

# ModernGraham Valuation

Company Name:

Bemis Company, Inc.

Company Ticker BMS

Date of Analysis

6/30/2018



## 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	\$3,819,994,829	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.88	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	24.60%	Fail
5. Earnings Growth	PEmg < 20	19.98	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.11	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	1.88	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.56	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

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.11
MG Growth Estimate	2.04%
<b>MG Value</b>	<b>\$26.57</b>
MG Value based on 3% Growth	\$30.63
MG Value based on 0% Growth	\$17.96
Market Implied Growth Rate	5.74%

### MG Opinion

Current Price	\$42.21
% of Intrinsic Value	158.88%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>B</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$13.49
Graham Number	\$28.24
PEmg	19.98
Current Ratio	1.88
PB Ratio	3.11
Current Dividend	\$1.20
Dividend Yield	2.84%
Number of Consecutive Years of Dividend Growth	20

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[GuruFocus](#)

[Morningstar](#)  
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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	\$2.68	Dec2017	\$2.11
Dec2016	\$1.02	Dec2016	\$1.88
Dec2015	\$2.48	Dec2015	\$2.24
Dec2014	\$2.44	Dec2014	\$2.06
Dec2013	\$1.89	Dec2013	\$1.86
Dec2012	\$2.04	Dec2012	\$1.81
Dec2011	\$1.66	Dec2011	\$1.68
Dec2010	\$1.73	Dec2010	\$1.68
Dec2009	\$1.85	Dec2009	\$1.65
Dec2008	\$1.38	Dec2008	\$1.56
Dec2007	\$1.61	Dec2007	\$1.64
Dec2006	\$1.74	Dec2006	\$1.64
Dec2005	\$1.65	Dec2005	\$1.57
Dec2004	\$1.51	Dec2004	\$1.52
Dec2003	\$1.67	Dec2003	\$1.49
Dec2002	\$1.37	Dec2002	\$1.37
Dec2001	\$1.54	Dec2002	\$1.32
Dec2000	\$1.32	<b>Balance Sheet Information</b>	
Dec1999	\$1.22	<b>3/1/2018</b>	
Dec1998	\$1.09	Total Current Assets	\$1,285,200,000
	\$0.95	Total Current Liabilities	\$682,700,000
		Long-Term Debt	\$1,544,200,000
		Total Assets	\$3,753,800,000
		Intangible Assets	\$995,200,000
		Total Liabilities	\$2,515,600,000
		Shares Outstanding (Diluted Average)	91,200,000





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

[Best Dividend Paying Stocks for Dividend Growth Investors – August 2017](#)  
[Bemis Company Inc Valuation – July 2016 \\$BMS](#)  
[Bemis Co Inc Valuation – January 2016 Update \\$BMS](#)  
[Bemis Company Inc. Analysis – September 2015 Update \\$BMS](#)  
[Bemis Company Analysis – June 2015 Update \\$BMS](#)

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[Ball Corporation Valuation – April 2018 \\$BLL](#)  
[WestRock Co Valuation – April 2018 \\$WRK](#)  
[Sealed Air Corp Valuation – April 2018 \\$SEE](#)  
[Packaging Corp of America Valuation – Initial Coverage \\$PKG](#)  
[AptarGroup Inc Valuation – Initial Coverage \\$ATR](#)  
[Tredegar Corp Valuation – Initial Coverage \\$TG](#)  
[International Paper Co Valuation – March 2017 \\$IP](#)  
[Schweitzer-Mauduit International Inc Valuation – Initial Coverage \\$SWM](#)  
[KapStone Paper and Packaging Corp Valuation – Initial Coverage \\$KS](#)