ModernGraham Valuation

Company Name:

Company Ticker CNMD Date of Analysis

1/27/2017



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.

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	1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$1,177,134,242	Fail
	2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.27	Pass
	 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	-4.66%	Fail
	6. Moderate PEmg Ratio	PEmg < 20	40.89	
	7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50		Pass
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Enterprising Investor; m	ust pass 4 out of the following 5 tests, or be s	suitable for the Defensive Investor.		
	1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	3.27	Pass
	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.91	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
		Score		

CONMED Corporation

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

	EPSmg		\$1.06
	MG Growth Estimate		4.05%
	MG Value		\$17.60
	MG Value based on 3% Growth		\$15.38
	MG Value based on 0% Growth		\$9.02
	Market Implied Growth Rate		16.19%
MG Opinion			
	Current Price		\$43.37
	% of Intrinsic Value		246.43%
	Opinion	Overvalued	
	MG Grade	C-	

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$13.49
Graham Number	\$19.68
PEmg	40.89
Current Ratio	3.27
PB Ratio	2.08
Current Dividend	\$0.80
Dividend Yield	1.84%
Number of Consecutive Years of Dividend Growth	0

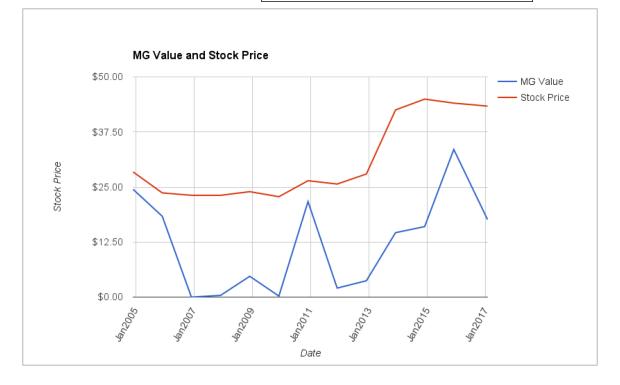
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 Google Finance
 MSN Money

 Yahoo Finance
 Seeking Alpha

 GuruFocus
 SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate	\$0.82	Next Fiscal Year Estimate	\$1.06
Dec2015	\$1.09	Dec2015	\$1.12
Dec2014	\$1.16	Dec2014	\$1.08
Dec2013	\$1.28	Dec2013	\$0.98
Dec2012	\$1.41	Dec2012	\$0.84
Dec2011	\$0.03	Dec2011	\$0.6
Dec2010	\$1.05	Dec2010	\$0.90
Dec2009	\$0.42	Dec2009	\$0.8
Dec2008	\$1.37	Dec2008	\$0.9
Dec2007	\$1.43	Dec2007	\$0.7
Dec2006	-\$0.45	Dec2006	\$0.5
Dec2005	\$1.08	Dec2005	\$1.1
Dec2004	\$1.11	Dec2004	\$1.1
Dec2003	\$1.10	Dec2003	\$1.0
Dec2002	\$1.23	Dec2002	\$1.0
Dec2001	\$1.00	Dec2001	\$0.8
Dec2000	\$0.83	Dec2000	\$0.7
Dec1999	\$1.17	Balance Sheet Information	9/1/201
Dec1998	\$0.77	Total Current Assets	\$369,376,000
Dec1997	-\$0.31	Total Current Liabilities	\$112,860,00
Dec1996	\$0.75	Long-Term Debt	\$490,176,00
		Total Assets	\$1,330,724,000
		Intangible Assets	\$822,592,00
		Total Liabilities	\$746,549,00
		Shares Outstanding (Diluted Average)	27,951,000





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.

#N/A

Recommended Reading:

Other ModernGraham posts about the company

Other ModernGraham posts about related companies Centene Corp Valuation – Initial Coverage \$CNC Invacare Corporation Valuation – Initial Coverage \$IVC Becton Dickinson and Co Valuation – January 2017 \$BDX Select Medical Holdings Corp Valuation – Initial Coverage \$SEM Chemed Corporation Valuation – Initial Coverage \$CHE Inogen Inc Valuation – Initial Coverage \$INGN Surgical Care Affiliates Inc Valuation – Initial Coverage \$SCAI Thermo Fisher Scientific Inc Valuation – December 2016 \$TMO Illumina Inc Valuation – Initial Coverage \$ILMN Thermo Fisher Scientific Inc Valuation – November 2016 \$TMO