

ModernGraham Valuation

Company Name:

Snap-on Incorporated

Company Ticker SNA

Date of Analysis

5/20/2018



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	\$8,592,853,133	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.28	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	193.44%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	15.51	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.82	Pass

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	2.28	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.78	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		Pass
	Score		

Suitability

Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$9.69
MG Growth Estimate	9.88%
MG Value	\$273.95
MG Value based on 3% Growth	\$140.52
MG Value based on 0% Growth	\$82.38
Market Implied Growth Rate	3.51%

MG Opinion

Current Price	\$150.33
% of Intrinsic Value	54.88%
Opinion	Undervalued
MG Grade	B

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$1.13
Graham Number	\$114.95
PEmg	15.51
Current Ratio	2.28
PB Ratio	2.82
Current Dividend	\$2.95
Dividend Yield	1.96%
Number of Consecutive Years of Dividend Growth	8

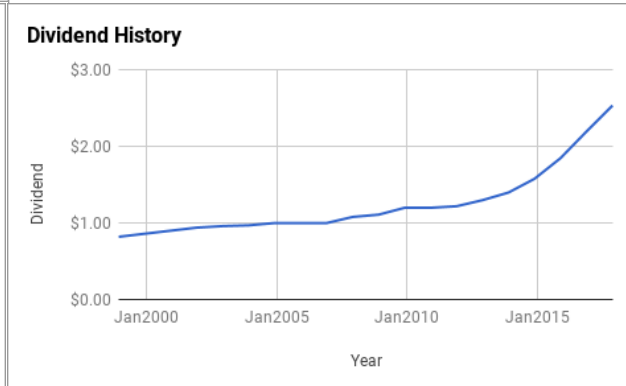
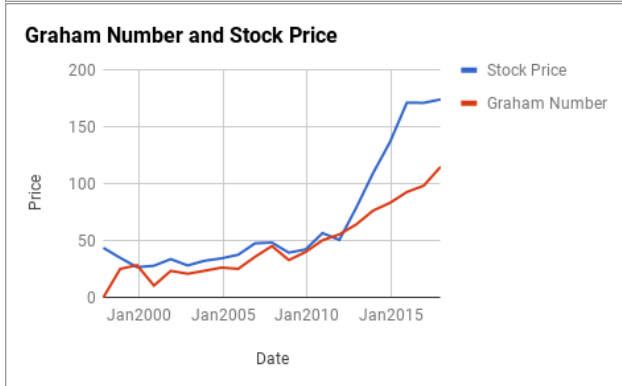
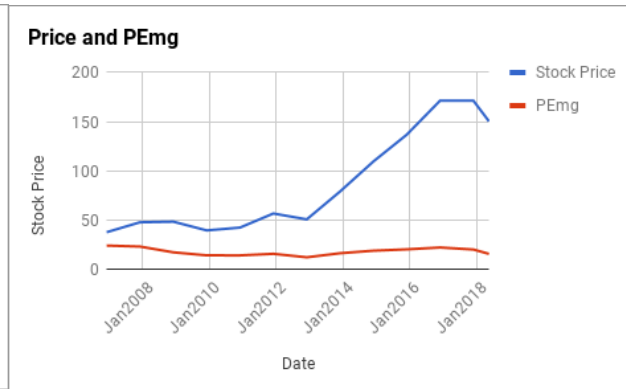
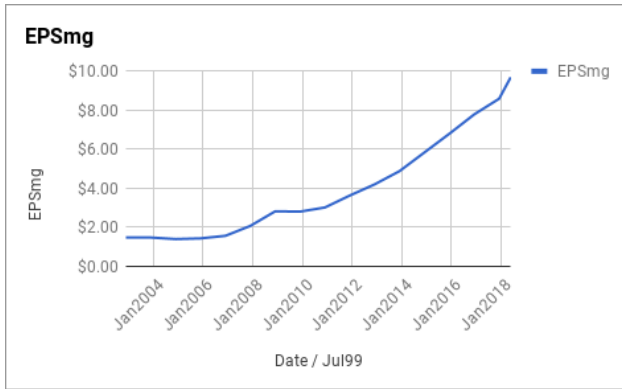
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$11.27	Next Fiscal Year Estimate	\$9.69
Dec2017	\$9.52	Dec2017	\$8.59
Dec2016	\$9.20	Dec2016	\$7.79
Dec2015	\$8.10	Dec2015	\$6.80
Dec2014	\$7.14	Dec2014	\$5.84
Dec2013	\$5.93	Dec2013	\$4.89
Dec2012	\$5.20	Dec2012	\$4.21
Dec2011	\$4.71	Dec2011	\$3.63
Dec2010	\$3.19	Dec2010	\$3.02
Dec2009	\$2.32	Dec2009	\$2.81
Dec2008	\$4.07	Dec2008	\$2.82
Dec2007	\$3.09	Dec2007	\$2.08
Dec2006	\$1.69	Dec2006	\$1.57
Dec2005	\$1.59	Dec2005	\$1.44
Dec2004	\$1.40	Dec2004	\$1.40
Dec2003	\$1.35	Dec2003	\$1.48
Dec2002	\$1.81	Dec2002	\$1.48
Dec2001	\$0.33	Balance Sheet Information 3/1/2018	
Dec2000	\$2.53	Total Current Assets	\$2,168,400,000
Dec1999	\$2.16	Total Current Liabilities	\$951,600,000
Dec1998	-\$0.08	Long-Term Debt	\$946,300,000
		Total Assets	\$5,317,600,000
		Intangible Assets	\$1,193,100,000
		Total Liabilities	\$2,233,700,000
		Shares Outstanding (Diluted Average)	57,765,000





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.

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