

# ModernGraham Valuation

Company Name:

B&G Foods, Inc.

Company Ticker BGS

Date of Analysis

3/22/2016



## 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	\$2,132,946,157	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.43	Pass
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	210.40%	Pass
6. Moderate PEmg Ratio	PEmg < 20	26.05	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.26	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	3.43	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	5.26	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

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.32
MG Growth Estimate	7.32%
<b>MG Value</b>	<b>\$30.58</b>
MG Value based on 3% Growth	\$19.16
MG Value based on 0% Growth	\$11.23
Market Implied Growth Rate	8.77%

### MG Opinion

Current Price	\$34.42
% of Intrinsic Value	112.57%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C+</b>

## Stage 3: Information for Further Research

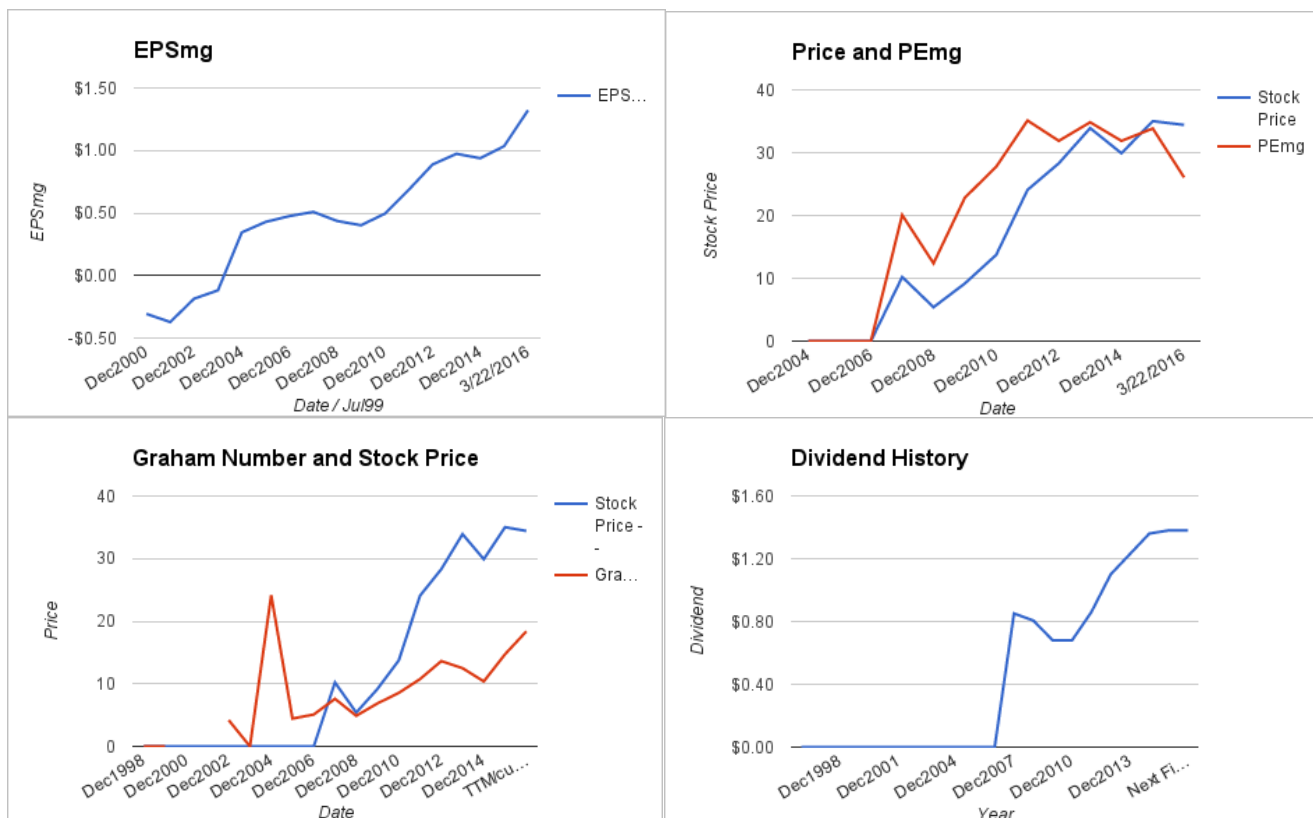
Net Current Asset Value (NCAV)	-\$29.14
Graham Number	\$18.37
PEmg	26.05
Current Ratio	3.43
PB Ratio	4.26
Dividend Yield	4.01%
Number of Consecutive Years of Dividend Growth	6

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.90	Next Fiscal Year Estimate	\$1.32
Dec2015	\$1.22	Dec2015	\$1.03
Dec2014	\$0.76	Dec2014	\$0.94
Dec2013	\$0.98	Dec2013	\$0.97
Dec2012	\$1.20	Dec2012	\$0.89
Dec2011	\$1.04	Dec2011	\$0.69
Dec2010	\$0.67	Dec2010	\$0.49
Dec2009	\$0.44	Dec2009	\$0.40
Dec2008	\$0.27	Dec2008	\$0.44
Dec2007	\$0.54	Dec2007	\$0.51
Dec2006	\$0.42	Dec2006	\$0.48
Dec2005	\$0.29	Dec2005	\$0.43
Dec2004	\$1.19	Dec2004	\$0.34
Dec2003	\$0.00	Dec2003	-\$0.12
Dec2002	\$0.30	Dec2002	-\$0.19
Dec2001	-\$0.38	Dec2001	-\$0.37
Dec2000	-\$0.92	Dec2000	-\$0.31
Dec1999	\$0.00	<b>Balance Sheet Information</b>	
Dec1998	\$0.00	<b>Dec2015</b>	
Dec1997	\$0.00	Total Current Assets	\$463,161,000
Dec1996	\$0.00	Total Current Liabilities	\$134,868,000
		Long-Term Debt	\$1,725,866,000
		Total Assets	\$2,571,715,000
		Intangible Assets	\$1,915,485,000
		Total Liabilities	\$2,114,030,000
		Shares Outstanding (Diluted Average)	56,656,000





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

[B&G Foods Inc. Analysis – September 2015 Update \\$BGS](#)  
[The 8 Best Stocks For Value Investors This Week – 6/27/15](#)  
[B&G Foods Analysis – June 2015 Update \\$BGS](#)  
[The Best Companies of the Food Processing Industry – June 2015](#)  
[18 Companies in the Spotlight This Week – 3/21/15](#)

Other  
ModernGraham  
posts about related  
companies

[Hormel Foods Corp Stock Valuation – February 2016 \\$HRL](#)  
[J.M. Smucker Co Valuation – February 2016 \\$SJM](#)  
[Archer-Daniels Midland Co Valuation – February 2016 \\$ADM](#)  
[Keurig Green Mountain Inc Valuation – January 2016 Update \\$GMCR](#)  
[Monster Beverage Corp Valuation – January 2016 Update \\$MNST](#)  
[Monster Beverage Corp Valuation – January 2016 Update \\$MNST](#)  
[Mead Johnson Nutrition Co Valuation – November 2015 Update \\$MJN](#)  
[Archer Daniels Midland Valuation – November 2015 Update \\$ADM](#)  
[The Best Companies of the Food Processing Industry – October 2015](#)  
[J.M. Smucker Company Valuation – October 2015 Update \\$SJM](#)