

# ModernGraham Valuation

## Company Name:

Company Ticker FTI  
Date of Analysis

FMC Technologies,  
Inc.

8/29/2016



## 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	\$6,220,129,296	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.07	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	25.51%	Fail
5. Earnings Growth	PEmg < 20	18.10	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.43	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	2.07	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.68	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

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.55
MG Growth Estimate	-0.67%
<b>MG Value</b>	<b>\$11.08</b>
MG Value based on 3% Growth	\$22.46
MG Value based on 0% Growth	\$13.16
Market Implied Growth Rate	4.80%

### MG Opinion

Current Price	\$28.03
% of Intrinsic Value	252.95%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$0.76
Graham Number	\$9.16
PEmg	18.10
Current Ratio	2.07
PB Ratio	2.43
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.32	Next Fiscal Year Estimate	\$1.55
Dec2015	\$1.70	Dec2015	\$2.12
Dec2014	\$2.95	Dec2014	\$2.22
Dec2013	\$2.10	Dec2013	\$1.80
Dec2012	\$1.78	Dec2012	\$1.62
Dec2011	\$1.64	Dec2011	\$1.50
Dec2010	\$1.53	Dec2010	\$1.39
Dec2009	\$1.44	Dec2009	\$1.23
Dec2008	\$1.39	Dec2008	\$1.04
Dec2007	\$1.13	Dec2007	\$0.79
Dec2006	\$0.99	Dec2006	\$0.51
Dec2005	\$0.38	Dec2005	\$0.23
Dec2004	\$0.42	Dec2004	\$0.14
Dec2003	\$0.26	Dec2003	\$0.01
Dec2002	-\$0.51	Dec2002	-\$0.09
Dec2001	\$0.13	Dec2001	\$0.11
Dec2000	\$0.23	Dec2000	\$0.08
Dec1999	\$0.00	<b>Balance Sheet Information 6/1/2016</b>	
Dec1998	\$0.00	Total Current Assets	\$3,705,200,000
Dec1997	\$0.00	Total Current Liabilities	\$1,787,700,000
Dec1996	\$0.00	Long-Term Debt	\$1,298,700,000
		Total Assets	\$6,160,800,000
		Intangible Assets	\$753,300,000
		Total Liabilities	\$3,532,600,000
		Shares Outstanding (Diluted Average)	228,300,000





**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:**

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ModernGraham  
posts about the  
company**

- [FMC Technologies Inc Valuation – March 2016 \\$FTI](#)
- [5 Undervalued Companies for Enterprising Investors Near 52 Week Lows – February 2016](#)
- [12 Best Stocks For Value Investors This Week – 11/14/15](#)
- [5 Undervalued Companies for Enterprising Investors Near 52 Week Lows – February 2016](#)
- [FMC Technologies Inc. Valuation – November 2015 Update \\$FTI](#)

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- [Enterprise Products Partners LP Valuation – August 2016 \\$EPD](#)
- [Tidewater Inc Valuation – August 2016 \\$TDW](#)
- [Occidental Petroleum Corp Valuation – August 2016 \\$OXY](#)
- [Valero Energy Corporation – August 2016 \\$VLO](#)
- [Chevron Corp Valuation – August 2016 \\$CVX](#)
- [Exxon Mobil Corporation Valuation – August 2016 \\$XOM](#)
- [National-Oilwell Varco Inc Valuation – August 2016 \\$NOV](#)
- [Newfield Exploration Co Valuation – August 2016 \\$NFX](#)