ModernGraham Valuation

Cia Energetica de Minas Gerais CEMIG-ADR



Company Name:

Company Ticker CIG Date of Analysis

12/29/2016

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.

Defensive Investor; m	ust pass 6 out of the following 7 tests.				
	1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$2,986,429,672 Pass		
	2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.72 Fail		
	3. Earnings Stability	Positive EPS for 10 years prior	Pass		
	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	-29.68% Fail		
	6. Moderate PEmg Ratio	PEmg < 20	3.54 Pass		
	7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.73 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	0.72 Fail		
	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-3.35 Fail		
	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	Fail		
	-				
Suitability					
	Defensive	No			
	Enterprising	No			
Stage 2: Determination of Intrinsic Value					
	MG Growth Estimate	-4.25%			
	MG Value	\$0.00			
	MG Value based on 3% Growth	\$9.55			
	MG Value based on 0% Growth	\$5.60			
	Market Implied Growth Rate	-2.48%			
MG Opinion	·				
	Current Price	\$2.33			
	% of Intrinsic Value	N/A			
	Opinion	Overvalued			
	MG Grade	c			
Stage 3: Information for Further Research					
	Net Current Asset Value (NCAV)	-\$4.83			
	Graham Number	\$4.31			
	PEmg	3.54			
	Current Ratio	0.72			
	PB Ratio	0.73			
	Current Dividend	\$0.10			
	Dividend Yield	4.21%			
	Number of Consecutive Years of Dividend Growth	1			

 Useful Links:
 ModernGraham tagged articles
 Morningstar

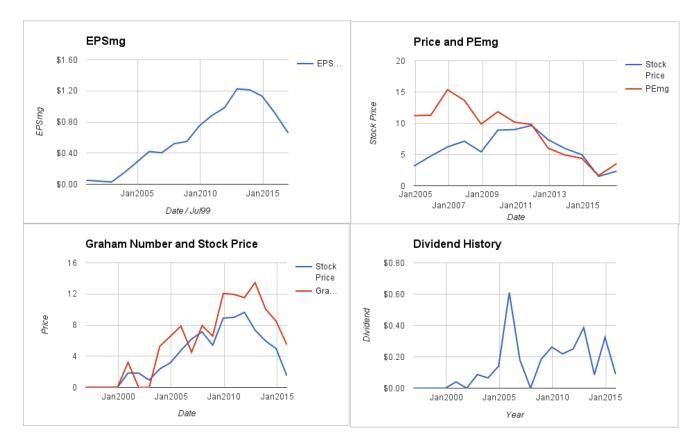
 Google Finance
 MSN Money

 Yahoo Finance
 Seeking Alpha

 GuruFocus
 SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate		Next Fiscal Year Estimate	\$0.66
Dec2015	\$0.51	Dec2015	\$0.92
Dec2014	\$0.94	Dec2014	\$1.13
Dec2013	\$1.05	Dec2013	\$1.2
Dec2012	\$1.64	Dec2012	\$1.23
Dec2011	\$1.04	Dec2011	\$0.98
Dec2010	\$1.06	Dec2010	\$0.8
Dec2009	\$1.14	Dec2009	\$0.7
Dec2008	\$0.58	Dec2008	\$0.5
Dec2007	\$0.71	Dec2007	\$0.5
Dec2006	\$0.25	Dec2006	\$0.4
Dec2005	\$0.63	Dec2005	\$0.4
Dec2004	\$0.51	Dec2004	\$0.2
Dec2003	\$0.39	Dec2003	\$0.1
Dec2002	\$0.00	Dec2002	\$0.0
Dec2001	\$0.00	Dec2001	\$0.0
Dec2000	\$0.15	Dec2000	\$0.0
Dec1999	\$0.00	Balance Sheet Information	6/1/201
Dec1998	\$0.00	Total Current Assets	\$2,382,480,00
Dec1997	\$0.00	Total Current Liabilities	\$3,325,700,00
Dec1996	\$0.00	Long-Term Debt	\$3,163,238,00
		Total Assets	\$12,483,308,00
		Intangible Assets	\$3,063,347,00
		Total Liabilities	\$8,453,973,00
		Shares Outstanding (Diluted Average)	1,258,281,000





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

#N/A

Other Westar Energy Inc Valuation - August 2016 \$WR ModernGraham posts about related companies

Eversource Energy Valuation – August 2016 \$ES Public Service Enterprise Group Inc Valuation – August 2016 \$PEG NiSource Inc Valuation - August 2016 \$NI Consolidated Edison Inc Valuation – August 2016 \$ED Ameren Corp Valuation – August 2016 \$AEE PG&E Corp Valuation – July 2016 \$PCG SCANA Corporation Valuation - July 2016 \$SCG Exelon Corporation Valuation – July 2016 \$EXC DTE Energy Co Valuation – July 2016 \$DTE