ModernGraham Valuation

JOHN WILEY & SONS -CL A Common Stock



Company Name:

Company Ticker JW.A

Date of Analysis

Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

8/4/2018

Defensive Investor; must pass 6 out of the following 7 tests.

Adequate Size of the Enterprise	Market Cap > \$2Bil	\$3,667,866,266 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.55 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	
5. Earnings Growth	beginning and end	-3.00% Fail
6. Moderate PEmg Ratio	PEmg < 20	22.02 Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.08 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	0.55	Fail
2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-0.91	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

253.82%

Score

Suitability

MG Opinion

Defensive No Enterprising No

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.85
MG Growth Estimate	0.09%
MG Value	\$24.76
MG Value based on 3% Growth	\$41.38
MG Value based on 0% Growth	\$24.26
Market Implied Growth Rate	6.76%
Current Price	\$62.85

% of Intrinsic Value Opinion Overvalued

MG Grade

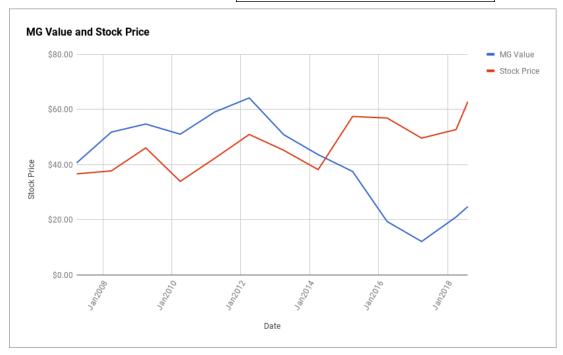
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$20.04
Graham Number	\$38.34
PEmg	22.02
Current Ratio	0.55
PB Ratio	3.08
Current Dividend	\$1.28
Dividend Yield	2.04%
Number of Consecutive Years of Dividend	
Growth	19

Useful Links: ModernGraham tagged articles

Morningstar MSN Money **Google Finance** Yahoo Finance Seeking Alpha GuruFocus SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate	\$3.15	Next Fiscal Year Estimate	\$2.85
Apr2018	\$3.32	Apr2018	\$2.70
Apr2017	\$1.95	Apr2017	\$2.42
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	Balance Sheet Information	4/1/2018
Apr2001	\$0.93	Total Current Assets	\$479,971,000
Apr2000	\$0.81	Total Current Liabilities	\$874,311,000
Apr1999	\$0.60	Long-Term Debt	\$360,000,000
		Total Assets	\$2,839,451,000
		Intangible Assets	\$1,867,872,000
		Total Liabilities	\$1,648,894,000
		Shares Outstanding (Diluted Average)	58,344,000





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 John Wiley & Sons Inc Valuation - Initial Coverage \$JW.A

Other ModernGraham posts about related companies Scholastic Corp Valuation - July 2018 \$SCHL

<u>Transcontinental Inc Valuation – Initial Coverage \$TSE:TCL.A</u>

News Corp Valuation - Initial Coverage \$NWS

 $\underline{Scholastic\ Corp\ Valuation-Initial\ Coverage\ \$SCHL}$

<u>Tegna Inc. Valuation – November 2015 Update \$TGNA</u>

Tegna Inc. Analysis – August 2015 Update \$TGNA

Gannett Company Inc. Annual Valuation – 2014 \$GCI

Gannett Co. Inc. (GCI) Quarterly Valuation - May 2014