

ModernGraham Valuation

Company Name:

VF Corp

Company Ticker

VFC

Date of Analysis

9/8/2015



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	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	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	Pass
5. Earnings Growth	PEmg < 20	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	Fail
7. Moderate Price to Assets		

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	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	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

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.70
MG Growth Estimate	12.24%
MG Value	\$88.94
MG Value based on 3% Growth	\$39.10
MG Value based on 0% Growth	\$22.92
Market Implied Growth Rate	9.13%

MG Opinion

Current Price	\$72.13
% of Intrinsic Value	81.10%
Opinion	Fairly Valued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$1.71
Graham Number	\$28.76
PEmg	26.75
Current Ratio	1.71
PB Ratio	6.26
Dividend Yield	1.70%
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	\$3.19	Next Fiscal Year Estimate	\$2.70
Dec14	\$2.38	Dec14	\$2.35
Dec13	\$2.71	Dec13	\$2.19
Dec12	\$2.43	Dec12	\$1.83
Dec11	\$2.00	Dec11	\$1.48
Dec10	\$1.30	Dec10	\$1.23
Dec09	\$1.03	Dec09	\$1.20
Dec08	\$1.36	Dec08	\$1.25
Dec07	\$1.31	Dec07	\$1.17
Dec06	\$1.18	Dec06	\$1.00
Dec05	\$1.11	Dec05	\$0.80
Dec04	\$1.05	Dec04	\$0.59
Dec03	\$0.90	Dec03	\$0.38
Dec02	-\$0.37	Dec02	\$0.22
Dec01	\$0.30	Dec01	\$0.54
Dec00	\$0.55	Dec00	\$0.67
Dec99	\$0.75	Dec99	\$0.69
Dec98	\$0.78	Balance Sheet Information Jun15	
Dec97	\$0.68	Total Current Assets	\$4,206,490,000
Dec96	\$0.57	Total Current Liabilities	\$2,455,830,000
Dec95	\$0.30	Long-Term Debt	\$1,412,244,000
		Total Assets	\$9,905,504,000
		Intangible Assets	\$4,092,969,000
		Total Liabilities	\$4,941,709,000
		Shares Outstanding (Diluted Average)	430,703,000



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

[The Best Companies of the Apparel Industry – June 2015 \\$GPS \\$HBI \\$KORS \\$RL \\$VFC](#)
[The 6 Best Stocks For Value Investors This Week – 6/13/15](#)
[VF Corporation Analysis – June 2015 Update \\$VFC](#)
[23 Companies in the Spotlight This Week – 3/9/15](#)
[V.F. Corporation Quarterly Valuation – March 2015 \\$VFC](#)

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[Abercrombie & Fitch Company Analysis – Initial Coverage \\$ANF](#)
[Nike Inc. Analysis – August 2015 Update \\$NKE](#)
[The Best Companies of the Apparel Industry – June 2015 \\$GPS \\$HBI \\$KORS \\$RL \\$VFC](#)
[American Eagle Outfitters Analysis – Initial Coverage \\$AEO](#)
[Under Armour Inc. Analysis – Initial Coverage \\$UA](#)
[Hanesbrands Inc. Analysis – Initial Coverage \\$HBI](#)
[Wolverine World Wide Analysis – June 2015 Update \\$WWW](#)
[Ralph Lauren Corporation Analysis – June 2015 Update \\$RL](#)
[Gap Inc. Analysis – June 2015 Update \\$GPS](#)