

# ModernGraham Valuation

## Company Name:

Company Ticker SUP

Date of Analysis

3/7/2017

Superior Industries  
International Inc



## 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	\$650,874,289	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.95	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. 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	-269.38%	Fail
5. Earnings Growth	PEmg < 20	19.77	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.68	Pass
7. Moderate Price to Assets			

*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	2.95	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

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.33
MG Growth Estimate	3.24%
<b>MG Value</b>	<b>\$19.90</b>
MG Value based on 3% Growth	\$19.26
MG Value based on 0% Growth	\$11.29
Market Implied Growth Rate	5.63%

### MG Opinion

Current Price	\$26.25
% of Intrinsic Value	131.92%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$4.31
Graham Number	\$25.53
PEmg	19.77
Current Ratio	2.95
PB Ratio	1.68
Current Dividend	\$0.72
Dividend Yield	2.74%
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	
	\$1.85		\$1.33
Dec2016	\$1.62	Dec2016	\$1.03
Dec2015	\$0.90	Dec2015	\$0.87
Dec2014	\$0.33	Dec2014	\$1.01
Dec2013	\$0.83	Dec2013	\$1.09
Dec2012	\$1.13	Dec2012	\$0.88
Dec2011	\$2.46	Dec2011	\$0.52
Dec2010	\$1.93	Dec2010	-\$0.47
Dec2009	-\$3.53	Dec2009	-\$1.44
Dec2008	-\$0.98	Dec2008	-\$0.22
Dec2007	\$0.35	Dec2007	\$0.42
Dec2006	-\$0.40	Dec2006	\$0.79
Dec2005	-\$0.27	Dec2005	\$1.58
Dec2004	\$1.99	Dec2004	\$2.55
Dec2003	\$2.97	Dec2003	\$2.81
Dec2002	\$3.07	Dec2002	\$2.67
Dec2001	\$2.10	Dec2001	\$2.42
Dec2000	\$3.04	<b>Balance Sheet Information 12/1/2016</b>	
Dec1999	\$2.62	Total Current Assets	\$254,100,000
Dec1998	\$1.88	Total Current Liabilities	\$86,000,000
Dec1997	\$1.96	Long-Term Debt	\$0
		Total Assets	\$542,800,000
		Intangible Assets	\$0
		Total Liabilities	\$144,600,000
		Shares Outstanding (Diluted Average)	25,428,000





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

[Canadian Tire Corp Limited Valuation – Initial Coverage \\$TSE:CTC.A](#)  
[LKQ Corporation Valuation – Initial Coverage \\$LKQ](#)  
[Lithia Motors Inc Valuation – Initial Coverage \\$LAD](#)  
[Delphi Automotive PLC Valuation – February 2017 \\$DLPH](#)  
[Cooper-Standard Holdings Inc Valuation – Initial Coverage \\$CPS](#)  
[Copart Inc Valuation – Initial Coverage \\$CPRT](#)  
[Standard Motor Products Inc Valuation – Initial Coverage \\$SMP](#)  
[Harman International Industries Inc Valuation – January 2017 \\$HAR](#)  
[BorgWarner Inc Valuation – December 2016 \\$BWA](#)  
[Ford Motor Company Valuation – November 2016 \\$F](#)