

ModernGraham Valuation

Company Name:

Copart, Inc.

Company Ticker CPRT

Date of Analysis

4/4/2019



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	\$14,418,055,149	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.69	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	227.38%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	37.14	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	10.41	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	1.69	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.55	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.70
MG Growth Estimate	15.00%
MG Value	\$65.48
MG Value based on 3% Growth	\$24.66
MG Value based on 0% Growth	\$14.46
Market Implied Growth Rate	14.32%

MG Opinion

Current Price	\$63.17
% of Intrinsic Value	96.48%
Opinion	Fairly Valued
MG Grade	D

Stage 3: Information for Further Research

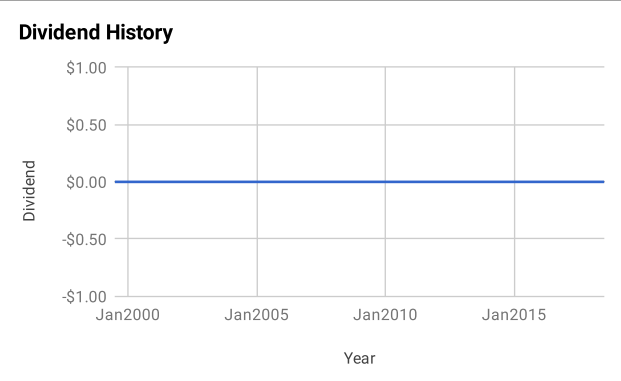
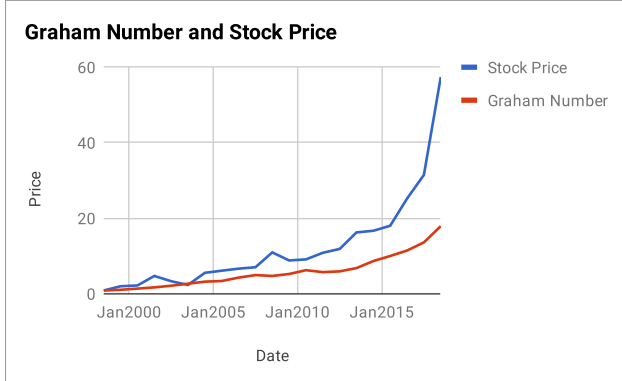
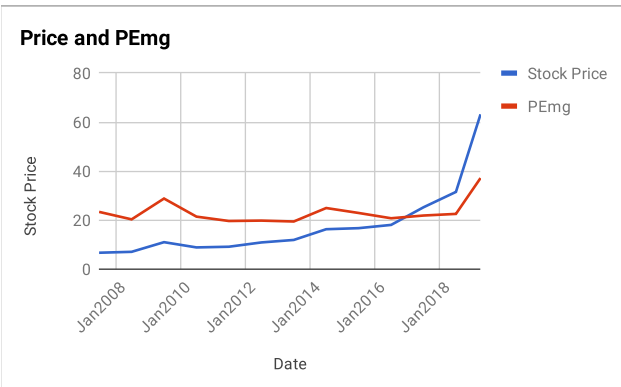
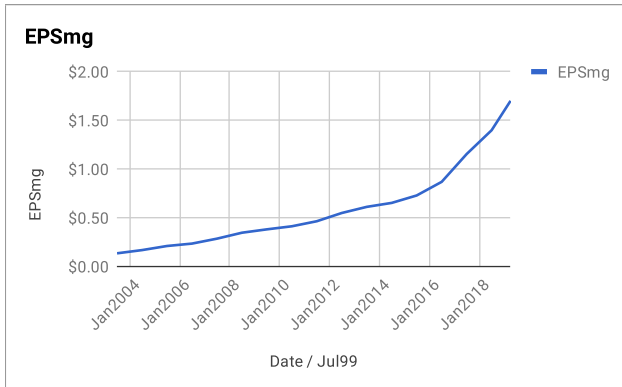
Net Current Asset Value (NCAV)	-\$0.87
Graham Number	\$17.91
PEmg	37.14
Current Ratio	1.69
PB Ratio	10.41
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.11	Next Fiscal Year Estimate	\$1.70
Jul2018	\$1.73	Jul2018	\$1.40
Jul2017	\$1.66	Jul2017	\$1.15
Jul2016	\$1.11	Jul2016	\$0.87
Jul2015	\$0.84	Jul2015	\$0.73
Jul2014	\$0.68	Jul2014	\$0.65
Jul2013	\$0.70	Jul2013	\$0.61
Jul2012	\$0.70	Jul2012	\$0.55
Jul2011	\$0.54	Jul2011	\$0.46
Jul2010	\$0.45	Jul2010	\$0.41
Jul2009	\$0.42	Jul2009	\$0.38
Jul2008	\$0.44	Jul2008	\$0.35
Jul2007	\$0.37	Jul2007	\$0.29
Jul2006	\$0.26	Jul2006	\$0.23
Jul2005	\$0.28	Jul2005	\$0.21
Jul2004	\$0.22	Jul2004	\$0.17
Jul2003	\$0.16	Jul2003	\$0.14
Jul2002	\$0.16	Balance Sheet Information 1/1/2019	
Jul2001	\$0.13	Total Current Assets	\$628,466,000
Jul2000	\$0.09	Total Current Liabilities	\$372,033,000
Jul1999	\$0.07	Long-Term Debt	\$398,740,000
		Total Assets	\$2,296,905,000
		Intangible Assets	\$398,310,000
		Total Liabilities	\$836,952,000
		Shares Outstanding (Diluted Average)	240,660,000





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

- [Copart Inc Valuation – August 2018 \\$CPRT](#)
- [14 Best Stocks for Value Investors This Week – 2/11/17](#)
- [Copart Inc Valuation – Initial Coverage \\$CPRT](#)

Other ModernGraham posts about related companies

- [Harley-Davidson Inc Valuation – April 2019 #HOG](#)
- [Advance Auto Parts Inc Valuation – March 2019 #AAP](#)
- [LKQ Corp Valuation – March 2019 #LKQ](#)
- [Aptiv PLC Valuation – March 2019 #APTIV](#)
- [Paccar Inc Valuation – March 2019 #PCAR](#)
- [BorgWarner Inc Valuation – February 2019 \\$BWA](#)
- [CarMax Inc Valuation – February 2019 \\$KMX](#)
- [Ford Motor Co Valuation – February 2019 \\$F](#)
- [General Motors Co Valuation – February 2019 \\$GM](#)
- [O'Reilly Automotive Inc Valuation – February 2019 \\$ORLY](#)