

ModernGraham Valuation

Company Name:

Centerra Gold Inc.

Company Ticker TSE:CG

Date of Analysis

12/9/2016



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	\$2,032,722,661	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.77	Pass
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	70.92%	Pass
6. Moderate PEmg Ratio	PEmg < 20	16.63	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.85	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	3.77	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Fail
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	\$0.42
MG Growth Estimate	-4.25%
MG Value	\$4.73
MG Value based on 3% Growth	\$6.09
MG Value based on 0% Growth	\$3.57
Market Implied Growth Rate	4.07%

MG Opinion

Current Price	\$6.99
% of Intrinsic Value	147.66%
Opinion	Overvalued
MG Grade	C

Stage 3: Information for Further Research

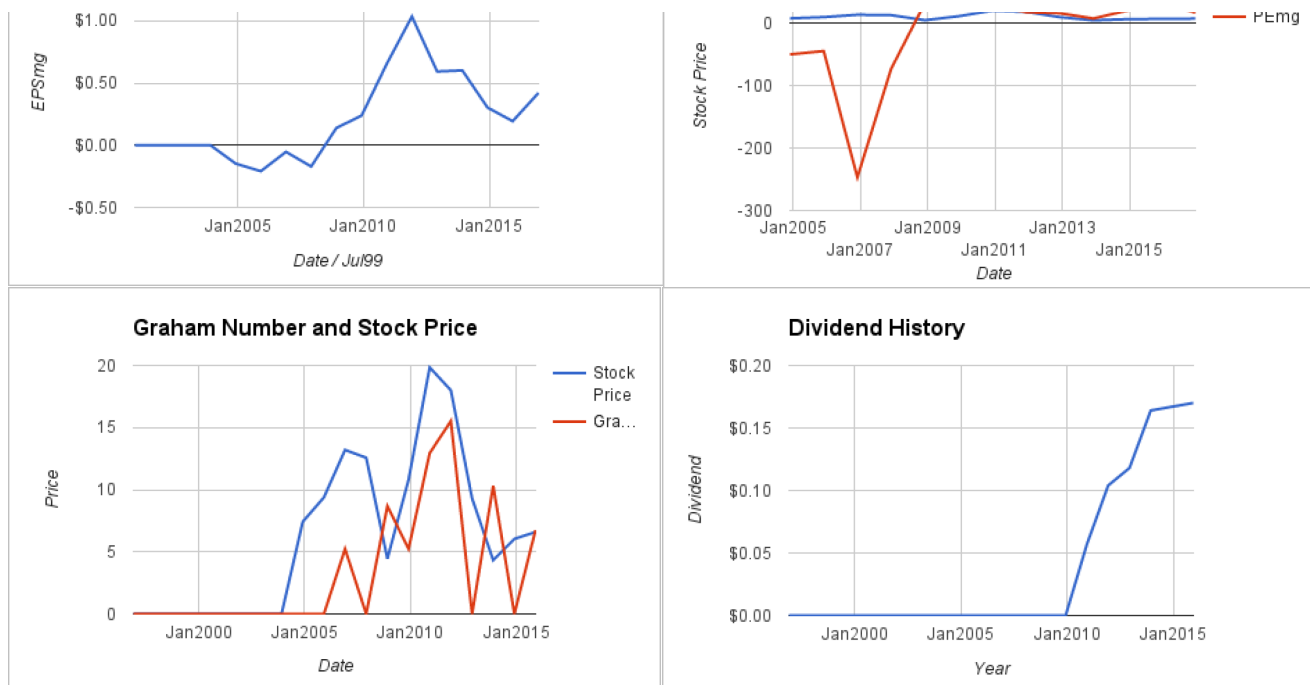
Net Current Asset Value (NCAV)	\$4.73
Graham Number	\$13.76
PEmg	16.63
Current Ratio	3.77
PB Ratio	0.85
Current Dividend	\$0.16
Dividend Yield	2.32%
Number of Consecutive Years of Dividend Growth	0

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	
	\$1.03		\$0.42
Dec2015	\$0.25	Dec2015	\$0.19
Dec2014	-\$0.22	Dec2014	\$0.30
Dec2013	\$0.71	Dec2013	\$0.60
Dec2012	-\$0.60	Dec2012	\$0.59
Dec2011	\$1.61	Dec2011	\$1.03
Dec2010	\$1.38	Dec2010	\$0.65
Dec2009	\$0.29	Dec2009	\$0.24
Dec2008	\$0.77	Dec2008	\$0.14
Dec2007	-\$0.43	Dec2007	-\$0.17
Dec2006	\$0.32	Dec2006	-\$0.05
Dec2005	-\$0.27	Dec2005	-\$0.21
Dec2004	-\$0.44	Dec2004	-\$0.15
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	\$1,686,984,000
Dec1997	\$0.00	Total Current Liabilities	\$447,698,000
Dec1996	\$0.00	Long-Term Debt	\$0
		Total Assets	\$2,519,983,000
		Intangible Assets	\$0
		Total Liabilities	\$541,775,000
		Shares Outstanding (Diluted Average)	241,922,000





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

[IAMGOLD Corp Valuation – Initial Coverage \\$IMG](#)
[Silver Wheaton Corp Valuation – December 2016 \\$SLW](#)
[Century Aluminum Co Valuation – Initial Coverage \\$CENX](#)
[Goldcorp Inc Valuation – August 2016 \\$GG](#)
[Alliance Resource Partners LP Valuation – September 2016 \\$ARLP](#)
[Silver Wheaton Corp Valuation – August 2016 \\$SLW](#)
[Alcoa Inc Valuation – July 2016 \\$AA](#)
[Newmont Mining Corp Valuation – June 2016 \\$NEM](#)
[Silver Wheaton Corporation – February 2016 Update \\$SLW](#)
[Consol Energy Inc Valuation – November 2015 Update \\$CNX](#)