

# ModernGraham Valuation

Tanger Factory Outlet  
Centers Inc.



## Company Name:

Company Ticker SKT

Date of Analysis

7/30/2018

## 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	\$2,274,582,107	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.46	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	135.26%	Pass
6. Moderate PEmg Ratio	PEmg < 20	18.86	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.73	Fail

*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	3.46	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	10.86	Fail
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 Score		Pass

### Suitability

<b>Defensive</b>	<b>Yes</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.25
MG Growth Estimate	9.64%
<b>MG Value</b>	<b>\$34.79</b>
MG Value based on 3% Growth	\$18.16
MG Value based on 0% Growth	\$10.65
Market Implied Growth Rate	5.18%

### MG Opinion

Current Price	\$23.62
% of Intrinsic Value	67.89%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>A</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$17.97
Graham Number	\$11.47
PEmg	18.86
Current Ratio	3.46
PB Ratio	3.73
Current Dividend	\$1.35
Dividend Yield	5.73%
Number of Consecutive Years of Dividend Growth	20

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<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.95	Next Fiscal Year Estimate	\$1.25
Dec2017	\$0.71	Dec2017	\$1.39
Dec2016	\$2.01	Dec2016	\$1.60
Dec2015	\$2.20	Dec2015	\$1.28
Dec2014	\$0.77	Dec2014	\$0.76
Dec2013	\$1.13	Dec2013	\$0.72
Dec2012	\$0.57	Dec2012	\$0.51
Dec2011	\$0.52	Dec2011	\$0.47
Dec2010	\$0.32	Dec2010	\$0.44
Dec2009	\$0.72	Dec2009	\$0.47
Dec2008	\$0.31	Dec2008	\$0.32
Dec2007	\$0.36	Dec2007	\$0.31
Dec2006	\$0.52	Dec2006	\$0.28
Dec2005	\$0.08	Dec2005	\$0.17
Dec2004	\$0.13	Dec2004	\$0.20
Dec2003	\$0.30	Dec2003	\$0.24
Dec2002	\$0.27	Dec2002	\$0.23
Dec2001	\$0.17	<b>Balance Sheet Information 3/1/2018</b>	
Dec2000	\$0.08	Total Current Assets	\$229,589,000
Dec1999	\$0.44	Total Current Liabilities	\$66,405,000
Dec1998	\$0.31	Long-Term Debt	\$1,772,055,000
		Total Assets	\$2,505,858,000
		Intangible Assets	\$0
		Total Liabilities	\$1,912,367,000
		Shares Outstanding (Diluted Average)	93,644,000





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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[National Retail Properties Inc Valuation – July 2018 \\$NNN](#)  
[Equinix Inc Valuation – June 2018 \\$EQIX](#)  
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