

ModernGraham Valuation

Company Name:

AMC Networks Inc

Company Ticker

AMCX

Date of Analysis

12/28/2016



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	\$3,744,134,999	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.99	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	44033.33%	Pass
6. Moderate PEmg Ratio	PEmg < 20	12.37	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	34.57	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	1.99	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.88	Fail
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		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$4.26
MG Growth Estimate	15.00%
MG Value	\$164.06
MG Value based on 3% Growth	\$61.79
MG Value based on 0% Growth	\$36.22
Market Implied Growth Rate	1.94%

MG Opinion

Current Price	\$52.72
% of Intrinsic Value	32.13%
Opinion	Undervalued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$36.91
Graham Number	\$12.76
PEmg	12.37
Current Ratio	1.99
PB Ratio	34.57
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	\$4.26
Dec2015	\$5.01	Dec2015	\$3.80
Dec2014	\$3.58	Dec2014	\$2.95
Dec2013	\$4.00	Dec2013	\$2.35
Dec2012	\$1.89	Dec2012	\$1.34
Dec2011	\$1.79	Dec2011	\$0.91
Dec2010	\$1.16	Dec2010	\$0.39
Dec2009	\$0.00	Dec2009	\$0.00
Dec2008	\$0.00	Dec2008	\$0.00
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Dec2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information 9/1/2016	
Dec1998	\$0.00	Total Current Assets	\$1,849,338,000
Dec1997	\$0.00	Total Current Liabilities	\$927,859,000
Dec1996	\$0.00	Long-Term Debt	\$2,650,418,000
		Total Assets	\$4,622,065,000
		Intangible Assets	\$2,327,445,000
		Total Liabilities	\$4,512,063,000
		Shares Outstanding (Diluted Average)	72,140,000





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

[AMC Networks Inc. Analysis – Initial Coverage \\$AMCX](#)

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companies

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[CBS Corporation Valuation – August 2016 \\$CBS](#)
[Twenty-First Century Fox Inc Valuation – August 2016 \\$FOXA](#)
[Discovery Communications Inc Valuation – August 2016 \\$DISCA](#)
[Scripps Networks Valuation – July 2016 \\$SNI](#)
[Cablevision Systems Corp Valuation – July 2016 \\$CVC](#)
[Time Warner Inc Valuation – July 2016 \\$TWX](#)
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