ModernGraham Valuation

Company Name:

Company Ticker KSS Date of Analysis Kohl's Corporation

3/1/2017



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	\$7,205,242,652	Pass
2.	Sufficiently Strong Financial Condition	Current Ratio > 2	1.76	Fail
3.	Earnings Stability	Positive EPS for 10 years prior		Pass
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	2.47%	Fail
6.	Moderate PEmg Ratio	PEmg < 20	12.03	Pass
7.	Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.42	Pass
Enterprising Investor; mus	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	1.76	Pass
2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.23	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

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

	EPSmg		\$3.49
	MG Growth Estimate		-1.99%
	MG Value		\$15.73
	MG Value based on 3% Growth		\$50.56
	MG Value based on 0% Growth		\$29.64
	Market Implied Growth Rate		1.77%
MG Opinion			
	Current Price		\$41.95
	% of Intrinsic Value		266.70%
	Opinion	Overvalued	
	MG Grade	C	

Stage 3: Information for Further Research

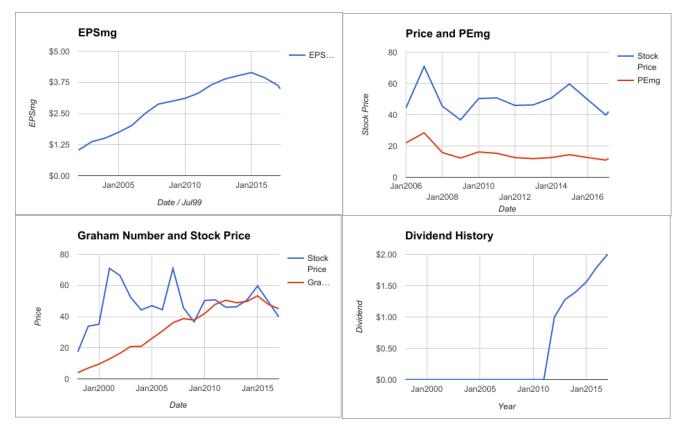
Net Current Asset Value (NCAV)	-\$18.00
Graham Number	\$47.50
PEmg	12.03
Current Ratio	1.76
PB Ratio	1.42
Current Dividend	\$2.00
Dividend Yield	4.77%
Number of Consecutive Years of Dividend	
Growth	7

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EPS History		EPSmg History	
Next Fiscal Year			
Estimate		Next Fiscal Year Estimate	\$3.4
Jan2017	\$3.11	Jan2017	\$3.6
Jan2016	\$3.46	Jan2016	\$3.9
Jan2015	\$4.24	Jan2015	\$4.1
Jan2014	\$4.05	Jan2014	\$4.0
Jan2013	\$4.17	Jan2013	\$3.8
Jan2012	\$4.30	Jan2012	\$3.6
Jan2011	\$3.66	Jan2011	\$3.3
Jan2010	\$3.17	Jan2010	\$3.1
Jan2009	\$2.89	Jan2009	\$2.9
Jan2008	\$3.39	Jan2008	\$2.8
Jan2007	\$3.31	Jan2007	\$2.4
Jan2006	\$2.43	Jan2006	\$2.0
Jan2005	\$2.04	Jan2005	\$1.7
Jan2004	\$1.59	Jan2004	\$1.5
Jan2003	\$1.85	Jan2003	\$1.3
Jan2002	\$1.45	Jan2002	\$1.0
Jan2001	\$1.10	Balance Sheet Information	1/1/201
Jan2000	\$0.77	Total Current Assets	\$5,247,000,00
Jan1999	\$0.59	Total Current Liabilities	\$2,974,000,00
Jan1998	\$0.23	Long-Term Debt	\$2,795,000,00
		Total Assets	\$13,574,000,00
		Intangible Assets	\$
		Total Liabilities	\$8,397,000,00
		Shares Outstanding (Diluted Average)	175,000,00





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:

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	The Best Companies of the Retail Industry – August 2015
company	<u>15 Best Stocks For Value Investors This Week – 8/22/15</u>
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