

# ModernGraham Valuation

Company Name:

FMC Corp

Company Ticker

FMC

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	\$4,628,658,723	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.23	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	175.78%	Pass
5. Earnings Growth	PEmg < 20	9.98	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.24	Pass
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	2.23	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.15	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		Pass

### Suitability

<b>Defensive</b>	<b>Yes</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$3.53
MG Growth Estimate	14.36%
<b>MG Value</b>	<b>\$131.21</b>
MG Value based on 3% Growth	\$51.13
MG Value based on 0% Growth	\$29.97
Market Implied Growth Rate	0.74%

### MG Opinion

Current Price	\$35.19
% of Intrinsic Value	26.82%
<b>Opinion</b>	<b>Undervalued</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$8.15
Graham Number	\$45.20
PEmg	9.98
Current Ratio	2.23
PB Ratio	2.24
Dividend Yield	1.83%
Number of Consecutive Years of Dividend Growth	5

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$5.74	Next Fiscal Year Estimate	\$3.53
Dec2014	\$2.29	Dec2014	\$2.36
Dec2013	\$2.16	Dec2013	\$2.29
Dec2012	\$3.00	Dec2012	\$2.26
Dec2011	\$2.55	Dec2011	\$1.80
Dec2010	\$1.18	Dec2010	\$1.38
Dec2009	\$1.56	Dec2009	\$1.39
Dec2008	\$2.01	Dec2008	\$1.23
Dec2007	\$0.86	Dec2007	\$0.81
Dec2006	\$0.83	Dec2006	\$0.74
Dec2005	\$0.73	Dec2005	\$0.45
Dec2004	\$1.07	Dec2004	\$0.20
Dec2003	\$0.19	Dec2003	-\$0.13
Dec2002	\$0.48	Dec2002	-\$0.12
Dec2001	-\$2.72	Dec2001	-\$0.17
Dec2000	\$0.88	Dec2000	\$1.12
Dec1999	\$1.64	Dec1999	\$1.16
Dec1998	\$0.76	<div><div>Balance Sheet Information</div><div>Sep2015</div></div>	
Dec1997	\$1.10	Total Current Assets	\$3,238,100,000
Dec1996	\$1.39	Total Current Liabilities	\$1,455,000,000
Dec1995	\$0.00	Long-Term Debt	\$2,048,500,000
		Total Assets	\$6,447,000,000
		Intangible Assets	\$1,581,200,000
		Total Liabilities	\$4,333,300,000
		Shares Outstanding (Diluted Average)	134,375,000





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 Low PE Stocks for the Defensive Investor – January 2016](#)  
[The Best Companies of the Chemicals Industry – August 2015](#)  
[FMC Corporation Analysis – June 2015 Quarterly Update \\$FMC](#)  
[23 Companies in the Spotlight This Week – 3/9/15](#)  
[FMC Corporation Quarterly Valuation – March 2015 \\$FMC](#)

Other  
ModernGraham  
posts about related  
companies

[Eastman Chemical Co Valuation – January 2016 \\$EMN](#)  
[Ashland Inc Valuation – January 2016 Update \\$ASH](#)  
[LyondellBasell Industries Valuation – November 2015 Update \\$LYB](#)  
[Albemarle Corporation Valuation – November 2015 Update \\$ALB](#)  
[Dow Chemical Company Analysis – October 2015 Update \\$DOW](#)  
[Sigma-Aldrich Corporation Analysis – September 2015 Update \\$SIAL](#)  
[FMC Corporation Analysis – September 2015 Update \\$FMC](#)  
[Eastman Chemical Company Analysis – September 2015 Update \\$EMN](#)  
[Ashland Inc. Analysis – Initial Coverage \\$ASH](#)  
[The Best Companies of the Chemicals Industry – August 2015](#)