

ModernGraham Valuation

Company Name:

Company Ticker WWWW
Date of Analysis

Wolverine World
Wide, Inc.

5/12/2016



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	\$1,684,435,357	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.10	Pass
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	57.44%	Pass
6. Moderate PEmg Ratio	PEmg < 20	14.97	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.78	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	3.10	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.16	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		Pass

Suitability

Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.20
MG Growth Estimate	3.81%
MG Value	\$19.39
MG Value based on 3% Growth	\$17.44
MG Value based on 0% Growth	\$10.23
Market Implied Growth Rate	3.24%

MG Opinion

Current Price	\$18.01
% of Intrinsic Value	92.87%
Opinion	Fairly Valued
MG Grade	B

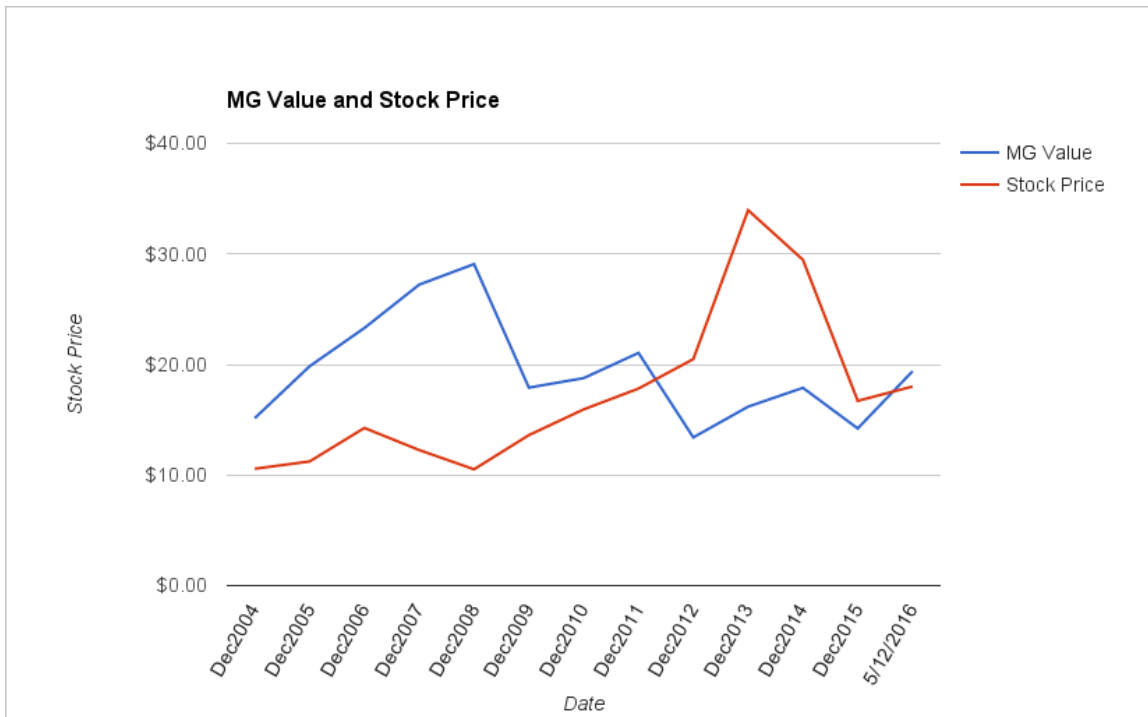
Stage 3: Information for Further Research

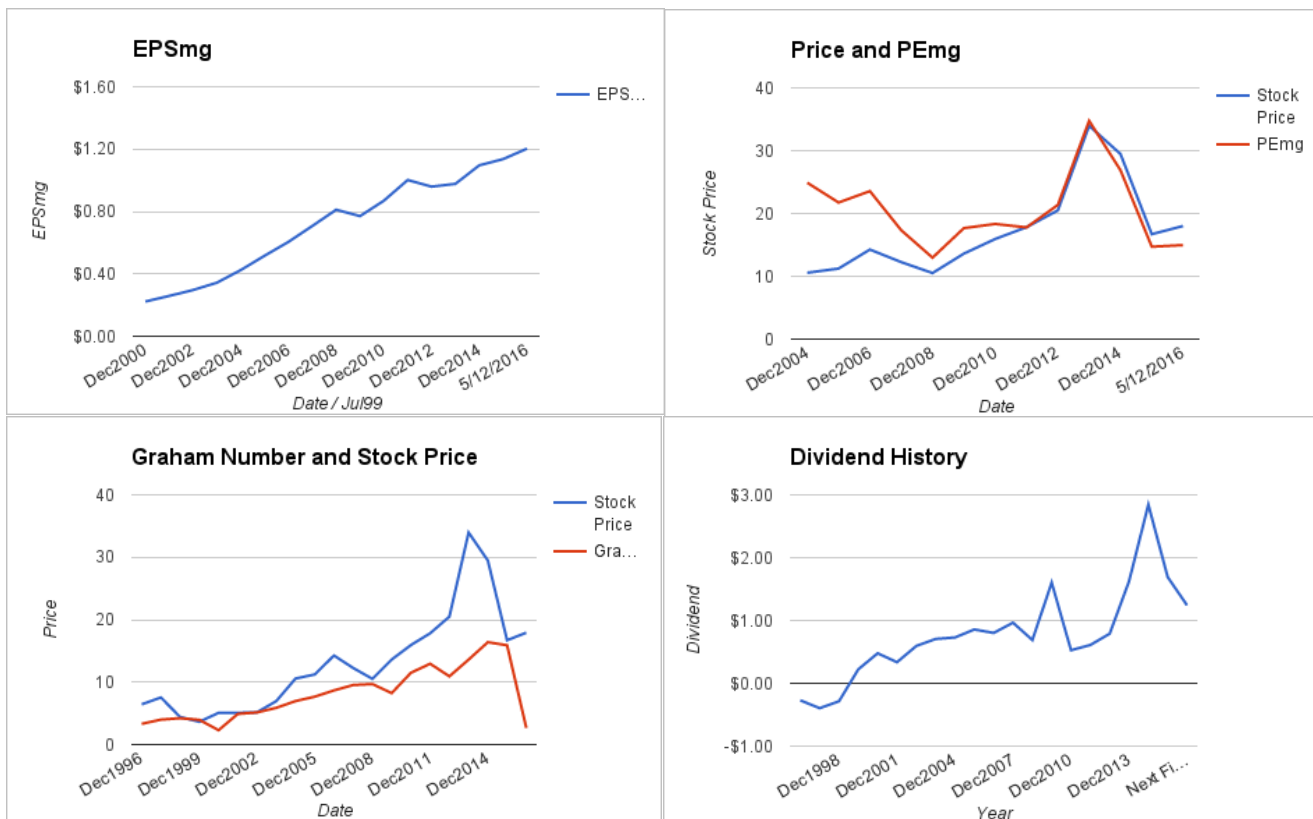
Net Current Asset Value (NCAV)	-\$4.62
Graham Number	\$2.66
PEmg	14.97
Current Ratio	3.10
PB Ratio	1.78
Dividend Yield	6.90%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.31	Next Fiscal Year Estimate	\$1.20
Dec2015	\$1.20	Dec2015	\$1.14
Dec2014	\$1.30	Dec2014	\$1.10
Dec2013	\$0.99	Dec2013	\$0.98
Dec2012	\$0.82	Dec2012	\$0.96
Dec2011	\$1.24	Dec2011	\$1.00
Dec2010	\$1.06	Dec2010	\$0.87
Dec2009	\$0.62	Dec2009	\$0.77
Dec2008	\$0.95	Dec2008	\$0.81
Dec2007	\$0.85	Dec2007	\$0.71
Dec2006	\$0.74	Dec2006	\$0.61
Dec2005	\$0.64	Dec2005	\$0.52
Dec2004	\$0.55	Dec2004	\$0.42
Dec2003	\$0.42	Dec2003	\$0.34
Dec2002	\$0.38	Dec2002	\$0.30
Dec2001	\$0.36	Dec2001	\$0.26
Dec2000	\$0.09	Dec2000	\$0.22
Dec1999	\$0.26	Balance Sheet Information Mar2016	
Dec1998	\$0.32	Total Current Assets	\$1,005,300,000
Dec1997	\$0.32	Total Current Liabilities	\$324,000,000
Dec1996	\$0.26	Long-Term Debt	\$793,400,000
		Total Assets	\$2,424,600,000
		Intangible Assets	\$1,209,400,000
		Total Liabilities	\$1,450,200,000
		Shares Outstanding (Diluted Average)	96,200,000





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

- [Wolverine World Wide Inc. Analysis – September 2015 Update \\$WWW](#)
- [Wolverine World Wide Analysis – June 2015 Update \\$WWW](#)
- [18 Companies in the Spotlight This Week – 3/21/15](#)
- [Wolverine World Wide Inc. Quarterly Valuation – March 2015 \\$WWW](#)
- [26 Companies in the Spotlight This Week – 12/13/14](#)

Other ModernGraham posts about related companies

- [Ralph Lauren Corp Stock Valuation – February 2016 \\$RL](#)
- [Gap Inc Valuation – February 2016 \\$GPS](#)
- [American Eagle Outfitters Valuation – February 2016 \\$AEO](#)
- [Hanesbrands Inc Valuation – February 2016 Update \\$HBI](#)
- [VF Corporation Valuation – February 2016 Update \\$VFC](#)
- [L Brands Inc Valuation – January 2016 Update \\$LB](#)
- [Gap Inc Valuation – February 2016 \\$GPS](#)
- [American Eagle Outfitters Valuation – February 2016 \\$AEO](#)
- [Hanesbrands Inc Valuation – February 2016 Update \\$HBI](#)
- [VF Corporation Valuation – February 2016 Update \\$VFC](#)