

ModernGraham Valuation

Company Name:

Company Ticker INE

Date of Analysis

12/9/2016

Innergex Renewable
Energy Inc



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	\$1,524,352,701	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.19	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	-198.63%	Fail
6. Moderate PEmg Ratio	PEmg < 20	-195.00	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.30	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	1.19	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	71.59	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.07
MG Growth Estimate	1.27%
MG Value	-\$0.80
MG Value based on 3% Growth	-\$1.04
MG Value based on 0% Growth	-\$0.61
Market Implied Growth Rate	-101.75%

MG Opinion

Current Price	\$14.04
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D+

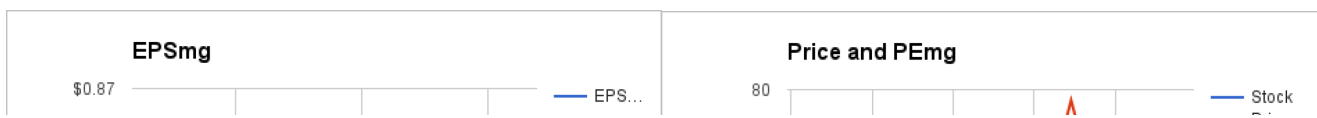
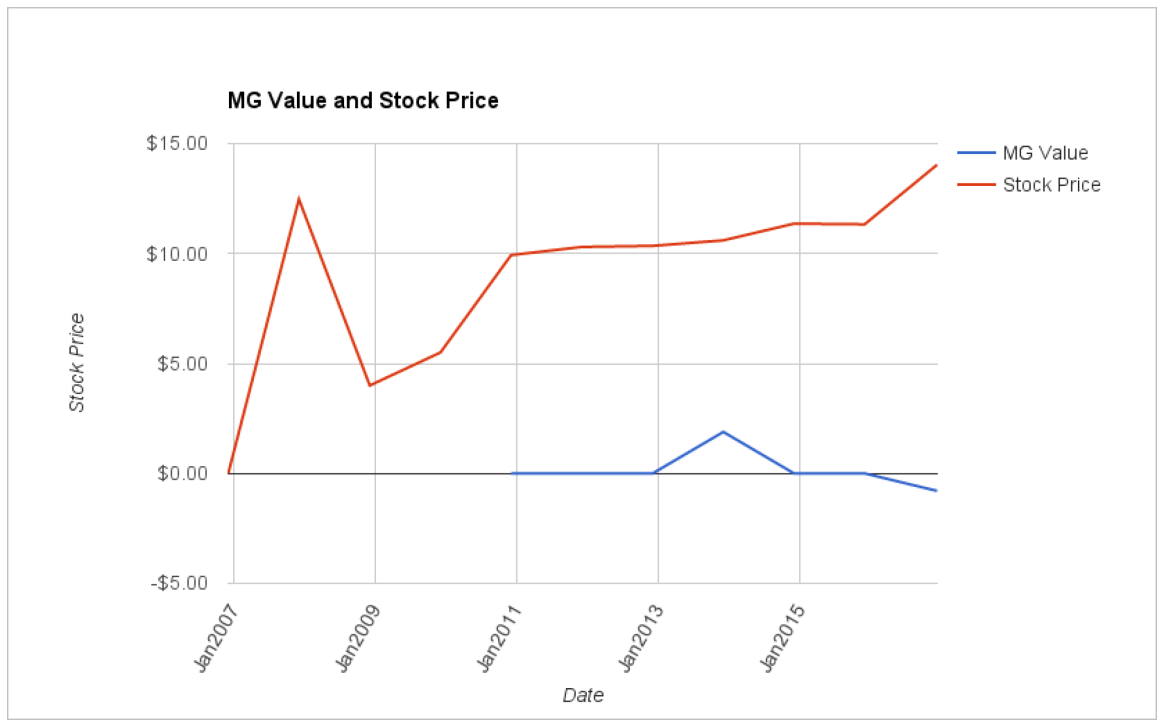
Stage 3: Information for Further Research

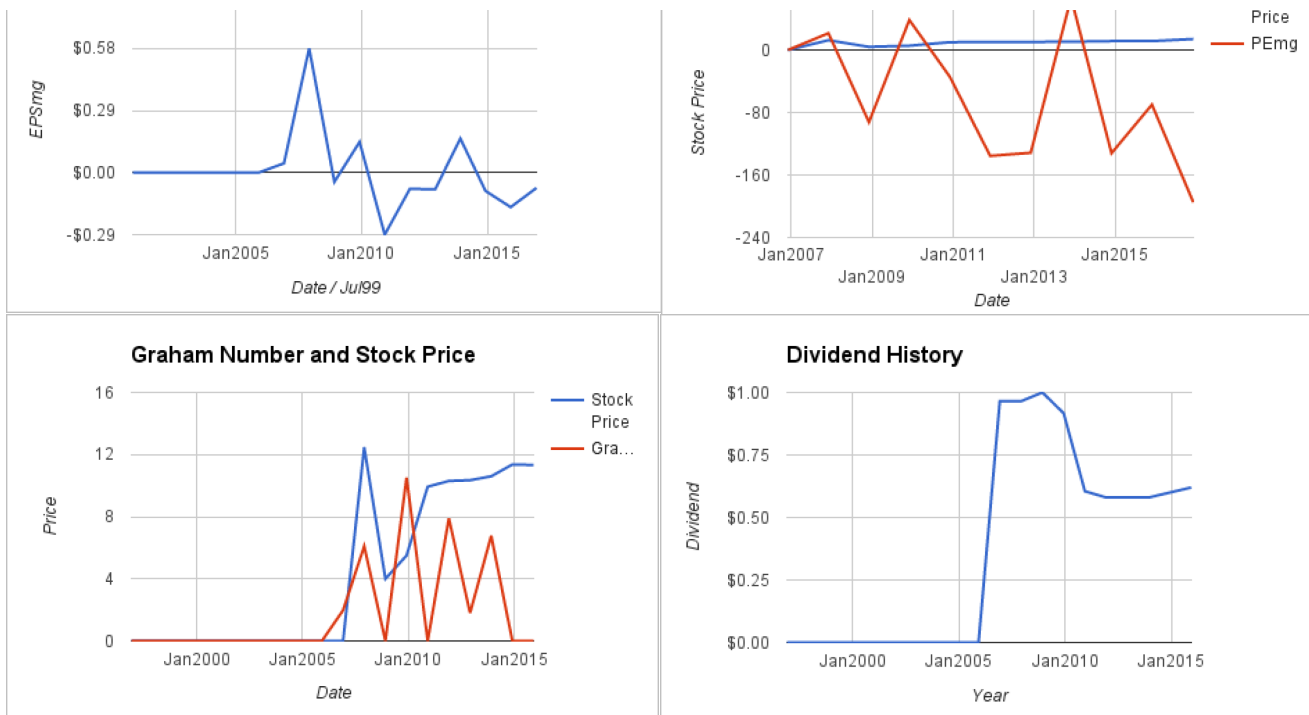
Net Current Asset Value (NCAV)	-\$25.49
Graham Number	\$4.40
PEmg	-195.00
Current Ratio	1.19
PB Ratio	3.30
Current Dividend	\$0.64
Dividend Yield	4.52%
Number of Consecutive Years of Dividend Growth	3

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	\$0.28	Next Fiscal Year Estimate	-\$0.07
Dec2015	-\$0.37	Dec2015	-\$0.16
Dec2014	-\$0.63	Dec2014	-\$0.09
Dec2013	\$0.43	Dec2013	\$0.16
Dec2012	\$0.03	Dec2012	-\$0.08
Dec2011	\$0.59	Dec2011	-\$0.08
Dec2010	-\$1.13	Dec2010	-\$0.29
Dec2009	\$0.61	Dec2009	\$0.14
Dec2008	-\$1.52	Dec2008	-\$0.04
Dec2007	\$1.64	Dec2007	\$0.58
Dec2006	\$0.13	Dec2006	\$0.04
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Dec2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information 9/1/2016	
Dec1998	\$0.00	Total Current Assets	\$221,074,000
Dec1997	\$0.00	Total Current Liabilities	\$185,807,000
Dec1996	\$0.00	Long-Term Debt	\$2,524,720,000
		Total Assets	\$3,465,342,000
		Intangible Assets	\$544,081,000
		Total Liabilities	\$3,001,563,000
		Shares Outstanding (Diluted Average)	109,091,000





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 #N/A

Other ModernGraham posts about related companies [First Solar Inc. Valuation – November 2015 Update \\$FSLR](#)
[First Solar Inc. Annual Valuation – 2014 \\$FSLR](#)