

ModernGraham Valuation

Company Name:

Company Ticker FTI
Date of Analysis

FMC Technologies,
Inc.

11/11/2015



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	\$7,863,223,357	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.77	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	96.29%	Pass
6. Moderate PEmg Ratio	PEmg < 20	15.54	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.10	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	1.77	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.69	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.16
MG Growth Estimate	6.59%
MG Value	\$46.88
MG Value based on 3% Growth	\$31.37
MG Value based on 0% Growth	\$18.39
Market Implied Growth Rate	3.52%

MG Opinion

Current Price	\$33.61
% of Intrinsic Value	71.69%
Opinion	Undervalued

Stage 3: Information for Further Research

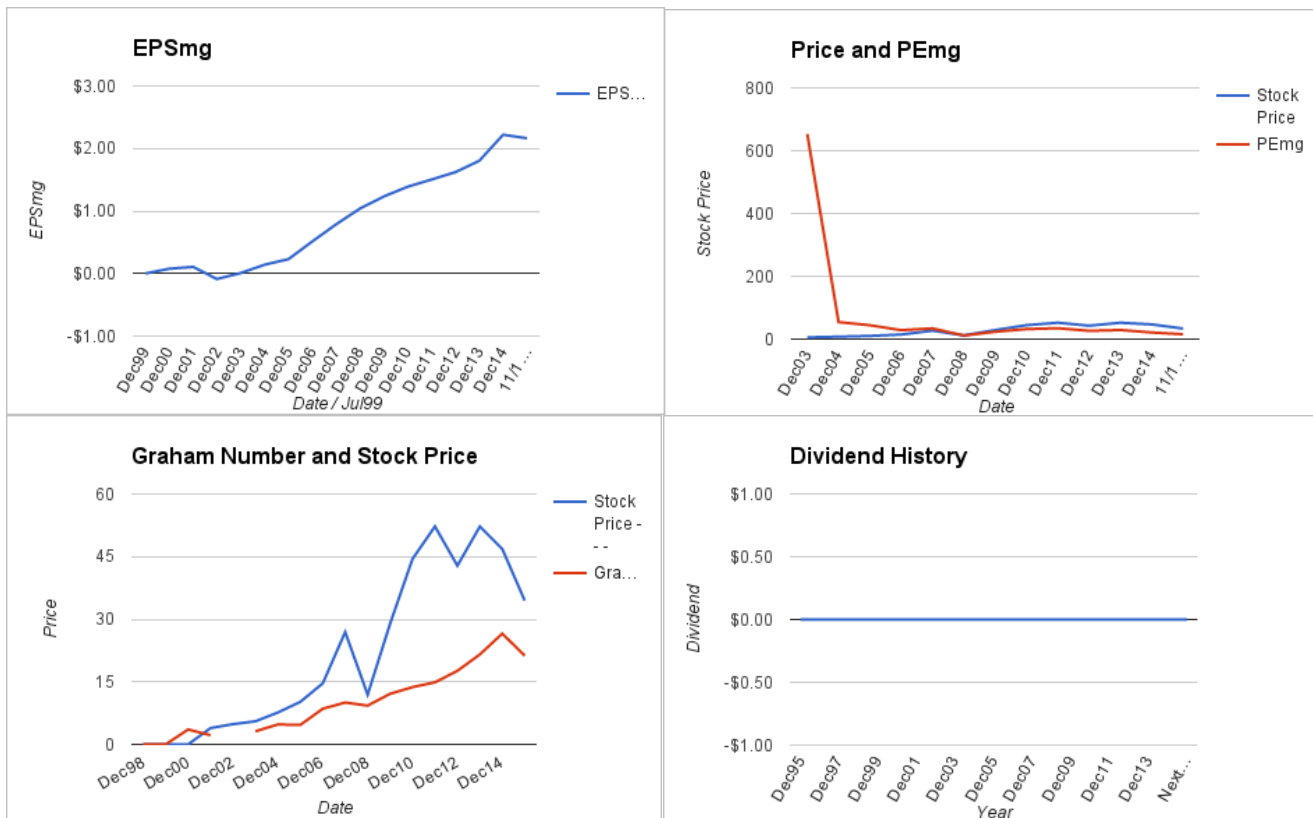
Net Current Asset Value (NCAV)	-\$0.04
Graham Number	\$21.26
PEmg	15.54
Current Ratio	1.77
PB Ratio	3.10
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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	\$1.83	Next Fiscal Year Estimate	\$2.16
Dec14	\$2.95	Dec14	\$2.22
Dec13	\$2.10	Dec13	\$1.80
Dec12	\$1.78	Dec12	\$1.62
Dec11	\$1.64	Dec11	\$1.50
Dec10	\$1.53	Dec10	\$1.39
Dec09	\$1.44	Dec09	\$1.23
Dec08	\$1.39	Dec08	\$1.04
Dec07	\$1.13	Dec07	\$0.79
Dec06	\$0.99	Dec06	\$0.51
Dec05	\$0.38	Dec05	\$0.23
Dec04	\$0.42	Dec04	\$0.14
Dec03	\$0.26	Dec03	\$0.01
Dec02	-\$0.51	Dec02	-\$0.09
Dec01	\$0.13	Dec01	\$0.11
Dec00	\$0.23	Dec00	\$0.08
Dec99	\$0.00	Dec99	\$0.00
Dec98	\$0.00	Balance Sheet Information	Sep15
Dec97	\$0.00	Total Current Assets	\$4,195,600,000
Dec96	\$0.00	Total Current Liabilities	\$2,371,400,000
Dec95	\$0.00	Long-Term Debt	\$1,261,200,000
		Total Assets	\$6,711,200,000
		Intangible Assets	\$773,200,000
		Total Liabilities	\$4,205,700,000
		Shares Outstanding (Diluted Average)	231,000,000





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

- [The Best Companies of the Oil & Gas Industry – August 2015](#)
- [The 20 Best Stocks For Value Investors This Week – 8/15/15](#)
- [FMC Technologies Inc. Analysis – August 2015 Update \\$FTI](#)
- [47 Companies in the Spotlight This Week – 5/16/15](#)
- [FMC Technologies Inc. Quarterly Valuation – May 2015 \\$FTI](#)

Other ModernGraham posts about related companies

- [Denbury Resources Inc. Valuation – November 2015 Update \\$DNR](#)
- [Western Refining Inc. Valuation – October 2015 Update \\$WNR](#)
- [Valero Energy Corporation Valuation – October 2015 Update \\$VLO](#)
- [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](#)