

ModernGraham Valuation

Company Name:

Company Ticker CHTR

Date of Analysis

12/21/2016

Charter
Communications, Inc.



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	\$78,595,816,200	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.32	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	-88.75%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	-438.57	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.99	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	0.32	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-10.22	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
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	-\$0.66
MG Growth Estimate	12.43%
MG Value	-\$22.15
MG Value based on 3% Growth	-\$9.63
MG Value based on 0% Growth	-\$5.64
Market Implied Growth Rate	-223.54%

MG Opinion

Current Price	\$291.24
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$384.35
Graham Number	\$94.90
PEmg	-438.57
Current Ratio	0.32
PB Ratio	1.99
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	\$2.69	Next Fiscal Year Estimate	-\$0.66
Dec2015	-\$2.69	Dec2015	-\$2.46
Dec2014	-\$1.88	Dec2014	-\$2.44
Dec2013	-\$1.83	Dec2013	-\$3.05
Dec2012	-\$3.37	Dec2012	-\$3.88
Dec2011	-\$3.75	Dec2011	-\$4.27
Dec2010	-\$2.31	Dec2010	-\$4.52
Dec2008	-\$7.26	Dec2008	-\$6.15
Dec2007	-\$4.86	Dec2007	-\$5.72
Dec2006	-\$4.57	Dec2006	-\$6.40
Dec2005	-\$3.46	Dec2005	-\$7.18
Dec2004	-\$16.00	Dec2004	-\$8.39
Dec2003	-\$0.91	Dec2003	-\$4.51
Dec2002	-\$9.45	Dec2002	-\$5.60
Dec2001	-\$4.79	Dec2001	-\$3.22
Dec2000	-\$4.20	Dec2000	-\$2.07
Dec1999	-\$2.46	Dec1999	-\$0.83
Dec1998	-\$0.04	Balance Sheet Information 9/1/2016	
Dec1997	\$0.00	Total Current Assets	\$2,781,000,000
Dec1996	\$0.00	Total Current Liabilities	\$8,647,000,000
Dec1995	\$0.00	Long-Term Debt	\$59,946,000,000
		Total Assets	\$148,897,000,000
		Intangible Assets	\$111,849,000,000
		Total Liabilities	\$108,620,000,000
		Shares Outstanding (Diluted Average)	275,373,000





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

#N/A

Other
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posts about related
companies

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[CBS Corporation Valuation – August 2016 \\$CBS](#)
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[Discovery Communications Inc Valuation – August 2016 \\$DISCA](#)
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[Cablevision Systems Corp Valuation – July 2016 \\$CVC](#)
[Time Warner Inc Valuation – July 2016 \\$TWX](#)
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