# **ModernGraham Valuation**

## **Company Name:**

Suburban Propane Partners LP



Company Ticker SPH
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.

Adequate Size of the Enterprise	Market Cap > \$2Bil	\$1,440,571,709 Fail	
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.41 Fail	
3. Earnings Stability	Positive EPS for 10 years prior	Pass	
Dividend Record	Dividend Payments for 10 years prior	Pass	
	Increase of 33% in EPS in past 10 years using 3 year averages at		
5. Earnings Growth	beginning and end	-85.03% Fail	
Moderate PEmg Ratio	PEmg < 20	29.94 Fail	
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.31 Pass	

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

<ol> <li>Sufficiently Strong Financial Condition</li> </ol>	Current Ratio > 1.5	1.41 Fail	ĺ
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	17.94 Fail	l
3. Earnings Stability	Positive EPS for 5 years prior	Pas	S
4. Dividend Record	Currently Pays Dividend	Pas	S
5. Earnings Growth	EPSmg greater than 5 years ago	Fail	l
	Score		

Suitability

Defensive No Enterprising No

#### Stage 2: Determination of Intrinsic Value

EPSmg	\$0.78
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$11.38
MG Value based on 0% Growth	\$6.67
Market Implied Growth Rate	10.72%

MG Opinion

Current Price \$23.49 % of Intrinsic Value N/A

Opinion Overvalued MG Grade C-

# Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$21.88
Graham Number	\$13.16
PEmg	29.94
Current Ratio	1.41
PB Ratio	2.31
Current Dividend	\$3.55
Dividend Yield	15.11%
Number of Consecutive Years of Dividend	
Growth	20

Morningstar

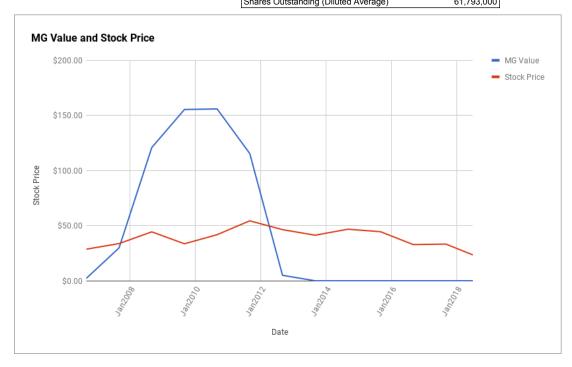
Useful Links: ModernGraham tagged articles

 Google Finance
 MSN Money

 Yahoo Finance
 Seeking Alpha

 GuruFocus
 SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate		Next Fiscal Year Estimate	\$0.78
Sep2017	\$0.62	Sep2017	\$0.84
Sep2016	\$0.24	Sep2016	\$0.94
Sep2015	\$1.38	Sep2015	\$1.36
Sep2014	\$1.56	Sep2014	\$1.53
Sep2013	\$1.34	Sep2013	\$1.86
Sep2012	\$0.02	Sep2012	\$2.49
Sep2011	\$3.22	Sep2011	\$3.82
Sep2010	\$3.24	Sep2010	\$4.05
Sep2009	\$4.96	Sep2009	\$4.04
Sep2008	\$4.70	Sep2008	\$3.18
Sep2007	\$3.89	Sep2007	\$2.21
Sep2006	\$2.83	Sep2006	\$1.40
Sep2005	-\$0.38	Sep2005	\$0.89
Sep2004	\$0.84	Sep2004	\$1.60
Sep2003	\$1.86	Sep2003	\$1.90
Sep2002	\$2.12	Sep2002	\$1.81
Sep2001	\$2.14	Balance Sheet Information	3/1/2018
Sep2000	\$1.70	Total Current Assets	\$246,854,000
Sep1999	\$0.83	Total Current Liabilities	\$175,266,000
Sep1998	\$1.30	Long-Term Debt	\$1,284,574,000
		Total Assets	\$2,227,981,000
		Intangible Assets	\$1,287,339,000
		Total Liabilities	\$1,598,728,000
		Shares Outstanding (Diluted Average)	61,793,000





#### 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 Suburban Propane Partners Valuation – June 2016 \$SPH

<u>Suburban Propane Partners LP Annual Valuation – 2015 \$SPH</u>

14 Companies in the Spotlight This Week - 1/4/14

ModernGraham Valuation: Suburban Propane Partners LP (SPH)

Other ModernGraham posts about related companies Public Service Enterprise Group Inc Valuation - June 2018 \$PEG

<u>Eversource Energy Valuation – June 2018 \$ES</u>

PPL Corp Valuation – June 2018 \$PPL

Entergy Corp Valuation - June 2018 \$ETR

Pinnacle West Capital Corp Valuation – June 2018 \$PNW

NiSource Inc Valuation – June 2018 \$NI

American Electric Power Co Valuation – June 2018 \$AEP

American Water Works Co Inc Valuation – June 2018 \$AWK

Alliant Energy Corp Valuation - June 2018 \$LNT

Consolidated Edison Inc Valuation – June 2018 \$ED