

ModernGraham Valuation

Abercrombie & Fitch
Co.



Company Name:

Company Ticker ANF

Date of Analysis

3/7/2017

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	\$781,248,040	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.34	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-100.00%	Fail
5. Earnings Growth	PEmg < 20	171.41	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	0.65	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	2.34	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.40	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Fail
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.07
MG Growth Estimate	-4.25%
MG Value	\$1.27
MG Value based on 3% Growth	\$1.00
MG Value based on 0% Growth	\$0.58
Market Implied Growth Rate	81.45%

MG Opinion

Current Price	\$11.77
% of Intrinsic Value	924.23%
Opinion	Overvalued
MG Grade	D

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$1.27
Graham Number	\$0.00
PEmg	171.41
Current Ratio	2.34
PB Ratio	0.65
Current Dividend	\$0.80
Dividend Yield	6.80%
Number of Consecutive Years of Dividend Growth	0

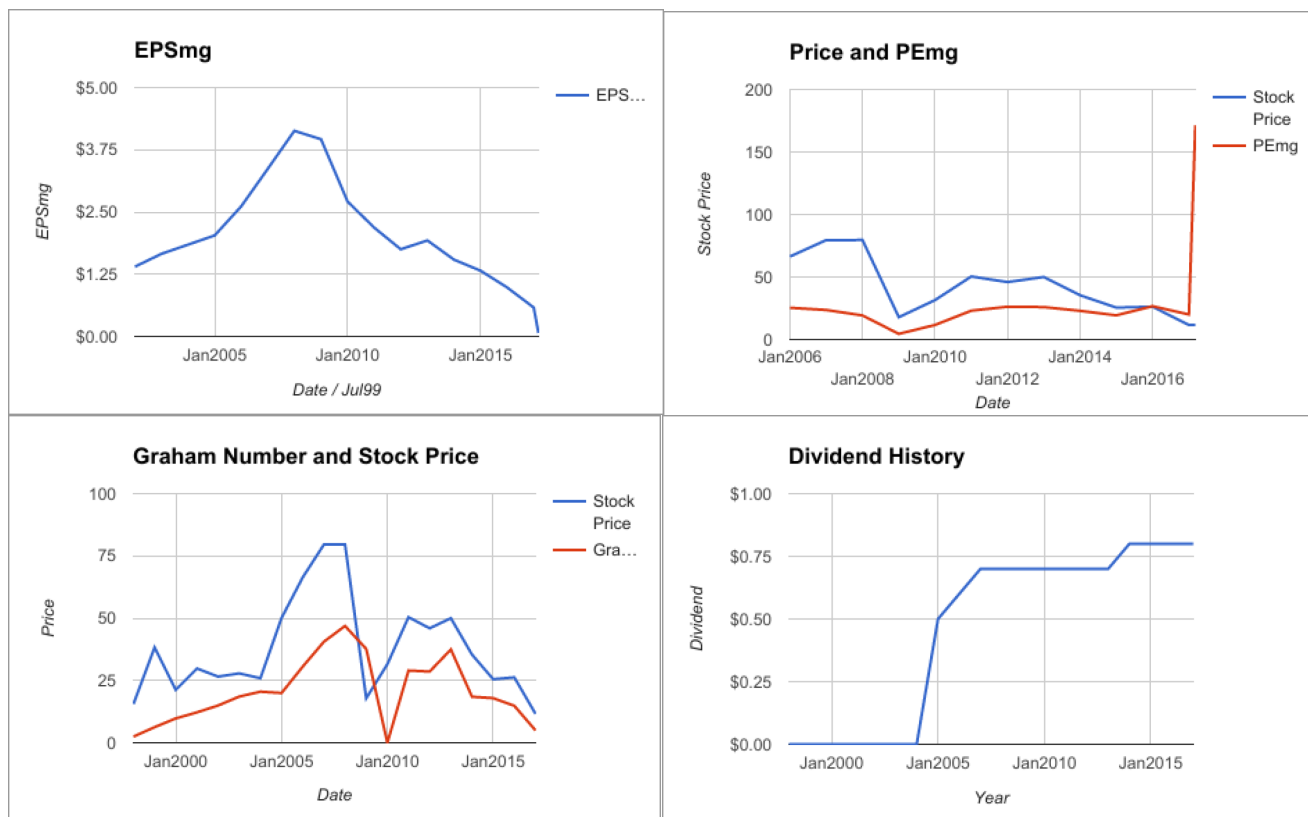
Useful Links:

[ModernGraham tagged articles](#)
[Google Finance](#)
[Yahoo Finance](#)
[GuruFocus](#)

[Morningstar](#)
[MSN Money](#)
[Seeking Alpha](#)
[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	-\$0.57	Next Fiscal Year Estimate	\$0.07
Jan2017	\$0.06	Jan2017	\$0.58
Jan2016	\$0.51	Jan2016	\$0.98
Jan2015	\$0.71	Jan2015	\$1.32
Jan2014	\$0.69	Jan2014	\$1.54
Jan2013	\$2.85	Jan2013	\$1.93
Jan2012	\$1.61	Jan2012	\$1.75
Jan2011	\$1.73	Jan2011	\$2.19
Jan2010	\$0.00	Jan2010	\$2.71
Jan2009	\$3.05	Jan2009	\$3.96
Jan2008	\$5.20	Jan2008	\$4.13
Jan2007	\$4.59	Jan2007	\$3.37
Jan2006	\$3.66	Jan2006	\$2.61
Jan2005	\$2.28	Jan2005	\$2.03
Jan2004	\$2.06	Jan2004	\$1.84
Jan2003	\$1.98	Jan2003	\$1.66
Jan2002	\$1.65	Jan2002	\$1.40
Jan2001	\$1.55	Balance Sheet Information 1/1/2017	
Jan2000	\$1.39	Total Current Assets	\$1,139,300,000
Jan1999	\$0.96	Total Current Liabilities	\$486,000,000
Jan1998	\$0.47	Long-Term Debt	\$262,992,000
		Total Assets	\$2,295,757,000
		Intangible Assets	\$0
		Total Liabilities	\$1,052,322,000
		Shares Outstanding (Diluted Average)	68,299,000





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

[Abercrombie & Fitch Co Valuation – November 2015 Update \\$ANF](#)

[Abercrombie & Fitch Company Analysis – Initial Coverage \\$ANF](#)

Other ModernGraham posts about related companies

[Crocs Inc Valuation – Initial Coverage \\$CROX](#)

[Stage Stores Inc Valuation – Initial Coverage \\$SSI](#)

[Carter's Inc Valuation – Initial Coverage \\$CRI](#)

[Kate Spade & Co Valuation – Initial Coverage \\$KATE](#)

[Gap Inc Valuation – January 2017 \\$GPS](#)

[PVH Corp Valuation – January 2017 \\$PVH](#)

[Steve Madden Ltd Valuation – Initial Coverage \\$SHOO](#)

[American Eagle Outfitters Valuation – January 2017 \\$AEO](#)

[Chico's FAS Inc Valuation – Initial Coverage \\$CHS](#)

[Hanesbrands Inc Valuation – December 2016 \\$HBI](#)