

# ModernGraham Valuation

Company Name:

Green Plains Inc

Company Ticker GPRE

Date of Analysis

3/6/2018



## 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	\$771,791,362	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.38	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	7.45%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	16.99	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.48	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	1.38	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	33.54	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		Pass
	Score		

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.10
MG Growth Estimate	2.81%
<b>MG Value</b>	<b>\$15.58</b>
MG Value based on 3% Growth	\$16.00
MG Value based on 0% Growth	\$9.38
Market Implied Growth Rate	4.25%

### MG Opinion

Current Price	\$18.75
% of Intrinsic Value	120.38%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D+</b>

## Stage 3: Information for Further Research

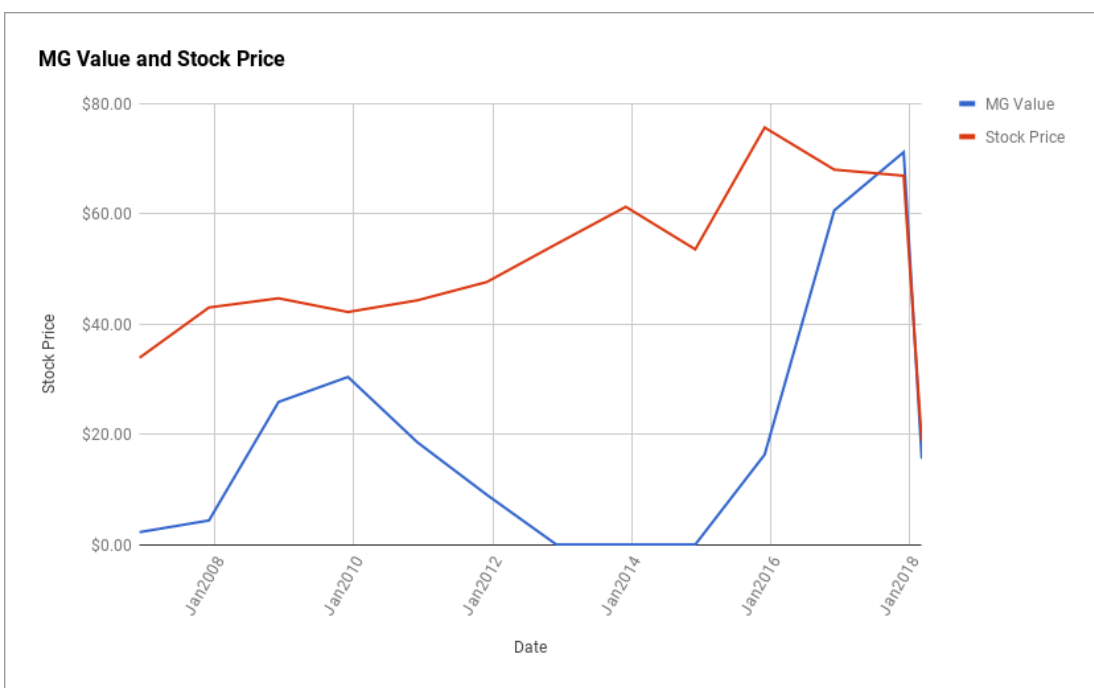
Net Current Asset Value (NCAV)	-\$32.93
Graham Number	\$0.00
PEmg	16.99
Current Ratio	1.38
PB Ratio	0.48
Current Dividend	\$3.48
Dividend Yield	18.56%
Number of Consecutive Years of Dividend Growth	10

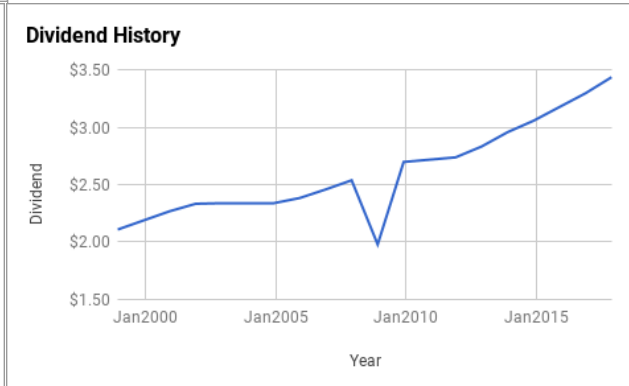
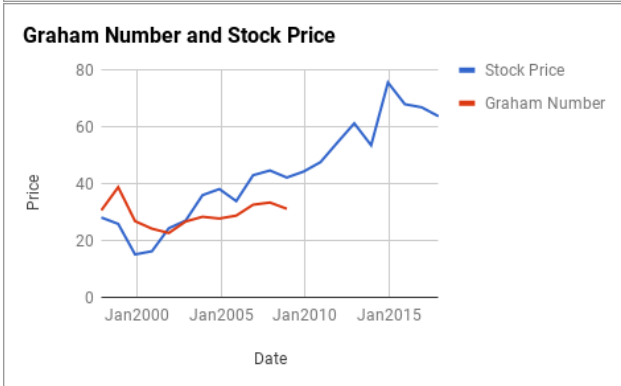
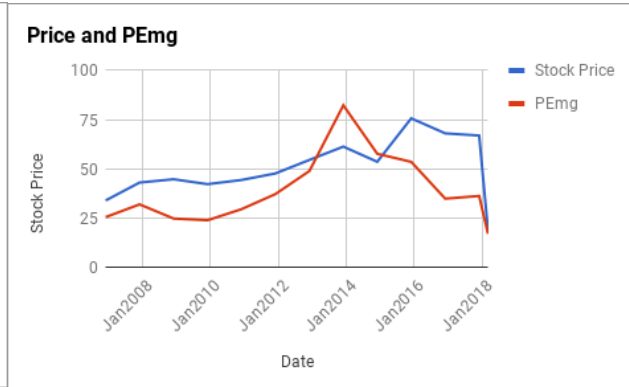
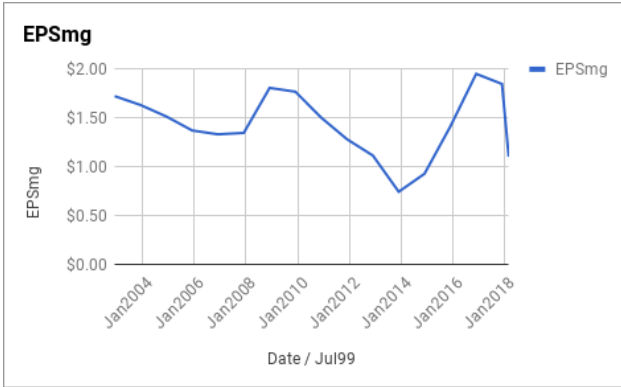
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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	\$1.26	Dec2017	\$1.85
Dec2016	\$2.81	Dec2016	\$1.95
Dec2015	\$2.34	Dec2015	\$1.41
Dec2014	\$1.45	Dec2014	\$0.93
Dec2013	\$0.28	Dec2013	\$0.74
Dec2012	\$0.98	Dec2012	\$1.12
Dec2011	\$0.90	Dec2011	\$1.28
Dec2010	\$0.83	Dec2010	\$1.50
Dec2009	\$1.49	Dec2009	\$1.77
Dec2008	\$2.76	Dec2008	\$1.81
Dec2007	\$1.43	Dec2007	\$1.35
Dec2006	\$1.31	Dec2006	\$1.33
Dec2005	\$1.15	Dec2005	\$1.37
Dec2004	\$1.39	Dec2004	\$1.52
Dec2003	\$1.60	Dec2003	\$1.63
Dec2002	\$1.48	Dec2002	\$1.72
Dec2001	\$1.52	<b>Balance Sheet Information 12/1/2017</b>	
Dec2000	\$1.91	Total Current Assets	\$1,259,462,000
Dec1999	\$2.21	Total Current Liabilities	\$911,863,000
Dec1998	\$2.24	Long-Term Debt	\$11,659,698,000
		Total Assets	\$27,944,445,000
		Intangible Assets	\$68,321,000
		Total Liabilities	\$13,521,298,000
		Shares Outstanding (Diluted Average)	372,322,000





**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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