

# ModernGraham Valuation

Company Name:

Seneca Foods Corp

Company Ticker SENE

Date of Analysis

12/22/2016



## 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	\$399,368,682	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.90	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end		
5. Earnings Growth		50.10%	Pass
6. Moderate PEmg Ratio	PEmg < 20	14.87	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.97	Pass

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	2.90	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.60	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

### Suitability

Defensive	No
Enterprising	Yes

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.72
MG Growth Estimate	8.55%
<b>MG Value</b>	<b>\$69.62</b>
MG Value based on 3% Growth	\$39.44
MG Value based on 0% Growth	\$23.12
Market Implied Growth Rate	3.19%

### MG Opinion

Current Price	\$40.45
% of Intrinsic Value	58.10%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>B+</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$16.89
Graham Number	\$69.20
PEmg	14.87
Current Ratio	2.90
PB Ratio	0.97
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### 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	
Mar2015	\$5.09	Mar2015	\$2.72
Mar2014	\$0.90	Mar2014	\$1.56
Mar2013	\$1.23	Mar2013	\$2.00
Mar2012	\$3.57	Mar2012	\$2.36
Mar2011	\$0.92	Mar2011	\$1.73
Mar2010	\$1.45	Mar2010	\$2.11
Mar2009	\$3.96	Mar2009	\$2.34
Mar2008	\$1.53	Mar2008	\$1.52
Mar2007	\$0.65	Mar2007	\$1.48
Mar2006	\$2.63	Mar2006	\$1.75
Mar2005	\$1.96	Mar2005	\$1.20
Mar2004	\$0.70	Mar2004	\$0.74
Mar2003	\$1.17	Mar2003	\$0.69
Mar2002	\$0.88	Mar2002	\$0.45
Mar2001	\$0.11	Mar2001	\$0.20
Mar2000	\$0.08	Mar2000	\$0.28
Mar1999	\$0.42	Mar2000	\$0.24
Mar1998	\$0.85	<b>Balance Sheet Information 9/1/2016</b>	
Mar1997	-\$0.87	Total Current Assets	\$905,029,000
Mar1996	\$1.25	Total Current Liabilities	\$312,466,000
	-\$1.81	Long-Term Debt	\$354,905,000
		Total Assets	\$1,148,714,000
		Intangible Assets	\$0
		Total Liabilities	\$738,474,000
		Shares Outstanding (Diluted Average)	9,862,000





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

[Saputo Inc Valuation – Initial Coverage \\$SAP](#)  
[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](#)