

ModernGraham Valuation

Stanley Black &
Decker, Inc.



Company Name:

Company Ticker SWK

Date of Analysis

3/28/2019

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	\$20,328,758,300	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.14	Fail
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	92.73%	Pass
6. Moderate PEmg Ratio	PEmg < 20	19.98	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.57	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	1.14	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	6.73	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

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$6.72
MG Growth Estimate	6.05%
MG Value	\$138.47
MG Value based on 3% Growth	\$97.45
MG Value based on 0% Growth	\$57.13
Market Implied Growth Rate	5.74%

MG Opinion

Current Price	\$134.27
% of Intrinsic Value	96.97%
Opinion	Fairly Valued
MG Grade	C

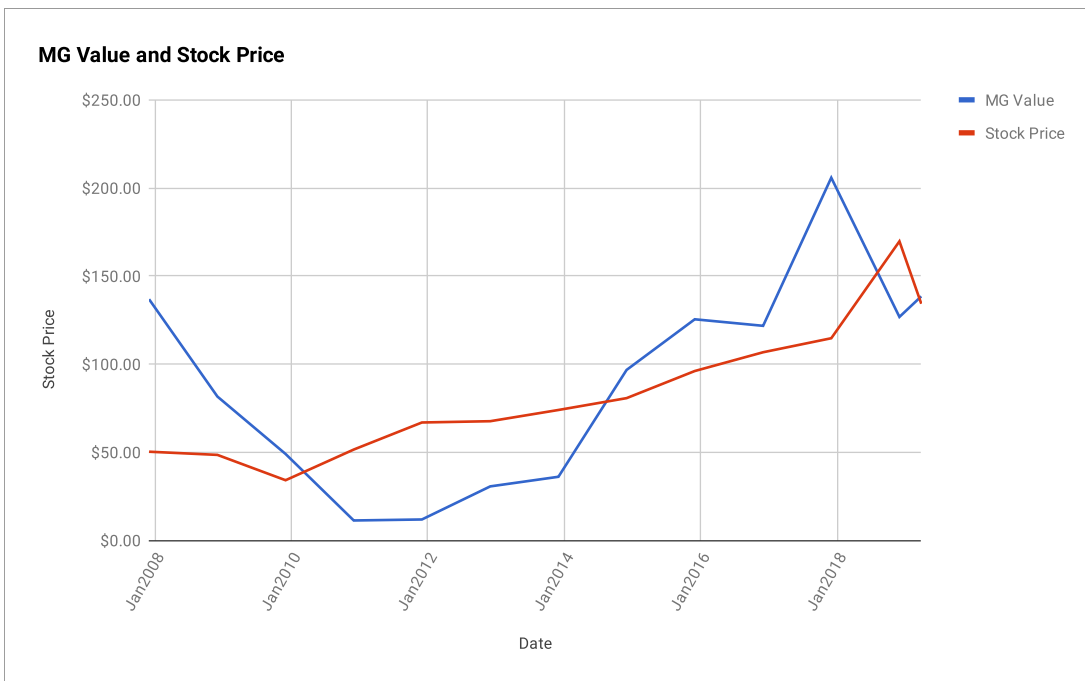
Stage 3: Information for Further Research

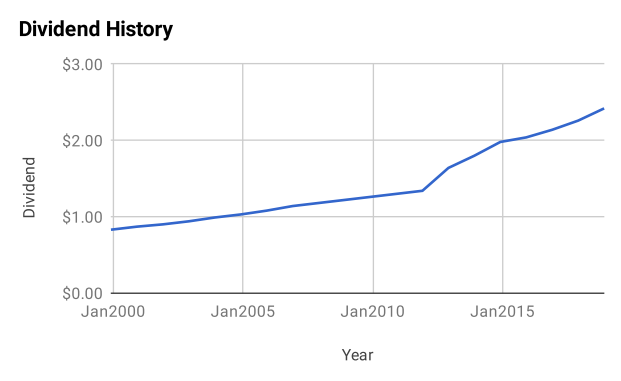
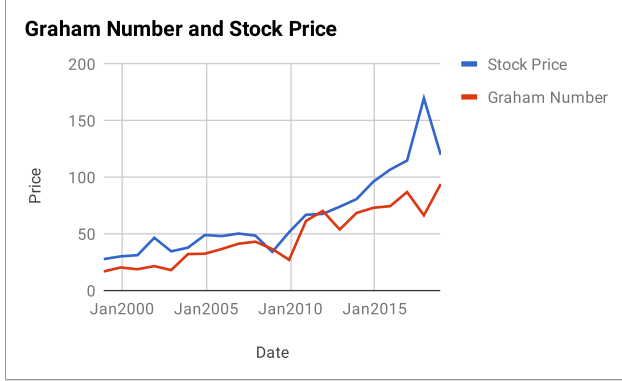
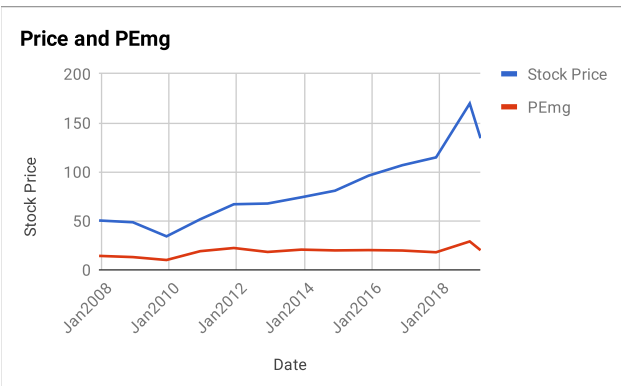
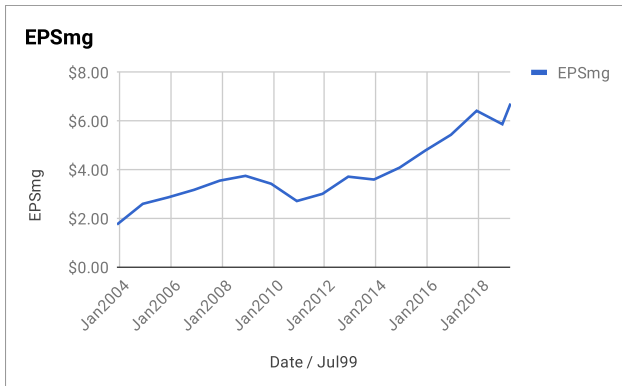
Net Current Asset Value (NCAV)	-\$46.69
Graham Number	\$93.99
PEmg	19.98
Current Ratio	1.14
PB Ratio	2.57
Current Dividend	\$2.58
Dividend Yield	1.92%
Number of Consecutive Years of Dividend Growth	20

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	\$8.37	Next Fiscal Year Estimate	\$6.72
Dec2018	\$3.99	Dec2018	\$5.87
Dec2017	\$8.05	Dec2017	\$6.42
Dec2016	\$6.53	Dec2016	\$5.44
Dec2015	\$5.79	Dec2015	\$4.79
Dec2014	\$4.76	Dec2014	\$4.09
Dec2013	\$3.09	Dec2013	\$3.60
Dec2012	\$5.30	Dec2012	\$3.72
Dec2011	\$3.97	Dec2011	\$3.01
Dec2010	\$1.32	Dec2010	\$2.72
Dec2009	\$2.79	Dec2009	\$3.43
Dec2008	\$3.84	Dec2008	\$3.75
Dec2007	\$4.00	Dec2007	\$3.55
Dec2006	\$3.46	Dec2006	\$3.18
Dec2005	\$3.16	Dec2005	\$2.87
Dec2004	\$4.36	Dec2004	\$2.60
Dec2003	\$1.27	Dec2003	\$1.75
Dec2002	\$2.10	Balance Sheet Information 12/1/2018	
Dec2001	\$1.81	Total Current Assets	\$4,569,400,000
Dec2000	\$2.22	Total Current Liabilities	\$4,001,600,000
Dec1999	\$1.67	Long-Term Debt	\$3,819,800,000
		Total Assets	\$19,408,000,000
		Intangible Assets	\$12,441,200,000
		Total Liabilities	\$11,568,100,000
		Shares Outstanding (Diluted Average)	149,897,000





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 Dividend Paying Stocks for Dividend Growth Investors – February 2019](#)
 - [Best Dividend Paying Stocks for Dividend Growth Investors – August 2018](#)
 - [Best Dividend Paying Stocks for Dividend Growth Investors – June 2018](#)
 - [Stanley Black & Decker Inc Valuation – June 2018 \\$SWK](#)
 - [Best Dividend Paying Stocks for Dividend Growth Investors – August 2017](#)

- Other ModernGraham posts about related companies**
- [Snap-On Inc Valuation – March 2019 #SNA](#)
 - [W.W. Grainger Inc Valuation – February 2019 \\$GWW](#)
 - [Xylem Inc Valuation – February 2019 \\$XYL](#)
 - [Allegion PLC Valuation – February 2019 \\$ALLE](#)
 - [Arconic Inc Valuation – February 2019 \\$ARNC](#)
 - [Roper Technologies Inc Valuation – February 2019 \\$ROP](#)
 - [Rockwell Automation Inc Valuation – February 2019 \\$ROK](#)
 - [Eaton Corp PLC Valuation – January 2019 \\$ETN](#)
 - [Fastenal Co Valuation – January 2019 \\$FAST](#)
 - [Deere & Co Valuation – January 2019 \\$DE](#)