

ModernGraham Valuation

Company Name:

Signature Bank

Company Ticker SBNY

Date of Analysis

7/24/2018



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	\$6,505,328,267	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. 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		
4. Earnings Growth		222.02%	Pass
5. Moderate PEmg Ratio	PEmg < 20	15.29	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.57	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		Fail
3. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	7.56
MG Growth Estimate	9.40%
MG Value	\$206.50
MG Value based on 3% Growth	\$109.65
MG Value based on 0% Growth	\$64.28
Market Implied Growth Rate	3.40%

MG Opinion

Current Price	\$115.63
% of Intrinsic Value	55.99%
Opinion	Undervalued
MG Grade	C+

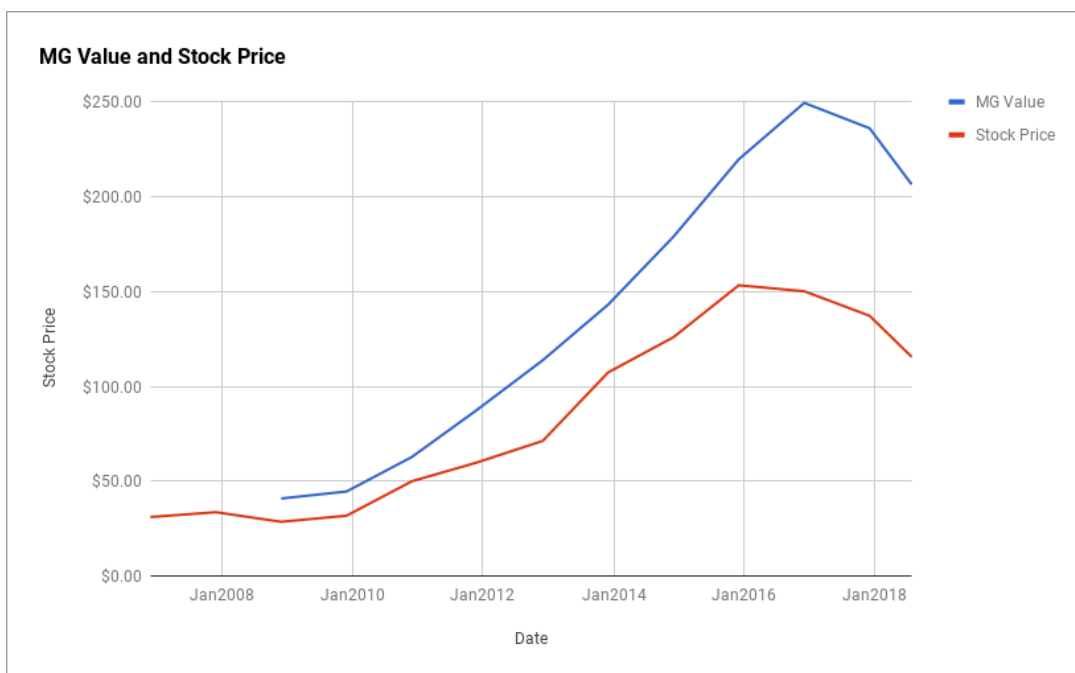
Stage 3: Information for Further Research

Graham Number	\$118.23
PEmg	15.29
PB Ratio	1.57
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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	\$8.47	Next Fiscal Year Estimate	\$7.56
Dec2017	\$7.12	Dec2017	\$6.90
Dec2016	\$7.37	Dec2016	\$6.48
Dec2015	\$7.27	Dec2015	\$5.71
Dec2014	\$5.95	Dec2014	\$4.65
Dec2013	\$4.76	Dec2013	\$3.72
Dec2012	\$3.91	Dec2012	\$2.96
Dec2011	\$3.37	Dec2011	\$2.28
Dec2010	\$2.46	Dec2010	\$1.63
Dec2009	\$1.30	Dec2009	\$1.16
Dec2008	\$1.35	Dec2008	\$1.06
Dec2007	\$0.91	Dec2007	\$0.86
Dec2006	\$1.12	Dec2006	\$0.74
Dec2005	\$0.53	Dec2005	\$0.48
Dec2004	\$1.15	Dec2004	\$0.38
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Balance Sheet Information 3/1/2018	
Dec2000	\$0.00	Long-Term Debt & Capital Lease Obligation	\$4,542,577,000
Dec1999	\$0.00	Total Assets	\$44,435,634,000
Dec1998	\$0.00	Intangible Assets	\$0
		Total Liabilities	\$40,434,462,000
		Shares Outstanding (Diluted Average)	54,395,000





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 [Signature Bank Valuation – Initial Coverage \\$SBNY](#)

Other ModernGraham posts about related companies [Wells Fargo & Co Valuation – June 2018 \\$WFC](#)
[SunTrust Banks Inc Valuation – June 2018 \\$STI](#)
[Comerica Inc Valuation – June 2018 \\$CMA](#)
[SVB Financial Group Valuation – June 2018 \\$SIVB](#)
[US Bancorp Valuation – May 2018 \\$USB](#)
[Bank of New York Mellon Corp Valuation – May 2018 \\$BK](#)
[Citizens Financial Group Inc Valuation – April 2018 \\$CFG](#)
[BB&T Corporation Valuation – April 2018 \\$BBT](#)
[M&T Bank Corp Valuation – April 2018 \\$MTB](#)
[Bank of America Corp Valuation – March 2018 \\$BAC](#)