ModernGraham Valuation

Company Name:

Company Ticker SJM Date of Analysis J M Smucker Co





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	\$18,128,678,273	Pass
2.	Sufficiently Strong Financial Condition	Current Ratio > 2	1.30	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	61.89%	Pass
6.	Moderate PEmg Ratio	PEmg < 20	26.82	Fail
7.	Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.62	Fail
Enterprising Investor; mu	ist pass 4 out of the following 5 tests, or be	suitable for the Defensive Investor.		
1.	Sufficiently Strong Financial Condition	Current Ratio > 1.5	1.30	Fail
2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	14.28	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

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

	EPSmg		\$5.76
	MG Growth Estimate		5.02%
	MG Value		\$106.83
	MG Value based on 3% Growth		\$83.59
	MG Value based on 0% Growth		\$49.00
	Market Implied Growth Rate		9.16%
MG Opinion			
	Current Price		\$154.61
	% of Intrinsic Value		144.72%
	Opinion	Overvalued	
	MG Grade	D	

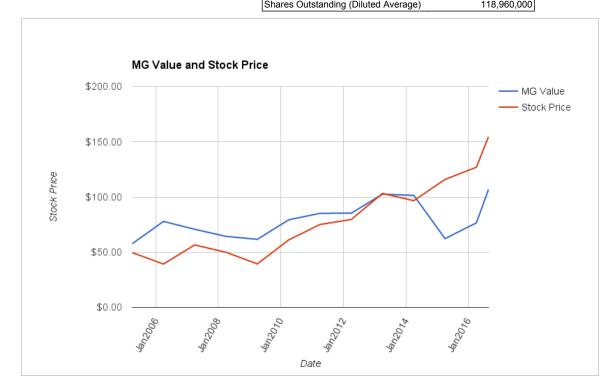
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$62.22
Graham Number	\$100.97
PEmg	26.82
Current Ratio	1.30
PB Ratio	2.62
Current Dividend	\$2.65
Dividend Yield	1.71%
Number of Consecutive Years of Dividend Growth	15

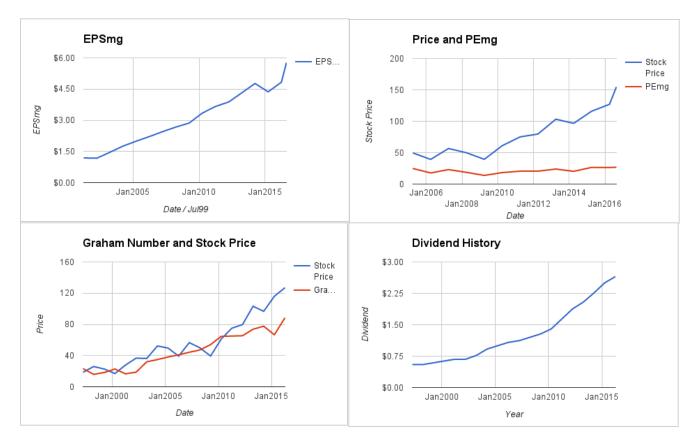
Useful Links:

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

EPS History		EPSmg History	
Next Fiscal Year	A7 50		AF 7 0
Estimate	+	Next Fiscal Year Estimate	\$5.76
Apr2016	\$5.76		\$4.83
Apr2015	\$3.33	· ·	\$4.37
Apr2014	\$5.42	Apr2014	\$4.77
Apr2013	\$5.00	Apr2013	\$4.32
Apr2012	\$4.06	Apr2012	\$3.88
Apr2011	\$4.05	Apr2011	\$3.66
Apr2010	\$4.15	Apr2010	\$3.34
Apr2009	\$3.11	Apr2009	\$2.86
Apr2008	\$3.00	Apr2008	\$2.67
Apr2007	\$2.76	Apr2007	\$2.45
Apr2006	\$2.45	Apr2006	\$2.22
Apr2005	\$2.24	Apr2005	\$2.00
Apr2004	\$2.24	Apr2004	\$1.76
Apr2003	\$2.02	Apr2003	\$1.46
Apr2002	\$1.31	Apr2002	\$1.18
Apr2001	\$1.12	Apr2001	\$1.19
Apr2000	\$0.97	Balance Sheet Information	4/1/2016
Apr1999	\$1.31	Total Current Assets	\$1,573,400,000
Apr1998	\$1.08	Total Current Liabilities	\$1,213,000,000
Apr1997	\$2.28	Long-Term Debt	\$5,146,000,000
· · · · · · · · · · · · · · · · · · ·		Total Assets	\$15,984,100,000
		Intangible Assets	\$12,585,500,000
		Total Liabilities	\$8,975,600,000
		Shares Outstanding (Diluted Average)	118,960,000



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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:

posts about the company J.M. Smucker Company Valuation – October 2015 Update \$SJM J.M. Smucker Company Valuation – October 2015 Update \$SJM J.M. Smucker Company Valuation – October 2015 Update \$SJM J.M. Smucker Company Analysis – July 2015 Update \$SJM J.M. Smucker Company Quarterly Valuation – April 2015 \$SJM Other General Mills Inc Valuation – August 2016 \$GIS Archer Daniels Midland Co – August 2016 \$ADM Coca-Cola Co Valuation – July 2016 \$KO Monster Beverage Corp Valuation – July 2016 \$KO Monster Beverage Corp Valuation – July 2016 \$CPB Kellogg Company Valuation – July 2016 \$KC Hershey Co Valuation – July 2016 \$KC Hershey Co Valuation – July 2016 \$HSY PepsiCo Inc Valuation – July 2016 \$PEP Mead Johnson Nutrition Valuation – June 2016 \$MJN Pune 2016 \$MJN		J.M. Smucker Co Valuation – February 2016 \$SJM	
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Bao roods inc valuation - March 2010 \$BOO		B&G Foods Inc Valuation – March 2016 \$BGS	