

ModernGraham Valuation

Company Name:

Company Ticker CPF

Date of Analysis

2/7/2017

Central Pacific
Financial Corp.



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass all 6 of the following tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$997,716,010	Fail
2. Earnings Stability	Positive EPS for 10 years prior		Fail
3. 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	-101.09%	Fail
4. Earnings Growth	PEmg < 20	19.94	Pass
5. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.94	Pass
6. Moderate Price to Assets			

Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.

1. Earnings Stability	Positive EPS for 5 years prior	Pass
2. Dividend Record	Currently Pays Dividend	Pass
3. Earnings Growth	EPSmg greater than 5 years ago	Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	1.58
MG Growth Estimate	15.00%
MG Value	\$60.98
MG Value based on 3% Growth	\$22.97
MG Value based on 0% Growth	\$13.46
Market Implied Growth Rate	5.72%

MG Opinion

Current Price	\$31.59
% of Intrinsic Value	51.80%
Opinion	Undervalued
MG Grade	C

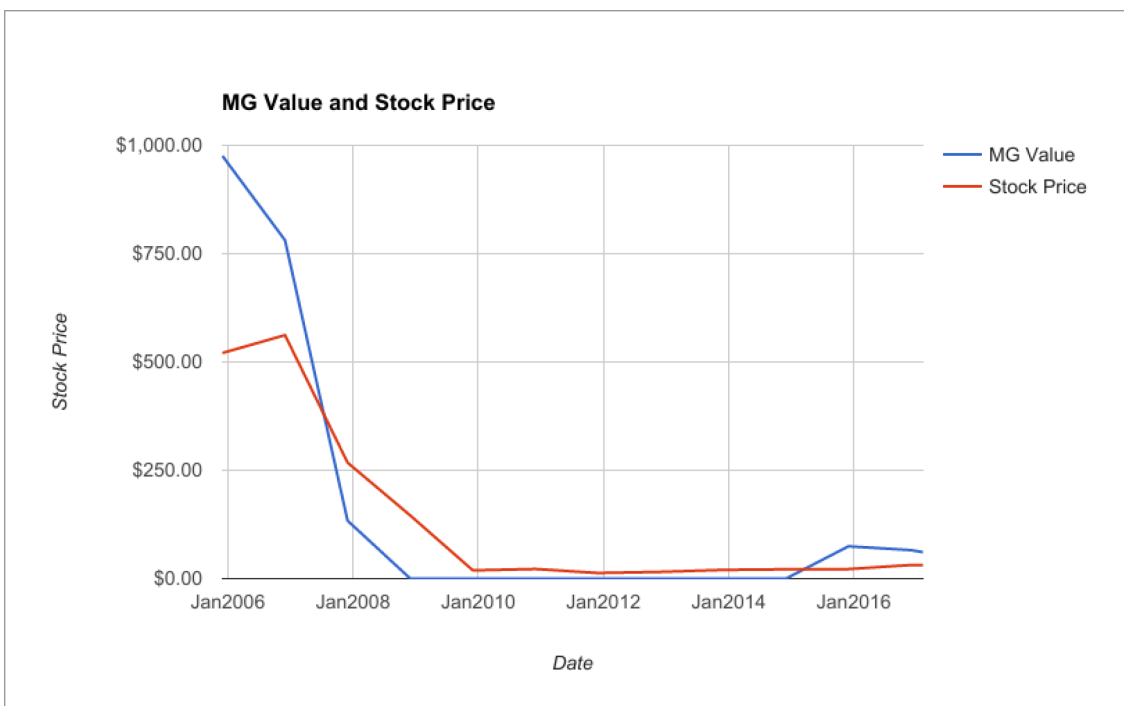
Stage 3: Information for Further Research

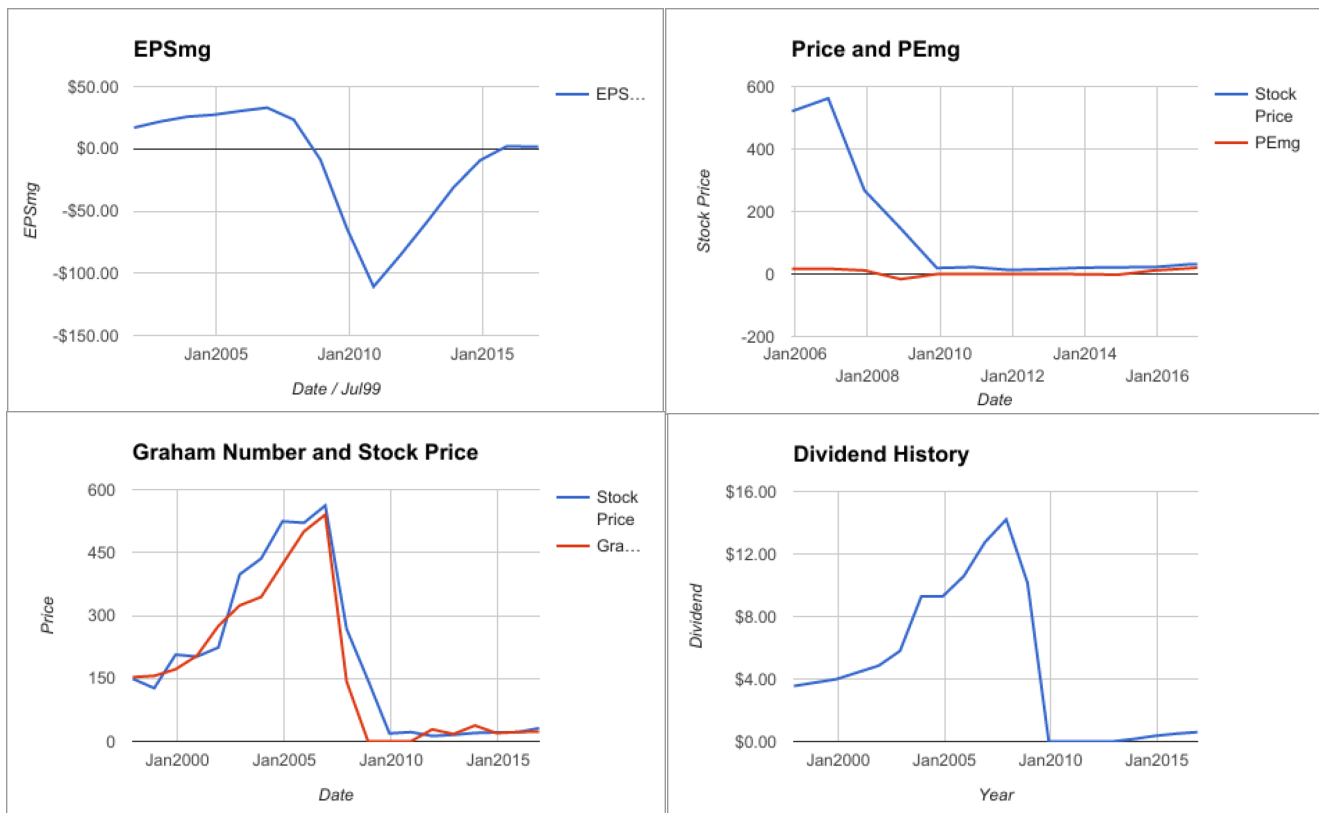
Graham Number	\$23.27
PEmg	19.94
PB Ratio	1.94
Dividend Yield	1.90%
Number of Consecutive Years of Dividend Growth	5

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	\$1.47	Next Fiscal Year Estimate	\$1.58
Dec2016	\$1.50	Dec2016	\$1.71
Dec2015	\$1.40	Dec2015	\$1.94
Dec2014	\$1.07	Dec2014	-\$9.30
Dec2013	\$4.07	Dec2013	-\$31.16
Dec2012	\$1.13	Dec2012	-\$58.95
Dec2011	\$3.31	Dec2011	-\$85.66
Dec2010	-\$171.13	Dec2010	-\$110.84
Dec2009	-\$159.89	Dec2009	-\$64.15
Dec2008	-\$70.03	Dec2008	-\$8.75
Dec2007	\$2.76	Dec2007	\$23.37
Dec2006	\$37.26	Dec2006	\$33.02
Dec2005	\$34.51	Dec2005	\$30.34
Dec2004	\$27.11	Dec2004	\$27.32
Dec2003	\$30.01	Dec2003	\$25.76
Dec2002	\$29.58	Dec2002	\$21.94
Dec2001	\$24.94	Dec2001	\$16.96
Dec2000	\$15.51	Balance Sheet Information 12/1/2016	
Dec1999	\$12.18	Long-Term Debt & Capital Lease Obligation	\$92,785,000
Dec1998	\$10.51	Total Assets	\$5,384,236,000
Dec1997	\$10.15	Intangible Assets	\$20,459,000
		Total Liabilities	\$4,879,586,000
		Shares Outstanding (Diluted Average)	31,001,000





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

[U.S. Bancorp Valuation – February 2017 \\$USB](#)
[Columbia Banking System Inc Valuation – Initial Coverage \\$COLB](#)
[Canadian Imperial Bank of Commerce Valuation – Initial Coverage \\$TSE:CM](#)
[SVB Financial Group Valuation – Initial Coverage \\$SIVB](#)
[Bank of New York Mellon Corp Valuation – January 2017 \\$BK](#)
[Simmons First National Corporation Valuation – Initial Coverage \\$SFNC](#)
[ServisFirst Bancshares Inc Valuation – Initial Coverage \\$SFBS](#)
[Ingredion Inc Valuation – Initial Coverage \\$INGR](#)
[City Holding Company Valuation – Initial Coverage \\$CHCO](#)
[Southside Bancshares Inc Valuation – Initial Coverage \\$SBSI](#)