

ModernGraham Valuation

Company Name:

Silgan Holdings Inc.

Company Ticker SLGN

Date of Analysis

1/26/2017



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.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$3,253,187,185	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.34	Fail
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	55.74%	Pass
6. Moderate PEmg Ratio	PEmg < 20	21.97	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.83	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	1.34	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	4.11	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
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.72
MG Growth Estimate	3.35%
MG Value	\$41.29
MG Value based on 3% Growth	\$39.37
MG Value based on 0% Growth	\$23.08
Market Implied Growth Rate	6.74%

MG Opinion

Current Price	\$59.66
% of Intrinsic Value	144.50%
Opinion	Overvalued
MG Grade	D

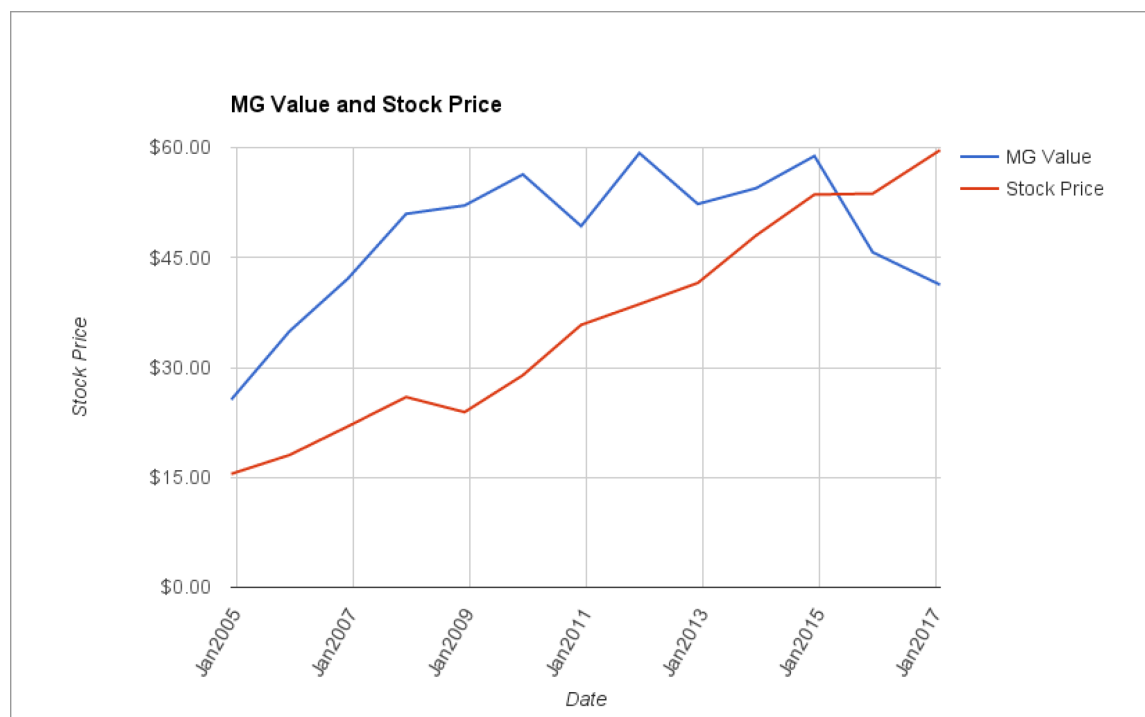
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$23.86
Graham Number	\$27.00
PEmg	21.97
Current Ratio	1.34
PB Ratio	4.83
Current Dividend	\$0.67
Dividend Yield	1.12%
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	\$2.60	Next Fiscal Year Estimate	\$2.72
Dec2015	\$2.81	Dec2015	\$2.75
Dec2014	\$2.86	Dec2014	\$2.65
Dec2013	\$2.87	Dec2013	\$2.48
Dec2012	\$2.17	Dec2012	\$2.22
Dec2011	\$2.75	Dec2011	\$2.16
Dec2010	\$1.89	Dec2010	\$1.81
Dec2009	\$2.07	Dec2009	\$1.71
Dec2008	\$1.63	Dec2008	\$1.48
Dec2007	\$1.61	Dec2007	\$1.32
Dec2006	\$1.37	Dec2006	\$1.12
Dec2005	\$1.17	Dec2005	\$0.94
Dec2004	\$1.13	Dec2004	\$0.78
Dec2003	\$0.57	Dec2003	\$0.58
Dec2002	\$0.73	Dec2002	\$0.57
Dec2001	\$0.58	Dec2001	\$0.48
Dec2000	\$0.44	Dec2000	\$0.43
Dec1999	\$0.33	Balance Sheet Information 9/1/2016	
Dec1998	\$0.58	Total Current Assets	\$1,298,358,000
Dec1997	\$0.43	Total Current Liabilities	\$966,401,000
Dec1996	\$0.38	Long-Term Debt	\$1,364,199,000
		Total Assets	\$3,501,519,000
		Intangible Assets	\$800,133,000
		Total Liabilities	\$2,749,865,000
		Shares Outstanding (Diluted Average)	60,829,000





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

[WestRock Co Valuation – August 2016 \\$WRK](#)
[Bemis Company Inc Valuation – July 2016 \\$BMS](#)
[Owens-Illinois Inc Valuation – June 2016 \\$OI](#)
[Bemis Co Inc Valuation – January 2016 Update \\$BMS](#)
[WestRock Co Valuation – January 2016 Update \\$WRK](#)
[International Paper Co Valuation – December 2015 Update \\$IP](#)
[Bemis Company Inc. Analysis – September 2015 Update \\$BMS](#)
[WestRock Co. Analysis – Initial Coverage \\$WRK](#)
[International Paper Company Analysis – September 2015 Update \\$IP](#)
[Ball Corporation Analysis – 2015 Update \\$BLL](#)