

# ModernGraham Valuation

J & J Snack Foods  
Corp



Company Name:

Company Ticker JJSF

Date of Analysis

8/4/2018

## 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	\$2,714,691,536	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.09	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	79.30%	Pass
5. Earnings Growth	PEmg < 20	31.07	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.61	Fail
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	3.09	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	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	\$4.55
MG Growth Estimate	5.58%
<b>MG Value</b>	<b>\$89.44</b>
MG Value based on 3% Growth	\$65.99
MG Value based on 0% Growth	\$38.69
Market Implied Growth Rate	11.29%

MG Opinion

Current Price	\$141.41
% of Intrinsic Value	158.11%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C-</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$10.87
Graham Number	\$67.88
PEmg	31.07
Current Ratio	3.09
PB Ratio	3.61
Current Dividend	\$1.68
Dividend Yield	1.19%
Number of Consecutive Years of Dividend Growth	13

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$5.60	Next Fiscal Year Estimate	\$4.55
Sep2017	\$4.21	Sep2017	\$3.97
Sep2016	\$4.05	Sep2016	\$3.75
Sep2015	\$3.73	Sep2015	\$3.52
Sep2014	\$3.82	Sep2014	\$3.32
Sep2013	\$3.41	Sep2013	\$2.98
Sep2012	\$2.86	Sep2012	\$2.65
Sep2011	\$2.93	Sep2011	\$2.42
Sep2010	\$2.59	Sep2010	\$2.08
Sep2009	\$2.21	Sep2009	\$1.77
Sep2008	\$1.47	Sep2008	\$1.52
Sep2007	\$1.69	Sep2007	\$1.50
Sep2006	\$1.57	Sep2006	\$1.36
Sep2005	\$1.40	Sep2005	\$1.20
Sep2004	\$1.24	Sep2004	\$1.03
Sep2003	\$1.10	Sep2003	\$0.89
Sep2002	\$1.00	Sep2002	\$0.77
Sep2001	\$0.68	<b>Balance Sheet Information 6/1/2018</b>	
Sep2000	\$0.55	Total Current Assets	\$380,726,000
Sep1999	\$0.75	Total Current Liabilities	\$123,086,000
Sep1998	\$0.63	Long-Term Debt	\$0
		Total Assets	\$914,232,000
		Intangible Assets	\$161,157,000
		Total Liabilities	\$176,157,000
		Shares Outstanding (Diluted Average)	18,822,000





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

[J&J Snack Foods Corp Valuation – Initial Coverage \\$JJSF](#)

Other  
ModernGraham  
posts about related  
companies

[Coca-Cola European Partners PLC Valuation – July 2018 \\$CCE](#)

[Seneca Foods Corp Valuation – July 2018 \\$SENEA](#)

[Saputo Inc Valuation – July 2018 \\$TSE-SAP](#)

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[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](#)

[Kraft Heinz Co Valuation – May 2018 \\$KHC](#)