	\$0.38
Jul2008	\$0.44	Jul2008	\$0.35
Jul2007	\$0.37	Jul2007	\$0.29
Jul2006	\$0.26	Jul2006	\$0.23
Jul2005	\$0.28	Jul2005	\$0.21
Jul2004	\$0.22	Jul2004	\$0.17
Jul2003	\$0.16	Jul2003	\$0.14
Jul2002	\$0.16	Jul2002	\$0.12
Jul2001	\$0.13	Balance Sheet Information	
Jul2000	\$0.09	4/1/2018	
Jul1999	\$0.07	Total Current Assets	\$630,902,000
Jul1998	\$0.05	Total Current Liabilities	\$270,578,000
		Long-Term Debt	\$398,914,000
		Total Assets	\$2,165,193,000
		Intangible Assets	\$411,841,000
		Total Liabilities	\$704,381,000
		Shares Outstanding (Diluted Average)	242,960,000





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

- [14 Best Stocks for Value Investors This Week – 2/11/17](#)
- [Copart Inc Valuation – Initial Coverage \\$CPRT](#)

Other ModernGraham posts about related companies

- [Harley-Davidson Inc Valuation – June 2018 \\$HOG](#)
- [Advance Auto Parts Inc Valuation – June 2018 \\$AAP](#)
- [LKQ Corporation – June 2018 \\$LKQ](#)
- [Aptiv PLC Valuation – Initial Coverage May 2018 \\$APTIV](#)
- [BorgWarner Inc Valuation – April 2018 \\$BWA](#)
- [CarMax Inc Valuation – April 2018 \\$KMX](#)
- [Ford Motor Company Valuation – April 2018 \\$F](#)
- [General Motors Co Valuation – April 2018 \\$GM](#)
- [O'Reilly Automotive Inc Valuation – April 2018 \\$ORLY](#)
- [Goodyear Tire & Rubber Co Valuation – March 2018 \\$GT](#)