# **ModernGraham Valuation**

Coca-Cola European Partners plc Ordinary **Shares** 



## **Company Name:**

Company Ticker Date of Analysis

1/13/2017

#### 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.

CCE

1.	Adequate Size of the Enterprise	Market Cap > \$2Bil	\$15,574,185,400	Pass
2	Sufficiently Strong Financial Condition	Current Ratio > 2	1.06	Fail
3.	Earnings Stability	Positive EPS for 10 years prior		Fail
4.	Dividend Record	Dividend Payments for 10 years prior		Pass
		Increase of 33% in EPS in past 10 years using 3 year averages at		
_	Farnings Crowth	hoginning and and	229.06%	Eail

5. Earnings Growth beginning and end -228.96% Fail 6. Moderate PEmg Ratio PEmg < 20 13.66 Pass 7. Moderate Price to Assets PB Ratio < 2.5 OR PB\*PEmg < 50 2.15 Pass

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition 1.06 Fail Current Ratio > 1.5 29.73 Fail 2. Sufficiently Strong Financial Condition Debt to NCA < 1.1 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

Score

Suitability

Defensive No Enterprising No

#### Stage 2: Determination of Intrinsic Value

EPSmg	\$2.35
MG Growth Estimate	10.71%
MG Value	\$70.43
MG Value based on 3% Growth	\$34.13
MG Value based on 0% Growth	\$20.01
Market Implied Growth Rate	2.58%

MG Opinion

**Current Price** \$32.15 % of Intrinsic Value 45.65%

Opinion Undervalued

MG Grade С

### Stage 3: Information for Further Research

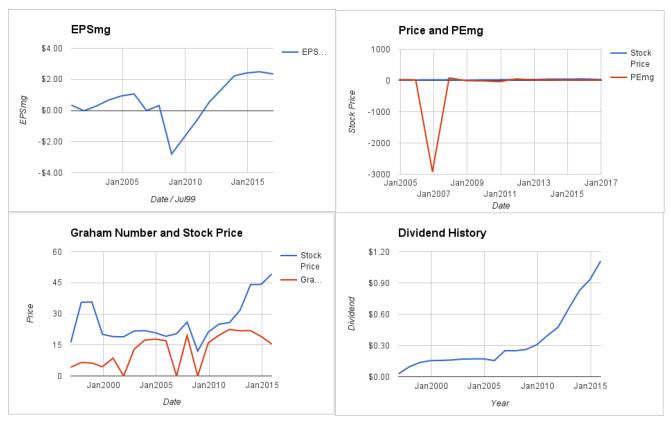
Net Current Asset Value (NCAV)	-\$19.33
Graham Number	\$26.21
PEmg	13.66
Current Ratio	1.06
PB Ratio	2.15
Current Dividend	\$1.09
Dividend Yield	3.38%
Number of Consecutive Years of Dividend	
Growth	0

**Useful Links:** ModernGraham tagged articles

Morningstar **Google Finance MSN Money** Yahoo Finance Seeking Alpha <u>GuruFocus</u> <u>SEC Filings</u>

EPS History		EPSmg History	
Next Fiscal Year			
Estimate	\$2.02	Next Fiscal Year Estimate	\$2.35
Dec2015	\$2.53	Dec2015	\$2.49
Dec2014	\$2.67	Dec2014	\$2.41
Dec2013	\$2.42	Dec2013	\$2.23
Dec2012	\$2.23	Dec2012	\$1.37
Dec2011	\$2.33	Dec2011	\$0.53
Dec2010	\$1.82	Dec2010	-\$0.66
Dec2009	\$1.73	Dec2009	-\$1.72
Dec2008	-\$8.79	Dec2008	-\$2.79
Dec2007	\$1.46	Dec2007	\$0.32
Dec2006	-\$2.41	Dec2006	-\$0.01
Dec2005	\$1.08	Dec2005	\$1.07
Dec2004	\$1.25	Dec2004	\$0.94
Dec2003	\$1.43	Dec2003	\$0.68
Dec2002	\$1.04	Dec2002	\$0.29
Dec2001	-\$0.75	Dec2001	-\$0.02
Dec2000	\$0.52	Dec2000	\$0.34
Dec1999	\$0.13	Balance Sheet Information	9/1/2016
Dec1998	\$0.32	Total Current Assets	\$4,030,303,000
Dec1997	\$0.42	Total Current Liabilities	\$3,803,591,000
Dec1996	\$0.24	Long-Term Debt	\$6,740,741,000
		Total Assets	\$20,753,086,000
		Intangible Assets	\$11,876,543,000
		Total Liabilities	\$13,461,279,000
		Shares Outstanding (Diluted Average)	488,000,000





#### 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 Coca-Cola Enterprises Inc. Analysis – September 2015 Update \$CCE

14 Companies in the Spotlight This Week – 4/5/14

Coca-Cola Enterprises Inc. (CCE) Annual Valuation – 2014

Other ModernGraham posts about related companies Archer Daniels Midland Company Valuation - January 2017 \$ADM

McCormick & Company Valuation – January 2017 \$MKC

Conagra Brands Inc Valuation - December 2016 \$CAG

Seneca Foods Corp Valuation - Initial Coverage \$SENEA

Ingredion Inc Valuation - Initial Coverage \$INGR

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