

ModernGraham Valuation

Company Name:

Lindsay Corporation

Company Ticker LNN

Date of Analysis

10/3/2018



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	\$1,106,605,126	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.55	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	1.34%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	46.87	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.00	Fail

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	3.55	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.46	Pass
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		Fail
	Score		

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.19
MG Growth Estimate	-4.25%
MG Value	\$9.98
MG Value based on 3% Growth	\$31.82
MG Value based on 0% Growth	\$18.65
Market Implied Growth Rate	19.19%

MG Opinion

Current Price	\$102.87
% of Intrinsic Value	1030.26%
Opinion	Overvalued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$9.98
Graham Number	\$34.12
PEmg	46.87
Current Ratio	3.55
PB Ratio	4.00
Current Dividend	\$1.17
Dividend Yield	1.14%
Number of Consecutive Years of Dividend Growth	15

Useful Links:

[ModernGraham tagged articles](#)

[Google Finance](#)

[Yahoo Finance](#)

[GuruFocus](#)

[Morningstar](#)

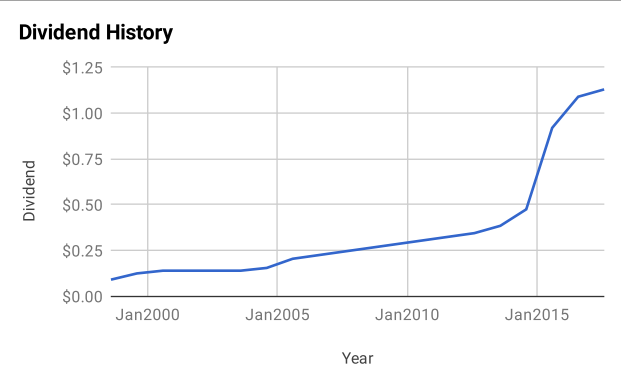
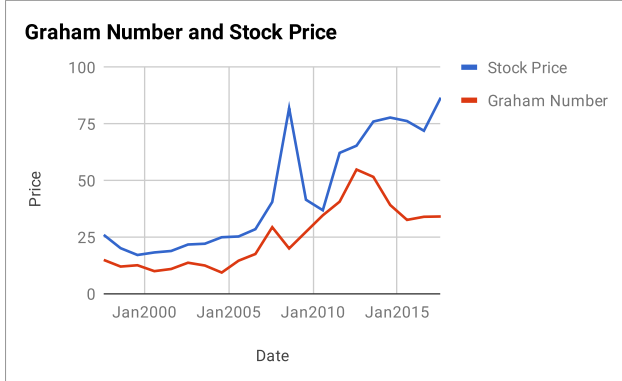
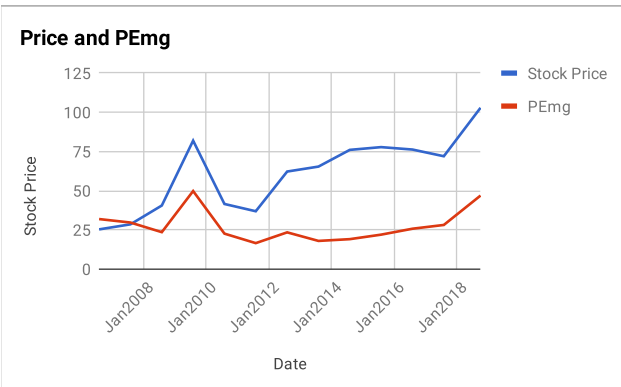
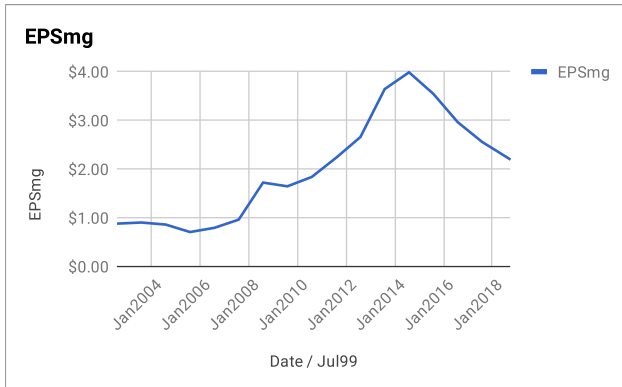
[MSN Money](#)

[Seeking Alpha](#)

[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.05	Next Fiscal Year Estimate	\$2.19
Aug2017	\$2.17	Aug2017	\$2.56
Aug2016	\$1.85	Aug2016	\$2.96
Aug2015	\$2.22	Aug2015	\$3.54
Aug2014	\$4.00	Aug2014	\$3.99
Aug2013	\$5.47	Aug2013	\$3.64
Aug2012	\$3.38	Aug2012	\$2.66
Aug2011	\$2.90	Aug2011	\$2.23
Aug2010	\$1.98	Aug2010	\$1.84
Aug2009	\$1.11	Aug2009	\$1.65
Aug2008	\$3.20	Aug2008	\$1.72
Aug2007	\$1.31	Aug2007	\$0.96
Aug2006	\$1.00	Aug2006	\$0.79
Aug2005	\$0.41	Aug2005	\$0.71
Aug2004	\$0.78	Aug2004	\$0.86
Aug2003	\$1.08	Aug2003	\$0.90
Aug2002	\$0.76	Aug2002	\$0.88
Aug2001	\$0.67	Balance Sheet Information 5/1/2018	
Aug2000	\$1.06	Total Current Assets	\$350,406,000
Aug1999	\$0.96	Total Current Liabilities	\$98,671,000
Aug1998	\$1.61	Long-Term Debt	\$116,622,000
		Total Assets	\$520,228,000
		Intangible Assets	\$93,379,000
		Total Liabilities	\$242,719,000
		Shares Outstanding (Diluted Average)	10,785,000





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 [Lindsay Corp Valuation – Initial Coverage \\$LNN](#)

Other ModernGraham posts about related companies [Standex International Corp Valuation – September 2018 \\$SXI](#)
[Lincoln Electric Holdings Inc Valuation – August 2018 \\$LECO](#)
[Regal Beloit Corp Valuation – August 2018 \\$RBC](#)
[Kennametal Inc Valuation – August 2018 \\$KMT](#)
[SPX Corp Valuation – August 2018 \\$SPXC](#)
[AGCO Corp Valuation – August 2018 \\$AGCO](#)
[John Bean Technologies Corp Valuation – August 2018 \\$JBT](#)
[Stanley Black & Decker Inc Valuation – June 2018 \\$SWK](#)
[Pentair PLC Valuation – June 2018 \\$PNR](#)
[Snap-on Inc Valuation – May 2018 \\$SNA](#)