ModernGraham Valuation

Company Name:

Weyerhaeuser Co



Company Ticker WY
Date of Analysis

2/27/2018

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	\$26,615,286,938 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.47 Fail
3. Earnings Stability	Positive EPS for 10 years prior	Fail
4. Dividend Record	Dividend Payments for 10 years prior	Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at	
5. Earnings Growth	beginning and end	-7.82% Fail
Moderate PEmg Ratio	PEmg < 20	29.04 Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.01 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	1.47 Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	11.33 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

\$35.26

Score

Suitability

Defensive No Enterprising No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.21
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$17.60
MG Value based on 0% Growth	\$10.32
Market Implied Growth Rate	10.27%

MG Opinion

Current Price
% of Intrinsic Value N/A
Opinion Overvalued

MG Grade D+

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$9.82
Graham Number	\$17.84
PEmg	29.04
Current Ratio	1.47
PB Ratio	3.01
Current Dividend	\$1.25
Dividend Yield	3.55%
Number of Consecutive Years of Dividend	
Growth	7

Morningstar

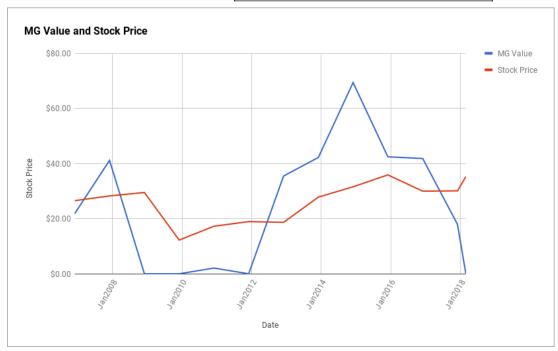
Useful Links: ModernGraham tagged articles

 Google Finance
 MSN Money

 Yahoo Finance
 Seeking Alpha

 GuruFocus
 SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate	*	Next Fiscal Year Estimate	\$1.21
Dec2017	\$0.77	Dec2017	\$1.29
Dec2016	\$1.39	Dec2016	\$1.51
Dec2015	\$0.89	Dec2015	\$1.47
Dec2014	\$3.18	Dec2014	\$1.80
Dec2013	\$0.95	Dec2013	\$1.10
Dec2012	\$0.71	Dec2012	\$0.92
Dec2011	\$0.61	Dec2011	\$0.88
Dec2010	\$3.99	Dec2010	\$0.87
Dec2009	-\$0.96	Dec2009	-\$0.45
Dec2008	-\$2.23	Dec2008	\$0.09
Dec2007	\$1.44	Dec2007	\$1.24
Dec2006	\$0.74	Dec2006	\$1.09
Dec2005	\$1.19	Dec2005	\$1.18
Dec2004	\$2.17	Dec2004	\$1.13
Dec2003	\$0.50	Dec2003	\$0.68
Dec2002	\$0.44	Dec2002	\$0.79
Dec2001	\$0.64	Balance Sheet Information	12/1/2017
Dec2000	\$1.49	Total Current Assets	\$1,715,000,000
Dec1999	\$1.02	Total Current Liabilities	\$1,165,000,000
Dec1998	\$0.59	Long-Term Debt	\$6,232,000,000
	<u> </u>	Total Assets	\$18,059,000,000
		Intangible Assets	\$40,000,000
		Total Liabilities	\$9,160,000,000
		Shares Outstanding (Diluted Average)	758,490,000





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 Weyerhaeuser Company Valuation - May 2016 \$WY

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

Other ModernGraham posts about related companies Education Realty Trust Inc Valuation - Initial Coverage \$EDR

American Campus Communities Inc Valuation - September 2017 \$ACC

<u>First Industrial Realty Trust Inc Valuation – Initial Coverage \$FR</u>

Saul Centers Inc Valuation - Initial Coverage \$BFS

<u>Douglas Emmett Inc Valuation – Initial Coverage \$DEI</u>

<u>Lexington Realty Trust Valuation – Initial Coverage \$LXP</u>

LTC Properties Inc Valuation - Initial Coverage \$LTC

REIT Industry Review - April 2017

Starwood Property Trust Inc Valuation – April 2017 \$STWD

<u>Dream Office REIT – Initial Coverage \$TSE:D.UN</u>