# ModernGraham Valuation

## Company Name:  Ball Corporation

| | |
|---|---|
| Company Ticker | BLL |
| Date of Analysis | 2/21/2019 |

ModernGraham

## 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 | $18,465,563,018 | Pass |
| 2. | Sufficiently Strong Financial Condition | Current Ratio > 2 | 0.96 | Fail |
| 3. | Earnings Stability | Positive EPS for 10 years prior | | Pass |
| 4. | Dividend Record | Dividend Payments for 10 years prior | | Pass |
| 5. | Earnings Growth | Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end | 20.83% | Fail |
| 6. | Moderate PEmg Ratio | PEmg < 20 | 36.45 | Fail |
| 7. | Moderate Price to Assets | PB Ratio < 2.5 OR PB*PEmg < 50 | 5.30 | 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 | 0.96 | Fail |
| 2. | Sufficiently Strong Financial Condition | Debt to NCA < 1.1 | -42.00 | 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 | | Pass |
| | | Score | | |

**Suitability**

| | |
|---|---|
| **Defensive** | **No** |
| **Enterprising** | **No** |

## Stage 2:  Determination of Intrinsic Value

| | |
|---|---|
| EPSmg | $1.50 |
| MG Growth Estimate | 2.25% |
| **MG Value** | **$19.42** |
| MG Value based on 3% Growth | $21.68 |
| MG Value based on 0% Growth | $12.71 |
| Market Implied Growth Rate | 13.97% |

*MG Opinion*

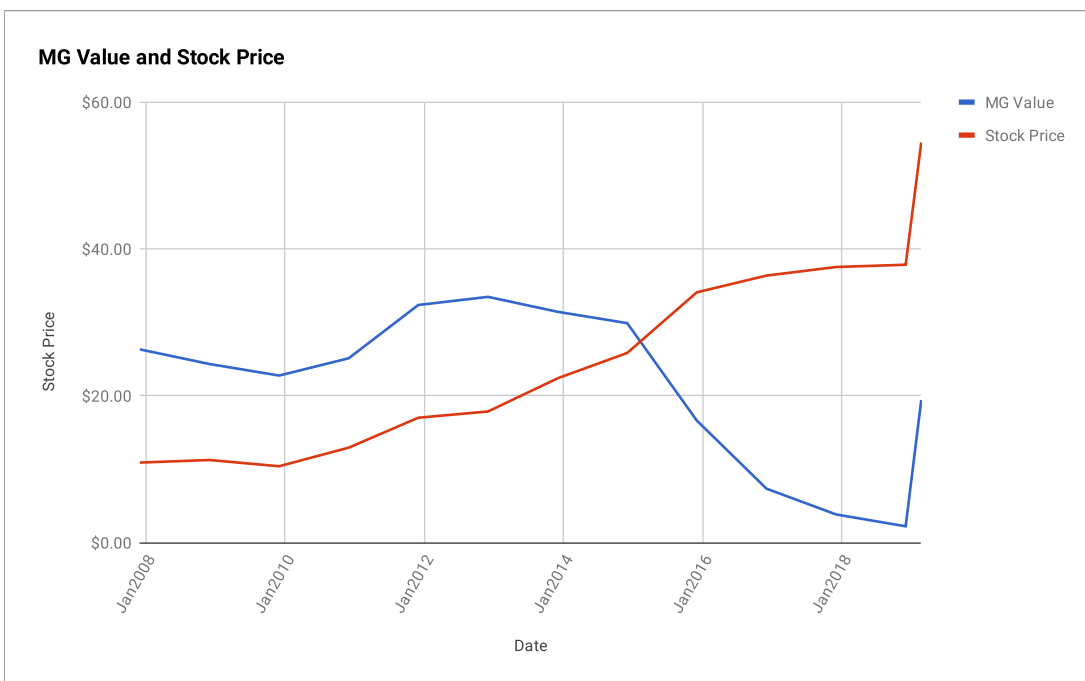| | |
|---|---|
| Current Price | $54.50 |
| % of Intrinsic Value | 280.58% |
| **Opinion** | **Overvalued** |
| **MG Grade** | **F** |

## Stage 3:  Information for Further Research

| | |
|---|---|
| Net Current Asset Value (NCAV) | -$26.14 |
| Graham Number | $23.31 |
| PEmg | 36.45 |
| Current Ratio | 0.96 |
| PB Ratio | 5.30 |
| Current Dividend | $0.40 |
| Dividend Yield | 0.73% |
| Number of Consecutive Years of Dividend Growth | 2 |

| EPS History | | EPSmg History | |
|---|---|---|---|
| Next Fiscal Year Estimate | $2.30 | Next Fiscal Year Estimate | $1.50 |
| Dec2018 | $1.29 | Dec2018 | $1.12 |
| Dec2017 | $1.05 | Dec2017 | $1.08 |
| Dec2016 | $0.81 | Dec2016 | $1.13 |
| Dec2015 | $1.00 | Dec2015 | $1.30 |
| Dec2014 | $1.65 | Dec2014 | $1.42 |
| Dec2013 | $1.37 | Dec2013 | $1.29 |
| Dec2012 | $1.25 | Dec2012 | $1.21 |
| Dec2011 | $1.32 | Dec2011 | $1.14 |
| Dec2010 | $1.28 | Dec2010 | $1.01 |
| Dec2009 | $1.02 | Dec2009 | $0.84 |
| Dec2008 | $0.83 | Dec2008 | $0.74 |
| Dec2007 | $0.69 | Dec2007 | $0.68 |
| Dec2006 | $0.79 | Dec2006 | $0.65 |
| Dec2005 | $0.62 | Dec2005 | $0.52 |
| Dec2004 | $0.66 | Dec2004 | $0.41 |
| Dec2003 | $0.50 | Dec2003 | $0.25 |
| Dec2002 | $0.34 | **Balance Sheet Information** | **12/1/2018** |
| Dec2001 | -$0.12 | Total Current Assets | $3,940,000,000 |
| Dec2000 | $0.03 | Total Current Liabilities | $4,095,000,000 |
| Dec1999 | $0.10 | Long-Term Debt | $6,510,000,000 |
| | | Total Assets | $16,554,000,000 |
| | | Intangible Assets | $6,663,000,000 |
| | | Total Liabilities | $12,992,000,000 |
| | | Shares Outstanding (Diluted Average) | 346,274,000 |

**MG Value and Stock Price**

## EPSmg



## Price and PEmg



## Graham Number and Stock Price



## Dividend History
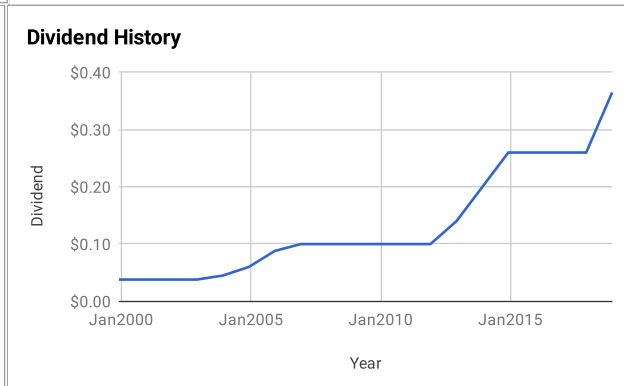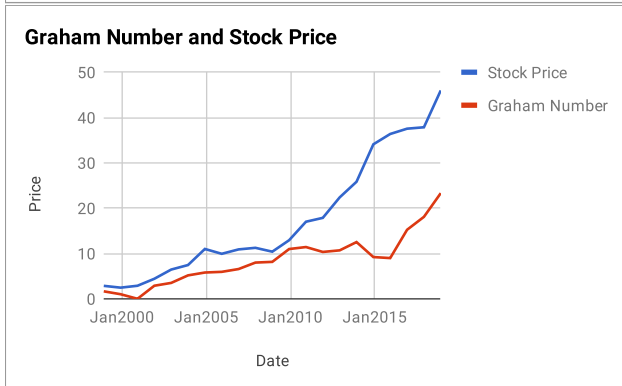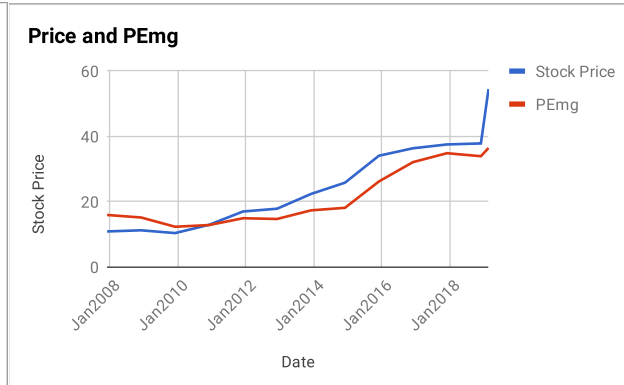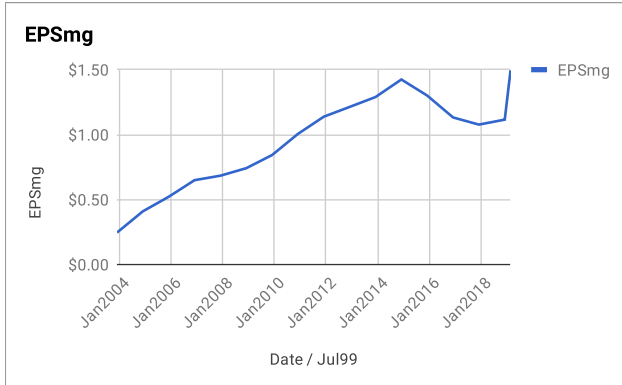


Disclaimer:

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** | Ball Corporation Valuation – April 2018 $BLL |
| | Ball Corporation Valuation – December 2016 $BLL |
| | Ball Corporation Analysis – 2015 Update $BLL |
| | 19 Companies in the Spotlight This Week – 8/9/14 |
| | Ball Corporation Annual Valuation – 2014 $BLL |
| | |
| **Other ModernGraham posts about related companies** | Westrock Co Valuation – February 2019 $WRK |
| | Sealed Air Corp Valuation – February 2019 $SEE |
| | Packaging Corp of America Valuation – January 2019 $PKG |
| | Schweitzer-Mauduit International Inc Valuation – September 2018 $SWM |
| | KapStone Paper and Packaging Corp Valuation – August 2018 $KS |
| | Sonoco Products Co Valuation – August 2018 $SON |
| | Silgan Holdings Inc Valuation – August 2018 $SLGN |
| | Clearwater Paper Corp Valuation – July 2018 $CLW |
| | Intertape Polymer Group Valuation – July 2018 $TSE-ITP |
| | Bemis Co Inc Valuation – June 2018 $BMS |