

ModernGraham Valuation

Company Name:

Company Ticker NE
Date of Analysis

Noble Corporation
Ordinary Shares (UK)

7/30/2016



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	\$1,760,867,500	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.31	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	-88.72%	Fail
6. Moderate PEmg Ratio	PEmg < 20	7.15	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.26	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	1.31	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	17.32	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	\$1.03
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$14.96
MG Value based on 0% Growth	\$8.77
Market Implied Growth Rate	-0.67%

MG Opinion

Current Price	\$7.38
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D+

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$19.49
Graham Number	\$0.00
PEmg	7.15
Current Ratio	1.31
PB Ratio	0.26
Current Dividend	\$1.05
Dividend Yield	14.23%
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	-\$0.20	Next Fiscal Year Estimate	\$1.03
Dec2015	\$2.06	Dec2015	\$1.68
Dec2014	\$0.03	Dec2014	\$1.63
Dec2013	\$3.05	Dec2013	\$2.69
Dec2012	\$2.05	Dec2012	\$2.92
Dec2011	\$1.46	Dec2011	\$3.65
Dec2010	\$3.02	Dec2010	\$4.66
Dec2009	\$6.42	Dec2009	\$5.02
Dec2008	\$5.85	Dec2008	\$3.86
Dec2007	\$4.48	Dec2007	\$2.53
Dec2006	\$2.67	Dec2006	\$1.42
Dec2005	\$1.08	Dec2005	\$0.80
Dec2004	\$0.55	Dec2004	\$0.68
Dec2003	\$0.63	Dec2003	\$0.72
Dec2002	\$0.79	Dec2002	\$0.73
Dec2001	\$0.98	Dec2001	\$0.70
Dec2000	\$0.61	Dec2000	\$0.56
Dec1999	\$0.32	Balance Sheet Information 3/1/2016	
Dec1998	\$0.62	Total Current Assets	\$952,019,000
Dec1997	\$0.97	Total Current Liabilities	\$728,952,000
Dec1996	\$0.33	Long-Term Debt	\$3,864,060,000
		Total Assets	\$12,454,912,000
		Intangible Assets	\$0
		Total Liabilities	\$5,683,635,000
		Shares Outstanding (Diluted Average)	242,826,000





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

[Noble Corporation Annual Valuation – 2015 \\$NE](#)
[16 Companies in the Spotlight this Week – 4/19/14](#)
[Noble Corporation plc \(NE\) Annual Valuation – 2014](#)

Other
ModernGraham
posts about related
companies

[Baker Hughes Inc Valuation – July 2016 \\$BHI](#)
[Rowan Companies PLC Valuation – July 2016 \\$RDC](#)
[ConocoPhillips Valuation – July 2016 \\$COP](#)
[Devon Energy Corp Valuation – July 2016 \\$DVN](#)
[Noble Energy Inc Valuation – July 2016 \\$NBL](#)
[Diamond Offshore Drilling Inc Valuation – July 2016 \\$DO](#)
[Nabors Industries Ltd Valuation – July 2016 \\$NBR](#)
[Transocean Ltd Valuation – July 2016 \\$RIG](#)
[ONEOK Inc Valuation – July 2016 \\$OKE](#)
[Marathon Oil Corp Valuation – July 2016 \\$MRO](#)