

ModernGraham Valuation

Just Energy Group
Inc



Company Name:

Company Ticker TSE:JE

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	\$557,962,000	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.25	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	64.83%	Pass
6. Moderate PEmg Ratio	PEmg < 20	4.35	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	5.09	Pass

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	1.25	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.94	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago Score		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.15
MG Growth Estimate	15.00%
MG Value	\$44.35
MG Value based on 3% Growth	\$16.70
MG Value based on 0% Growth	\$9.79
Market Implied Growth Rate	-2.08%

MG Opinion

Current Price	\$5.01
% of Intrinsic Value	11.30%
Opinion	Undervalued
MG Grade	C

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$1.37
Graham Number	\$3.50
PEmg	4.35
Current Ratio	1.25
PB Ratio	5.09
Current Dividend	\$0.50
Dividend Yield	9.98%
Number of Consecutive Years of Dividend Growth	0

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.35	Next Fiscal Year Estimate	\$1.15
Mar2018	\$2.62	Mar2018	\$1.26
Mar2017	\$2.42	Mar2017	\$0.65
Mar2016	\$0.43	Mar2016	-\$0.11
Mar2015	-\$3.07	Mar2015	-\$0.08
Mar2014	\$0.94	Mar2014	\$1.44
Mar2013	\$3.27	Mar2013	\$0.89
Mar2012	-\$0.92	Mar2012	-\$0.55
Mar2011	\$2.40	Mar2011	-\$0.48
Mar2010	\$1.79	Mar2010	-\$1.65
Mar2009	-\$10.03	Mar2009	-\$2.70
Mar2008	\$1.41	Mar2008	\$0.85
Mar2007	\$0.88	Mar2007	\$0.49
Mar2006	\$0.48	Mar2006	\$0.25
Mar2005	\$0.35	Mar2005	\$0.12
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Balance Sheet Information 3/1/2018	
Dec2001	\$0.00	Total Current Assets	\$1,095,578,000
Dec2000	\$0.00	Total Current Liabilities	\$877,875,000
Dec1999	\$0.00	Long-Term Debt	\$422,053,000
		Total Assets	\$1,646,809,000
		Intangible Assets	\$401,926,000
		Total Liabilities	\$1,416,066,000
		Shares Outstanding (Diluted Average)	234,433,000





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.

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