

ModernGraham Valuation

Company Name:

Corecivic Inc

Company Ticker CXW

Date of Analysis

3/27/2017



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	\$3,622,263,742	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.10	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	33.50%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	17.87	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.55	Pass

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	1.10	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	53.89	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		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.77
MG Growth Estimate	-1.04%
MG Value	\$11.34
MG Value based on 3% Growth	\$25.61
MG Value based on 0% Growth	\$15.01
Market Implied Growth Rate	4.68%

MG Opinion

Current Price	\$31.55
% of Intrinsic Value	278.13%
Opinion	Overvalued
MG Grade	D+

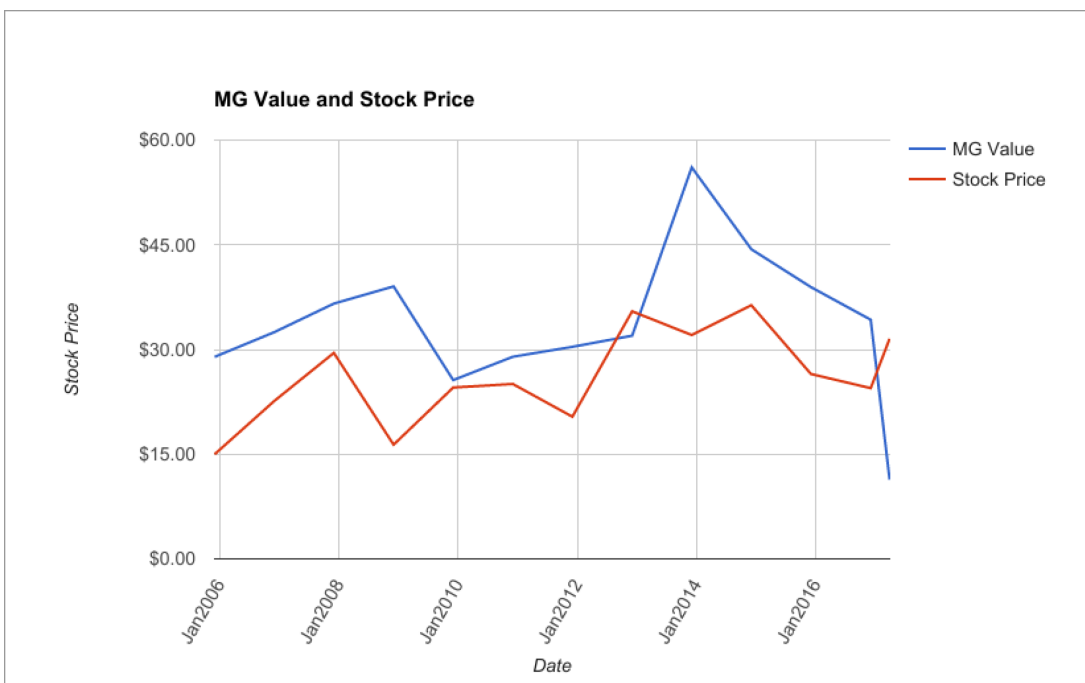
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$12.85
Graham Number	\$20.26
PEmg	17.87
Current Ratio	1.10
PB Ratio	2.55
Current Dividend	\$2.04
Dividend Yield	6.47%
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	\$1.47	Next Fiscal Year Estimate	\$1.77
Dec2016	\$1.87	Dec2016	\$1.92
Dec2015	\$1.88	Dec2015	\$1.92
Dec2014	\$1.66	Dec2014	\$1.88
Dec2013	\$2.70	Dec2013	\$1.90
Dec2012	\$1.56	Dec2012	\$1.46
Dec2011	\$1.54	Dec2011	\$1.38
Dec2010	\$1.39	Dec2010	\$1.25
Dec2009	\$1.32	Dec2009	\$1.11
Dec2008	\$1.20	Dec2008	\$1.01
Dec2007	\$1.06	Dec2007	\$0.95
Dec2006	\$0.86	Dec2006	\$0.84
Dec2005	\$0.42	Dec2005	\$0.75
Dec2004	\$1.55	Dec2004	-\$0.48
Dec2003	\$1.15	Dec2003	-\$2.35
Dec2002	-\$0.28	Dec2002	-\$4.14
Dec2001	\$0.08	Dec2001	-\$5.39
Dec2000	-\$18.90	Balance Sheet Information 12/1/2016	
Dec1999	-\$2.37	Total Current Assets	\$298,824,000
Dec1998	\$0.44	Total Current Liabilities	\$272,193,000
Dec1997	\$0.61	Long-Term Debt	\$1,435,169,000
		Total Assets	\$3,271,604,000
		Intangible Assets	\$42,820,000
		Total Liabilities	\$1,812,641,000
		Shares Outstanding (Diluted Average)	117,791,000





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

#N/A

Other ModernGraham posts about related companies

- [LaSalle Hotel Properties Valuation – Initial Coverage \\$LHO](#)
- [Cousins Properties Inc Valuation – Initial Coverage \\$CUZ](#)
- [Cominar Real Estate Investment Trust – Initial Coverage \\$TSE:CUF.UN](#)
- [Essex Property Trust Inc Valuation – March 2017 \\$ESS](#)
- [Caretrust REIT Inc Valuation – Initial Coverage \\$CTRE](#)
- [Federal Realty Investment Trust Valuation – Initial Coverage \\$FRT](#)
- [Extra Space Storage Inc Valuation – Initial Coverage \\$EXR](#)
- [UDR Inc Valuation – Initial Coverage \\$UDR](#)
- [Digital Realty Trust Inc Valuation – Initial Coverage \\$DLR](#)
- [Mid-America Apartment Communities Inc Valuation – Initial Coverage \\$MAA](#)