

# ModernGraham Valuation

Company Name:

Ingredion Inc

Company Ticker INGR

Date of Analysis

12/13/2016



## 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	\$9,150,717,989	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.99	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	156.99%	Pass
6. Moderate PEmg Ratio	PEmg < 20	21.85	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.65	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	2.99	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.17	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	\$5.74
MG Growth Estimate	6.57%
<b>MG Value</b>	<b>\$124.10</b>
MG Value based on 3% Growth	\$83.16
MG Value based on 0% Growth	\$48.75
Market Implied Growth Rate	6.67%

### MG Opinion

Current Price	\$125.30
% of Intrinsic Value	100.97%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>C+</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$8.63
Graham Number	\$73.64
PEmg	21.85
Current Ratio	2.99
PB Ratio	3.65
Current Dividend	\$1.85
Dividend Yield	1.48%
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		Next Fiscal Year Estimate	
	\$6.84		\$5.74
Dec2015	\$5.51	Dec2015	\$5.19
Dec2014	\$4.74	Dec2014	\$4.88
Dec2013	\$5.05	Dec2013	\$4.54
Dec2012	\$5.47	Dec2012	\$3.99
Dec2011	\$5.32	Dec2011	\$3.11
Dec2010	\$2.20	Dec2010	\$2.04
Dec2009	\$0.54	Dec2009	\$1.93
Dec2008	\$3.52	Dec2008	\$2.43
Dec2007	\$2.59	Dec2007	\$1.77
Dec2006	\$1.63	Dec2006	\$1.31
Dec2005	\$1.19	Dec2005	\$1.11
Dec2004	\$1.25	Dec2004	\$1.03
Dec2003	\$1.06	Dec2003	\$0.91
Dec2002	\$0.89	Dec2002	\$0.82
Dec2001	\$0.80	Dec2001	\$0.66
Dec2000	\$0.68	Dec2000	\$0.47
Dec1999	\$0.99	<b>Balance Sheet Information 9/1/2016</b>	
Dec1998	\$0.60	Total Current Assets	\$2,381,000,000
Dec1997	-\$1.05	Total Current Liabilities	\$796,000,000
Dec1996	\$0.00	Long-Term Debt	\$1,859,000,000
		Total Assets	\$5,573,000,000
		Intangible Assets	\$995,000,000
		Total Liabilities	\$3,022,000,000
		Shares Outstanding (Diluted Average)	74,300,000





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

[Best Stocks to Invest In: the Food Processing Industry – August 2016](#)  
[B&G Foods Inc Valuation – August 2016 \\$BGS](#)  
[Tyson Foods Inc Valuation – August 2016 \\$TSN](#)  
[Mondelez International Inc Valuation – August 2016 \\$MDLZ](#)  
[Hormel Foods Corp Valuation – August 2016 \\$HRL](#)  
[J.M. Smucker Co Valuation – August 2016 \\$SJM](#)  
[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 \\$MNST](#)