ModernGraham Valuation

Company Name: Anadarko Petroleum Corporation

Company Ticker APC

Date of Analysis 1/29/2016

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	$19,276,541,791	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.17	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-155.73%	Fail
6. Moderate PEmg Ratio	PEmg < 20	-8.83	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.40	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	1.17	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	21.22	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		-$4.39
MG Growth Estimate		-4.25%
MG Value		**$0.00**
MG Value based on 3% Growth		-$63.64
MG Value based on 0% Growth		-$37.30
Market Implied Growth Rate		-8.66%

MG Opinion

Current Price		$38.75
% of Intrinsic Value	N/A	
Opinion	**Overvalued**	

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)		-$58.89
Graham Number	#NUM!	
PEmg		-8.83
Current Ratio		1.17
PB Ratio		1.40
Dividend Yield		2.79%
Number of Consecutive Years of Dividend Growth		3

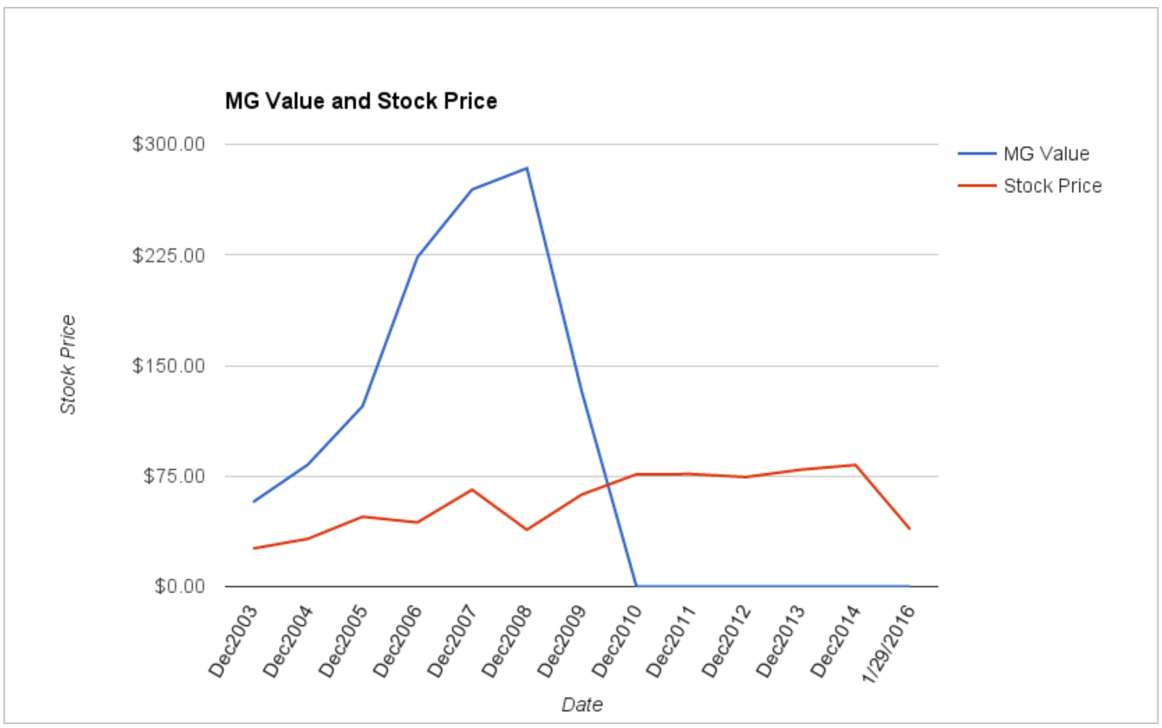
Useful Links:

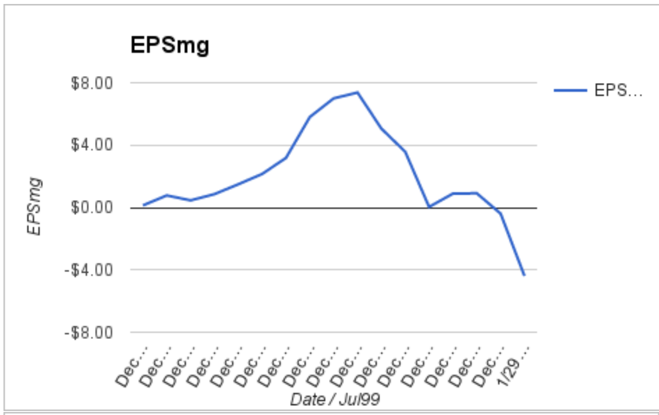
ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

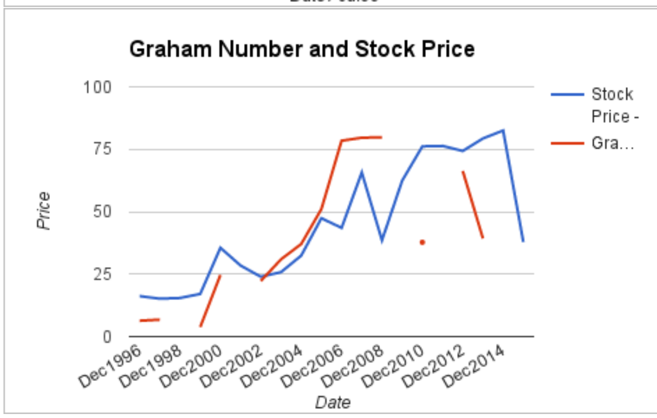
EPS History	
Next Fiscal Year Estimate	-$12.17
Dec2014	-$3.47
Dec2013	$1.58
Dec2012	$4.74
Dec2011	-$5.32
Dec2010	$1.52
Dec2009	-$0.28
Dec2008	$6.91
Dec2007	$8.08
Dec2006	$10.24
Dec2005	$4.90
Dec2004	$3.18
Dec2003	$2.55
Dec2002	$1.61
Dec2001	-$0.38
Dec2000	$2.08
Dec1999	$0.13
Dec1998	-$0.21
Dec1997	$0.45
Dec1996	$0.43
Dec1995	$0.00

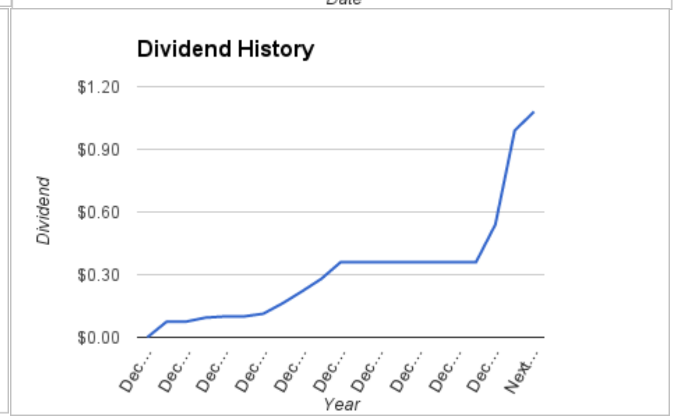
EPSmg History	
Next Fiscal Year Estimate	-$4.39
Dec2014	-$0.40
Dec2013	$0.91
Dec2012	$0.89
Dec2011	$0.04
Dec2010	$3.57
Dec2009	$5.06
Dec2008	$7.37
Dec2007	$7.00
Dec2006	$5.80
Dec2005	$3.18
Dec2004	$2.15
Dec2003	$1.49
Dec2002	$0.86
Dec2001	$0.46
Dec2000	$0.77
Dec1999	$0.13

Balance Sheet Information	Sep2015
Total Current Assets	$5,187,000,000
Total Current Liabilities	$4,438,000,000
Long-Term Debt	$15,892,000,000
Total Assets	$49,182,000,000
Intangible Assets	$6,343,000,000
Total Liabilities	$35,103,000,000
Shares Outstanding (Diluted Average)	508,000,000









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.

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Other ModernGraham posts about the company	32 Companies in the Spotlight This Week – 12/6/14
Other ModernGraham posts about related companies	Cabot Oil & Gas Corp Valuation – December 2015 Update $COG Helmerich & Payne Inc Valuation – November 2015 Update $HP Murphy Oil Corporation Valuation – November 2015 Update $MUR 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