

# ModernGraham Valuation

## Company Name:

Company Ticker

FLR

Date of Analysis

8/5/2016

Fluor Corporation  
(NEW)



## 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	\$7,238,450,142	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.51	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	-13.25%	Fail
6. Moderate PEmg Ratio	PEmg < 20	16.36	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.37	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	1.51	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.87	Pass
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>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$3.17
MG Growth Estimate	1.04%
<b>MG Value</b>	<b>\$33.62</b>
MG Value based on 3% Growth	\$46.03
MG Value based on 0% Growth	\$26.98
Market Implied Growth Rate	3.93%

### MG Opinion

Current Price	\$51.94
% of Intrinsic Value	154.51%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$3.62
Graham Number	\$39.90
PEmg	16.36
Current Ratio	1.51
PB Ratio	2.37
Current Dividend	\$0.84
Dividend Yield	1.62%
Number of Consecutive Years of Dividend Growth	0

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.19	Next Fiscal Year Estimate	\$3.17
Dec2015	\$2.81	Dec2015	\$3.19
Dec2014	\$3.20	Dec2014	\$3.28
Dec2013	\$4.06	Dec2013	\$3.27
Dec2012	\$2.71	Dec2012	\$2.97
Dec2011	\$3.40	Dec2011	\$3.13
Dec2010	\$1.98	Dec2010	\$2.93
Dec2009	\$3.75	Dec2009	\$3.17
Dec2008	\$3.93	Dec2008	\$2.63
Dec2007	\$2.93	Dec2007	\$1.85
Dec2006	\$1.48	Dec2006	\$1.26
Dec2005	\$1.31	Dec2005	\$1.08
Dec2004	\$1.13	Dec2004	\$0.91
Dec2003	\$0.98	Dec2003	\$0.78
Dec2002	\$1.03	Dec2002	\$0.73
Dec2001	\$0.13	Dec2001	\$0.65
Oct2000	\$0.81	Oct2000	\$0.97
Oct1999	\$0.69	<b>Balance Sheet Information</b>	
Oct1998	\$1.49	<b>3/1/2016</b>	
Oct1997	\$0.88	Total Current Assets	\$5,402,869,000
Oct1996	\$1.61	Total Current Liabilities	\$3,589,930,000
		Long-Term Debt	\$1,572,001,000
		Total Assets	\$9,001,727,000
		Intangible Assets	\$0
		Total Liabilities	\$5,913,116,000
		Shares Outstanding (Diluted Average)	140,865,000





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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