

# ModernGraham Valuation

Company Name:

Signet Jewelers Ltd.

Company Ticker SIG

Date of Analysis

3/4/2019



## 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	\$1,438,481,472	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.20	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	5.20%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	11.44	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.73	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	2.20	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.40	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Fail
	Score		

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.42
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$1.29</b>
MG Value based on 3% Growth	\$35.13
MG Value based on 0% Growth	\$20.59
Market Implied Growth Rate	1.47%

### MG Opinion

Current Price	\$27.71
% of Intrinsic Value	2149.19%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D+</b>

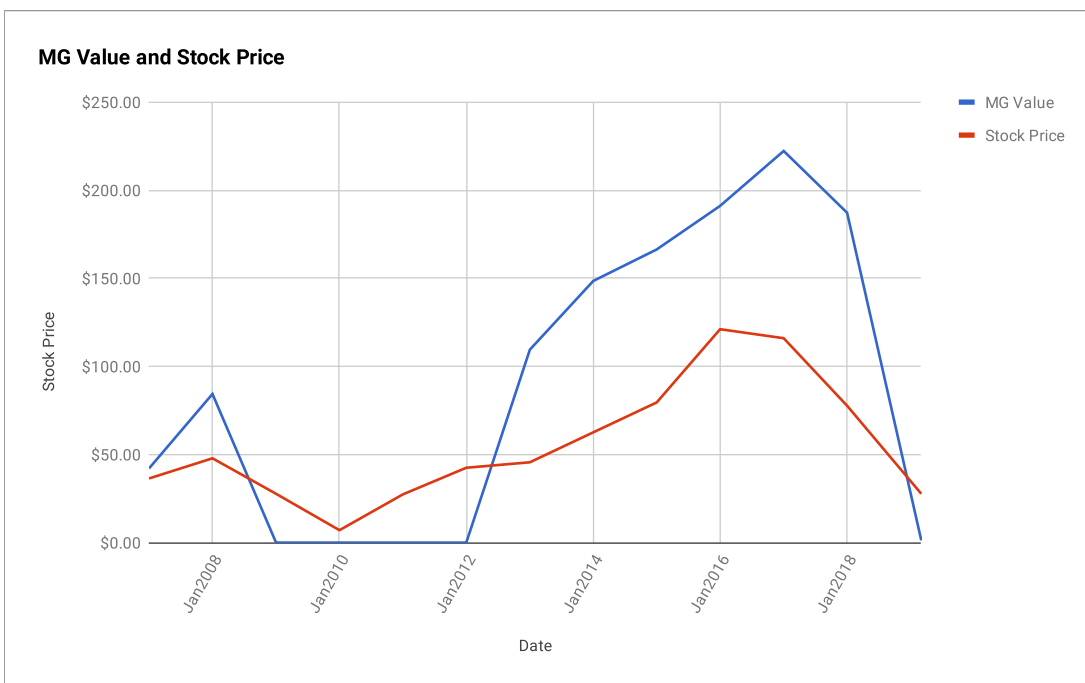
## Stage 3: Information for Further Research

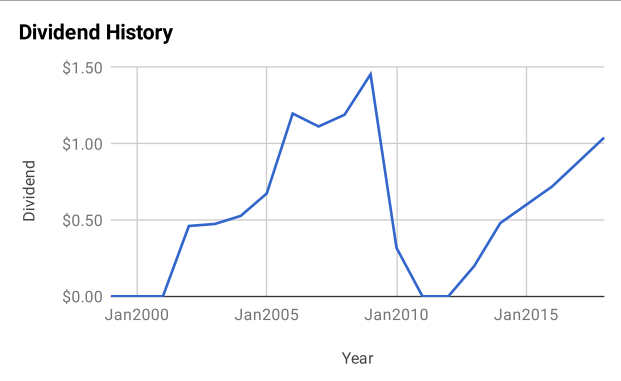
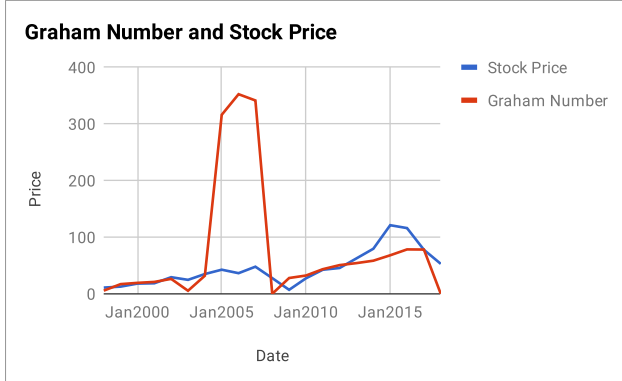
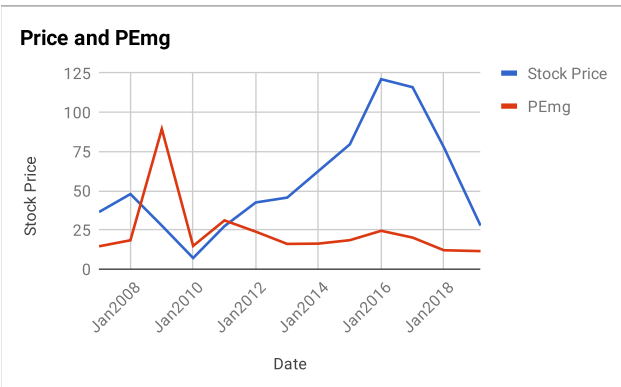
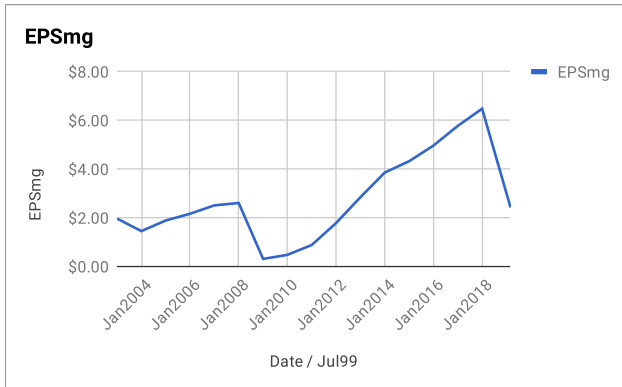
Net Current Asset Value (NCAV)	\$1.29
Graham Number	\$0.00
PEmg	11.44
Current Ratio	2.20
PB Ratio	0.73
Current Dividend	\$1.24
Dividend Yield	4.47%
Number of Consecutive Years of Dividend Growth	7

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<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		Next Fiscal Year Estimate	
Jan2018	\$7.44	Jan2018	\$6.48
Jan2017	\$7.08	Jan2017	\$5.77
Jan2016	\$5.87	Jan2016	\$4.96
Jan2015	\$4.75	Jan2015	\$4.32
Jan2014	\$4.56	Jan2014	\$3.86
Jan2013	\$4.35	Jan2013	\$2.84
Jan2012	\$3.73	Jan2012	\$1.78
Jan2011	\$2.32	Jan2011	\$0.88
Jan2010	\$1.83	Jan2010	\$0.48
Jan2009	-\$4.62	Jan2009	\$0.31
Jan2008	\$2.55	Jan2008	\$2.61
Jan2007	\$3.07	Jan2007	\$2.51
Jan2006	\$2.71	Jan2006	\$2.17
Jan2005	\$2.94	Jan2005	\$1.89
Jan2004	\$0.10	Jan2004	\$1.45
Jan2003	\$2.47	Jan2003	\$1.97
Jan2002	\$1.98	<b>Balance Sheet Information 10/1/2018</b>	
Jan2001	\$1.90	Total Current Assets	\$3,010,100,000
Jan2000	\$1.71	Total Current Liabilities	\$1,365,700,000
Jan1999	\$0.13	Long-Term Debt	\$660,400,000
		Total Assets	\$4,907,500,000
		Intangible Assets	\$849,200,000
		Total Liabilities	\$2,943,700,000
		Shares Outstanding (Diluted Average)	51,500,000





**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**
- [Best Stocks Below Their Graham Number – February 2019](#)
  - [10 Undervalued Stocks for the Enterprising Investor – January 2019](#)
  - [10 Undervalued Stocks for the Enterprising Investor – July 2018](#)
  - [10 Best Dividend Paying Stocks for the Enterprising Investor – May 2018](#)
  - [10 Stocks for Using A Benjamin Graham Value Investing Strategy – May 2018](#)

- Other ModernGraham posts about related companies**
- [Church & Dwight Co Inc Valuation – February 2019 \\$CHD](#)
  - [International Flavors & Fragrances Inc Valuation – January 2019 \\$IFF](#)
  - [Estee Lauder Companies Inc Valuation – December 2018 \\$EL](#)
  - [Proctor & Gamble Co Valuation – November 2018 \\$PG](#)
  - [Johnson & Johnson Valuation – November 2018 \\$JNJ](#)
  - [Inter Parfums Inc Valuation – July 2018 \\$IPAR](#)
  - [Service Corp International Valuation – July 2018 \\$SCI](#)
  - [Avon Products Inc Valuation – June 2018 \\$AVP](#)
  - [Colgate-Palmolive Co Valuation – June 2018 \\$CL](#)
  - [Coty Inc Valuation – May 2018 \\$COTY](#)