

# ModernGraham Valuation

Company Name:

SUPERVALU INC.

Company Ticker SVU

Date of Analysis

3/8/2017



## 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	\$893,980,802	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.71	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. 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	-118.43%	Fail
5. Earnings Growth	PEmg < 20	91.84	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	-3.58	Fail
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	0.71	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-1.69	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$0.04
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$1.46</b>
MG Value based on 3% Growth	\$0.55
MG Value based on 0% Growth	\$0.32
Market Implied Growth Rate	41.67%

### MG Opinion

Current Price	\$3.49
% of Intrinsic Value	238.55%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>F</b>

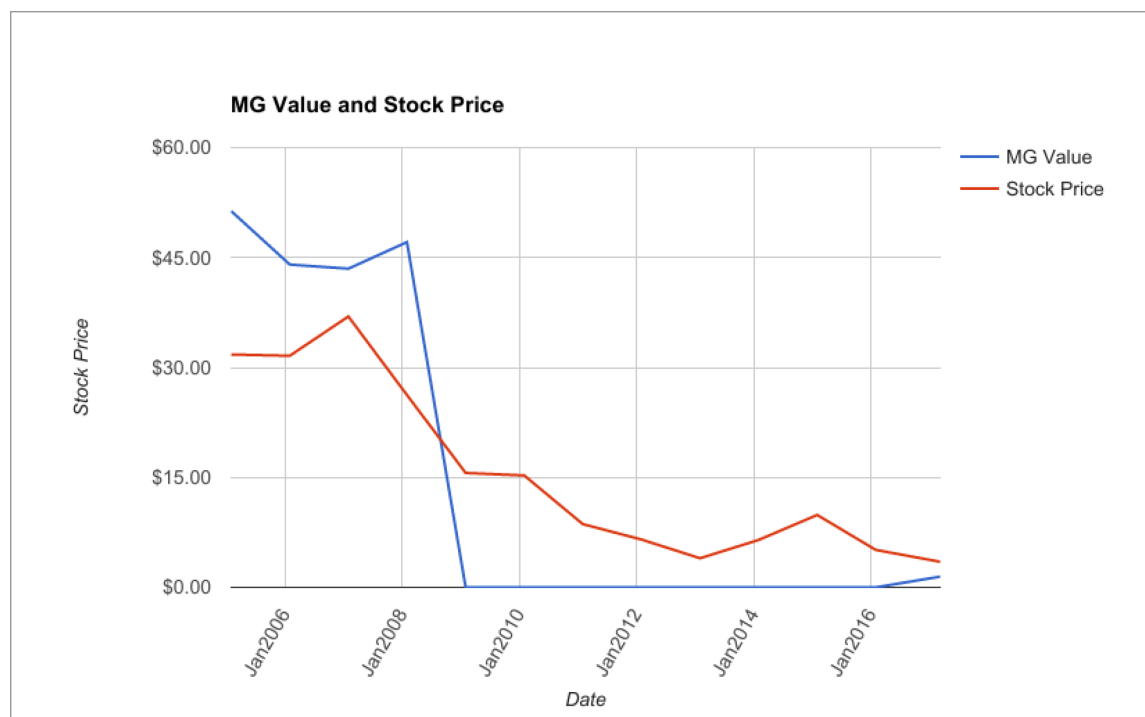
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$10.88
Graham Number	\$0.00
PEmg	91.84
Current Ratio	0.71
PB Ratio	-3.58
Current Dividend	\$0.00
Dividend Yield	0.00%
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	\$0.25	Next Fiscal Year Estimate	\$0.04
Feb2016	\$0.66	Feb2016	-\$0.69
Feb2015	\$0.73	Feb2015	-\$2.08
Feb2014	\$0.70	Feb2014	-\$3.42
Feb2013	-\$6.91	Feb2013	-\$5.69
Feb2012	-\$4.91	Feb2012	-\$4.78
Feb2011	-\$7.12	Feb2011	-\$4.06
Feb2010	\$1.85	Feb2010	-\$2.03
Feb2009	-\$13.51	Feb2009	-\$2.93
Feb2008	\$2.76	Feb2008	\$2.33
Feb2007	\$2.32	Feb2007	\$2.10
Feb2006	\$1.46	Feb2006	\$1.96
Feb2005	\$2.71	Feb2005	\$2.05
Feb2004	\$2.01	Feb2004	\$1.67
Feb2003	\$1.91	Feb2003	\$1.49
Feb2002	\$1.47	Feb2002	\$1.34
Feb2001	\$0.55	Feb2001	\$1.33
Feb2000	\$1.87	<b>Balance Sheet Information 11/1/2016</b>	
Feb1999	\$1.57	Total Current Assets	\$1,850,000,000
Feb1998	\$1.82	Total Current Liabilities	\$2,597,000,000
Feb1997	\$1.30	Long-Term Debt	\$1,261,000,000
		Total Assets	\$4,474,000,000
		Intangible Assets	\$751,000,000
		Total Liabilities	\$4,732,000,000
		Shares Outstanding (Diluted Average)	265,000,000





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

[SpartanNash Co Valuation – Initial Coverage \\$SPTN](#)  
[Core-Mark Holding Company Inc Valuation – Initial Coverage \\$CORE](#)  
[The Kroger Co Valuation – August 2016 \\$KR](#)  
[Whole Foods Market Inc Valuation – May 2016 \\$WFM](#)  
[Whole Foods Market Inc. Valuation – October 2015 Update \\$WFM](#)  
[Kroger Company Analysis – 2015 Update \\$KR](#)  
[Whole Foods Market Inc. Quarterly Valuation – May 2015 \\$WFM](#)  
[Whole Foods Market Inc. Quarterly Valuation – February 2015 \\$WFM](#)  
[Safeway Inc. Quarterly Valuation – December 2014 \\$SWY](#)  
[Whole Foods Markets Inc. Quarterly Valuation – October 2014 \\$WFM](#)