

# ModernGraham Valuation

## Company Name:

Company Ticker CFNL

Date of Analysis

12/5/2016

**Cardinal Financial Corporation**



## Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

*Defensive Investor; must pass all 6 of the following tests.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$1,046,959,564	Fail
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. Dividend Record	Dividend Payments for 10 years prior		Pass
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	608.93%	Pass
5. Moderate PEmg Ratio	PEmg < 20	24.97	Fail
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.43	Pass

*Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.*

1. Earnings Stability	Positive EPS for 5 years prior		Pass
2. Dividend Record	Currently Pays Dividend		Pass
3. 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	1.30
MG Growth Estimate	6.09%
<b>MG Value</b>	<b>\$26.98</b>
MG Value based on 3% Growth	\$18.92
MG Value based on 0% Growth	\$11.09
Market Implied Growth Rate	8.24%

### MG Opinion

Current Price	\$32.58
% of Intrinsic Value	120.77%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C-</b>

## Stage 3: Information for Further Research

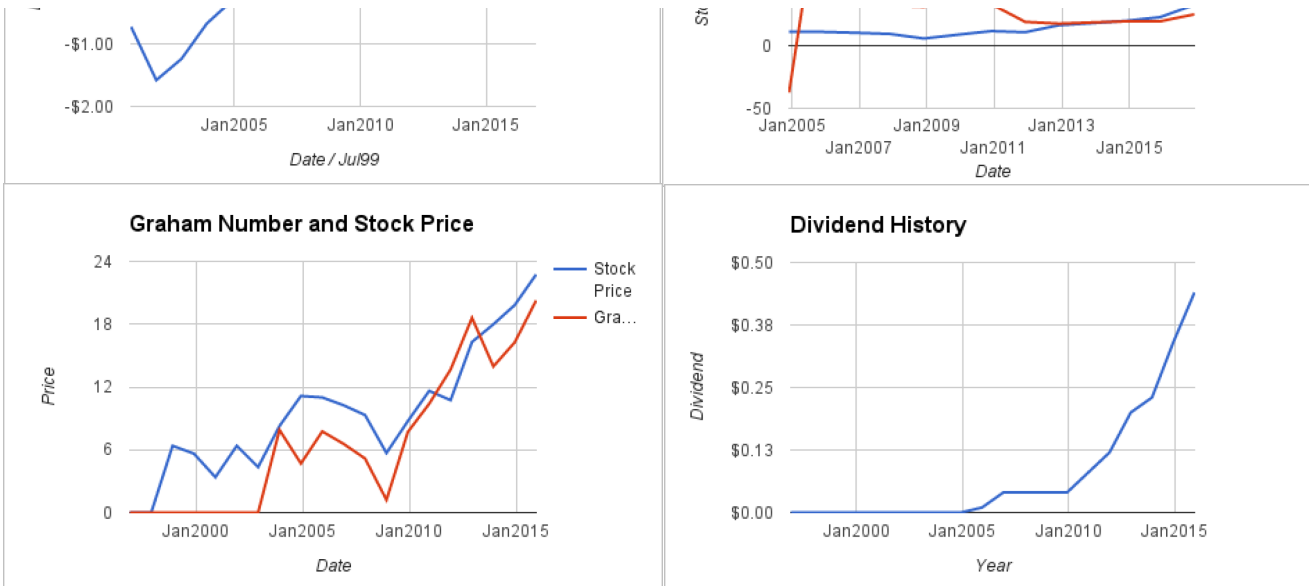
Graham Number	\$21.85
PEmg	24.97
PB Ratio	2.43
Dividend Yield	1.44%
Number of Consecutive Years of Dividend Growth	7

### 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	\$1.54	Next Fiscal Year Estimate	\$1.30
Dec2015	\$1.43	Dec2015	\$1.17





**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

- [BB&T Corporation Valuation – November 2016 \\$BBT](#)
- [SunTrust Banks Inc Valuation – August 2016 \\$STI](#)
- [Comerica Inc Valuation – August 2016 \\$CMA](#)
- [US Bancorp Valuation – August 2016 \\$USB](#)
- [Bank of New York Mellon Corp Valuation – August 2016 \\$BK](#)
- [Best Stocks to Invest In: the Bank Industry – August 2016](#)
- [JPMorgan Chase & Co Valuation – July 2016 \\$JPM](#)
- [Dominion Resources Inc Valuation – July 2016 \\$D](#)
- [M&T Bank Corp Valuation – July 2016 \\$MTB](#)
- [Citigroup Inc Valuation – July 2016 \\$C](#)