

# ModernGraham Valuation

Company Name:

Sterling Bancorp

Company Ticker

STL

Date of Analysis

2/26/2017



## 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	\$3,340,916,472	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	64.29%	Pass
4. Earnings Growth	PEmg < 20	26.69	Fail
5. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.78	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

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	0.93
MG Growth Estimate	12.30%
<b>MG Value</b>	<b>\$30.76</b>
MG Value based on 3% Growth	\$13.48
MG Value based on 0% Growth	\$7.90
Market Implied Growth Rate	9.09%

### MG Opinion

Current Price	\$24.80
% of Intrinsic Value	80.63%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>C-</b>

## Stage 3: Information for Further Research

Graham Number	\$20.19
PEmg	26.69
PB Ratio	1.78
Dividend Yield	1.13%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
	\$1.32		\$0.93
Dec2016	\$1.07	Dec2016	\$0.70
Dec2015	\$0.60	Dec2015	\$0.50
Sep2014	\$0.34	Sep2014	\$0.45
Sep2013	\$0.58	Sep2013	\$0.51
Sep2012	\$0.52	Sep2012	\$0.49
Sep2011	\$0.31	Sep2011	\$0.49
Sep2010	\$0.54	Sep2010	\$0.58
Sep2009	\$0.67	Sep2009	\$0.58
Sep2008	\$0.61	Sep2008	\$0.51
Sep2007	\$0.48	Sep2007	\$0.45
Sep2006	\$0.49	Sep2006	\$0.41
Sep2005	\$0.49	Sep2005	\$0.36
Sep2004	\$0.29	Sep2004	\$0.28
Sep2003	\$0.33	Sep2003	\$0.25
Sep2002	\$0.28	Sep2002	\$0.20
Sep2001	\$0.22	Sep2001	\$0.14
Sep2000	\$0.17	<b>Balance Sheet Information 12/1/2016</b>	
Sep1999	\$0.09	Long-Term Debt & Capital Lease Obligation	\$2,056,612,000
Sep1998	\$0.00	Total Assets	\$14,178,447,000
Dec1997	\$0.00	Intangible Assets	\$762,953,000
		Total Liabilities	\$12,323,264,000
		Shares Outstanding (Diluted Average)	132,996,000





**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

[Central Pacific Financial Corp Valuation – Initial Coverage \\$CPF](#)  
[Synovus Financial Corp Valuation – Initial Coverage \\$SNV](#)  
[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](#)