

# ModernGraham Valuation

Company Name:

VF Corp

Company Ticker

VFC

Date of Analysis

4/8/2018



## 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  | \$30,272,089,038 | Pass |
| 2. Sufficiently Strong Financial Condition | Current Ratio > 2  | 1.60             | Fail |
| 3. Earnings Stability                      | Positive EPS for 10 years prior  |                  | Pass |
| 4. Dividend Record                         | Dividend Payments for 10 years prior   |                  | Pass |
|  | Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end | 63.35%           | Pass |
| 5. Earnings Growth                         | PEmg < 20  | 31.08            | Fail |
| 6. Moderate PEmg Ratio                     | PB Ratio < 2.5 OR PB*PEmg < 50   | 8.21             | Fail |
| 7. Moderate Price to Assets                |  |                  |      |

*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                  | 1.60 | Pass |
| 2. Sufficiently Strong Financial Condition | Debt to NCA < 1.1                    | 1.33 | 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 Score |      | Pass |

### Suitability

|                     |            |
|---------------------|------------|
| <b>Defensive</b>    | <b>No</b>  |
| <b>Enterprising</b> | <b>Yes</b> |

## Stage 2: Determination of Intrinsic Value

|                             |                |
|-----------------------------|----------------|
| EPSmg                       | \$2.46         |
| MG Growth Estimate          | 0.64%          |
| <b>MG Value</b>             | <b>\$24.01</b> |
| MG Value based on 3% Growth | \$35.60        |
| MG Value based on 0% Growth | \$20.87        |
| Market Implied Growth Rate  | 11.29%         |

### MG Opinion

|                      |                   |
|----------------------|-------------------|
| Current Price        | \$76.31           |
| % of Intrinsic Value | 317.84%           |
| <b>Opinion</b>       | <b>Overvalued</b> |
| <b>MG Grade</b>      | <b>B</b>          |

## Stage 3: Information for Further Research

|  |         |
|--|---------|
| Net Current Asset Value (NCAV)                 | -\$4.61 |
| Graham Number                                  | \$25.23 |
| PEmg   | 31.08   |
| Current Ratio                                  | 1.60    |
| PB Ratio                                       | 8.21    |
| Current Dividend                               | \$1.72  |
| Dividend Yield                                 | 2.25%   |
| Number of Consecutive Years of Dividend Growth | 20      |

### Useful Links:

[ModernGraham tagged articles](#)  
[Google Finance](#)  
[Yahoo Finance](#)  
[GuruFocus](#)

[Morningstar](#)  
[MSN Money](#)  
[Seeking Alpha](#)  
[SEC Filings](#)

| EPS History               |         | EPSmg History                        |                 |
|---------------------------|---------|--------------------------------------|-----------------|
| Next Fiscal Year Estimate |         | Next Fiscal Year Estimate            |                 |
| Dec2017                   | \$3.01  | Dec2017                              | \$2.46          |
| Dec2016                   | \$1.52  | Dec2016                              | \$2.25          |
| Dec2015                   | \$2.54  | Dec2015                              | \$2.61          |
| Dec2014                   | \$2.85  | Dec2014                              | \$2.58          |
| Dec2013                   | \$2.38  | Dec2013                              | \$2.36          |
| Dec2012                   | \$2.71  | Dec2012                              | \$2.19          |
| Dec2011                   | \$2.43  | Dec2011                              | \$1.83          |
| Dec2010                   | \$2.00  | Dec2010                              | \$1.49          |
| Dec2009                   | \$1.30  | Dec2009                              | \$1.23          |
| Dec2008                   | \$1.03  | Dec2008                              | \$1.20          |
| Dec2007                   | \$1.36  | Dec2007                              | \$1.25          |
| Dec2006                   | \$1.31  | Dec2006                              | \$1.17          |
| Dec2005                   | \$1.18  | Dec2005                              | \$1.00          |
| Dec2004                   | \$1.11  | Dec2004                              | \$0.80          |
| Dec2003                   | \$1.05  | Dec2003                              | \$0.59          |
| Dec2002                   | \$0.90  | Dec2002                              | \$0.38          |
| Dec2001                   | -\$0.37 | Dec2001                              | \$0.22          |
| Dec2000                   | \$0.30  | <b>Balance Sheet Information</b>     |                 |
| Dec1999                   | \$0.55  | <b>12/1/2017</b>                     |                 |
| Dec1998                   | \$0.75  | Total Current Assets                 | \$4,392,124,000 |
|                           | \$0.78  | Total Current Liabilities            | \$2,745,200,000 |
|                           |         | Long-Term Debt                       | \$2,187,789,000 |
|                           |         | Total Assets                         | \$9,958,502,000 |
|                           |         | Intangible Assets                    | \$4,014,662,000 |
|                           |         | Total Liabilities                    | \$6,238,602,000 |
|                           |         | Shares Outstanding (Diluted Average) | 400,379,000     |





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

[Dividend Growth Stocks for Intelligent Investors – July 2016](#)  
[Dividend Growth Stocks for Intelligent Investors – June 2016](#)  
[Dividend Growth Stocks for Intelligent Investors – February 2016](#)  
[26 Best Stocks For Value Investors This Week – 2/6/16](#)  
[VF Corporation Valuation – February 2016 Update \\$VFC](#)

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[Foot Locker Inc Valuation – March 2018 \\$FL](#)  
[Under Armour Inc Valuation – March 2018 \\$UA](#)  
[Hanesbrands Inc Valuation – March 2018 \\$HBI](#)  
[L Brands Inc Valuation – March 2018 \\$LB](#)  
[Nike Inc Valuation – February 2018 \\$NKE](#)  
[Nike Inc Valuation – July 2017 \\$NKE](#)  
[Deckers Outdoor Corp Valuation – Initial Coverage \\$DECK](#)  
[Ralph Lauren Corp Valuation – April 2017 \\$RL](#)  
[Abercrombie & Fitch Co Valuation – March 2017 \\$ANF](#)