

# ModernGraham Valuation

Under Armour Inc  
Class C



Company Name:

Company Ticker

UA

Date of Analysis

1/9/2019

## 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	\$8,204,928,840	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.99	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-55.26%	Fail
5. Earnings Growth	PEmg < 20	140.26	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.97	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	1.99	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.55	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago Score		Fail

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$0.13
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$0.81</b>
MG Value based on 3% Growth	\$1.82
MG Value based on 0% Growth	\$1.07
Market Implied Growth Rate	65.88%

### MG Opinion

Current Price	\$17.65
% of Intrinsic Value	2176.37%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>F</b>

## Stage 3: Information for Further Research

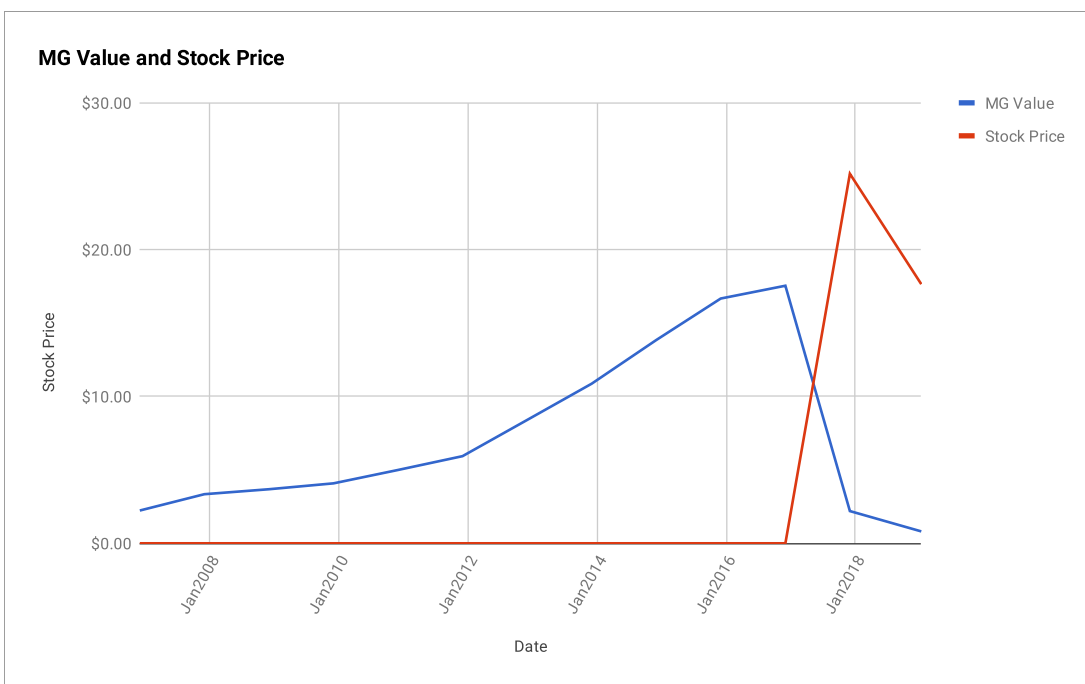
Net Current Asset Value (NCAV)	\$0.81
Graham Number	\$0.00
PEmg	140.26
Current Ratio	1.99
PB Ratio	3.97
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

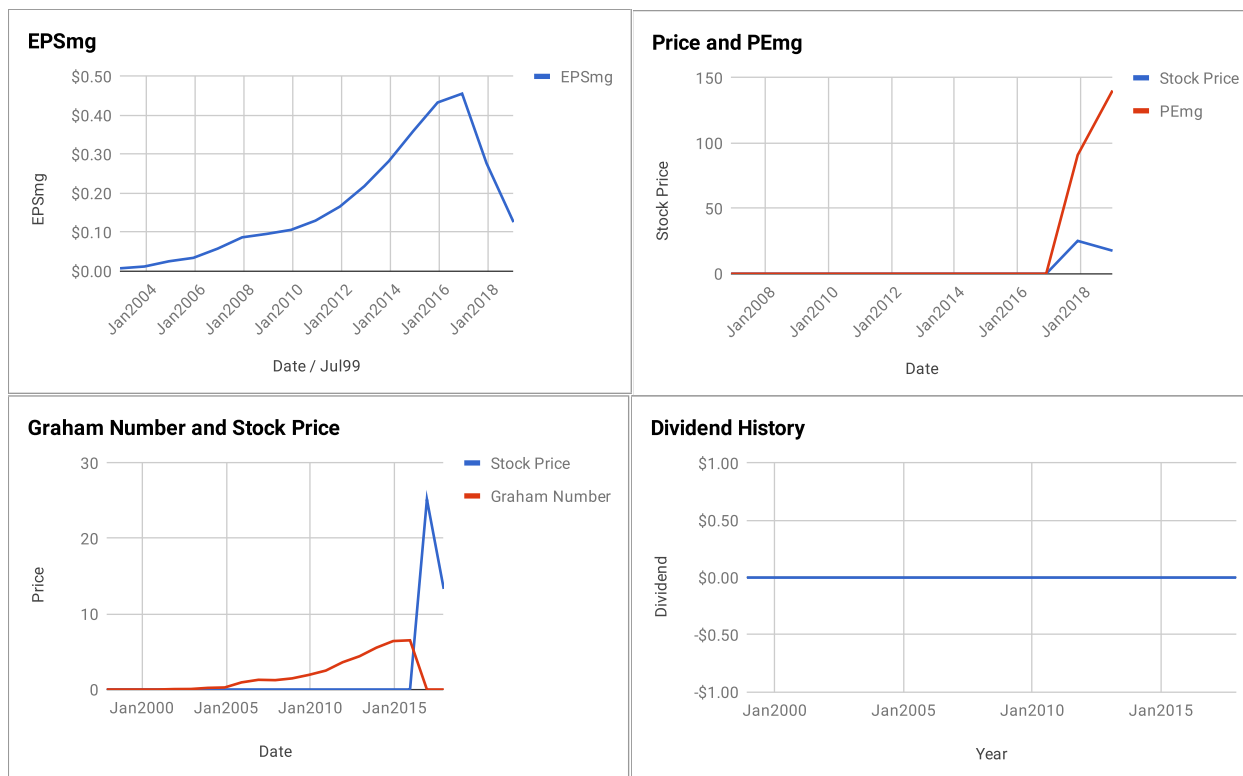
### Useful Links:

[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	
	-\$0.11		\$0.13
Dec2017	-\$0.11	Dec2017	\$0.28
Dec2016	\$0.45	Dec2016	\$0.46
Dec2015	\$0.53	Dec2015	\$0.43
Dec2014	\$0.47	Dec2014	\$0.36
Dec2013	\$0.38	Dec2013	\$0.28
Dec2012	\$0.31	Dec2012	\$0.22
Dec2011	\$0.23	Dec2011	\$0.17
Dec2010	\$0.17	Dec2010	\$0.13
Dec2009	\$0.12	Dec2009	\$0.11
Dec2008	\$0.10	Dec2008	\$0.10
Dec2007	\$0.13	Dec2007	\$0.09
Dec2006	\$0.10	Dec2006	\$0.06
Dec2005	\$0.05	Dec2005	\$0.03
Dec2004	\$0.05	Dec2004	\$0.03
Dec2003	\$0.02	Dec2003	\$0.01
Dec2002	\$0.01	Dec2002	\$0.01
Dec2001	\$0.02	<b>Balance Sheet Information 9/1/2018</b>	
Dec2000	\$0.00	Total Current Assets	\$2,587,030,000
Dec1999	\$0.00	Total Current Liabilities	\$1,299,739,000
Dec1998	\$0.00	Long-Term Debt	\$703,455,000
		Total Assets	\$4,227,169,000
		Intangible Assets	\$595,000,000
		Total Liabilities	\$2,221,248,000
		Shares Outstanding (Diluted Average)	451,035,000





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**

- [10 Most Overvalued Stocks of the S&P 500 – July 2018](#)
- [Under Armour Inc Valuation – March 2018 \\$UA](#)
- [Under Armour Inc Valuation – June 2016 \\$UA](#)
- [Under Armour Inc Valuation – October 2015 Update \\$UA](#)
- [Under Armour Inc. Analysis – Initial Coverage \\$UA](#)

**Other ModernGraham posts about related companies**

- [Hanesbrands Inc Valuation – January 2019 \\$HBI](#)
- [L Brands Inc Valuation – January 2019 \\$LB](#)
- [Nike Inc Valuation – November 2018 \\$NKE](#)
- [Deckers Outdoor Corp Valuation – May 2018 \\$DECK](#)
- [Ralph Lauren Corp Valuation – May 2018 \\$RL](#)
- [Abercrombie & Fitch Co Valuation – May 2018 \\$ANF](#)
- [Steven Madden Ltd Valuation – May 2018 \\$SHOO](#)
- [Stage Stores Inc Valuation – May 2018 \\$SSI](#)
- [American Eagle Outfitters Inc Valuation – May 2018 \\$AEO](#)
- [Crocs Inc Valuation – May 2018 \\$CROX](#)