

ModernGraham Valuation

Company Name:

HollyFrontier Corp

Company Ticker

HFC

Date of Analysis

1/24/2019



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 | \$9,398,327,810 | Pass |
| 2. Sufficiently Strong Financial Condition | Current Ratio > 2 | 2.50 | Pass |
| 3. Earnings Stability | Positive EPS for 10 years prior | | Fail |
| 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 | 33.29% | Fail |
| 5. Earnings Growth | PEmg < 20 | 13.96 | Pass |
| 6. Moderate PEmg Ratio | PB Ratio < 2.5 OR PB*PEmg < 50 | 1.46 | 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 | 2.50 | Pass |
| 2. Sufficiently Strong Financial Condition | Debt to NCA < 1.1 | 1.04 | Pass |
| 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 | | Fail |

Suitability

| | |
|---------------------|-----------|
| Defensive | No |
| Enterprising | No |

Stage 2: Determination of Intrinsic Value

| | |
|-----------------------------|----------------|
| EPSmg | \$3.88 |
| MG Growth Estimate | -0.59% |
| MG Value | \$28.38 |
| MG Value based on 3% Growth | \$56.27 |
| MG Value based on 0% Growth | \$32.99 |
| Market Implied Growth Rate | 2.73% |

MG Opinion

| | |
|----------------------|-------------------|
| Current Price | \$54.18 |
| % of Intrinsic Value | 190.94% |
| Opinion | Overvalued |
| MG Grade | C |

Stage 3: Information for Further Research

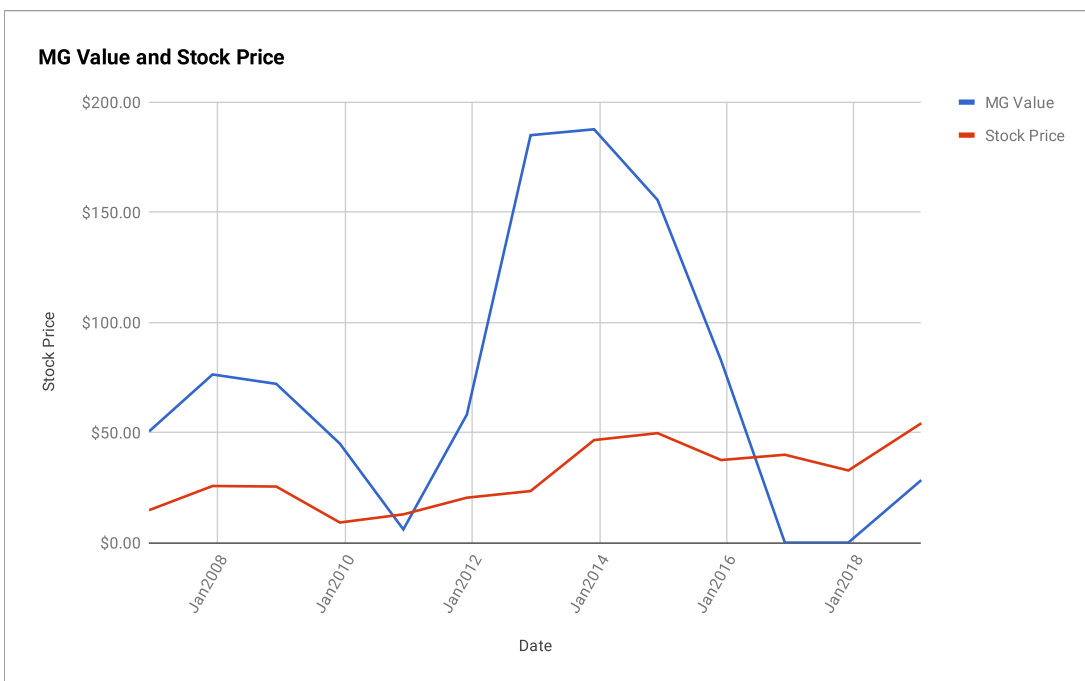
| | |
|--|---------|
| Net Current Asset Value (NCAV) | -\$6.07 |
| Graham Number | \$69.40 |
| PEmg | 13.96 |
| Current Ratio | 2.50 |
| PB Ratio | 1.46 |
| Current Dividend | \$1.32 |
| Dividend Yield | 2.44% |
| Number of Consecutive Years of Dividend Growth | 7 |

Useful Links:

[ModernGraham tagged articles](#)
[Google Finance](#)
[Yahoo Finance](#)
[GuruFocus](#)

[Morningstar](#)
[MSN Money](#)
[Seeking Alpha](#)
[SEC Filings](#)

| EPS History | | EPSmg History | |
|---------------------------|---------|--------------------------------------|------------------|
| Next Fiscal Year Estimate | | Next Fiscal Year Estimate | |
| Dec2017 | \$7.07 | Dec2017 | \$3.88 |
| Dec2016 | \$4.52 | Dec2016 | \$2.32 |
| Dec2015 | -\$1.48 | Dec2015 | \$1.87 |
| Dec2014 | \$3.90 | Dec2014 | \$3.95 |
| Dec2013 | \$1.42 | Dec2013 | \$4.04 |
| Dec2012 | \$3.64 | Dec2012 | \$4.87 |
| Dec2011 | \$8.38 | Dec2011 | \$4.80 |
| Dec2010 | \$6.42 | Dec2010 | \$2.80 |
| Dec2009 | \$0.97 | Dec2009 | \$1.16 |
| Dec2008 | \$0.20 | Dec2008 | \$1.37 |
| Dec2007 | \$1.19 | Dec2007 | \$1.87 |
| Dec2006 | \$2.99 | Dec2006 | \$1.98 |
| Dec2005 | \$2.29 | Dec2005 | \$1.31 |
| Dec2004 | \$1.33 | Dec2004 | \$0.76 |
| Dec2003 | \$0.65 | Dec2003 | \$0.45 |
| Dec2002 | \$0.36 | Dec2002 | \$0.33 |
| Jul2002 | \$0.25 | Jul2002 | \$0.29 |
| Jul2001 | \$0.60 | Balance Sheet Information | |
| Jul2000 | \$0.09 | 9/1/2018 | |
| Jul1999 | \$0.15 | Total Current Assets | \$3,857,725,000 |
| Jul1998 | \$0.12 | Total Current Liabilities | \$1,540,635,000 |
| | | Long-Term Debt | \$2,409,148,000 |
| | | Total Assets | \$11,495,126,000 |
| | | Intangible Assets | \$2,691,357,000 |
| | | Total Liabilities | \$4,931,614,000 |
| | | Shares Outstanding (Diluted Average) | 176,927,000 |





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

#N/A

Other
ModernGraham
posts about related
companies

[EQT Corp Valuation – January 2019 \\$EQT](#)
[Helmerich & Payne Inc Valuation – January 2019 \\$HP](#)
[Williams Companies Inc Valuation – January 2019 \\$WMB](#)
[Exxon Mobil Corp Valuation – November 2018 \\$XOM](#)
[Chevron Corp Valuation – November 2018 \\$CVX](#)
[Cenovus Energy Inc Valuation – October 2018 \\$TSE-CVE](#)
[CNX Resources Corp Valuation – September 2018 \\$CNX](#)
[Carbo Ceramics Inc Valuation – August 2018 \\$CRR](#)
[Murphy Oil Corp Valuation – August 2018 \\$MUR](#)
[Suncor Energy Inc Valuation – August 2018 \\$TSE:SU](#)