

# ModernGraham Valuation

## Company Name:

Company Ticker CLW  
Date of Analysis

Clearwater Paper Corp

1/11/2017



### 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	\$1,081,760,702	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.64	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-36.42%	Fail
6. Moderate PEmg Ratio	PEmg < 20	24.25	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.29	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	1.64	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	3.66	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Fail
	Score		

#### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

### Stage 2: Determination of Intrinsic Value

EPSmg	\$2.61
MG Growth Estimate	-2.11%
<b>MG Value</b>	<b>\$11.15</b>
MG Value based on 3% Growth	\$37.82
MG Value based on 0% Growth	\$22.17
Market Implied Growth Rate	7.88%

#### MG Opinion

Current Price	\$63.25
% of Intrinsic Value	567.12%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D</b>

### Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$39.67
Graham Number	\$43.96
PEmg	24.25
Current Ratio	1.64
PB Ratio	2.29
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

#### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.05	Next Fiscal Year Estimate	\$2.61
Dec2015	\$2.97	Dec2015	\$2.39
Dec2014	-\$0.11	Dec2014	\$2.22
Dec2013	\$4.80	Dec2013	\$3.59
Dec2012	\$2.72	Dec2012	\$3.04
Dec2011	\$1.66	Dec2011	\$3.07
Dec2010	\$3.12	Dec2010	\$3.34
Dec2009	\$7.75	Dec2009	\$2.92
Dec2008	\$0.43	Dec2008	\$0.44
Dec2007	\$1.12	Dec2007	\$0.37
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Dec2000	\$0.00
Dec1999	\$0.00	<b>Balance Sheet Information 9/1/2016</b>	
Dec1998	\$0.00	Total Current Assets	\$399,889,000
Dec1997	\$0.00	Total Current Liabilities	\$244,374,000
Dec1996	\$0.00	Long-Term Debt	\$569,563,000
		Total Assets	\$1,547,814,000
		Intangible Assets	\$225,367,000
		Total Liabilities	\$1,076,611,000
		Shares Outstanding (Diluted Average)	17,060,000





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

#N/A

Other  
ModernGraham  
posts about related  
companies

- [WestRock Co Valuation – August 2016 \\$WRK](#)
- [Bemis Company Inc Valuation – July 2016 \\$BMS](#)
- [Owens-Illinois Inc Valuation – June 2016 \\$OI](#)
- [Bemis Co Inc Valuation – January 2016 Update \\$BMS](#)
- [WestRock Co Valuation – January 2016 Update \\$WRK](#)
- [International Paper Co Valuation – December 2015 Update \\$IP](#)
- [Bemis Company Inc. Analysis – September 2015 Update \\$BMS](#)
- [WestRock Co. Analysis – Initial Coverage \\$WRK](#)
- [International Paper Company Analysis – September 2015 Update \\$IP](#)
- [Ball Corporation Analysis – 2015 Update \\$BLL](#)