

# ModernGraham Valuation

KKR & Co Inc Class  
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Company Name:

Company Ticker KKR

Date of Analysis

9/2/2018

## Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

*Defensive Investor; must pass all 6 of the following tests.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$21,840,989,154	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
3. 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		
4. Earnings Growth		195.09%	Pass
5. Moderate PEmg Ratio	PEmg < 20	16.23	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.61	Pass

*Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.*

1. Earnings Stability	Positive EPS for 5 years prior		Pass
2. Dividend Record	Currently Pays Dividend		Pass
3. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	1.61
MG Growth Estimate	0.54%
<b>MG Value</b>	<b>\$15.38</b>
MG Value based on 3% Growth	\$23.30
MG Value based on 0% Growth	\$13.66
Market Implied Growth Rate	3.87%

*MG Opinion*

Current Price	\$26.08
% of Intrinsic Value	169.62%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>B</b>

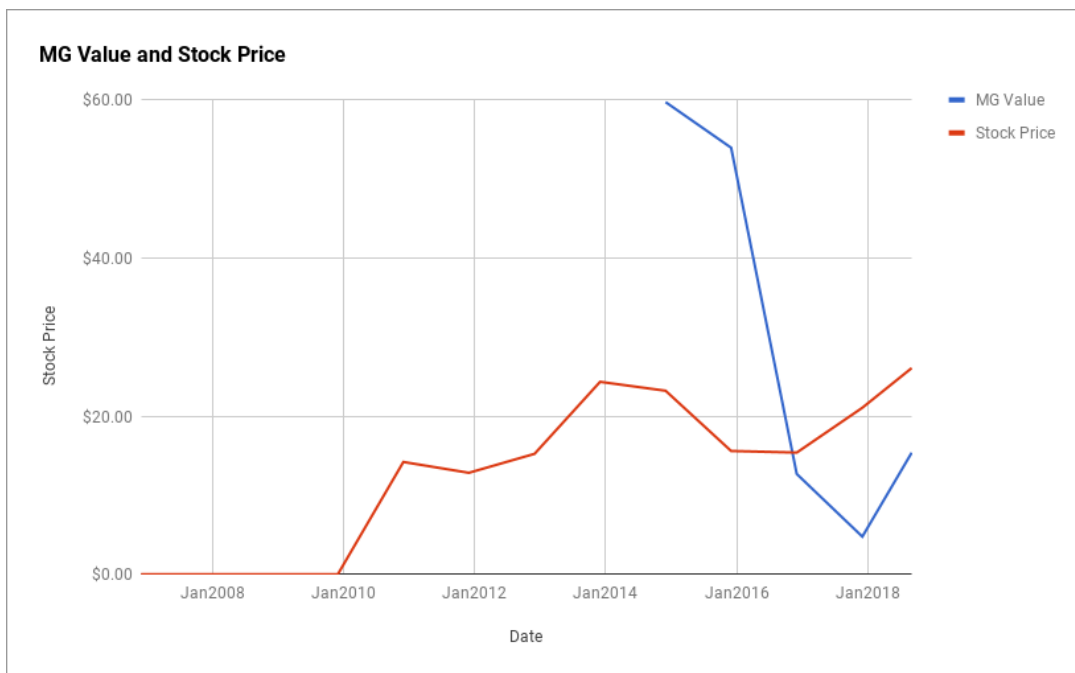
## Stage 3: Information for Further Research

Graham Number	\$27.48
PEmg	16.23
PB Ratio	0.61
Dividend Yield	2.57%
Number of Consecutive Years of Dividend Growth	1

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	\$2.27	Next Fiscal Year Estimate	\$1.61
Dec2017	\$1.95	Dec2017	\$1.32
Dec2016	\$0.59	Dec2016	\$1.15
Dec2015	\$1.01	Dec2015	\$1.40
Dec2014	\$1.16	Dec2014	\$1.55
Dec2013	\$2.30	Dec2013	\$1.57
Dec2012	\$2.21	Dec2012	\$1.06
Dec2011	\$0.01	Dec2011	\$0.44
Dec2010	\$1.62	Dec2010	\$0.54
Dec2009	\$0.00	Dec2009	\$0.00
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		
Dec2000	\$0.00		
Dec1999	\$0.00		
Dec1998	\$0.00		
		<b>Balance Sheet Information</b>	<b>6/1/2018</b>
		Long-Term Debt & Capital Lease Obligation	\$19,972,383,000
		Total Assets	\$48,572,664,000
		Intangible Assets	\$94,899,000
		Total Liabilities	\$25,247,621,000
		Shares Outstanding (Diluted Average)	548,745,000





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**

- [KKR & Co Ltd Valuation – March 2017 \\$KKR](#)
- [KKR & Co L.P. Valuation – August 2016 \\$KKR](#)
- [10 Best Dividend Paying Stocks for the Enterprising Investor – August 2016](#)
- [Dividend Investors Should Research These 10 Stocks – July 2016](#)
- [10 Most Undervalued Companies for the Enterprising Investor – June 2016](#)

**Other ModernGraham posts about related companies**

- [CorVel Corp Valuation – August 2018 \\$CRVL](#)
- [Jones Lang LaSalle Inc Valuation – August 2018 \\$JLL](#)
- [Investment Technology Group Inc Valuation – July 2018 \\$ITG](#)
- [Stifel Financial Corp Valuation – July 2018 \\$SFE](#)
- [CI Financial Corp Valuation – July 2018 \\$TSE:CIX](#)
- [INTL FCStone Inc Valuation – July 2018 \\$INTL](#)
- [SEI Investments Co Valuation – July 2018 \\$SEIC](#)
- [Canadian General Investments Ltd Valuation – July 2018 \\$TSE-CGI](#)
- [SLM Corp Valuation – July 2018 \\$SLM](#)
- [IGM Financial Inc Valuation – July 2018 \\$TSE-IGM](#)