

# ModernGraham Valuation

Company Name:

B&G Foods, Inc.

Company Ticker BGS

Date of Analysis

7/1/2018



## 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	\$2,041,463,347	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.78	Pass
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	223.72%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	14.34	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.29	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	3.78	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	3.71	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		Pass
	Score		

### Suitability

<b>Defensive</b>	<b>Yes</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.09
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$80.29</b>
MG Value based on 3% Growth	\$30.24
MG Value based on 0% Growth	\$17.73
Market Implied Growth Rate	2.92%

### MG Opinion

Current Price	\$29.90
% of Intrinsic Value	37.24%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>B+</b>

## Stage 3: Information for Further Research

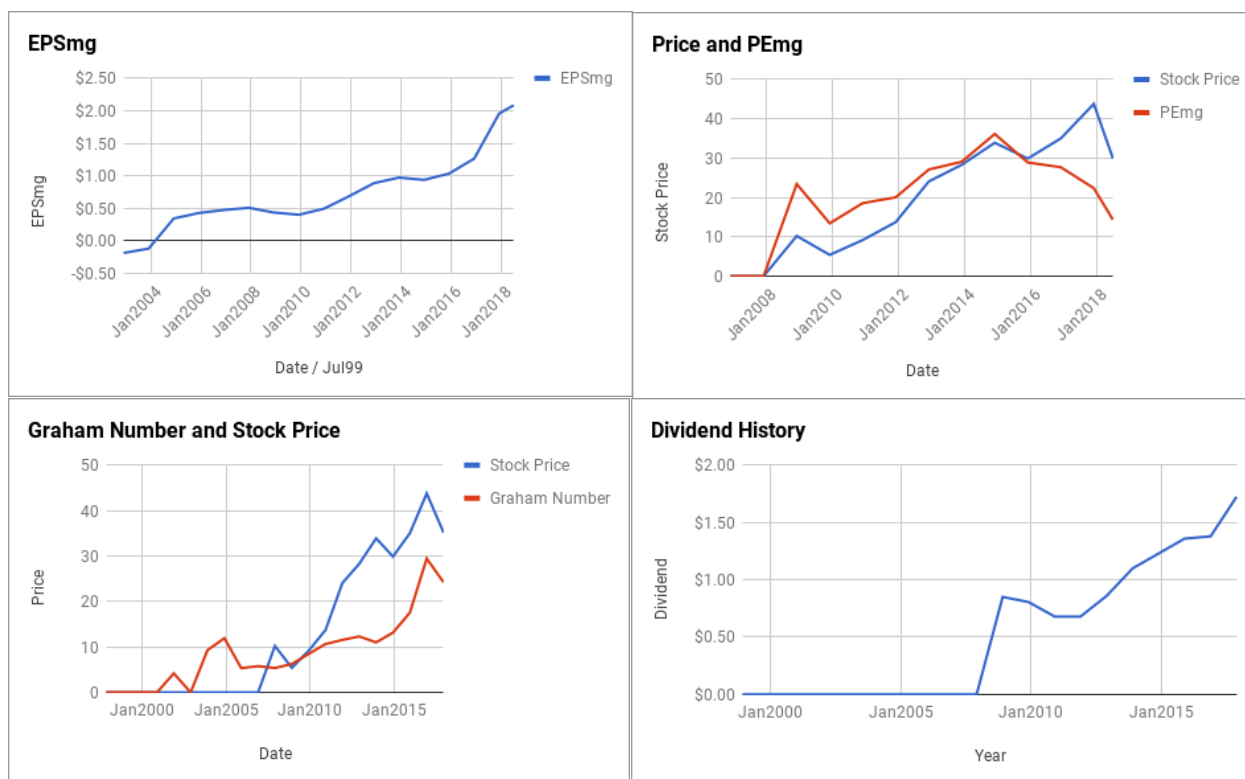
Net Current Asset Value (NCAV)	-\$26.95
Graham Number	\$24.23
PEmg	14.34
Current Ratio	3.78
PB Ratio	2.29
Current Dividend	\$1.86
Dividend Yield	6.22%
Number of Consecutive Years of Dividend Growth	7

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	\$1.97	Dec2017	\$2.09
Dec2016	\$3.26	Dec2016	\$1.96
Dec2015	\$1.73	Dec2015	\$1.26
Dec2014	\$1.22	Dec2014	\$1.03
Dec2013	\$0.76	Dec2013	\$0.94
Dec2012	\$0.98	Dec2012	\$0.97
Dec2011	\$1.20	Dec2011	\$0.89
Dec2010	\$1.04	Dec2010	\$0.69
Dec2009	\$0.67	Dec2009	\$0.49
Dec2008	\$0.44	Dec2008	\$0.40
Dec2007	\$0.27	Dec2007	\$0.44
Dec2006	\$0.54	Dec2006	\$0.51
Dec2005	\$0.42	Dec2005	\$0.48
Dec2004	\$0.29	Dec2004	\$0.43
Dec2003	\$1.19	Dec2003	\$0.34
Dec2002	\$0.00	Dec2002	-\$0.12
Dec2001	\$0.30	Dec2001	-\$0.19
Dec2000	-\$0.38	<b>Balance Sheet Information</b>	
Dec1999	-\$0.92	<b>3/1/2018</b>	
Dec1998	\$0.00	Total Current Assets	
		\$767,830,000	
		Total Current Liabilities	
		\$203,227,000	
		Long-Term Debt	
		\$2,096,897,000	
		Total Assets	
		\$3,438,763,000	
		Intangible Assets	
		\$2,394,279,000	
		Total Liabilities	
		\$2,566,115,000	
		Shares Outstanding (Diluted Average)	
		66,715,000	





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

[B&G Foods Inc Valuation – August 2016 \\$BGS](#)  
[B&G Foods Inc Valuation – March 2016 \\$BGS](#)  
[B&G Foods Inc. Analysis – September 2015 Update \\$BGS](#)  
[The 8 Best Stocks For Value Investors This Week – 6/27/15](#)  
[B&G Foods Analysis – June 2015 Update \\$BGS](#)

Other  
ModernGraham  
posts about related  
companies

[Tyson Foods Inc Valuation – June 2018 \\$TSN](#)  
[Mondelez International Inc Valuation – June 2018 \\$MDLZ](#)  
[Hormel Foods Corp Valuation – June 2018 \\$HRL](#)  
[J.M. Smucker Co Valuation – May 2018 \\$SJM](#)  
[Kraft Heinz Co Valuation – May 2018 \\$KHC](#)  
[Dr Pepper Snapple Group Inc Valuation – May 2018 \\$DPS](#)  
[Sysco Corp Valuation – May 2018 \\$SYY](#)  
[General Mills Inc Valuation – May 2018 \\$GIS](#)  
[Archer-Daniels-Midland Co Valuation – May 2018 \\$ADM](#)  
[Conagra Brands Inc Valuation – May 2018 \\$CAG](#)