

ModernGraham Valuation

Company Name:

Company Ticker JJSF

Date of Analysis

1/29/2017

J & J Snack Foods Corp



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	\$2,431,057,862	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.63	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	92.66%	Pass
6. Moderate PEmg Ratio	PEmg < 20	32.68	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.81	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	3.63	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	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		Pass
	Score		

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$4.00
MG Growth Estimate	5.13%
MG Value	\$74.95
MG Value based on 3% Growth	\$57.94
MG Value based on 0% Growth	\$33.97
Market Implied Growth Rate	12.09%

MG Opinion

Current Price	\$130.60
% of Intrinsic Value	174.26%
Opinion	Overvalued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$11.33
Graham Number	\$57.73
PEmg	32.68
Current Ratio	3.63
PB Ratio	3.81
Current Dividend	\$1.59
Dividend Yield	1.22%
Number of Consecutive Years of Dividend Growth	13

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$4.30	Next Fiscal Year Estimate	\$4.00
Sep2016	\$4.05	Sep2016	\$3.75
Sep2015	\$3.73	Sep2015	\$3.52
Sep2014	\$3.82	Sep2014	\$3.32
Sep2013	\$3.41	Sep2013	\$2.98
Sep2012	\$2.86	Sep2012	\$2.65
Sep2011	\$2.93	Sep2011	\$2.42
Sep2010	\$2.59	Sep2010	\$2.08
Sep2009	\$2.21	Sep2009	\$1.77
Sep2008	\$1.47	Sep2008	\$1.52
Sep2007	\$1.69	Sep2007	\$1.50
Sep2006	\$1.57	Sep2006	\$1.36
Sep2005	\$1.40	Sep2005	\$1.20
Sep2004	\$1.24	Sep2004	\$1.03
Sep2003	\$1.10	Sep2003	\$0.89
Sep2002	\$1.00	Sep2002	\$0.77
Sep2001	\$0.68	Sep2001	\$0.64
Sep2000	\$0.55	Balance Sheet Information	12/1/2016
Sep1999	\$0.75	Total Current Assets	\$362,851,000
Sep1998	\$0.63	Total Current Liabilities	\$99,995,000
Sep1997	\$0.46	Long-Term Debt	\$0
		Total Assets	\$794,173,000
		Intangible Assets	\$127,153,000
		Total Liabilities	\$149,990,000
		Shares Outstanding (Diluted Average)	18,787,000





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

- [General Mills Inc Valuation – January 2017 \\$GIS](#)
- [Coca-Cola European Partners PLC Valuation – January 2017 \\$CCE](#)
- [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](#)