

ModernGraham Valuation

Company Name:

TJX Companies Inc

Company Ticker TJX

Date of Analysis

2/25/2019



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 | \$61,336,634,369 | Pass |
| 2. Sufficiently Strong Financial Condition | Current Ratio > 2 | 1.55 | Fail |
| 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 | 146.80% | Pass |
| 5. Earnings Growth | | | |
| 6. Moderate PEmg Ratio | PEmg < 20 | 24.64 | Fail |
| 7. Moderate Price to Assets | PB Ratio < 2.5 OR PB*PEmg < 50 | 11.90 | 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 | 1.55 | Pass |
| 2. Sufficiently Strong Financial Condition | Debt to NCA < 1.1 | 0.68 | 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 | No |
| Enterprising | Yes |

Stage 2: Determination of Intrinsic Value

| | |
|-----------------------------|----------------|
| EPSmg | \$2.02 |
| MG Growth Estimate | 7.33% |
| MG Value | \$46.75 |
| MG Value based on 3% Growth | \$29.27 |
| MG Value based on 0% Growth | \$17.16 |
| Market Implied Growth Rate | 8.07% |

MG Opinion

| | |
|----------------------|----------------------|
| Current Price | \$49.74 |
| % of Intrinsic Value | 106.39% |
| Opinion | Fairly Valued |
| MG Grade | C+ |

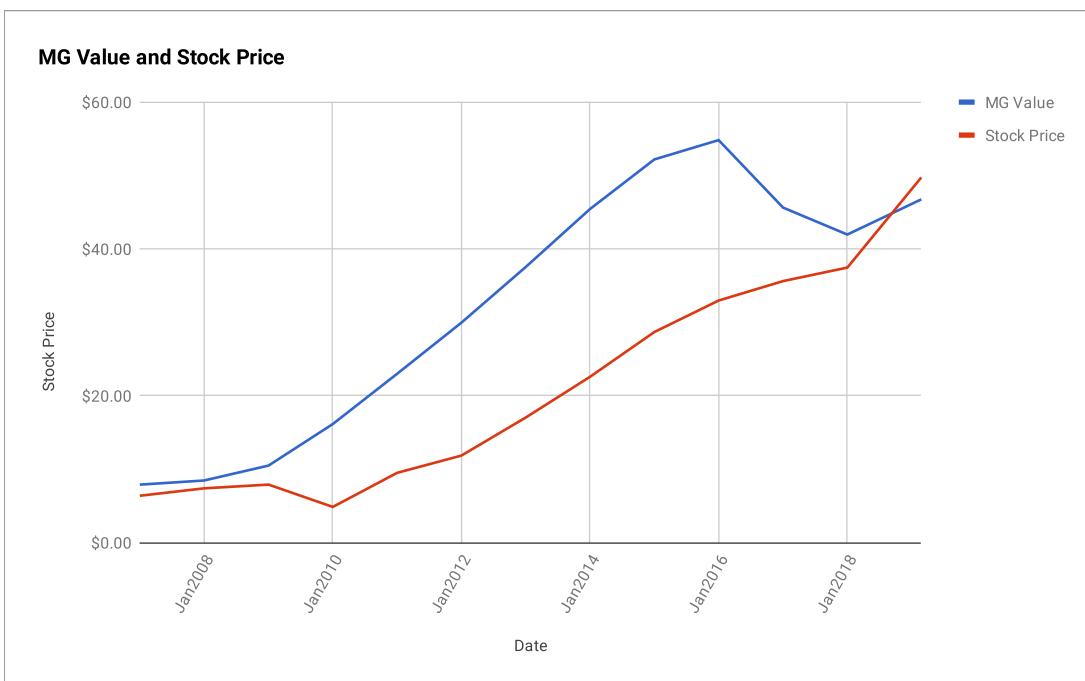
Stage 3: Information for Further Research

| | |
|--|---------|
| Net Current Asset Value (NCAV) | -\$0.36 |
| Graham Number | \$14.73 |
| PEmg | 24.64 |
| Current Ratio | 1.55 |
| PB Ratio | 11.90 |
| Current Dividend | \$0.47 |
| Dividend Yield | 0.94% |
| 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 | | Next Fiscal Year Estimate | \$2.02 |
| Jan2018 | \$2.42 | Jan2018 | \$1.78 |
| Jan2017 | \$2.02 | Jan2017 | \$1.62 |
| Jan2016 | \$1.73 | Jan2016 | \$1.50 |
| Jan2015 | \$1.67 | Jan2015 | \$1.36 |
| Jan2014 | \$1.58 | Jan2014 | \$1.18 |
| Jan2013 | \$1.47 | Jan2013 | \$0.98 |
| Jan2012 | \$1.28 | Jan2012 | \$0.78 |
| Jan2011 | \$0.97 | Jan2011 | \$0.65 |
| Jan2010 | \$0.83 | Jan2010 | \$0.53 |
| Jan2009 | \$0.71 | Jan2009 | \$0.42 |
| Jan2008 | \$0.50 | Jan2008 | \$0.37 |
| Jan2007 | \$0.42 | Jan2007 | \$0.34 |
| Jan2006 | \$0.39 | Jan2006 | \$0.30 |
| Jan2005 | \$0.35 | Jan2005 | \$0.27 |
| Jan2004 | \$0.30 | Jan2004 | \$0.25 |
| Jan2003 | \$0.29 | Jan2003 | \$0.23 |
| Jan2002 | \$0.25 | Balance Sheet Information 10/1/2018 | |
| Jan2001 | \$0.23 | Total Current Assets | \$9,317,013,000 |
| Jan2000 | \$0.23 | Total Current Liabilities | \$6,013,825,000 |
| Jan2000 | \$0.21 | Long-Term Debt | \$2,232,864,000 |
| Jan1999 | \$0.16 | Total Assets | \$15,025,242,000 |
| | | Intangible Assets | \$97,348,000 |
| | | Total Liabilities | \$9,768,369,000 |
| | | Shares Outstanding (Diluted Average) | 1,257,562,000 |





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

[TJX Companies Inc Valuation – May 2018 \\$TJX](#)
[TJX Companies Inc Valuation – December 2016 \\$TJX](#)
[5 Best Undervalued Stocks of the Week – 8/14/16](#)
[TJX Companies Inc Valuation – August 2016 \\$TJX](#)
[5 Undervalued Companies with a Low Beta – July 2016](#)

Other
ModernGraham
posts about related
companies

[Tractor Supply Co Valuation – February 2019 \\$TSCO](#)
[Tapestry Inc Valuation – February 2019 \\$TPR](#)
[Dollar General Corp Valuation – February 2019 \\$DG](#)
[Tiffany & Co Valuation – February 2019 \\$TIF](#)
[Best Buy Co Inc Valuation – February 2019 \\$BBY](#)
[Macy's Inc Valuation – January 2019 \\$M](#)
[Ross Stores Inc Valuation – January 2019 \\$ROST](#)
[Walgreens Boots Alliance Inc Valuation – December 2018 \\$WBA](#)
[Nordstrom Inc Valuation – December 2018 \\$JWN](#)
[Walmart Inc Valuation – November 2018 \\$WMT](#)