ModernGraham Valuation

Company Name:

Company Ticker MAIN Date of Analysis Main Street Capital Corporation



9/3/2016

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	\$1,803,679,938 F	-ail
2.	. Sufficiently Strong Financial Condition	Current Ratio > 2	0.19 F	⁻ ail
3.	. Earnings Stability	Positive EPS for 10 years prior	F	Pass
4.	. Dividend Record	Dividend Payments for 10 years prior	F	Pass
5.	. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	104.38% F	Pass
6.	. Moderate PEmg Ratio	PEmg < 20	15.08 F	Pass
7.	. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.61 F	Pass
Enterprising Investor; mu	ust pass 4 out of the following 5 tests, or be	suitable for the Defensive Investor.		
1.	. Sufficiently Strong Financial Condition	Current Ratio > 1.5	0.19 F	⁻ ail
2.	. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-1.53 F	⁼ail
3.	. Earnings Stability	Positive EPS for 5 years prior	F	Pass

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	Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

	EPSmg		\$2.29
	MG Growth Estimate		-1.95%
	MG Value		\$10.51
	MG Value based on 3% Growth		\$33.14
	MG Value based on 0% Growth		\$19.43
	Market Implied Growth Rate		3.29%
MG Opinion			
	Current Price		\$34.47
	% of Intrinsic Value		328.07%
	Opinion	Overvalued	
	MG Grade	D+	

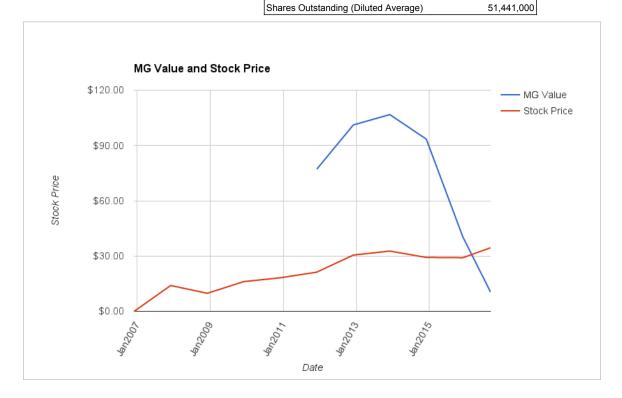
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$15.72
Graham Number	\$30.84
PEmg	15.08
Current Ratio	0.19
PB Ratio	1.61
Current Dividend	\$2.16
Dividend Yield	6.25%
Number of Consecutive Years of Dividend Growth	2

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EPS History		EPSmg History	
Next Fiscal Year			
Estimate		Next Fiscal Year Estimate	\$2.29
Dec2015	\$2.13	Dec2015	\$2.51
Dec2014	\$2.31	Dec2014	\$2.71
Dec2013	\$2.65	Dec2013	\$2.77
Dec2012	\$3.53	Dec2012	\$2.63
Dec2011	\$2.76	Dec2011	\$2.00
Dec2010	\$2.38	Dec2010	\$1.45
Dec2009	\$1.19	Dec2009	\$0.87
Dec2008	\$1.20	Dec2008	\$0.60
Dec2007	\$0.76	Dec2007	\$0.25
Dec2006	\$0.00	Dec2006	\$0.00
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	6/1/2016
Dec1998	\$0.00	Total Current Assets	\$77,124,000
Dec1997	\$0.00	Total Current Liabilities	\$396,590,000
Dec1996	\$0.00	Long-Term Debt	\$489,334,000
		Total Assets	\$1,985,036,000
		Intangible Assets	\$0
		Total Liabilities	\$885,924,000
		Shares Outstanding (Diluted Average)	51 441 000





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.

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