

ModernGraham Valuation

Company Name:

Sterling Bancorp

Company Ticker STL

Date of Analysis

8/26/2018



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	\$5,163,413,917	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		
4. Earnings Growth		136.84%	Pass
5. Moderate PEmg Ratio	PEmg < 20	20.42	Fail
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.19	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

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	1.12
MG Growth Estimate	15.00%
MG Value	\$43.17
MG Value based on 3% Growth	\$16.26
MG Value based on 0% Growth	\$9.53
Market Implied Growth Rate	5.96%

MG Opinion

Current Price	\$22.90
% of Intrinsic Value	53.04%
Opinion	Undervalued
MG Grade	B

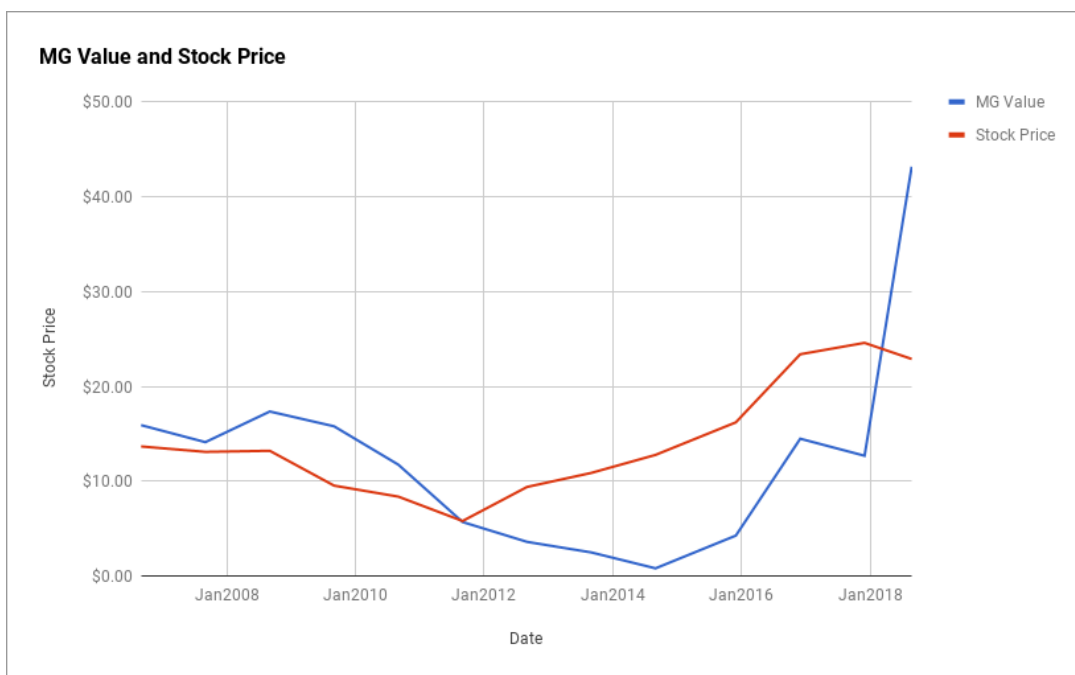
Stage 3: Information for Further Research

Graham Number	\$28.29
PEmg	20.42
PB Ratio	1.19
Dividend Yield	1.22%
Number of Consecutive Years of Dividend Growth	0

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		Next Fiscal Year Estimate	
	\$1.95		\$1.12
Dec2017	\$0.58	Dec2017	\$0.68
Dec2016	\$1.07	Dec2016	\$0.70
Dec2015	\$0.60	Dec2015	\$0.50
Sep2014	\$0.34	Sep2014	\$0.45
Sep2013	\$0.58	Sep2013	\$0.51
Sep2012	\$0.52	Sep2012	\$0.49
Sep2011	\$0.31	Sep2011	\$0.49
Sep2010	\$0.54	Sep2010	\$0.58
Sep2009	\$0.67	Sep2009	\$0.58
Sep2008	\$0.61	Sep2008	\$0.51
Sep2007	\$0.48	Sep2007	\$0.45
Sep2006	\$0.49	Sep2006	\$0.41
Sep2005	\$0.49	Sep2005	\$0.36
Sep2004	\$0.29	Sep2004	\$0.28
Sep2003	\$0.33	Sep2003	\$0.25
Sep2002	\$0.28	Sep2002	\$0.20
Sep2001	\$0.22	Balance Sheet Information 6/1/2018	
Sep2000	\$0.17	Long-Term Debt & Capital Lease Obligation	\$5,518,423,000
Sep1999	\$0.09	Total Assets	\$31,463,077,000
Sep1998	\$0.00	Intangible Assets	\$1,754,418,000
		Total Liabilities	\$27,110,342,000
		Shares Outstanding (Diluted Average)	225,622,000





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

[11 Best Stocks for Value Investors This Week – 3/4/17](#)
[Sterling Bancorp Valuation – Initial Coverage \\$STL](#)

Other
ModernGraham
posts about related
companies

[Central Pacific Financial Corp Valuation – August 2018 \\$CPF](#)
[Synovus Financial Corp Valuation – August 2018 \\$SNV](#)
[Columbia Banking System Inc Valuation – August 2018 \\$COLB](#)
[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](#)