

ModernGraham Valuation

Company Name:

Cineplex Inc

Company Ticker TSE:CGX

Date of Analysis

12/13/2016



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	\$3,203,822,810	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.46	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	133.01%	Pass
6. Moderate PEmg Ratio	PEmg < 20	31.44	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.31	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	0.46	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-2.84	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		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.61
MG Growth Estimate	4.67%
MG Value	\$28.65
MG Value based on 3% Growth	\$23.29
MG Value based on 0% Growth	\$13.65
Market Implied Growth Rate	11.47%

MG Opinion

Current Price	\$50.49
% of Intrinsic Value	176.21%
Opinion	Overvalued
MG Grade	D+

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$12.05
Graham Number	\$19.80
PEmg	31.44
Current Ratio	0.46
PB Ratio	4.31
Current Dividend	\$1.45
Dividend Yield	2.87%
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	
	\$1.48		\$1.61
Dec2015	\$2.12	Dec2015	\$1.61
Dec2014	\$1.20	Dec2014	\$1.32
Dec2013	\$1.32	Dec2013	\$1.32
Dec2012	\$1.97	Dec2012	\$1.22
Dec2011	\$0.85	Dec2011	\$0.82
Dec2010	\$0.89	Dec2010	\$0.75
Dec2009	\$0.95	Dec2009	\$0.64
Dec2008	\$0.55	Dec2008	\$0.50
Dec2007	\$0.56	Dec2007	\$0.47
Dec2006	\$0.23	Dec2006	\$0.40
Dec2005	\$0.44	Dec2005	\$0.43
Dec2004	\$0.88	Dec2004	\$0.35
Dec2003	\$0.22	Dec2003	\$0.07
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	\$130,328,000
Dec1997	\$0.00	Total Current Liabilities	\$283,417,000
Dec1996	\$0.00	Long-Term Debt	\$434,639,000
		Total Assets	\$1,645,716,000
		Intangible Assets	\$931,073,000
		Total Liabilities	\$898,467,000
		Shares Outstanding (Diluted Average)	63,772,000





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](#)
[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](#)
[Comcast Corporation Valuation – June 2016 \\$CMCSA](#)
[Viacom Inc Valuation – June 2016 \\$VIAB](#)
[CBS Corporation Valuation – May 2016 \\$CBS](#)