

# ModernGraham Valuation

Expeditors  
International of  
Washington



## Company Name:

Company Ticker EXPD

Date of Analysis

1/13/2019

## 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	\$11,805,156,263	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.99	Fail
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	85.52%	Pass
5. Earnings Growth	PEmg < 20	25.05	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	6.19	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	1.99	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	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		Pass
	Score		

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.73
MG Growth Estimate	8.45%
<b>MG Value</b>	<b>\$69.36</b>
MG Value based on 3% Growth	\$39.59
MG Value based on 0% Growth	\$23.21
Market Implied Growth Rate	8.27%

### MG Opinion

Current Price	\$68.40
% of Intrinsic Value	98.61%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>B-</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$7.73
Graham Number	\$28.87
PEmg	25.05
Current Ratio	1.99
PB Ratio	6.19
Current Dividend	\$0.84
Dividend Yield	1.23%
Number of Consecutive Years of Dividend Growth	20

### Useful Links:

[ModernGraham tagged articles](#)

[Google Finance](#)

[Yahoo Finance](#)

[Morningstar](#)

[MSN Money](#)

[Seeking Alpha](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.28	Next Fiscal Year Estimate	\$2.73
Dec2017	\$2.69	Dec2017	\$2.37
Dec2016	\$2.36	Dec2016	\$2.14
Dec2015	\$2.40	Dec2015	\$1.98
Dec2014	\$1.92	Dec2014	\$1.75
Dec2013	\$1.68	Dec2013	\$1.62
Dec2012	\$1.57	Dec2012	\$1.56
Dec2011	\$1.79	Dec2011	\$1.51
Dec2010	\$1.59	Dec2010	\$1.33
Dec2009	\$1.11	Dec2009	\$1.18
Dec2008	\$1.37	Dec2008	\$1.15
Dec2007	\$1.21	Dec2007	\$0.97
Dec2006	\$1.06	Dec2006	\$0.79
Dec2005	\$0.86	Dec2005	\$0.62
Dec2004	\$0.59	Dec2004	\$0.49
Dec2003	\$0.46	Dec2003	\$0.43
Dec2002	\$0.44	Dec2002	\$0.39
Dec2001	\$0.45	<b>Balance Sheet Information 9/1/2018</b>	
Dec2000	\$0.38	Total Current Assets	\$2,746,473,000
Dec1999	\$0.28	Total Current Liabilities	\$1,377,468,000
Dec1998	\$0.22	Long-Term Debt	\$0
		Total Assets	\$3,334,800,000
		Intangible Assets	\$7,927,000
		Total Liabilities	\$1,377,468,000
		Shares Outstanding (Diluted Average)	177,173,000





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

[Best Dividend Paying Stocks for Dividend Growth Investors – April 2018](#)  
[Expeditors International of Washington Inc Valuation – March 2018 \\$EXPD](#)  
[Expeditors International of Washington Valuation – June 2016 \\$EXPD](#)  
[Expeditors International of Washington Valuation – January 2016 Update \\$EXPD](#)  
[Expeditors International of Washington Analysis – October 2015 Update \\$EXPD](#)

Other  
ModernGraham  
posts about related  
companies

[Kirby Corp Valuation – September 2018 \\$KEX](#)  
[Knight-Swift Transportation Holdings Inc Valuation – August 2018 \\$KNX](#)  
[Saia Inc Valuation – July 2018 \\$SAIA](#)  
[Ryder System Inc Valuation – June 2018 \\$R](#)  
[United Parcel Service Inc Valuation – May 2018 \\$UPS](#)  
[JB Hunt Transport Services Inc Valuation – May 2018 \\$JBHT](#)  
[C.H. Robinson Worldwide Inc Valuation – April 2018 \\$CHRW](#)  
[FedEx Corp Valuation – April 2018 \\$FDX](#)  
[Expeditors International of Washington Inc Valuation – March 2018 \\$EXPD](#)  
[TFI International Inc Valuation – Initial Coverage \\$TSE:TFII](#)