

ModernGraham Valuation

Company Name:

Tredegar Corporation

Company Ticker TG

Date of Analysis

7/21/2017



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	\$535,650,556	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.82	Fail
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	-75.61%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	38.72	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.64	Pass

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	1.82	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.79	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Fail
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.41
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$5.95
MG Value based on 0% Growth	\$3.49
Market Implied Growth Rate	15.11%

MG Opinion

Current Price	\$15.90
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D

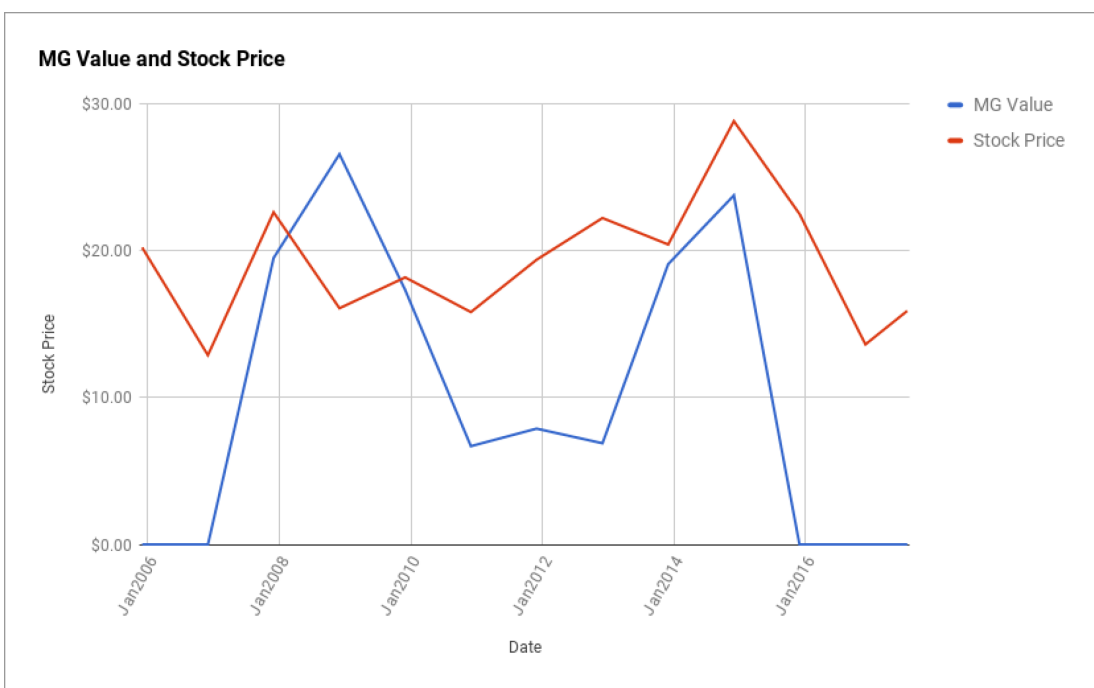
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$6.36
Graham Number	\$11.66
PEmg	38.72
Current Ratio	1.82
PB Ratio	1.64
Current Dividend	\$0.44
Dividend Yield	2.77%
Number of Consecutive Years of Dividend Growth	6

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.64	Next Fiscal Year Estimate	\$0.41
Dec2016	\$0.75	Dec2016	\$0.36
Dec2015	-\$0.99	Dec2015	\$0.27
Dec2014	\$1.13	Dec2014	\$0.89
Dec2013	\$0.67	Dec2013	\$0.72
Dec2012	\$0.88	Dec2012	\$0.72
Dec2011	\$0.77	Dec2011	\$0.61
Dec2010	\$0.83	Dec2010	\$0.55
Dec2009	-\$0.04	Dec2009	\$0.45
Dec2008	\$0.85	Dec2008	\$0.69
Dec2007	\$0.39	Dec2007	\$0.53
Dec2006	\$0.98	Dec2006	\$0.49
Dec2005	\$0.42	Dec2005	\$0.21
Dec2004	\$0.76	Dec2004	\$0.28
Dec2003	-\$0.69	Dec2003	\$0.27
Dec2002	-\$0.07	Dec2002	\$0.92
Dec2001	\$0.25	Dec2001	\$1.45
Dec2000	\$2.86	Balance Sheet Information	3/1/2017
Dec1999	\$1.36	Total Current Assets	\$239,353,000
Dec1998	\$1.78	Total Current Liabilities	\$131,406,000
Dec1997	\$1.48	Long-Term Debt	\$193,000,000
		Total Assets	\$767,667,000
		Intangible Assets	\$191,564,000
		Total Liabilities	\$448,864,000
		Shares Outstanding (Diluted Average)	32,957,000





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

- [WestRock Co Valuation – August 2016 \\$WRK](#)
- [Bemis Company Inc Valuation – July 2016 \\$BMS](#)
- [Owens-Illinois Inc Valuation – June 2016 \\$OI](#)
- [Bemis Co Inc Valuation – January 2016 Update \\$BMS](#)
- [WestRock Co Valuation – January 2016 Update \\$WRK](#)
- [International Paper Co Valuation – December 2015 Update \\$IP](#)
- [Bemis Company Inc. Analysis – September 2015 Update \\$BMS](#)
- [WestRock Co. Analysis – Initial Coverage \\$WRK](#)
- [International Paper Company Analysis – September 2015 Update \\$IP](#)
- [Ball Corporation Analysis – 2015 Update \\$BLL](#)