

ModernGraham Valuation



Cameron
International
Corporation

Company Name:

Company Ticker CAM

Date of Analysis

5/17/2016

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	\$12,479,572,538	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.22	Pass
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	13.95%	Fail
6. Moderate PEmg Ratio	PEmg < 20	26.79	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.80	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	2.22	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.65	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		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.47
MG Growth Estimate	-0.01%
MG Value	\$20.94
MG Value based on 3% Growth	\$35.82
MG Value based on 0% Growth	\$21.00
Market Implied Growth Rate	9.14%

MG Opinion

Current Price	\$66.16
% of Intrinsic Value	316.03%
Opinion	Overvalued
MG Grade	F

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$0.89
Graham Number	\$25.36
PEmg	26.79
Current Ratio	2.22
PB Ratio	2.80
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

- [ModernGraham tagged articles](#)
- [Google Finance](#)
- [Yahoo Finance](#)
- [GuruFocus](#)

- [Morningstar](#)
- [MSN Money](#)
- [Seeking Alpha](#)
- [SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.20	Next Fiscal Year Estimate	\$2.47
12/1/2015	\$2.60	12/1/2015	\$3.04
12/1/2014	\$3.96	12/1/2014	\$3.12
12/1/2013	\$2.87	12/1/2013	\$2.63
12/1/2012	\$3.03	12/1/2012	\$2.47
12/1/2011	\$2.09	12/1/2011	\$2.21
12/1/2010	\$2.27	12/1/2010	\$2.21
12/1/2009	\$2.11	12/1/2009	\$2.04
12/1/2008	\$2.54	12/1/2008	\$1.83
12/1/2007	\$2.16	12/1/2007	\$1.31
12/1/2006	\$1.36	12/1/2006	\$0.80
12/1/2005	\$0.76	12/1/2005	\$0.50
12/1/2004	\$0.44	12/1/2004	\$0.35
12/1/2003	\$0.31	12/1/2003	\$0.29
12/1/2002	\$0.28	12/1/2002	\$0.30
12/1/2001	\$0.44	12/1/2001	\$0.34
12/1/2000	\$0.13	12/1/2000	\$0.32
12/1/1999	\$0.20	Balance Sheet Information 12/1/2015	
12/1/1998	\$0.62	Total Current Assets	\$7,118,000,000
12/1/1997	\$0.63	Total Current Liabilities	\$3,206,000,000
12/1/1996	\$0.30	Long-term Debt	\$2,542,000,000
		Total Assets	\$11,500,000,000
		Intangible Assets	\$2,346,000,000
		Total Liabilities	\$6,946,000,000
		Shares Outstanding (Diluted Average)	193,000,000





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

- [Cameron International Company Analysis – September 2015 Update \\$CAM](#)
- [Cameron International Analysis – June 2015 Update \\$CAM](#)
- [24 Companies in the Spotlight This Week – 3/28/15](#)
- [Cameron International Corporation Quarterly Valuation – March 2015 \\$CAM](#)
- [27 Companies in the Spotlight This Week – 12/20/14](#)

Other ModernGraham posts about related companies

- [FMC Technologies Inc Valuation – March 2016 \\$FTI](#)
- [Phillips 66 Valuation – March 2016 \\$PSX](#)
- [Valero Energy Corp Valuation – February 2016 \\$VLO](#)
- [Schlumberger Ltd Valuation – February 2016 \\$SLB](#)
- [National Oilwell Varco Inc Valuation – February 2016 Update \\$NOV](#)
- [Southwestern Energy Company Valuation – February 2016 Update \\$SWN](#)
- [Apache Corporation Valuation – January 2016 Update \\$APA](#)
- [Anadarko Petroleum Corp Valuation – January 2016 Update \\$APC](#)
- [Cabot Oil & Gas Corp Valuation – December 2015 Update \\$COG](#)
- [Valero Energy Corp Valuation – February 2016 \\$VLO](#)