

# ModernGraham Valuation

Company Name:

Kirkland's, Inc.

Company Ticker KIRK

Date of Analysis

6/8/2018



## 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	\$192,849,095	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.91	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-62.18%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	21.35	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.42	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	1.91	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		Fail
5. Earnings Growth	EPSmg greater than 5 years ago Score		Fail

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$0.58
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$0.76</b>
MG Value based on 3% Growth	\$8.35
MG Value based on 0% Growth	\$4.90
Market Implied Growth Rate	6.43%

### MG Opinion

Current Price	\$12.30
% of Intrinsic Value	1612.53%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D</b>

## Stage 3: Information for Further Research

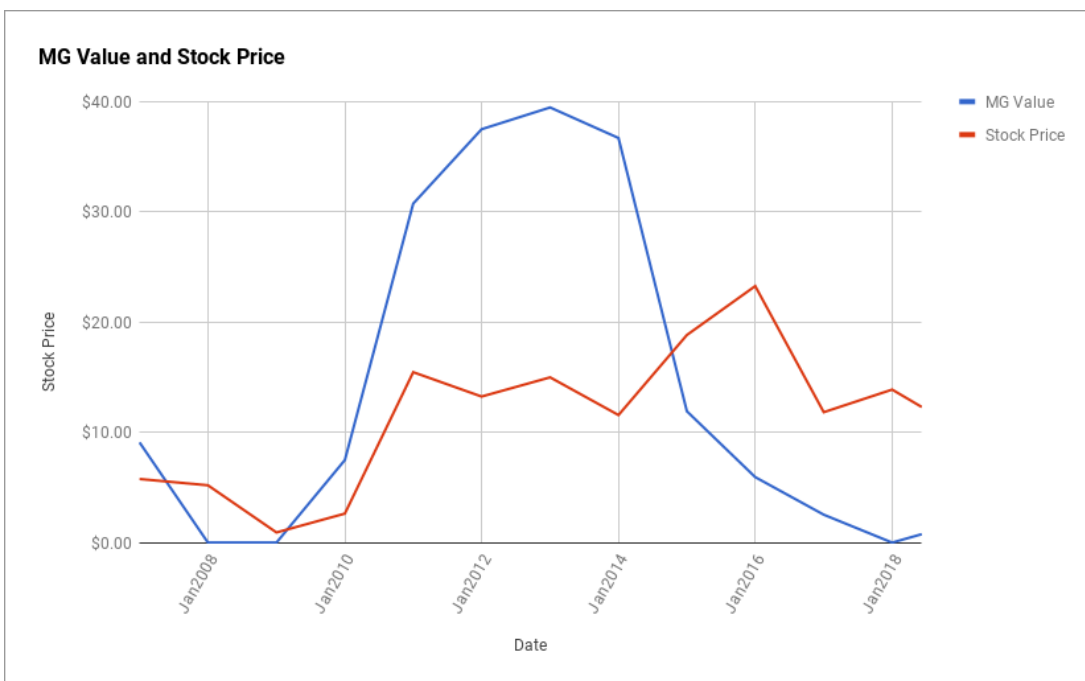
Net Current Asset Value (NCAV)	\$0.76
Graham Number	\$9.70
PEmg	21.35
Current Ratio	1.91
PB Ratio	1.42
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### 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		Next Fiscal Year Estimate	\$0.58
Jan2018	\$0.33	Jan2018	\$0.67
Jan2017	\$0.68	Jan2017	\$0.84
Jan2016	\$0.94	Jan2016	\$0.91
Jan2015	\$1.00	Jan2015	\$0.92
Jan2014	\$0.82	Jan2014	\$0.95
Jan2013	\$0.77	Jan2013	\$1.03
Jan2012	\$0.95	Jan2012	\$0.97
Jan2011	\$1.28	Jan2011	\$0.80
Jan2010	\$1.71	Jan2010	\$0.43
Jan2009	\$0.47	Jan2009	-\$0.18
Jan2008	-\$1.33	Jan2008	-\$0.34
Jan2007	-\$0.01	Jan2007	\$0.24
Jan2006	\$0.01	Jan2006	\$0.33
Jan2005	\$0.34	Jan2005	\$0.42
Jan2004	\$0.92	Jan2004	\$0.37
Jan2003	\$0.69	Jan2003	\$0.07
Jan2002	-\$0.60	<b>Balance Sheet Information</b>	
Dec2001	\$0.00	<b>4/1/2018</b>	
Dec2000	\$0.00	Total Current Assets	\$157,254,000
Dec1999	\$0.00	Total Current Liabilities	\$82,545,000
		Long-Term Debt	\$0
		Total Assets	\$282,601,000
		Intangible Assets	\$0
		Total Liabilities	\$145,196,000
		Shares Outstanding (Diluted Average)	15,808,000





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 [Kirkland's Inc Valuation – Initial Coverage \\$KIRK](#)

ModernGraham  
posts about the  
company

Other [JC Penney Company Valuation – June 2018 \\$JCP](#)

ModernGraham [Shoe Carnival Inc Valuation – June 2018 \\$SCVL](#)

posts about related [Aaron's Inc Valuation – June 2018 \\$AAN](#)

companies [GameStop Corp Valuation – June 2018 \\$GME](#)

[Urban Outfitters Inc Valuation – June 2018 \\$URBN](#)

[Ulta Beauty Inc Valuation – June 2018 \\$ULTA](#)

[Kohl's Corporation Valuation – June 2018 \\$KSS](#)

[Dollar Tree Inc Valuation – May 2018 \\$DLTR](#)

[TJX Companies Inc Valuation – May 2018 \\$TJX](#)

[Tractor Supply Co Valuation – April 2018 \\$TSCO](#)