# **ModernGraham Valuation**

### **Company Name:**

Company Ticker URBN Date of Analysis Urban Outfitters, Inc.



10/2/2015

## 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	\$3,762,619,866	Pass	
	2.	Sufficiently Strong Financial Condition	Current Ratio > 2	2.38	Pass	
	3.	Earnings Stability	Positive EPS for 10 years prior		Pass	
	4.	Dividend Record	Dividend Payments for 10 years prior Increase of 33% in EPS in past 10 years using 3 year averages at		Fail	
	5.	Earnings Growth	beginning and end	90.86%	Pass	
	6.	Moderate PEmg Ratio	PEmg < 20	17.60	Pass	
	7.	Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.16	Fail	
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	2.38	Pass	
	2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.24	Pass	
	3.	Earnings Stability	Positive EPS for 5 years prior		Pass	
	4.	Dividend Record	Currently Pays Dividend		Fail	
	5.	Earnings Growth	EPSmg greater than 5 years ago		Pass	

#### Suitability

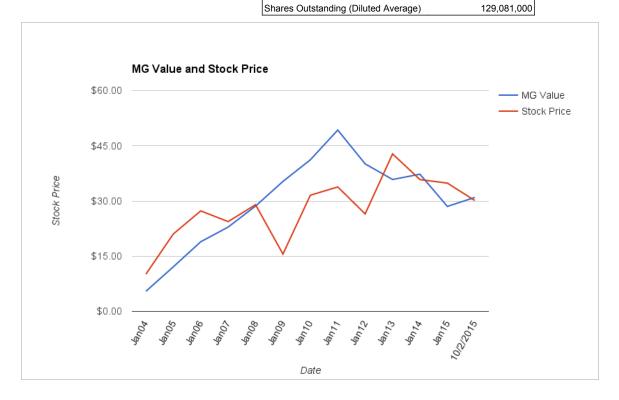
Enterprising

Defensive	No
Enterprising	Yes

#### Stage 2: Determination of Intrinsic Value

-	EPSmg	\$1.7	71
	MG Growth Estimate	4.79	%
	MG Value	\$30.9	97
	MG Value based on 3% Growth	\$24.8	83
	MG Value based on 0% Growth	\$14.5	56
	Market Implied Growth Rate	4.55	%
MG Opinion			
	Current Price	\$30.2	14
	% of Intrinsic Value	97.31	%
	Opinion	Fairly Valued	
Stage 3: Infor	mation for Further Research		
	Net Current Asset Value (NCAV)	\$1.2	27
	Graham Number	\$19.8	32
	PEmg	17.6	60
	Current Ratio	2.3	38
	PB Ratio	3.2	16
	Dividend Yield	0.00	%
	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	\$1.77	Next Fiscal Year Estimate	\$1.71
Jan15	\$1.68	Jan15	\$1.65
Jan14	\$1.89	Jan14	\$1.60
Jan13	\$1.62	Jan13	\$1.43
Jan12	\$1.19	Jan12	\$1.30
Jan11	\$1.60	Jan11	\$1.28
Jan10	\$1.28	Jan10	\$1.07
Jan09	\$1.17	Jan09	\$0.92
Jan08	\$0.94	Jan08	\$0.74
Jan07	\$0.69	Jan07	\$0.60
Jan06	\$0.77	Jan06	\$0.49
Jan05	\$0.54	Jan05	\$0.31
Jan04	\$0.30	Jan04	\$0.19
Jan03	\$0.18	Jan03	\$0.13
Jan02	\$0.11	Jan02	\$0.10
Jan01	\$0.08	Jan01	\$0.10
Jan00	\$0.13	Jan00	\$0.11
Jan99	\$0.11	Balance Sheet Information	Jul15
Jan98	\$0.10	Total Current Assets	\$839,463,000
Jan97	\$0.09	Total Current Liabilities	\$353,277,000
Jan96	\$0.09	Long-Term Debt	\$115,000,000
		Total Assets	\$1,907,333,000
		Intangible Assets	\$0
		Total Liabilities	\$676,085,000
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#### 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	The Best Companies of the Retail Industry – August 2015
ModernGraham posts about the	Urban Outfitters Analysis – July 2015 Update \$URBN
company	27 Companies in the Spotlight This Week – 4/4/15
	Urban Outfitters Inc. Quarterly Valuation – March 2015 \$URBN
	32 Companies in the Spotlight This Week – 12/6/14
Other	Staples Inc. Analysis – September 2015 Update \$SPLS
ModernGraham posts about related	Fossil Group Inc. Analysis – September 2015 Update \$FOSL
companies	Ross Stores Inc. Analysis – August 2015 Update \$ROST
	The Best Companies of the Retail Industry – August 2015
	Bed Bath & Beyond Inc. Analysis – August 2015 Update \$BBBY
	Ann Inc. Analysis – Initial Coverage \$ANN
	Kohl's Corporation Analysis – August 2015 Update \$KSS
	Aaron's Inc. Analysis – Initial Coverage \$AAN
	Nordstrom Inc. Analysis – July 2015 Update \$JWN
	Tractor Supply Company Analysis – Initial Coverage \$TSCO