ModernGraham Valuation

Company Name:

Company Ticker TSCO Date of Analysis Tractor Supply Company



5/12/2016

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.

1.	Adequate Size of the Enterprise	Market Cap > \$2Bil	\$12,199,530,137	Pass
2.	Sufficiently Strong Financial Condition	Current Ratio > 2	2.00	Fail
3.	Earnings Stability	Positive EPS for 10 years prior		Pass
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	360.95%	Pass
6.	Moderate PEmg Ratio	PEmg < 20	32.90	Fail
7.	Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	9.36	Fail
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	2.00	Pass
2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.32	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		Pass

Suitability

MG Opinion

Useful

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.86
MG Growth Estimate	15.00%
MG Value	\$109.96
MG Value based on 3% Growth	\$41.41
MG Value based on 0% Growth	\$24.28
Market Implied Growth Rate	12.20%
Current Price	\$93.97
% of Intrinsic Value	85.46%

% of Intrinsic	% of Intrinsic Value	
Opinion	Fairly	Valued
MG Grade	C+	

Stage 3: Information for Further Research

Yahoo Finance

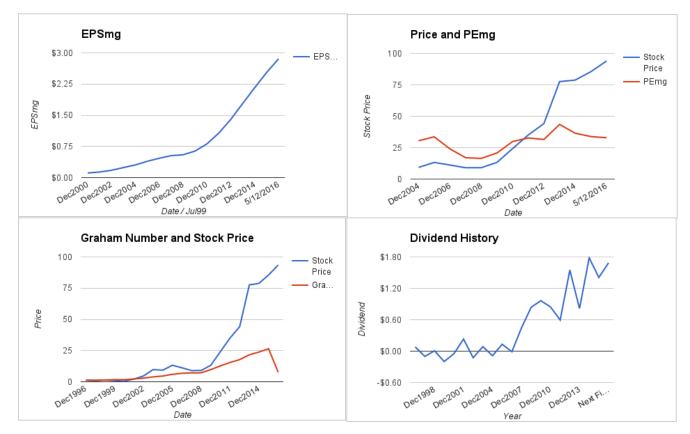
	Net Current Asset Value (NCAV)		\$3.07
	Graham Number		\$7.66
	PEmg		32.90
	Current Ratio		2.00
	PB Ratio		9.36
	Dividend Yield		1.79%
	Number of Consecutive Years of Divid Growth	end	1
I Links:	ModernGraham tagged articles	Morningstar	
	Google Finance	MSN Money	

Seeking Alpha

GuruFocus

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.26	Next Fiscal Year Estimate	\$2.86
Dec2015	\$3.00	Dec2015	\$2.53
Dec2014	\$2.66	Dec2014	\$2.16
Dec2013	\$2.32	Dec2013	\$1.78
Dec2012	\$1.90	Dec2012	\$1.40
Dec2011	\$1.51	Dec2011	\$1.07
Dec2010	\$1.13	Dec2010	\$0.81
Dec2009	\$0.79	Dec2009	\$0.64
Dec2008	\$0.55	Dec2008	\$0.55
Dec2007	\$0.60	Dec2007	\$0.53
Dec2006	\$0.56	Dec2006	\$0.47
Dec2005	\$0.52	Dec2005	\$0.39
Dec2004	\$0.39	Dec2004	\$0.31
Dec2003	\$0.35	Dec2003	\$0.24
Dec2002	\$0.25	Dec2002	\$0.18
Dec2001	\$0.18	Dec2001	\$0.14
Dec2000	\$0.12	Dec2000	\$0.11
Dec1999	\$0.13	Balance Sheet Information	Mar2016
Dec1998	\$0.11	Total Current Assets	\$1,626,050,000
Dec1997	\$0.08	Total Current Liabilities	\$813,397,000
Dec1996	\$0.09	Long-Term Debt	\$260,402,000
		Total Assets	\$2,564,528,000
		Intangible Assets	\$10,258,000
		Total Liabilities	\$1,211,825,000
		Shares Outstanding (Diluted Average)	134,709,000





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	10 Best Stocks For Value Investors This Week – 10/31/15	
ModernGraham posts about the	Tractor Supply Company Valuation – October 2015 Update \$TSCO	
company	The Best Companies of the Retail Industry – August 2015	
	The 16 Best Stocks For Value Investors This Week – 8/1/15	
	Tractor Supply Company Analysis – Initial Coverage \$TSCO	
Other	Foodil Croup Inc Stock Voluction Fobruary 2016 @EOSI	
ModernGraham	Fossil Group Inc Stock Valuation – February 2016 \$FOSL	
posts about related	TJX Companies Inc Valuation – February 2016 Update \$TJX	
companies	Coach Inc Valuation – February 2016 Update \$COH	

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