# **ModernGraham Valuation**

## **Company Name:**

Lancaster Colony Corp.



Company Ticker Date of Analysis

2/28/2017

#### 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.

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<ol> <li>Adequate Size of the Enterprise</li> </ol>	Market Cap > \$2Bil	\$3,606,240,512 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.97 Pass
3. Earnings Stability	Positive EPS for 10 years prior	Pass
4. Dividend Record	Dividend Payments for 10 years prior	Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at	

years using 3 year averages at
5. Earnings Growth beginning and end 51.53% Pass
6. Moderate PEmg Ratio PEmg < 20 31.82 Fail
7. Moderate Price to Assets PB Ratio < 2.5 OR PB\*PEmg < 50 6.46 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	3.97 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

\$131.80

281.33%

Score

Suitability

MG Opinion

Defensive No Enterprising Yes

#### Stage 2: Determination of Intrinsic Value

\$4.14
1.40%
\$46.85
\$60.07
\$35.21
11.66%

% of Intrinsic Value
Opinion
Overvalued

Opinion Overvalued MG Grade C-

#### Stage 3: Information for Further Research

Current Price

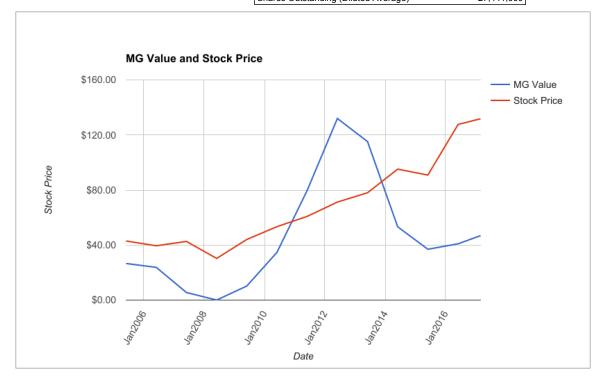
Net Current Asset Value (NCAV)	\$5.28
Graham Number	\$46.70
PEmg	31.82
Current Ratio	3.97
PB Ratio	6.46
Current Dividend	\$2.05
Dividend Yield	1.56%
Number of Consecutive Years of Dividend Growth	2

Morningstar

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EPS History		EPSmg History	
Next Fiscal Year			
Estimate	\$4.75	Next Fiscal Year Estimate	\$4.14
Jun2016	\$4.44	Jun2016	\$3.79
Jun2015	\$3.72	Jun2015	\$3.49
Jun2014	\$2.74	Jun2014	\$3.46
Jun2013	\$3.99	Jun2013	\$3.79
Jun2012	\$3.51	Jun2012	\$3.52
Jun2011	\$3.84	Jun2011	\$3.27
Jun2010	\$4.07	Jun2010	\$2.82
Jun2009	\$3.17	Jun2009	\$2.19
Jun2008	\$1.28	Jun2008	\$1.79
Jun2007	\$1.45	Jun2007	\$2.14
Jun2006	\$2.48	Jun2006	\$2.50
Jun2005	\$2.56	Jun2005	\$2.51
Jun2004	\$2.04	Jun2004	\$2.49
Jun2003	\$3.11	Jun2003	\$2.66
Jun2002	\$2.49	Jun2002	\$2.42
Jun2001	\$2.37	Jun2001	\$2.35
Jun2000	\$2.51	Balance Sheet Information	12/1/2016
Jun1999	\$2.28	Total Current Assets	\$276,959,000
Jun1998	\$2.22	Total Current Liabilities	\$69,845,000
Jun1997	\$2.01	Long-Term Debt	\$0
		Total Assets	\$691,458,000
		Intangible Assets	\$229,728,000
		Total Liabilities	\$131,975,000
		Shares Outstanding (Diluted Average)	27,441,000





#### 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 J M Smucker Co Valuation – February 2017 \$SJM Kraft Heinz Co Valuation – Initial Coverage \$KHC

Dr Pepper Snapple Group Inc Valuation – January 2017 \$DPS

J&J Snack Foods Corp Valuation – Initial Coverage \$JJSF

Sysco Corporation Valuation – January 2017 \$SYY

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