ModernGraham Valuation

Company Name:

Company Ticker GRMN Date of Analysis Garmin Ltd.





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.

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1	. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$9,790,457,089	Pass
2	. Sufficiently Strong Financial Condition	Current Ratio > 2	2.89	Pass
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	-23.26%	Fail
6	. Moderate PEmg Ratio	PEmg < 20	20.67	Fail
7	. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.86	Fail
Enterprising Investor; mu	st pass 4 out of the following 5 tests, or be s	uitable for the Defensive Investor.		
1	. Sufficiently Strong Financial Condition	Current Ratio > 1.5	2.89	Pass
2	. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	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		Fail
		Score		

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

	EPSmg		\$2.50
	MG Growth Estimate		-2.23%
	MG Value		\$10.10
	MG Value based on 3% Growth		\$36.25
	MG Value based on 0% Growth		\$21.25
	Market Implied Growth Rate		6.09%
MG Opinion			
	Current Price		\$51.68
	% of Intrinsic Value		511.79%
	Opinion	Overvalued	
	MG Grade	C+	

Stage 3: Information for Further Research

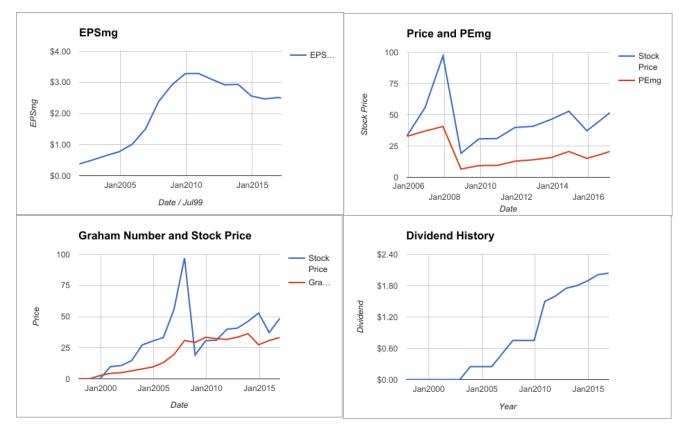
Net Current Asset Value (NCAV)	\$6.10
Graham Number	\$32.13
PEmg	20.67
Current Ratio	2.89
PB Ratio	2.86
Current Dividend	\$2.04
Dividend Yield	3.95%
Number of Consecutive Years of Dividend Growth	8

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	\$2.53	Next Fiscal Year Estimate	\$2.5
Dec2016	\$2.70	Dec2016	\$2.5
Dec2015	\$2.39	Dec2015	\$2.4
Dec2014	\$1.88	Dec2014	\$2.5
Dec2013	\$3.12	Dec2013	\$2.9
Dec2012	\$2.76	Dec2012	\$2.9
Dec2011	\$2.67	Dec2011	\$3.1
Dec2010	\$2.95	Dec2010	\$3.2
Dec2009	\$3.50	Dec2009	\$3.2
Dec2008	\$3.48	Dec2008	\$2.9
Dec2007	\$3.89	Dec2007	\$2.3
Dec2006	\$2.35	Dec2006	\$1.5
Dec2005	\$1.43	Dec2005	\$1.0
Dec2004	\$0.95	Dec2004	\$0.7
Dec2003	\$0.82	Dec2003	\$0.6
Dec2002	\$0.66	Dec2002	\$0.5
Dec2001	\$0.53	Dec2001	\$0.3
Dec2000	\$0.53	Balance Sheet Information	12/1/201
Dec1999	\$0.32	Total Current Assets	\$2,263,016,00
Dec1998	\$0.00	Total Current Liabilities	\$782,735,00
Dec1997	\$0.00	Long-Term Debt	\$
		Total Assets	\$4,525,133,00
		Intangible Assets	\$305,002,00
		Total Liabilities	\$1,107,130,00
		Shares Outstanding (Diluted Average)	189,343,00





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	Garmin Limited Valuation – August 2016 \$GRMN
ModernGraham posts about the	Garmin Ltd Stock Valuation – February 2016 \$GRMN
company	Garmin Limited Analysis – September 2015 Update \$GRMN
	Garmin Limited Analysis – June 2015 Update \$GRMN
	18 Companies in the Spotlight This Week – 3/15/15

Other ModernGraham posts about related companies

 Hewlett Packard Enterprise Co Valuation – Initial Valuation \$HPE

 Fortive Corp Valuation – Initial Coverage \$FTV

 Analog Devices Inc Valuation – February 2017 \$ADI

 Micron Technology Inc Valuation – February 2017 \$MU

 Amphenol Corp Valuation – February 2017 \$APH

 Kopin Corporation Valuation – Initial Coverage \$KOPN

 Xilinx Inc Valuation – February 2017 \$XLNX

 Western Digital Corporation Valuation – February 2017 \$WDC

 Texas Instruments Inc Valuation – February 2017 \$TXN

 Knowles Corp Valuation – Initial Coverage \$KN