

ModernGraham Valuation

Company Name:

Weyerhaeuser Co

Company Ticker WY

Date of Analysis

5/18/2016



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	\$23,001,917,644	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.86	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	-377.84%	Fail
6. Moderate PEmg Ratio	PEmg < 20	24.47	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.89	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	1.86	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	9.83	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	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.25
MG Growth Estimate	5.17%
MG Value	\$23.62
MG Value based on 3% Growth	\$18.18
MG Value based on 0% Growth	\$10.66
Market Implied Growth Rate	7.98%

MG Opinion

Current Price	\$30.68
% of Intrinsic Value	129.87%
Opinion	Overvalued
MG Grade	C+

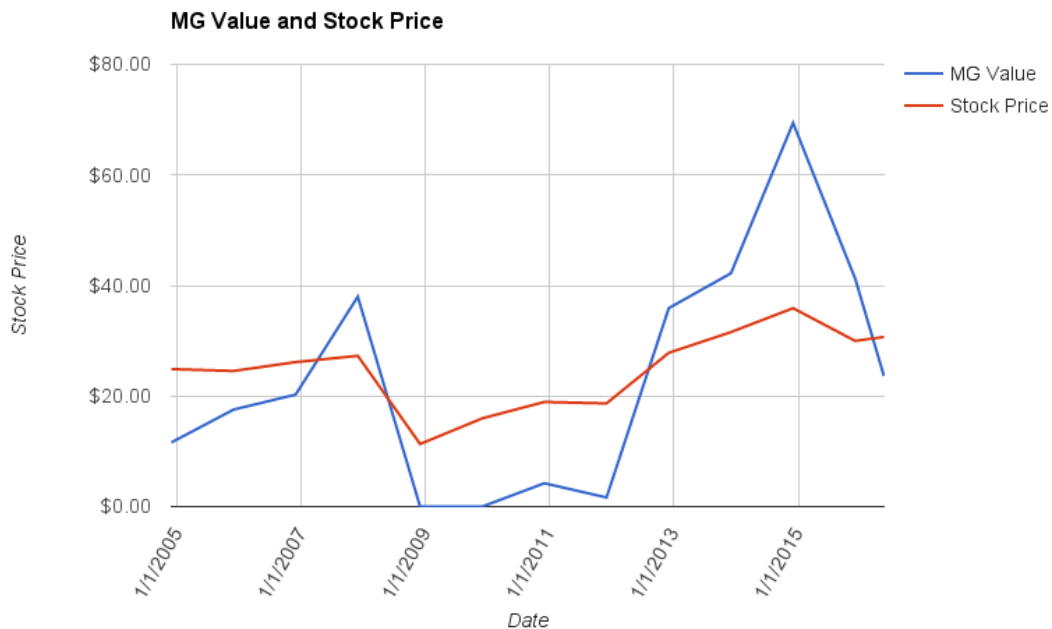
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$15.23
Graham Number	\$13.74
PEmg	24.47
Current Ratio	1.86
PB Ratio	1.89
Current Dividend	\$1.22
Dividend Yield	3.98%
Number of Consecutive Years of Dividend Growth	6

Useful Links:

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

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.62	Next Fiscal Year Estimate	\$1.25
12/1/2015	\$0.89	12/1/2015	\$1.47
12/1/2014	\$3.18	12/1/2014	\$1.80
12/1/2013	\$0.95	12/1/2013	\$1.10
12/1/2012	\$0.71	12/1/2012	\$0.93
12/1/2011	\$0.61	12/1/2011	\$0.89
12/1/2010	\$3.99	12/1/2010	\$0.89
12/1/2009	-\$0.96	12/1/2009	-\$0.44
12/1/2008	-\$2.06	12/1/2008	\$0.08
12/1/2007	\$1.33	12/1/2007	\$1.14
12/1/2006	\$0.68	12/1/2006	\$1.01
12/1/2005	\$1.10	12/1/2005	\$1.09
12/1/2004	\$2.01	12/1/2004	\$1.04
12/1/2003	\$0.46	12/1/2003	\$0.63
12/1/2002	\$0.40	12/1/2002	\$0.73
12/1/2001	\$0.60	12/1/2001	\$0.87
12/1/2000	\$1.38	12/1/2000	\$0.96
12/1/1999	\$0.94	Balance Sheet Information 3/1/2016	
12/1/1998	\$0.54	Total Current Assets	\$1,830,000,000
12/1/1997	\$0.63	Total Current Liabilities	\$984,000,000
12/1/1996	\$0.87	Long-term Debt	\$8,314,000,000
		Total Assets	\$21,779,000,000
		Intangible Assets	\$40,000,000
		Total Liabilities	\$11,498,000,000
		Shares Outstanding (Diluted Average)	634,872,000





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

- [10 Companies Benjamin Graham Would Invest In Today – March 2016](#)
- [10 Undervalued Companies for Enterprising Dividend Investors – November 2015](#)
- [11 Best Stocks For Value Investors This Week – 11/21/15](#)
- [Weyerhaeuser Co Valuation – November 2015 Update \\$WY](#)
- [10 Companies Benjamin Graham Would Invest In Today – November 2015](#)

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posts about related
companies

- [Realty Income Corporation Valuation – May 2016 \\$O](#)
- [Welltower Inc. Valuation – May 2016 \\$HCN](#)
- [Starwood Property Trust Inc Stock Valuation – February 2016 \\$STWD](#)
- [Kimco Realty Corp Stock Valuation – February 2016 \\$KIM](#)
- [HCP Inc Valuation – January 2016 Update \\$HCP](#)
- [Macerich Co Valuation – January 2016 Update \\$MAC](#)
- [Kimco Realty Corp Stock Valuation – February 2016 \\$KIM](#)
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- [Macerich Co Valuation – January 2016 Update \\$MAC](#)
- [American Tower Corp Valuation – November 2015 Update \\$AMT](#)