

ModernGraham Valuation

Core-Mark Holding
Company, Inc.



Company Name:

Company Ticker CORE

Date of Analysis

8/5/2018

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	\$1,149,736,390	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.09	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	48.48%	Pass
5. Earnings Growth	PEmg < 20	24.22	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.08	Pass
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	2.09	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.64	Pass
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

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.01
MG Growth Estimate	4.18%
MG Value	\$17.05
MG Value based on 3% Growth	\$14.67
MG Value based on 0% Growth	\$8.60
Market Implied Growth Rate	7.86%

MG Opinion

Current Price	\$24.51
% of Intrinsic Value	143.71%
Opinion	Overvalued
MG Grade	C

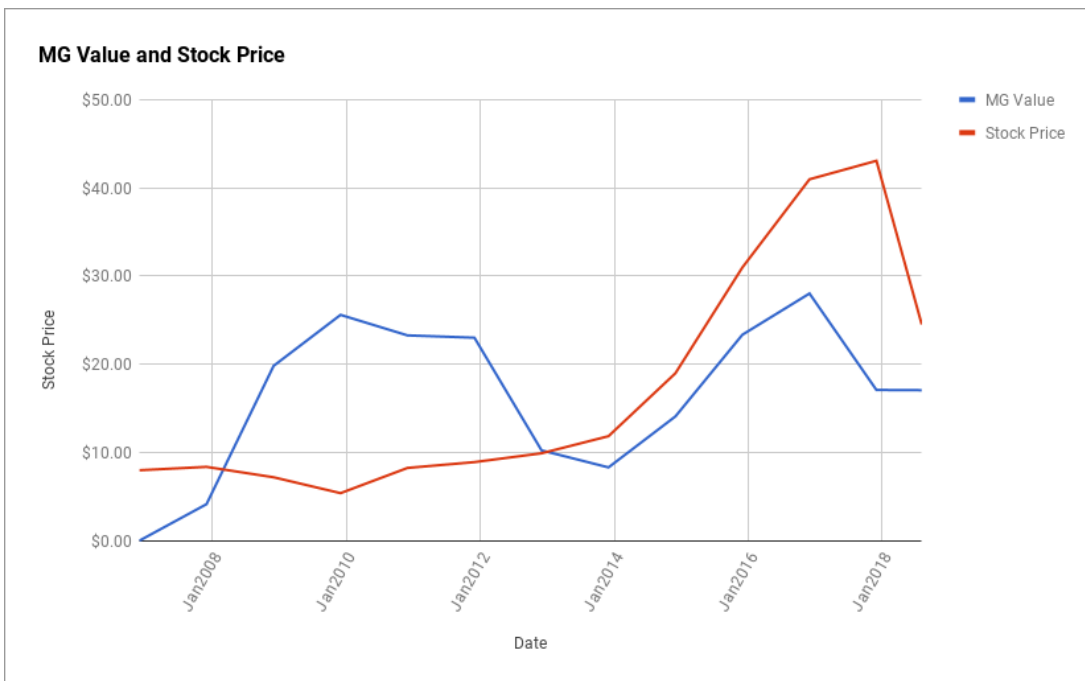
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$3.16
Graham Number	\$17.49
PEmg	24.22
Current Ratio	2.09
PB Ratio	2.08
Current Dividend	\$0.37
Dividend Yield	1.51%
Number of Consecutive Years of Dividend Growth	4

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	\$1.13	Next Fiscal Year Estimate	\$1.01
Dec2017	\$0.72	Dec2017	\$0.96
Dec2016	\$1.17	Dec2016	\$1.04
Dec2015	\$1.11	Dec2015	\$0.93
Dec2014	\$0.92	Dec2014	\$0.79
Dec2013	\$0.90	Dec2013	\$0.73
Dec2012	\$0.73	Dec2012	\$0.64
Dec2011	\$0.56	Dec2011	\$0.60
Dec2010	\$0.39	Dec2010	\$0.60
Dec2009	\$1.09	Dec2009	\$0.66
Dec2008	\$0.41	Dec2008	\$0.51
Dec2007	\$0.54	Dec2007	\$0.11
Dec2006	\$0.47	Dec2006	-\$0.31
Dec2005	\$0.34	Dec2005	-\$0.71
Dec2004	\$1.43	Dec2004	-\$1.08
Dec2003	-\$6.84	Dec2003	-\$1.92
Dec2002	\$1.02	Dec2002	\$0.46
Dec2001	\$0.45	Balance Sheet Information 3/1/2018	
Dec2000	\$0.00	Total Current Assets	\$1,270,200,000
Dec1999	\$0.00	Total Current Liabilities	\$609,200,000
Dec1998	\$0.00	Long-Term Debt	\$420,000,000
		Total Assets	\$1,669,500,000
		Intangible Assets	\$129,800,000
		Total Liabilities	\$1,124,400,000
		Shares Outstanding (Diluted Average)	46,200,000





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 [Core-Mark Holding Company Inc Valuation – Initial Coverage \\$CORE](#)

Other ModernGraham posts about related companies

- [J&J Snack Foods Corp Valuation – August 2018 \\$JJSF](#)
- [Coca-Cola European Partners PLC Valuation – July 2018 \\$CCE](#)
- [Seneca Foods Corp Valuation – July 2018 \\$SENEA](#)
- [Saputo Inc Valuation – July 2018 \\$TSE-SAP](#)
- [Ingredion Inc Valuation – July 2018 \\$INGR](#)
- [B&G Foods Inc Valuation – July 2018 \\$BGS](#)
- [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](#)