

ModernGraham Valuation

Company Name:

Green Plains Inc

Company Ticker GPRE

Date of Analysis

9/7/2017



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	\$784,049,417	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.60	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	-47.32%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	24.67	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.87	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	1.60	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.25	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		Fail
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.77
MG Growth Estimate	-3.28%
MG Value	\$1.49
MG Value based on 3% Growth	\$11.11
MG Value based on 0% Growth	\$6.51
Market Implied Growth Rate	8.09%

MG Opinion

Current Price	\$18.90
% of Intrinsic Value	1265.98%
Opinion	Overvalued
MG Grade	D+

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$16.31
Graham Number	\$8.11
PEmg	24.67
Current Ratio	1.60
PB Ratio	0.87
Current Dividend	\$0.48
Dividend Yield	2.54%
Number of Consecutive Years of Dividend Growth	4

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	\$0.13	Next Fiscal Year Estimate	\$0.77
Dec2016	\$0.28	Dec2016	\$1.13
Dec2015	\$0.18	Dec2015	\$1.49
Dec2014	\$3.96	Dec2014	\$1.97
Dec2013	\$1.26	Dec2013	\$0.98
Dec2012	\$0.39	Dec2012	\$0.73
Dec2011	\$1.01	Dec2011	\$0.75
Dec2010	\$1.51	Dec2010	\$0.48
Dec2009	\$0.79	Dec2009	-\$0.07
Nov2007	-\$1.18	Nov2007	-\$0.43
Nov2006	\$0.19	Nov2006	-\$0.05
Nov2005	-\$0.42	Nov2005	-\$0.14
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	Dec2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information 6/1/2017	
Dec1998	\$0.00	Total Current Assets	\$866,226,000
Dec1997	\$0.00	Total Current Liabilities	\$540,471,000
Dec1996	\$0.00	Long-Term Debt	\$733,780,000
		Total Assets	\$2,396,623,000
		Intangible Assets	\$183,696,000
		Total Liabilities	\$1,522,254,000
		Shares Outstanding (Diluted Average)	40,220,000





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

- [Ingevity Corp Valuation – Initial Coverage \\$NGVT](#)
- [Praxair Inc Valuation – August 2017 \\$PX](#)
- [Albemarle Corp Valuation – March 2017 \\$ALB](#)
- [Sensient Technologies Corp Valuation – Initial Coverage \\$SXT](#)
- [Quaker Chemical Corp Valuation – Initial Coverage \\$KWR](#)
- [Kraton Corp Valuation – Initial Coverage \\$KRA](#)
- [Koppers Holdings Inc Valuation – Initial Coverage \\$KOP](#)
- [Air Products & Chemicals Inc Valuation – January 2017 \\$APD](#)
- [Compass Minerals International Inc Valuation – Initial Coverage \\$CMP](#)
- [A Schulman Inc Valuation – Initial Coverage \\$SHLM](#)