

ModernGraham Valuation

TCF Financial
Corporation



Company Name:

Company Ticker TCB

Date of Analysis

3/26/2017

Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass all 6 of the following tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$2,746,821,864	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
3. Dividend Record	Dividend Payments for 10 years prior		Pass
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	27.76%	Fail
5. Moderate PEmg Ratio	PEmg < 20	14.76	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.10	Pass

Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.

1. Earnings Stability	Positive EPS for 5 years prior		Pass
2. Dividend Record	Currently Pays Dividend		Pass
3. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	1.08
MG Growth Estimate	15.00%
MG Value	\$41.61
MG Value based on 3% Growth	\$15.67
MG Value based on 0% Growth	\$9.19
Market Implied Growth Rate	3.13%

MG Opinion

Current Price	\$15.95
% of Intrinsic Value	38.34%
Opinion	Undervalued
MG Grade	B-

Stage 3: Information for Further Research

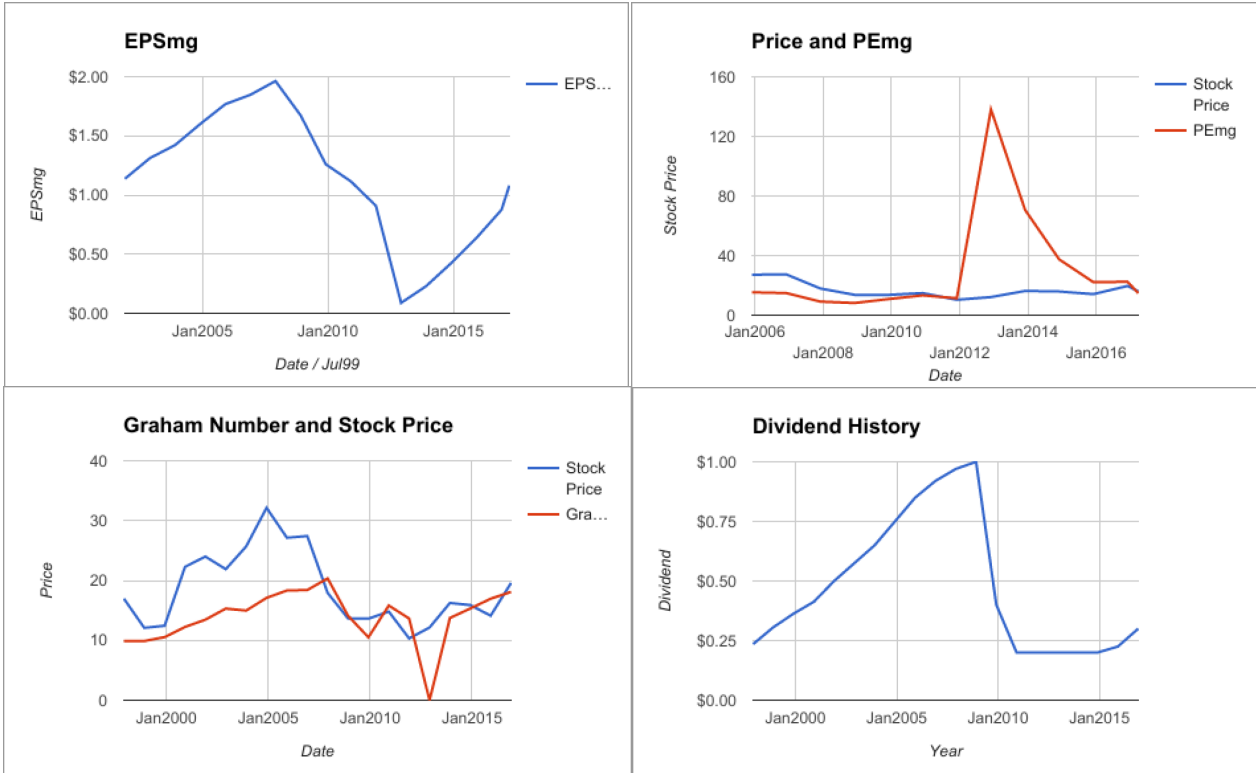
Graham Number	\$18.02
PEmg	14.76
PB Ratio	1.10
Dividend Yield	1.88%
Number of Consecutive Years of Dividend Growth	3

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.14	Next Fiscal Year Estimate	\$1.08
Dec2016	\$1.15	Dec2016	\$0.87
Dec2015	\$1.07	Dec2015	\$0.64
Dec2014	\$0.94	Dec2014	\$0.42
Dec2013	\$0.82	Dec2013	\$0.23
Dec2012	-\$1.37	Dec2012	\$0.09
Dec2011	\$0.71	Dec2011	\$0.91
Dec2010	\$1.08	Dec2010	\$1.12
Dec2009	\$0.54	Dec2009	\$1.26
Dec2008	\$1.01	Dec2008	\$1.67
Dec2007	\$2.12	Dec2007	\$1.96
Dec2006	\$1.90	Dec2006	\$1.85
Dec2005	\$2.00	Dec2005	\$1.77
Dec2004	\$1.86	Dec2004	\$1.60
Dec2003	\$1.53	Dec2003	\$1.42
Dec2002	\$1.58	Dec2002	\$1.31
Dec2001	\$1.35	Dec2001	\$1.14
Dec2000	\$1.18		
Dec1999	\$1.00		
Dec1998	\$0.88		
Dec1997	\$0.85		
		Balance Sheet Information	12/1/2016
		Long-Term Debt & Capital Lease Obligation	\$1,073,181,000
		Total Assets	\$21,441,326,000
		Intangible Assets	\$227,348,000
		Total Liabilities	\$19,013,843,000
		Shares Outstanding (Diluted Average)	167,807,000





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

- [CVB Financial Corp Valuation – Initial Coverage \\$CVBF](#)
- [Customers Bancorp Inc Valuation – Initial Coverage \\$CUBI](#)
- [Comerica Inc Valuation – March 2017 \\$CMA](#)
- [Sterling Bancorp Valuation – Initial Coverage \\$STL](#)
- [S&T Bancorp Inc Valuation – Initial Coverage \\$STBA](#)
- [Central Pacific Financial Corp Valuation – Initial Coverage \\$CPFE](#)
- [Synovus Financial Corp Valuation – Initial Coverage \\$SNV](#)
- [U.S. Bancorp Valuation – February 2017 \\$USB](#)
- [Columbia Banking System Inc Valuation – Initial Coverage \\$COLB](#)
- [Canadian Imperial Bank of Commerce Valuation – Initial Coverage \\$TSE:CM](#)