

ModernGraham Valuation

Tricon Capital Group
Inc



Company Name:

Company Ticker TSE:TCN

Date of Analysis

4/9/2017

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	\$1,232,979,038	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.25	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	-392.72%	Fail
5. Earnings Growth	PEmg < 20	14.10	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.38	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	1.25	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	22.33	Fail
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 Score		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.77
MG Growth Estimate	15.00%
MG Value	\$29.74
MG Value based on 3% Growth	\$11.20
MG Value based on 0% Growth	\$6.57
Market Implied Growth Rate	2.80%

MG Opinion

Current Price	\$10.89
% of Intrinsic Value	36.62%
Opinion	Undervalued
MG Grade	B-

Stage 3: Information for Further Research

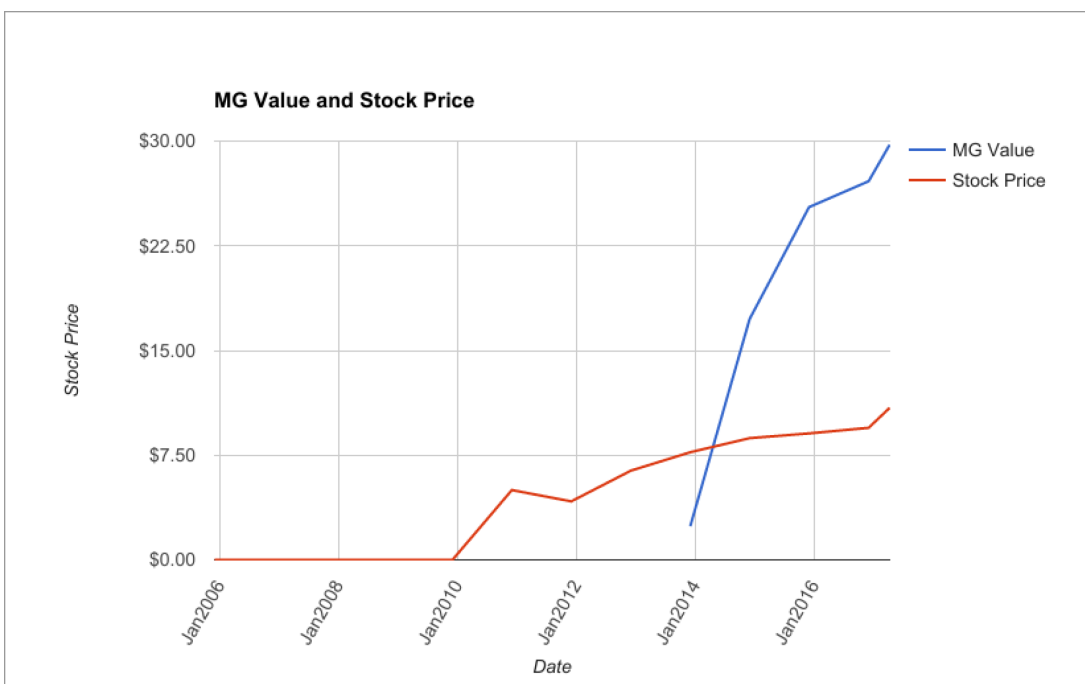
Net Current Asset Value (NCAV)	-\$2.22
Graham Number	\$12.40
PEmg	14.10
Current Ratio	1.25
PB Ratio	1.38
Current Dividend	\$0.26
Dividend Yield	2.38%
Number of Consecutive Years of Dividend Growth	0

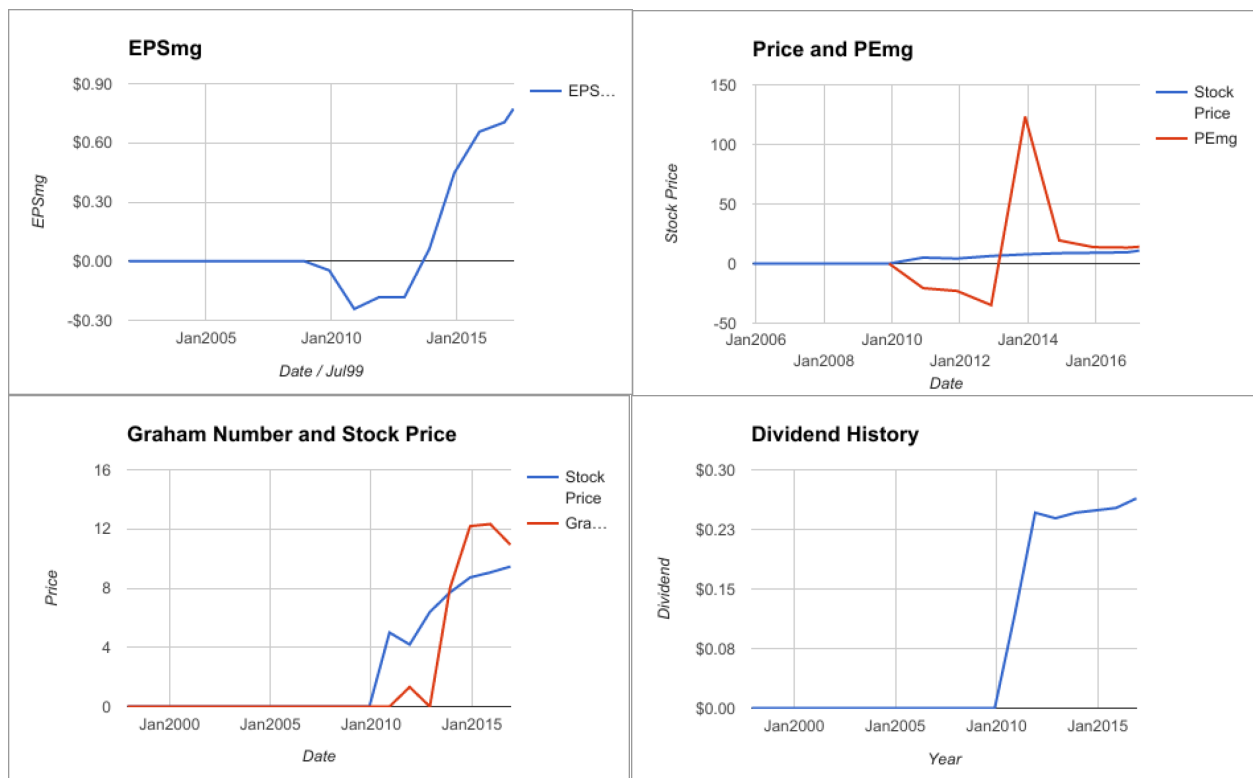
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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
	\$0.79		\$0.77
Dec2016	\$0.61	Dec2016	\$0.70
Dec2015	\$0.81	Dec2015	\$0.66
Dec2014	\$1.10	Dec2014	\$0.45
Dec2013	\$0.56	Dec2013	\$0.06
Dec2012	-\$0.15	Dec2012	-\$0.18
Dec2011	\$0.03	Dec2011	-\$0.18
Dec2010	-\$0.62	Dec2010	-\$0.24
Dec2009	-\$0.14	Dec2009	-\$0.05
Dec2008	\$0.00	Dec2008	\$0.00
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Balance Sheet Information 12/1/2016	
Dec1999	\$0.00	Total Current Assets	\$49,715,000
Dec1998	\$0.00	Total Current Liabilities	\$39,629,000
Dec1997	\$0.00	Long-Term Debt	\$225,233,000
		Total Assets	\$1,297,511,000
		Intangible Assets	\$33,595,000
		Total Liabilities	\$323,903,000
		Shares Outstanding (Diluted Average)	123,647,000





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.

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