ModernGraham Valuation

Company Name:

Company Ticker ALB Date of Analysis



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

1/8/2019

Albemarle

Corporation

Defensive Investo	r; must pass 6 out of the following 7 tests.	•	U
	1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$8,212,910,174 Pass
	2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.83 Fail
	3. Earnings Stability	Positive EPS for 10 years prior	Pass
	4. Dividend Record	Dividend Payments for 10 years prior	Pass
	5 Families Occuth	Increase of 33% in EPS in past 10 years using 3 year averages at	
	5. Earnings Growth	beginning and end	31.61% Fail
	6. Moderate PEmg Ratio	PEmg < 20	19.55 Pass
	7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.27 Pass
Enterprising Inves	stor; 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	1.83 Pass
	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.51 Fail
	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 Score	Pass
Suitability	D factor		
	Defensive	No	
	Enterprising	Yes	
Stage 2: De	termination of Intrinsic Value		
	EPSmg	\$3.96	
	MG Growth Estimate	2.64%	
	MG Value	\$54.54	
	MG Value based on 3% Growth	\$57.36	
	MG Value based on 0% Growth	\$33.63	
	Market Implied Growth Rate	5.52%	
MG Opinion			
	Current Price	\$77.33	
	% of Intrinsic Value	141.79%	
	% of Intrinsic Value Opinion	0vervalued	

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$16.08
Graham Number	\$69.88
PEmg	19.55
Current Ratio	1.83
PB Ratio	2.27
Current Dividend	\$1.28
Dividend Yield	1.66%
Number of Consecutive Years of Dividend	
Growth	20

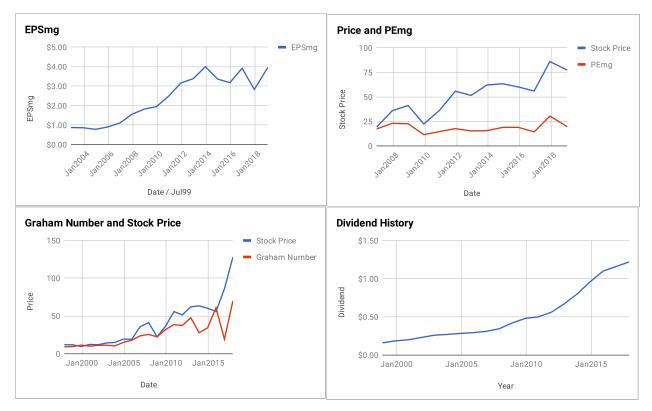
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Morningstar MSN Money Seeking Alpha SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate	\$6.53	Next Fiscal Year Estimate	\$3.96
Dec2017	\$0.49	Dec2017	\$2.83
Dec2016	\$5.68	Dec2016	\$3.92
Dec2015	\$3.00	Dec2015	\$3.18
Dec2014	\$1.69	Dec2014	\$3.36
Dec2013	\$4.90	Dec2013	\$4.00
Dec2012	\$3.47	Dec2012	\$3.38
Dec2011	\$4.28	Dec2011	\$3.1
Dec2010	\$3.43	Dec2010	\$2.4
Dec2009	\$1.94	Dec2009	\$1.9
Dec2008	\$2.09	Dec2008	\$1.8
Dec2007	\$2.36	Dec2007	\$1.5
Dec2006	\$1.47	Dec2006	\$1.1
Dec2005	\$1.20	Dec2005	\$0.9
Dec2004	\$0.65	Dec2004	\$0.7
Dec2003	\$0.86	Dec2003	\$0.8
Dec2002	\$0.85	Dec2002	\$0.8
Dec2001	\$0.74	Balance Sheet Information	9/1/2018
Dec2000	\$1.09	Total Current Assets	\$2,059,577,000
Dec1999	\$0.94	Total Current Liabilities	\$1,127,009,000
Dec1998	\$0.82	Long-Term Debt	\$1,411,605,000
		Total Assets	\$7,487,195,000
		Intangible Assets	\$1,988,907,000
		Total Liabilities	\$3,800,918,000
		Shares Outstanding (Diluted Average)	108,302,000





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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