ModernGraham Valuation

Company Name: PPL Corp

Company Ticker	PPL
Date of Analysis	3/29/2019

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	$22,788,819,010	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.53	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	-11.38%	Fail
6. Moderate PEmg Ratio	PEmg < 20	14.02	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.97	Pass

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	0.53	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-9.42	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	$2.26
MG Growth Estimate	2.70%
MG Value	**$31.35**
MG Value based on 3% Growth	$32.70
MG Value based on 0% Growth	$19.17
Market Implied Growth Rate	2.76%

MG Opinion

Current Price	$31.62
% of Intrinsic Value	100.87%
Opinion	**Fairly Valued**
MG Grade	**C-**

Stage 3: Information for Further Research

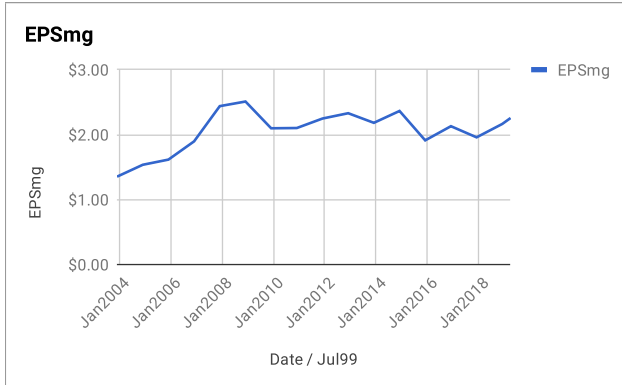|	
Net Current Asset Value (NCAV)	-$40.28
Graham Number	$29.56
PEmg	14.02
Current Ratio	0.53
PB Ratio	1.97
Current Dividend	$1.64
Dividend Yield	5.19%
Number of Consecutive Years of Dividend Growth	7

EPS History		EPSmg History	
Next Fiscal Year Estimate	$2.40	Next Fiscal Year Estimate	$2.26
Dec2018	$2.58	Dec2018	$2.16
Dec2017	$1.64	Dec2017	$1.96
Dec2016	$2.79	Dec2016	$2.13
Dec2015	$1.01	Dec2015	$1.91
Dec2014	$2.61	Dec2014	$2.36
Dec2013	$1.76	Dec2013	$2.18
Dec2012	$2.60	Dec2012	$2.33
Dec2011	$2.70	Dec2011	$2.25
Dec2010	$2.17	Dec2010	$2.10
Dec2009	$1.08	Dec2009	$2.10
Dec2008	$2.47	Dec2008	$2.51
Dec2007	$3.35	Dec2007	$2.44
Dec2006	$2.24	Dec2006	$1.90
Dec2005	$1.65	Dec2005	$1.62
Dec2004	$1.87	Dec2004	$1.54
Dec2003	$2.18	Dec2003	$1.35
Dec2002	$0.68	**Balance Sheet Information**	**12/1/2018**
Dec2001	$0.61	Total Current Assets	$2,432,000,000
Dec2000	$1.72	Total Current Liabilities	$4,563,000,000
Dec1999	$1.42	Long-Term Debt	$20,069,000,000
		Total Assets	$43,396,000,000
		Intangible Assets	$3,879,000,000
		Total Liabilities	$31,739,000,000
		Shares Outstanding (Diluted Average)	727,561,000

MG Value and Stock Price

EPSmg

Price and PEmg

Graham Number and Stock Price

Dividend History
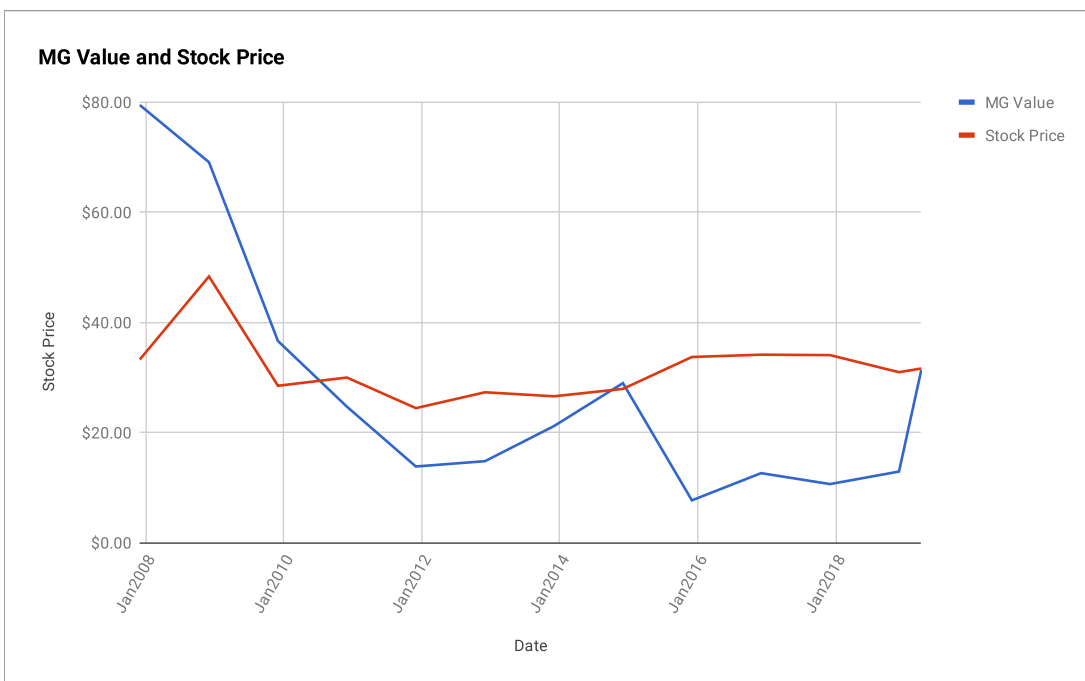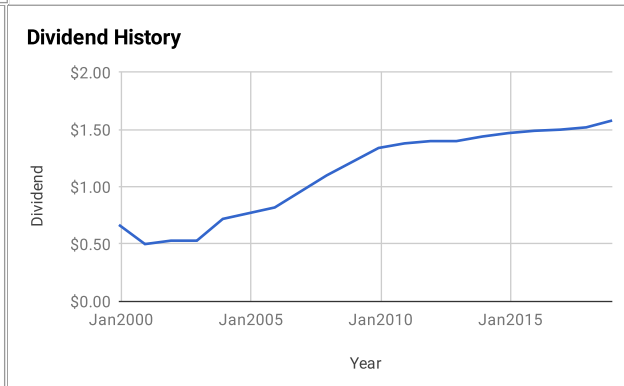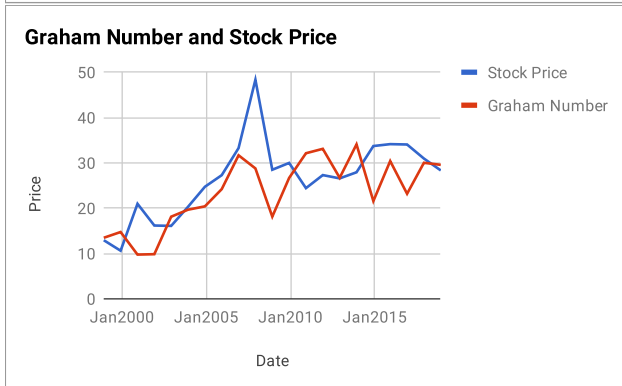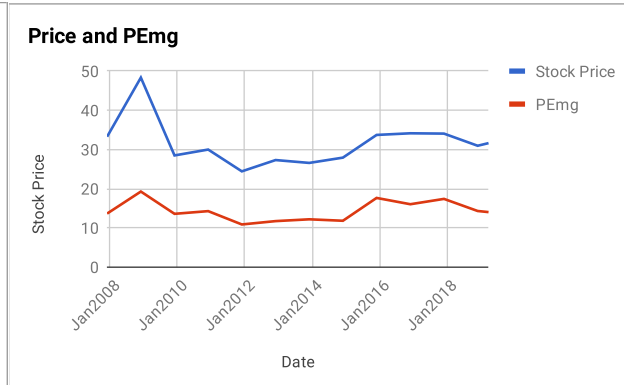
Disclaimer:

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.

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