# **ModernGraham Valuation**

## **Company Name:**

Company Ticker DNR Date of Analysis

**Denbury Resources** 





11/9/2015

### 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	\$1,489,380,215 Fail
	2.	Sufficiently Strong Financial Condition	Current Ratio > 2	1.46 Fail
	3.	Earnings Stability	Positive EPS for 10 years prior	Fail
	4.	Dividend Record	Dividend Payments for 10 years prior	Fail
	5.	Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-123.21% Fail
	6.	Moderate PEmg Ratio	PEmg < 20	-16.58 Fail
	7.	Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.33 Fail
Enterprising Investor;	ти	ist pass 4 out of the following 5 tests, or be	e suitable for the Defensive Investor.	
	1.	Sufficiently Strong Financial Condition	Current Ratio > 1.5	1.46 Fail
	2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	19.75 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	Fail

#### Suitability

Defensive	No
Enterprising	No

#### Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.25
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$3.67
MG Value based on 0% Growth	-\$2.15
Market Implied Growth Rate	-12.54%

MG Opinion

Overvalued
N/A

### Stage 3: Information for Further Research

Yahoo Finance

GuruFocus

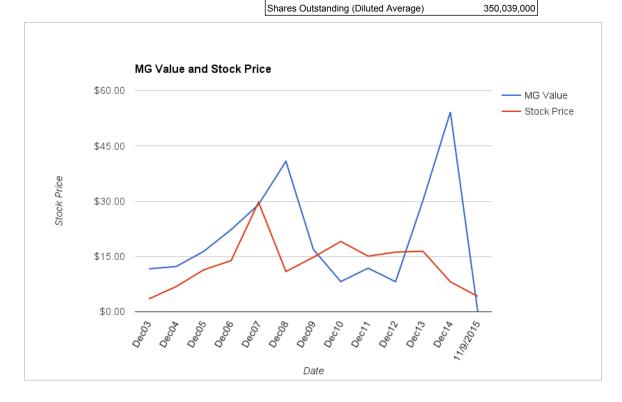
	Net Current Asset Value (NCAV)		-\$15.82
	Graham Number	#NUM!	
	PEmg		-16.58
	Current Ratio		1.46
	PB Ratio		0.33
	Dividend Yield		6.00%
	Number of Consecutive Years of Dividend Growth		2
Useful Links:	ModernGraham tagged articles	Morningstar	
	Google Finance	MSN Money	

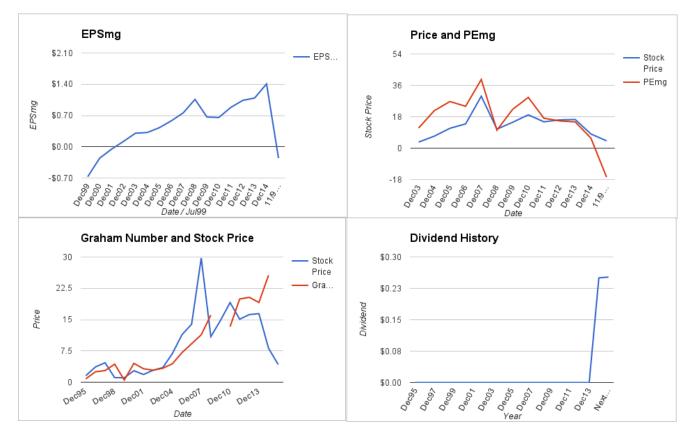
Seeking Alpha

SEC Filings

\$4.20

EPS History		EPSmg History	
Next Fiscal Year Estimate	-\$3.70	Next Fiscal Year Estimate	-\$0.25
Dec14	\$1.81	Dec14	\$1.41
Dec13	\$1.11	Dec13	\$1.09
Dec12	\$1.35	Dec12	\$1.04
Dec11	\$1.43	Dec11	\$0.88
Dec10	\$0.72	Dec10	\$0.66
Dec09	-\$0.30	Dec09	\$0.67
Dec08	\$1.54	Dec08	\$1.06
Dec07	\$1.00	Dec07	\$0.76
Dec06	\$0.82	Dec06	\$0.58
Dec05	\$0.70	Dec05	\$0.43
Dec04	\$0.36	Dec04	\$0.32
Dec03	\$0.26	Dec03	\$0.30
Dec02	\$0.22	Dec02	\$0.12
Dec01	\$0.28	Dec01	-\$0.05
Dec00	\$0.77	Dec00	-\$0.26
Dec99	\$0.03	Dec99	-\$0.67
Dec98	-\$2.77	Balance Sheet Information	Jun15
Dec97	\$0.18	Total Current Assets	\$558,382,000
Dec96	\$0.16	Total Current Liabilities	\$382,641,000
Dec95	\$0.03	Long-Term Debt	\$3,471,141,000
		Total Assets	\$10,495,300,000
		Intangible Assets	\$1,261,512,000
		Total Liabilities	\$6,095,269,000
			250 000 000





#### 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	10 Most Undervalued Companies for the Enterprising Investor – October 2015
posts about the	5 Undervalued Companies for Value Investors with a High Beta – October 2015
company	10 Companies Benjamin Graham Would Invest In Today – October 2015
	The Best Companies of the Oil & Gas Industry – August 2015
	10 Low PE Stocks for the Enterprising Investor – August 2015
Other	Western Refining Inc. Valuation – October 2015 Update \$WNR
ModernGraham posts about related	Valero Energy Corporation Valuation – October 2015 Update \$VLO
companies	Schlumberger Limited Valuation – October 2015 Update \$SLB
	National Oilwell Varco Inc. Valuation – October 2015 Update \$NOV
	Tesoro Corporation Analysis – October 2015 Update \$TSO
	Cameron International Company Analysis – September 2015 Update \$CAM
	Halliburton Company Analysis – September 2015 Update \$HAL
	Kinder Morgan Inc. Analysis – September 2015 Update \$KMI
	Range Resources Corporation Analysis – August 2015 Update \$RRC

Helmerich & Payne Inc. Analysis - August 2015 Update \$HP