

ModernGraham Valuation

Company Name:

Company Ticker INDB

Date of Analysis

7/23/2018

Independent Bank
Corp



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass all 6 of the following tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$2,311,089,608	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. 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	114.49%	Pass
4. Earnings Growth	PEmg < 20	26.64	Fail
5. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.56	Fail
6. Moderate Price to Assets			

Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.

1. Earnings Stability	Positive EPS for 5 years prior	Pass
2. Dividend Record	Currently Pays Dividend	Pass
3. Earnings Growth	EPSmg greater than 5 years ago	Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	3.40
MG Growth Estimate	8.09%
MG Value	\$84.01
MG Value based on 3% Growth	\$49.35
MG Value based on 0% Growth	\$28.93
Market Implied Growth Rate	9.07%

MG Opinion

Current Price	\$90.65
% of Intrinsic Value	107.90%
Opinion	Fairly Valued
MG Grade	C

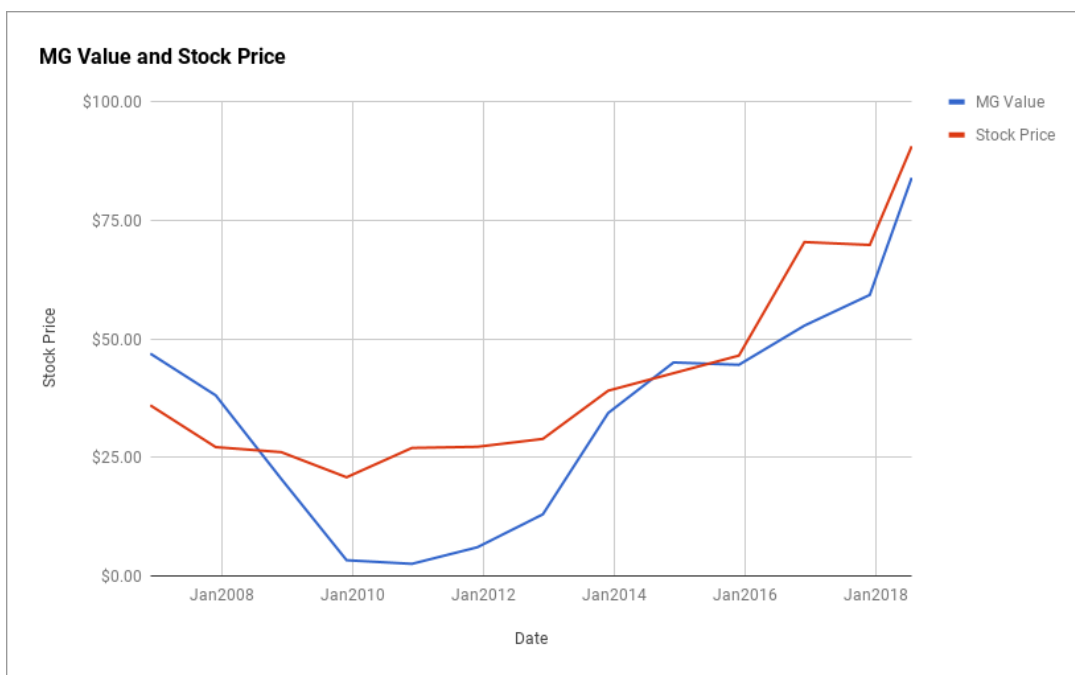
Stage 3: Information for Further Research

Graham Number	\$58.48
PEmg	26.64
PB Ratio	2.56
Dividend Yield	1.41%
Number of Consecutive Years of Dividend Growth	7

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	\$4.42	Next Fiscal Year Estimate	\$3.40
Dec2017	\$3.19	Dec2017	\$2.81
Dec2016	\$2.90	Dec2016	\$2.55
Dec2015	\$2.50	Dec2015	\$2.33
Dec2014	\$2.49	Dec2014	\$2.21
Dec2013	\$2.18	Dec2013	\$1.98
Dec2012	\$1.95	Dec2012	\$1.81
Dec2011	\$2.12	Dec2011	\$1.73
Dec2010	\$1.90	Dec2010	\$1.58
Dec2009	\$0.88	Dec2009	\$1.53
Dec2008	\$1.52	Dec2008	\$1.90
Dec2007	\$2.00	Dec2007	\$2.07
Dec2006	\$2.17	Dec2006	\$2.05
Dec2005	\$2.14	Dec2005	\$1.94
Dec2004	\$2.06	Dec2004	\$1.76
Dec2003	\$1.79	Dec2003	\$1.55
Dec2002	\$1.61	Dec2002	\$1.39
Dec2001	\$1.53	Balance Sheet Information 6/1/2018	
Dec2000	\$1.06	Long-Term Debt & Capital Lease Obligation	\$158,557,000
Dec1999	\$1.19	Total Assets	\$8,381,002,000
Dec1998	\$1.08	Intangible Assets	\$239,724,000
		Total Liabilities	\$7,403,937,000
		Shares Outstanding (Diluted Average)	27,581,000





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 [Independent Bank Corp Valuation – Initial Coverage \\$INDB](#)

Other
ModernGraham
posts about related
companies [Wells Fargo & Co Valuation – June 2018 \\$WFC](#)
[SunTrust Banks Inc Valuation – June 2018 \\$STI](#)
[Comerica Inc Valuation – June 2018 \\$CMA](#)
[SVB Financial Group Valuation – June 2018 \\$SIVB](#)
[US Bancorp Valuation – May 2018 \\$USB](#)
[Bank of New York Mellon Corp Valuation – May 2018 \\$BK](#)
[Citizens Financial Group Inc Valuation – April 2018 \\$CFG](#)
[BB&T Corporation Valuation – April 2018 \\$BBT](#)
[M&T Bank Corp Valuation – April 2018 \\$MTB](#)
[Bank of America Corp Valuation – March 2018 \\$BAC](#)