

ModernGraham Valuation

Windstream Holdings
Inc



Company Name:

Company Ticker WIN

Date of Analysis

9/9/2018

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	\$164,000,000	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.70	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 beginning and end		
5. Earnings Growth		-283.03%	Fail
6. Moderate PEmg Ratio	PEmg < 20	-0.15	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	-0.11	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	0.70	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-14.44	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago Score		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$24.92
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$361.39
MG Value based on 0% Growth	-\$211.85
Market Implied Growth Rate	-4.33%

MG Opinion

Current Price	\$3.82
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D+

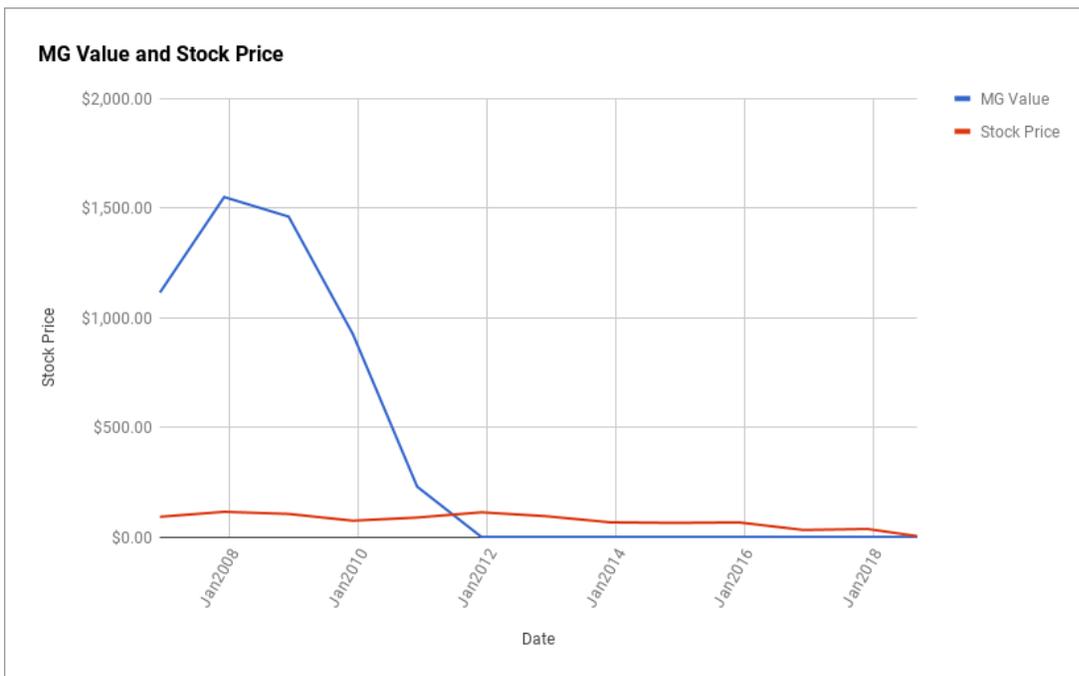
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$290.03
Graham Number	\$0.00
PEmg	-0.15
Current Ratio	0.70
PB Ratio	-0.11
Current Dividend	\$1.50
Dividend Yield	39.27%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	-\$12.39	Next Fiscal Year Estimate	-\$24.92
Dec2017	-\$62.60	Dec2017	-\$25.60
Dec2016	-\$20.55	Dec2016	-\$4.81
Dec2015	\$1.20	Dec2015	\$3.97
Dec2014	-\$2.25	Dec2014	\$6.74
Dec2013	\$12.05	Dec2013	\$12.34
Dec2012	\$8.40	Dec2012	\$14.22
Dec2011	\$9.60	Dec2011	\$20.64
Dec2010	\$19.80	Dec2010	\$28.52
Dec2009	\$22.80	Dec2009	\$33.54
Dec2008	\$27.90	Dec2008	\$37.96
Dec2007	\$58.20	Dec2007	\$40.28
Dec2006	\$37.50	Dec2006	\$28.96
Dec2005	\$27.90	Dec2005	\$20.50
Dec2004	\$28.80	Dec2004	\$13.38
Dec2003	\$21.90	Dec2003	\$4.04
Dec2002	\$5.10	Dec2002	-\$4.46
Dec2001	-\$23.10	Balance Sheet Information 6/1/2018	
Dec2000	\$0.00	Total Current Assets	\$935,200,000
Dec1999	\$0.00	Total Current Liabilities	\$1,341,500,000
Dec1998	\$0.00	Long-Term Debt	\$5,867,900,000
		Total Assets	\$10,839,800,000
		Intangible Assets	\$4,223,300,000
		Total Liabilities	\$12,246,300,000
		Shares Outstanding (Diluted Average)	39,000,000





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

- [Windstream Holdings Inc Valuation – March 2017 \\$WIN](#)
- [Windstream Holdings Inc Valuation – August 2016 \\$WIN](#)
- [Windstream Holdings Analysis – 2015 Update \\$WIN](#)
- [16 Companies in the Spotlight This Week – 5/24/14](#)
- [Windstream Holdings Inc. 2014 Annual Valuation \\$WIN](#)

Other ModernGraham posts about related companies

- [Sierra Wireless Inc Valuation – September 2018 \\$TSE:SW](#)
- [Frontier Communications Corp Valuation – August 2018 \\$FTR](#)
- [Consolidated Communications Holdings Inc Valuation – August 2018 \\$CNLS](#)
- [Comtech Telecommunications Corp Valuation – August 2018 \\$CMTL](#)
- [Shaw Communications Inc Valuation – July 2018 \\$TSE:SJR.B](#)
- [ARRIS International PLC Valuation – July 2018 \\$ARRS](#)
- [Iridium Communications Inc Valuation – July 2018 \\$IRDM](#)
- [CenturyLink Inc Valuation – June 2018 \\$CTL](#)
- [American Tower Corp Valuation – June 2018 \\$AMT](#)
- [Charter Communications Inc Valuation – May 2018 \\$CHTR](#)