

# ModernGraham Valuation

Columbia Banking  
System Inc



Company Name:

Company Ticker COLB

Date of Analysis

8/4/2018

## 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	\$2,980,344,679	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
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		
4. Earnings Growth		290.97%	Pass
5. Moderate PEmg Ratio	PEmg < 20	20.81	Fail
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.52	Pass

*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

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

## Stage 2: Determination of Intrinsic Value

EPSmg	1.98
MG Growth Estimate	8.42%
<b>MG Value</b>	<b>\$50.28</b>
MG Value based on 3% Growth	\$28.77
MG Value based on 0% Growth	\$16.86
Market Implied Growth Rate	6.16%

### MG Opinion

Current Price	\$41.29
% of Intrinsic Value	82.12%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>C+</b>

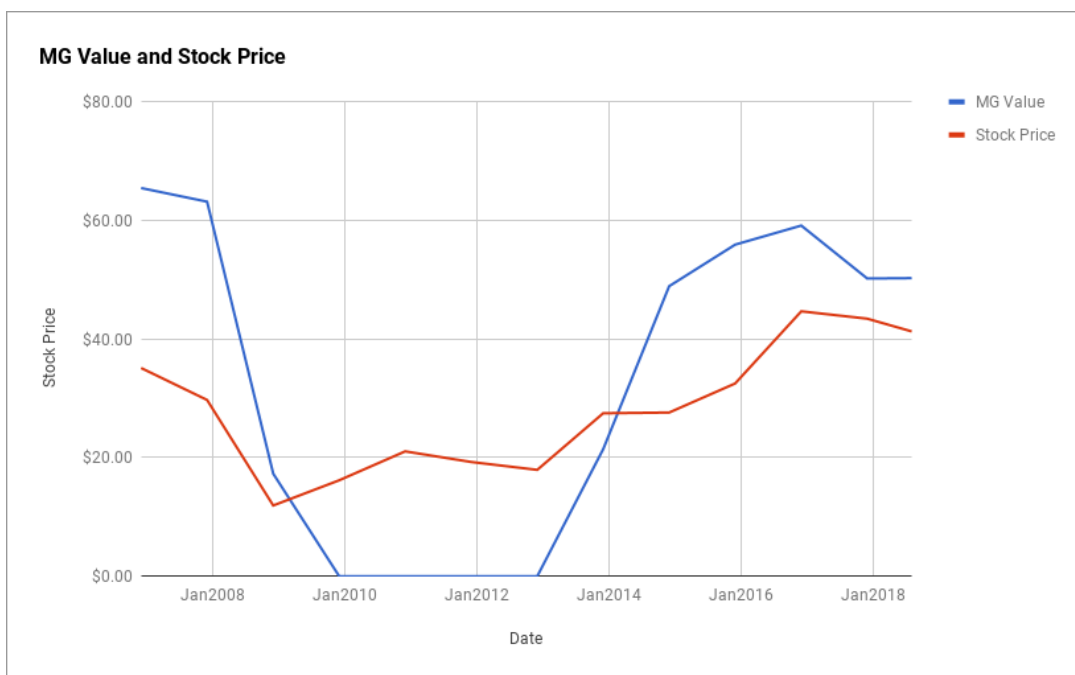
## Stage 3: Information for Further Research

Graham Number	\$37.89
PEmg	20.81
PB Ratio	1.52
Dividend Yield	2.13%
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	\$2.39	Next Fiscal Year Estimate	\$1.98
Dec2017	\$1.86	Dec2017	\$1.73
Dec2016	\$1.81	Dec2016	\$1.60
Dec2015	\$1.71	Dec2015	\$1.45
Dec2014	\$1.52	Dec2014	\$1.27
Dec2013	\$1.21	Dec2013	\$1.03
Dec2012	\$1.16	Dec2012	\$0.82
Dec2011	\$1.21	Dec2011	\$0.69
Dec2010	\$0.72	Dec2010	\$0.59
Dec2009	-\$0.38	Dec2009	\$0.73
Dec2008	\$0.30	Dec2008	\$1.36
Dec2007	\$1.91	Dec2007	\$1.84
Dec2006	\$1.99	Dec2006	\$1.70
Dec2005	\$1.87	Dec2005	\$1.46
Dec2004	\$1.52	Dec2004	\$1.19
Dec2003	\$1.37	Dec2003	\$0.98
Dec2002	\$0.78	Dec2002	\$0.78
Dec2001	\$0.87		
Dec2000	\$0.69		
Dec1999	\$0.81		
Dec1998	\$0.71		
		<b>Balance Sheet Information</b>	<b>6/1/2018</b>
		Long-Term Debt & Capital Lease Obligation	\$135,104,000
		Total Assets	\$12,628,586,000
		Intangible Assets	\$817,739,000
		Total Liabilities	\$10,663,705,000
		Shares Outstanding (Diluted Average)	72,390,000





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 [Columbia Banking System Inc Valuation – Initial Coverage \\$COLB](#)

Other ModernGraham posts about related companies [Canadian Imperial Bank of Commerce Valuation – July 2018 \\$TSE:CM](#)  
[ServisFirst Bancshares Inc Valuation – July 2018 \\$SFBS](#)  
[Cullen/Frost Bankers Inc Valuation – July 2018 \\$CFR](#)  
[Signature Bank Valuation – July 2018 \\$SBNY](#)  
[City Holding Co Valuation – July 2018 \\$CHCO](#)  
[Southside Bancshares Inc Valuation – July 2018 \\$SBSI](#)  
[Independent Bank Corp Valuation – July 2018 \\$INDB](#)  
[Wells Fargo & Co Valuation – June 2018 \\$WFC](#)  
[SunTrust Banks Inc Valuation – June 2018 \\$STI](#)  
[Comerica Inc Valuation – June 2018 \\$CMA](#)