

# ModernGraham Valuation

Company Name:

Stein Mart, Inc.

Company Ticker SMRT

Date of Analysis

2/2/2017



## 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	\$171,627,620	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.45	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-189.15%	Fail
5. Earnings Growth	PEmg < 20	9.44	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.14	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	1.45	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.28	Fail
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
	Score		

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$0.38
MG Growth Estimate	-3.83%
<b>MG Value</b>	<b>\$0.32</b>
MG Value based on 3% Growth	\$5.58
MG Value based on 0% Growth	\$3.27
Market Implied Growth Rate	0.47%

### MG Opinion

Current Price	\$3.63
% of Intrinsic Value	1129.49%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D+</b>

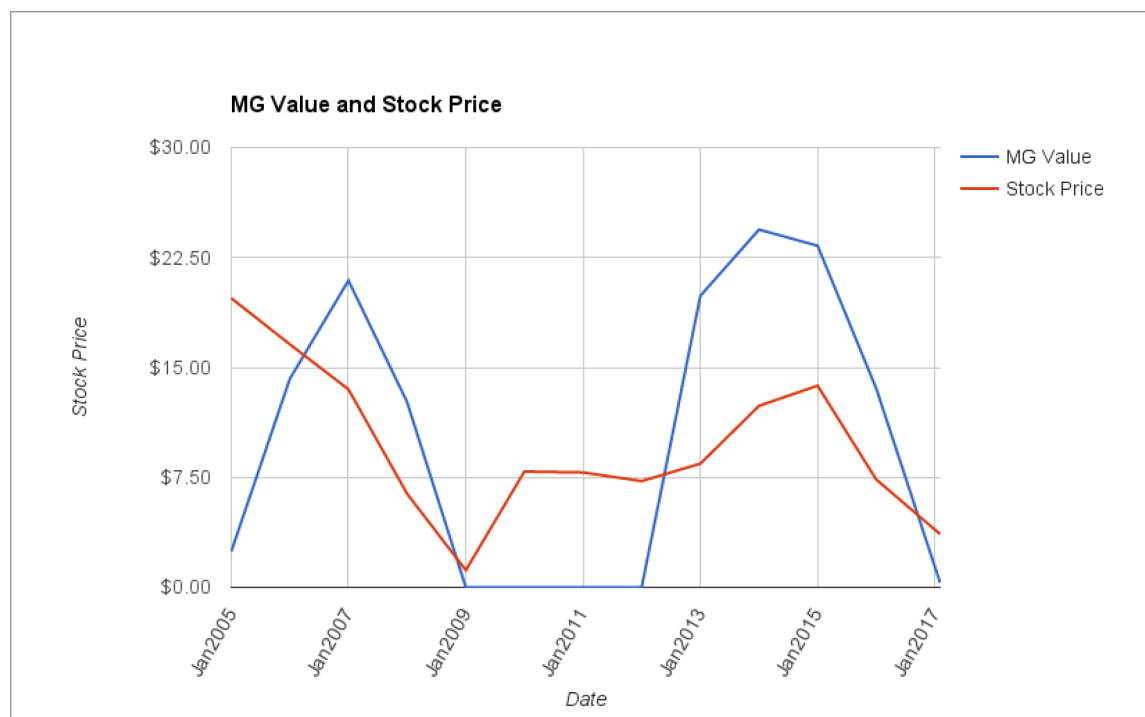
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$2.72
Graham Number	\$1.37
PEmg	9.44
Current Ratio	1.45
PB Ratio	2.14
Current Dividend	\$0.30
Dividend Yield	8.26%
Number of Consecutive Years of Dividend Growth	4

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Jan2016	\$0.05	Jan2016	\$0.38
Jan2015	\$0.51	Jan2015	\$0.55
Jan2014	\$0.59	Jan2014	\$0.61
Jan2013	\$0.57	Jan2013	\$0.63
Jan2012	\$0.57	Jan2012	\$0.52
Jan2011	\$0.44	Jan2011	\$0.35
Jan2010	\$1.26	Jan2010	\$0.26
Jan2009	\$0.54	Jan2009	-\$0.11
Jan2008	-\$1.72	Jan2008	-\$0.22
Jan2007	-\$0.11	Jan2007	\$0.54
Jan2006	\$0.85	Jan2006	\$0.81
Jan2005	\$1.15	Jan2005	\$0.72
Jan2004	\$0.89	Jan2004	\$0.52
Jan2003	\$0.05	Jan2003	\$0.36
Jan2002	\$0.50	Jan2002	\$0.51
Dec2000	\$0.37	Jan2002	\$0.53
Dec1999	\$0.91	Dec2000	\$0.60
Dec1998	\$0.26	<b>Balance Sheet Information 10/1/2016</b>	
Dec1997	\$0.44	Total Current Assets	\$427,880,000
Dec1996	\$0.74	Total Current Liabilities	\$295,237,000
	\$0.55	Long-Term Debt	\$169,681,000
		Total Assets	\$630,482,000
		Intangible Assets	\$0
		Total Liabilities	\$552,585,000
		Shares Outstanding (Diluted Average)	45,845,000





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

[J C Penney Company Inc Valuation – Initial Coverage \\$JCP](#)  
[TJX Companies Inc Valuation – December 2016 \\$TJX](#)  
[Shoe Carnival Inc Valuation – Initial Coverage \\$SCVL](#)  
[Aaron's Inc Valuation – November 2016 \\$AAN](#)  
[Tractor Supply Company Valuation – August 2016 \\$TSCO](#)  
[Fossil Group Inc Valuation – August 2016 \\$FOSL](#)  
[Target Corp Valuation – August 2016 \\$TGT](#)  
[TJX Companies Inc Valuation – August 2016 \\$TJX](#)  
[Dollar General Corp Valuation – August 2016 \\$DGI](#)  
[Coach Inc Valuation – August 2016 \\$COH](#)