

# ModernGraham Valuation



John Wiley & Sons  
Inc

Company Name:

Company Ticker JW.A

Date of Analysis

2/2/2017

## 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	\$3,078,276,740	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.25	Fail
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	14.18%	Fail
6. Moderate PEmg Ratio	PEmg < 20	20.52	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.18	Fail

*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	1.25	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	6.47	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		Fail
	Score		

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.64
MG Growth Estimate	-0.58%
<b>MG Value</b>	<b>\$19.41</b>
MG Value based on 3% Growth	\$38.30
MG Value based on 0% Growth	\$22.45
Market Implied Growth Rate	6.01%

### MG Opinion

Current Price	\$54.20
% of Intrinsic Value	279.20%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D+</b>

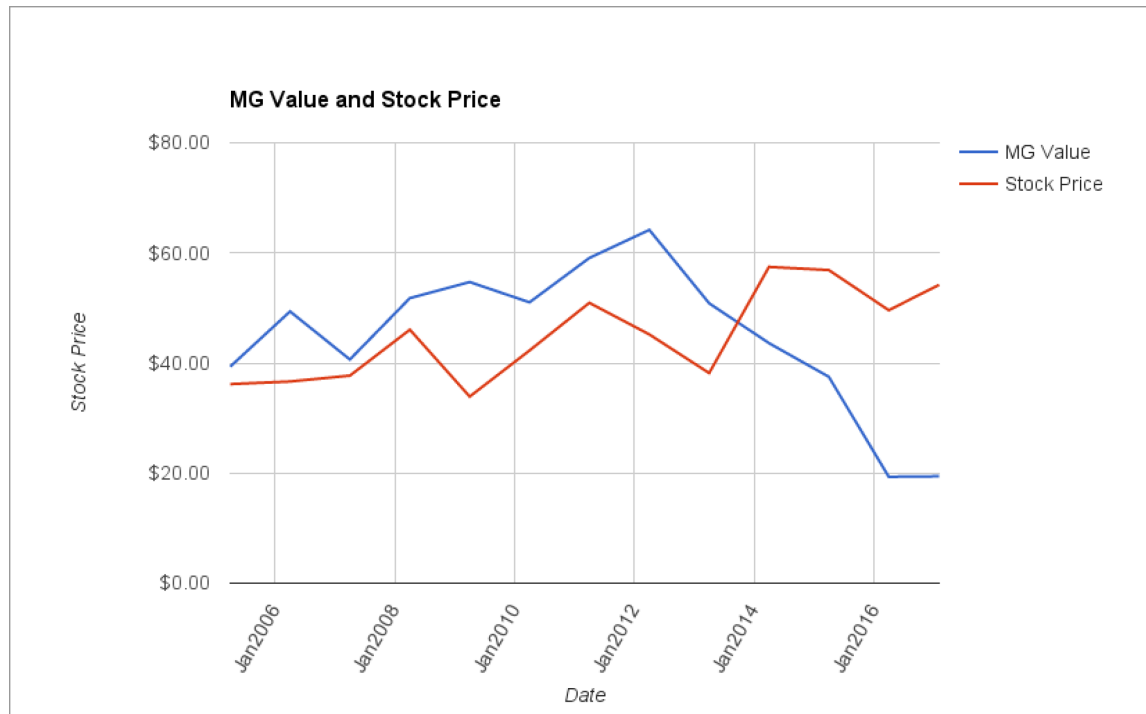
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$20.72
Graham Number	\$31.59
PEmg	20.52
Current Ratio	1.25
PB Ratio	3.18
Current Dividend	\$1.22
Dividend Yield	2.25%
Number of Consecutive Years of Dividend Growth	18

### 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	\$2.60	Next Fiscal Year Estimate	\$2.64
Apr2016	\$2.48	Apr2016	\$2.71
Apr2015	\$2.97	Apr2015	\$2.84
Apr2014	\$2.70	Apr2014	\$2.77
Apr2013	\$2.39	Apr2013	\$2.75
Apr2012	\$3.47	Apr2012	\$2.84
Apr2011	\$2.80	Apr2011	\$2.45
Apr2010	\$2.41	Apr2010	\$2.23
Apr2009	\$2.15	Apr2009	\$2.06
Apr2008	\$2.49	Apr2008	\$1.93
Apr2007	\$1.71	Apr2007	\$1.61
Apr2006	\$1.85	Apr2006	\$1.50
Apr2005	\$1.35	Apr2005	\$1.29
Apr2004	\$1.41	Apr2004	\$1.20
Apr2003	\$1.38	Apr2003	\$1.04
Apr2002	\$0.91	Apr2002	\$0.83
Apr2001	\$0.93	Apr2001	\$0.74
Apr2000	\$0.81	<b>Balance Sheet Information</b>	<b>10/1/2016</b>
Apr1999	\$0.60	Total Current Assets	\$679,532,000
Apr1998	\$0.55	Total Current Liabilities	\$542,822,000
Apr1997	\$0.31	Long-Term Debt	\$883,992,000
		Total Assets	\$2,853,454,000
		Intangible Assets	\$1,797,030,000
		Total Liabilities	\$1,871,953,000
		Shares Outstanding (Diluted Average)	57,538,000





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

- [Dun & Bradstreet Corp Valuation – January 2017 \\$DNB](#)
- [Apollo Education Group Inc Valuation – January 2017 \\$APOL](#)
- [Accenture PLC Valuation – December 2016 \\$ACN](#)
- [Automatic Data Processing Valuation – November 2016 \\$ADP](#)
- [United Rentals Inc Valuation – August 2016 \\$URI](#)
- [Robert Half International Inc Valuation – August 2016 \\$RHI](#)
- [Accenture PLC Valuation – August 2016 \\$ACN](#)
- [Fiserv Inc Valuation – August 2016 \\$FISV](#)
- [Cintas Corporation Valuation – July 2016 \\$CTAS](#)
- [Pitney Bowes Inc Valuation – July 2016 \\$PBI](#)