

ModernGraham Valuation

Simmons First
National
Corporation



Company Name:

Company Ticker SFNC

Date of Analysis

3/11/2018

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	\$2,807,610,074	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. 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	92.91%	Pass
4. Earnings Growth	PEmg < 20	18.22	Pass
5. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.28	Pass
6. Moderate Price to Assets			

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	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	1.67
MG Growth Estimate	13.67%
MG Value	\$59.91
MG Value based on 3% Growth	\$24.24
MG Value based on 0% Growth	\$14.21
Market Implied Growth Rate	4.86%

MG Opinion

Current Price	\$30.45
% of Intrinsic Value	50.83%
Opinion	Undervalued
MG Grade	A-

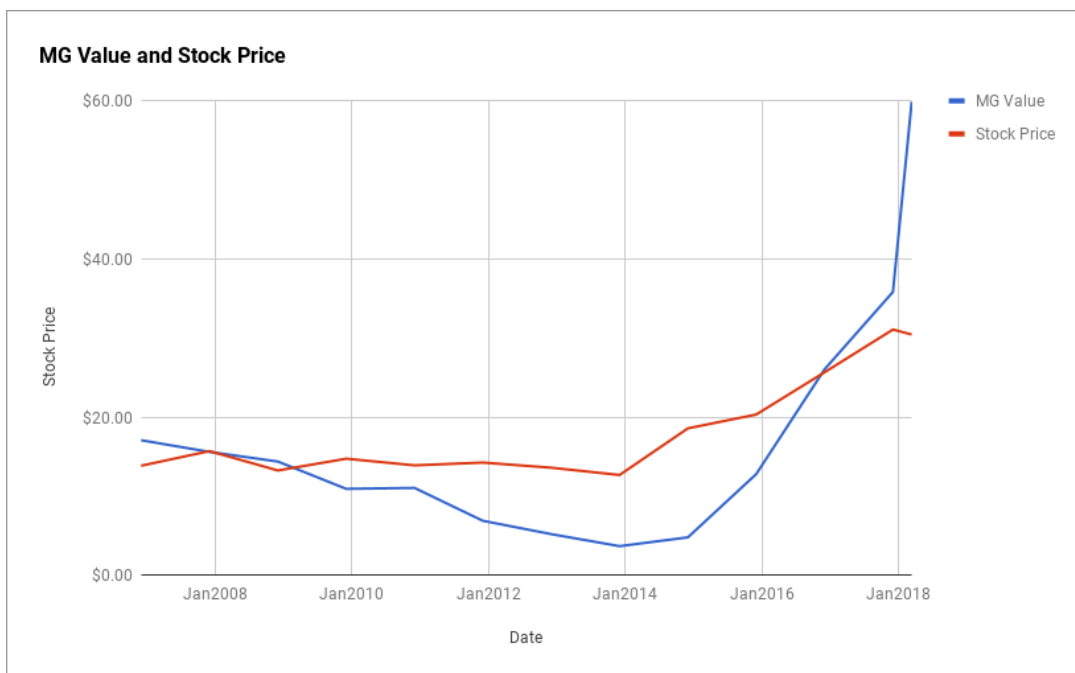
Stage 3: Information for Further Research

Graham Number	\$34.09
PEmg	18.22
PB Ratio	1.28
Dividend Yield	1.64%
Number of Consecutive Years of Dividend Growth	6

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	\$2.28	Next Fiscal Year Estimate	\$1.67
Dec2017	\$1.33	Dec2017	\$1.31
Dec2016	\$1.56	Dec2016	\$1.23
Dec2015	\$1.31	Dec2015	\$1.02
Dec2014	\$1.06	Dec2014	\$0.87
Dec2013	\$0.71	Dec2013	\$0.80
Dec2012	\$0.82	Dec2012	\$0.86
Dec2011	\$0.74	Dec2011	\$0.90
Dec2010	\$1.08	Dec2010	\$0.97
Dec2009	\$0.87	Dec2009	\$0.92
Dec2008	\$0.96	Dec2008	\$0.94
Dec2007	\$0.96	Dec2007	\$0.92
Dec2006	\$0.95	Dec2006	\$0.89
Dec2005	\$0.92	Dec2005	\$0.83
Dec2004	\$0.83	Dec2004	\$0.77
Dec2003	\$0.83	Dec2003	\$0.72
Dec2002	\$0.77	Dec2002	\$0.65
Dec2001	\$0.58	Balance Sheet Information 12/1/2017	
Dec2000	\$0.65	Long-Term Debt & Capital Lease Obligation	\$1,520,589,000
Dec1999	\$0.58	Total Assets	\$15,055,806,000
Dec1998	\$0.56	Intangible Assets	\$948,722,000
		Total Liabilities	\$12,971,242,000
		Shares Outstanding (Diluted Average)	87,370,000





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

[Simmons First National Corporation Valuation – Initial Coverage \\$SFNC](#)

Other
ModernGraham
posts about related
companies

[Citigroup Inc Valuation – March 2018 \\$C](#)

[People's United Financial Inc Valuation – March 2018 \\$PBCT](#)

[JPMorgan Chase & Co Valuation – February 2018 \\$JPM](#)

[Opus Bank Valuation – Initial Coverage \\$OPB](#)

[Wells Fargo & Co Valuation – August 2017 \\$WFC](#)

[Old National Bancorp Valuation – Initial Coverage \\$ONB](#)

[Dime Community Bancshares Inc Valuation – Initial Coverage \\$DCOM](#)

[LegacyTexas Financial Group Inc Valuation – Initial Coverage \\$LTXB](#)

[SunTrust Banks Inc Valuation – April 2017 \\$STI](#)

[Toronto-Dominion Bank Valuation – Initial Coverage \\$TSE:TD](#)