ModernGraham Valuation

Company Name:

СОН Company Ticker

Date of Analysis

2/2/2016



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.

	 Adequate Size of the Enterprise 	Market Cap > \$2Bil	\$10,326,449,992	Pass
	2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.27	Pass
	3. Earnings Stability	Positive EPS for 10 years prior		Pass
	4. Dividend Record	Dividend Payments for 10 years prior		Fail
	5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	1.88%	Fail
	6. Moderate PEmg Ratio	PEmg < 20	16.65	Pass
	7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.02	Fail
Enterprising Investor; n	nust pass 4 out of the following 5 tests, or be	e suitable for the Defensive Investor.		
	1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	3.27	Pass
	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.55	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		Fail

Coach Inc

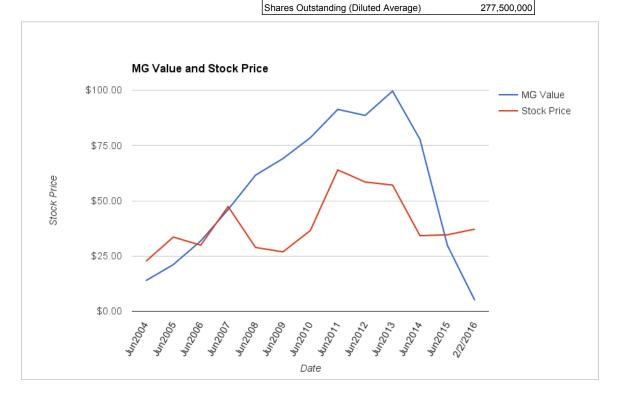
Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

Ū	EPSmg	\$2.23	
	MG Growth Estimate	-3.13%	
	MG Value	\$4.98	
	MG Value based on 3% Growth	\$32.35	
	MG Value based on 0% Growth	\$18.97	
	Market Implied Growth Rate	4.07%	
MG Opinion			
	Current Price	\$37.15	
	% of Intrinsic Value	745.94%	
	Opinion	Overvalued	
Stage 3: Infor	mation for Further Research		
etage et inter	Net Current Asset Value (NCAV)	\$0.96	
	Graham Number	\$18.87	
	PEmg	16.65	
	Current Ratio	3.27	
	PB Ratio	4.02	
	Dividend Yield	3.64%	
	Number of Consecutive Years of Dividend		
	Growth	1	
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 71	Next Fiscal Year Estimate	\$2.23
Jun2015		Jun2015	\$2.61
Jun2014		Jun2014	\$3.14
Jun2013		Jun2013	\$3.17
Jun2012		Jun2012	\$2.82
Jun2011		Jun2011	\$2.38
Jun2010		Jun2010	\$2.04
Jun2009		Jun2009	\$2.04
Jun2008		Jun2008	\$1.79
Jun2007		Jun2008	\$1.00
Jun2006		Jun2006	\$0.83
Jun2005		Jun2005	\$0.83 \$0.55
Jun2005			
		Jun2004	\$0.36
Jun2003		Jun2003	\$0.23
Jun2002		Jun2002	\$0.17
Jun2001		Jun2001	\$0.12
Jun2000	\$0.14	Jun2000	\$0.08
Jun1999	\$0.06	Balance Sheet Information	Dec2015
Jun1998	\$0.07	Total Current Assets	\$2,301,600,000
Dec1997	\$0.00	Total Current Liabilities	\$704,000,000
Dec1996	\$0.00	Long-Term Debt	\$872,000,000
		Total Assets	\$4,603,700,000
		Intangible Assets	\$0
		Total Liabilities	\$2,036,400,000





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	Coach Inc. Valuation – October 2015 Update \$COH
	The Best Companies of the Retail Industry – August 2015
	The 20 Best Stocks For Value Investors This Week – 7/25/15
	Coach Inc. Analysis – July 2015 Update \$COH
	Coach Inc. Quarterly Valuation – April 2015 \$COH
Other	Tiffany & Company Valuation – February 2016 Update \$TIF
ModernGraham	Listen Outfitten Inc. Melustian Incurry 2040 Undets (UDDN)

ModernGraham posts about related companies	Tiffany & Company Valuation – February 2016 Update \$TIF
	Urban Outfitters Inc Valuation – January 2016 Update \$URBN
	CVS Health Corp Valuation – December 2015 Update \$CVS
	Ross Stores Inc Valuation – December 2015 Update \$ROST
	Bed Bath & Beyond Inc. Valuation - November 2015 Update \$BBBY
	Kohl's Corporation Valuation – November 2015 Update \$KSS
	Aaron's Inc. Valuation – October 2015 Update \$AAN
	Nordstrom Inc. Valuation – October 2015 Update \$JWN
	Tractor Supply Company Valuation – October 2015 Update \$TSCO
	Coach Inc. Valuation – October 2015 Update \$COH