

ModernGraham Valuation

Company Name:

TJX Companies Inc

Company Ticker TJX

Date of Analysis

8/7/2016



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	\$54,655,651,698	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.60	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	203.08%	Pass
6. Moderate PEmg Ratio	PEmg < 20	25.59	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	12.12	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	1.60	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.63	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

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$3.20
MG Growth Estimate	9.63%
MG Value	\$88.94
MG Value based on 3% Growth	\$46.45
MG Value based on 0% Growth	\$27.23
Market Implied Growth Rate	8.55%

MG Opinion

Current Price	\$81.98
% of Intrinsic Value	92.17%
Opinion	Fairly Valued
MG Grade	C+

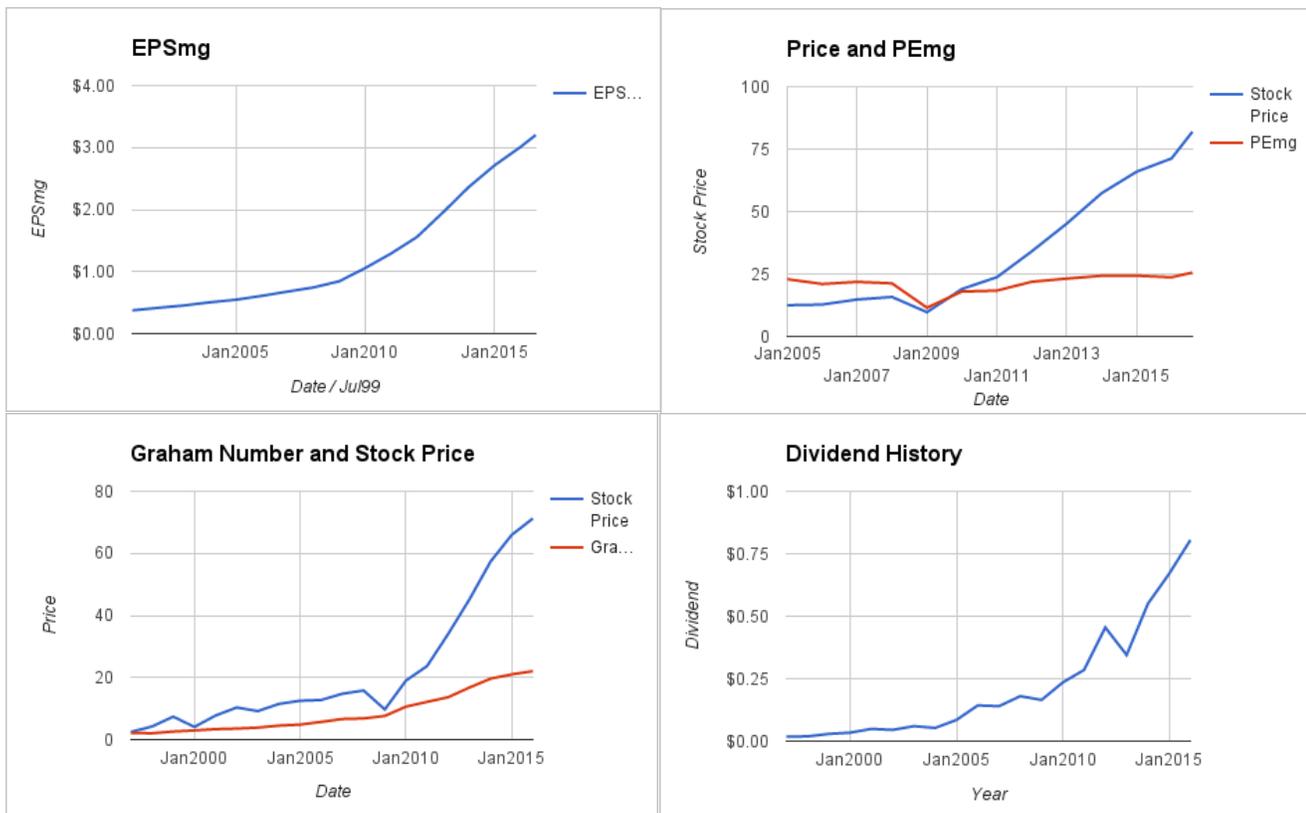
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$0.44
Graham Number	\$22.81
PEmg	25.59
Current Ratio	1.60
PB Ratio	12.12
Current Dividend	\$0.84
Dividend Yield	1.02%
Number of Consecutive Years of Dividend Growth	4

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	\$3.37	Next Fiscal Year Estimate	\$3.20
Jan2016	\$3.33	Jan2016	\$3.01
Jan2015	\$3.15	Jan2015	\$2.71
Jan2014	\$2.94	Jan2014	\$2.36
Jan2013	\$2.55	Jan2013	\$1.95
Jan2012	\$1.93	Jan2012	\$1.56
Jan2011	\$1.65	Jan2011	\$1.29
Jan2010	\$1.42	Jan2010	\$1.06
Jan2009	\$1.00	Jan2009	\$0.84
Jan2008	\$0.83	Jan2008	\$0.74
Jan2007	\$0.78	Jan2007	\$0.68
Jan2006	\$0.71	Jan2006	\$0.61
Jan2005	\$0.61	Jan2005	\$0.55
Jan2004	\$0.58	Jan2004	\$0.50
Jan2003	\$0.49	Jan2003	\$0.45
Jan2002	\$0.46	Jan2002	\$0.42
Jan2001	\$0.47	Jan2001	\$0.38
Jan2000	\$0.41	Balance Sheet Information 4/1/2016	
Jan1999	\$0.32	Total Current Assets	\$6,877,701,000
Jan1998	\$0.22	Total Current Liabilities	\$4,296,735,000
Jan1997	\$0.26	Long-Term Debt	\$1,615,477,000
		Total Assets	\$11,704,722,000
		Intangible Assets	\$346,452,000
		Total Liabilities	\$7,169,753,000
		Shares Outstanding (Diluted Average)	670,388,000





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

- [5 Undervalued Companies with a Low Beta – July 2016](#)
- [5 Undervalued Companies with a Low Beta – May 2016](#)
- [5 Undervalued Companies with a Low Beta – February 2016](#)
- [26 Best Stocks For Value Investors This Week – 2/6/16](#)
- [TJX Companies Inc Valuation – February 2016 Update \\$TJX](#)

Other ModernGraham posts about related companies

- [Dollar General Corp Valuation – August 2016 \\$DG](#)
- [Coach Inc Valuation – August 2016 \\$COH](#)
- [Tiffany & Co Valuation – August 2016 \\$TIF](#)
- [Best Buy Co Valuation – July 2016 \\$BBY](#)
- [GameStop Corp Valuation – July 2016 \\$GME](#)
- [Urban Outfitters Inc Valuation – July 2016 \\$URBN](#)
- [Macy's Inc Valuation – July 2016 \\$M](#)
- [Costco Wholesale Corp Valuation – July 2016 \\$COST](#)
- [Amazon Inc Valuation – July 2016 \\$AMZN](#)
- [Walgreens Boots Alliance Inc Valuation – July 2016 \\$WBA](#)