

ModernGraham Valuation

Company Name:

Company Ticker IMO

Date of Analysis

12/7/2016

Imperial Oil Limited
(USA)



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	\$30,251,399,795	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.95	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	-33.68%	Fail
6. Moderate PEmg Ratio	PEmg < 20	17.01	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.63	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	0.95	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-35.23	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

EPSmg	\$2.05
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$29.79
MG Value based on 0% Growth	\$17.46
Market Implied Growth Rate	4.26%

MG Opinion

Current Price	\$34.95
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D

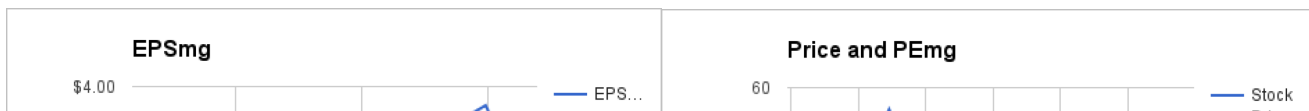
Stage 3: Information for Further Research

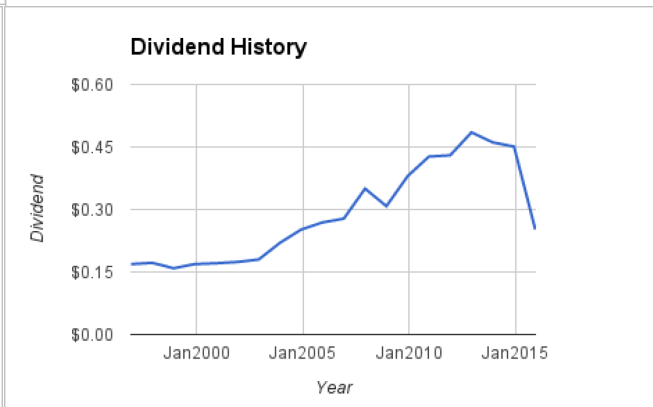
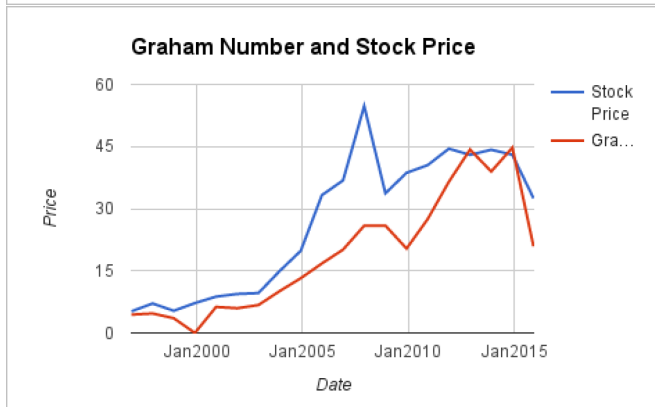
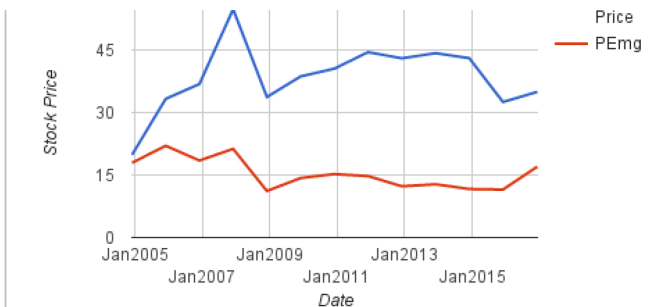
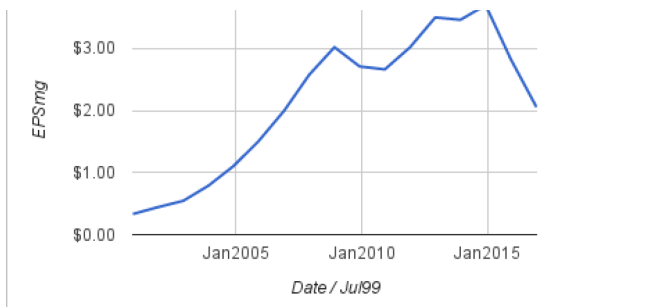
Net Current Asset Value (NCAV)	-\$13.16
Graham Number	\$21.32
PEmg	17.01
Current Ratio	0.95
PB Ratio	1.63
Current Dividend	\$0.23
Dividend Yield	0.66%
Number of Consecutive Years of Dividend Growth	0

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	\$0.94	Next Fiscal Year Estimate	\$2.05
Dec2015	\$0.96	Dec2015	\$2.83
Dec2014	\$3.86	Dec2014	\$3.70
Dec2013	\$3.12	Dec2013	\$3.46
Dec2012	\$4.47	Dec2012	\$3.50
Dec2011	\$3.86	Dec2011	\$3.02
Dec2010	\$2.57	Dec2010	\$2.66
Dec2009	\$1.75	Dec2009	\$2.71
Dec2008	\$3.53	Dec2008	\$3.02
Dec2007	\$3.40	Dec2007	\$2.58
Dec2006	\$2.70	Dec2006	\$1.99
Dec2005	\$2.18	Dec2005	\$1.51
Dec2004	\$1.57	Dec2004	\$1.11
Dec2003	\$1.17	Dec2003	\$0.79
Dec2002	\$0.68	Dec2002	\$0.54
Dec2001	\$0.66	Dec2001	\$0.44
Dec2000	\$0.74	Dec2000	\$0.33
Dec1999	-\$0.18	Balance Sheet Information 9/1/2016	
Dec1998	\$0.27	Total Current Assets	\$2,622,826,000
Dec1997	\$0.43	Total Current Liabilities	\$2,762,435,000
Dec1996	\$0.37	Long-Term Debt	\$4,918,370,000
		Total Assets	\$32,113,213,000
		Intangible Assets	\$141,898,000
		Total Liabilities	\$13,817,516,000
		Shares Outstanding (Diluted Average)	850,800,000





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
ModernGraham
posts about related
companies

- [Phillips 66 Valuation – August 2016 \\$PSX](#)
- [FMC Technologies Inc Valuation – August 2016 \\$FTI](#)
- [Marathon Petroleum Corp Valuation – August 2016 \\$MPC](#)
- [Magellan Midstream Partners LP Valuation – August 2016 \\$MMP](#)
- [Ensco PLC Valuation – August 2016 \\$ESV](#)
- [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](#)