

ModernGraham Valuation

Wabash National
Corporation



Company Name:

Company Ticker WNC

Date of Analysis

8/22/2017

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	\$1,234,849,518	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.12	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. Earnings Growth		-143.35%	Fail
6. Moderate PEmg Ratio	PEmg < 20	14.45	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.76	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	2.12	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 Score		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.43
MG Growth Estimate	15.00%
MG Value	\$55.18
MG Value based on 3% Growth	\$20.78
MG Value based on 0% Growth	\$12.18
Market Implied Growth Rate	2.97%

MG Opinion

Current Price	\$20.71
% of Intrinsic Value	37.53%
Opinion	Undervalued
MG Grade	B-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$0.97
Graham Number	\$16.12
PEmg	14.45
Current Ratio	2.12
PB Ratio	2.76
Current Dividend	\$0.06
Dividend Yield	0.29%
Number of Consecutive Years of Dividend Growth	1

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.47	Next Fiscal Year Estimate	\$1.43
Dec2016	\$1.82	Dec2016	\$1.37
Dec2015	\$1.50	Dec2015	\$1.08
Dec2014	\$0.85	Dec2014	\$0.57
Dec2013	\$0.67	Dec2013	\$0.00
Dec2012	\$1.53	Dec2012	-\$0.85
Dec2011	\$0.22	Dec2011	-\$2.05
Dec2010	-\$3.36	Dec2010	-\$2.80
Dec2009	-\$3.48	Dec2009	-\$1.93
Dec2008	-\$4.21	Dec2008	-\$0.68
Dec2007	\$0.52	Dec2007	\$0.95
Dec2006	\$0.30	Dec2006	\$0.81
Dec2005	\$3.06	Dec2005	\$0.05
Dec2004	\$1.80	Dec2004	-\$1.87
Dec2003	-\$2.26	Dec2003	-\$3.38
Dec2002	-\$2.43	Dec2002	-\$3.32
Dec2001	-\$10.17	Dec2001	-\$2.99
Dec2000	-\$0.38	Balance Sheet Information 6/1/2017	
Dec1999	\$1.59	Total Current Assets	\$520,085,000
Dec1998	\$0.99	Total Current Liabilities	\$245,199,000
Dec1997	\$0.74	Long-Term Debt	\$186,098,000
		Total Assets	\$932,411,000
		Intangible Assets	\$234,177,000
		Total Liabilities	\$458,961,000
		Shares Outstanding (Diluted Average)	63,207,000





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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Other ModernGraham posts about the company #N/A

- Other ModernGraham posts about related companies
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 - [Monro Muffler Brake Inc Valuation – Initial Coverage \\$MNRO](#)
 - [Group 1 Automotive Inc Valuation – Initial Coverage \\$GP1](#)
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