# **ModernGraham Valuation**

# **Company Name:**

Company Ticker STMP Date of Analysis Stamps.com Inc.

2/27/2017



## 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	\$2,132,100,896	Pass	
	2	. Sufficiently Strong Financial Condition	Current Ratio > 2	1.86	Fail	
	3	Earnings Stability	Positive EPS for 10 years prior		Fail	
	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	317.02%	Pass	
		. Moderate PEmg Ratio	PEmg < 20	57.97	Fail	
	7	. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	6.63	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	1.86	Pass	
	2	. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.01	Fail	
	3	. Earnings Stability	Positive EPS for 5 years prior		Fail	
	4	. Dividend Record	Currently Pays Dividend		Fail	
	5	. Earnings Growth	EPSmg greater than 5 years ago		Pass	
			Score			

#### Suitability

Defensive	No
Enterprising	No

### Stage 2: Determination of Intrinsic Value

	EPSmg		\$2.19
	MG Growth Estimate		8.65%
	MG Value		\$56.57
	MG Value based on 3% Growth		\$31.78
	MG Value based on 0% Growth		\$18.63
	Market Implied Growth Rate		24.73%
MG Opinion			
	Current Price		\$127.07
	% of Intrinsic Value		224.61%
	Opinion	Overvalued	
	MG Grade	F	

## Stage 3: Information for Further Research

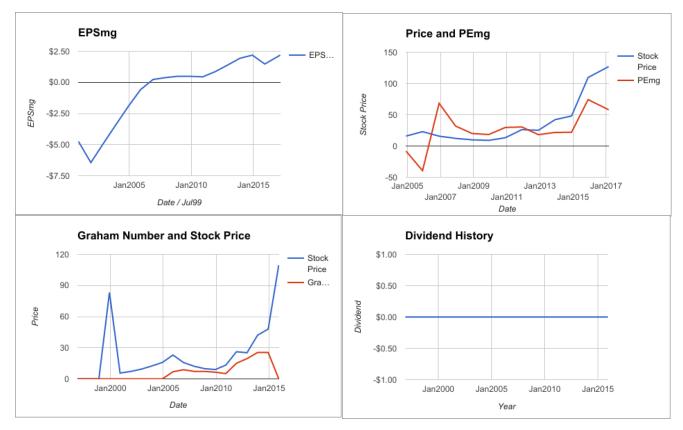
Net Current Asset Value (NCAV)	-\$3.96
Graham Number	\$42.13
PEmg	57.97
Current Ratio	1.86
PB Ratio	6.63
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend	
Growth	0

Useful Links:

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EPS History		EPSmg History	
Next Fiscal Year			
Estimate		Next Fiscal Year Estimate	\$2.1
Dec2015	-\$0.26	Dec2015	\$1.4
Dec2014	\$2.25	Dec2014	\$2.1
Dec2013	\$2.71	Dec2013	\$1.9
Dec2012	\$2.30	Dec2012	\$1.3
Dec2011	\$1.73	Dec2011	\$0.8
Dec2010	\$0.38	Dec2010	\$0.4
Dec2009	\$0.38	Dec2009	\$0.4
Dec2008	\$0.53	Dec2008	\$0.4
Dec2007	\$0.50	Dec2007	\$0.3
Dec2006	\$0.69	Dec2006	\$0.2
Dec2005	\$0.44	Dec2005	-\$0.5
Dec2004	-\$0.21	Dec2004	-\$1.9
Dec2003	-\$0.42	Dec2003	-\$3.4
Dec2002	-\$0.28	Dec2002	-\$4.9
Dec2001	-\$8.28	Dec2001	-\$6.4
Dec2000	-\$9.08	Dec2000	-\$4.7
Dec1999	-\$5.18	Balance Sheet Information	9/1/201
Dec1998	-\$1.70	Total Current Assets	\$153,857,00
Dec1997	\$0.00	Total Current Liabilities	\$82,699,00
Dec1996	\$0.00	Long-Term Debt	\$142,993,00
		Total Assets	\$573,137,00
		Intangible Assets	\$340,578,00
		Total Liabilities	\$225,692,00
		Shares Outstanding (Diluted Average)	18,120,00





#### 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 Kirkland's Inc Valuation – Initial Coverage \$KIRK Dollar Tree Inc Valuation – February 2017 \$DLTR Staples Inc Valuation – February 2017 \$SPLS Stein Mart Inc Valuation – Initial Coverage \$SMRT 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