

ModernGraham Valuation

Company Name:

Company Ticker TSE:CJR.B

Date of Analysis

1/4/2017

Corus Entertainment
Inc.



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	\$2,632,135,249	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.88	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-26.36%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	14.20	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.75	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	0.88	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-33.74	Fail
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	\$0.92
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$13.38
MG Value based on 0% Growth	\$7.84
Market Implied Growth Rate	2.85%

MG Opinion

Current Price	\$13.10
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	C

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$25.07
Graham Number	\$16.98
PEmg	14.20
Current Ratio	0.88
PB Ratio	0.75
Current Dividend	\$1.14
Dividend Yield	8.70%
Number of Consecutive Years of Dividend Growth	7

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	\$1.09	Next Fiscal Year Estimate	\$0.92
Aug2016	\$0.96	Aug2016	\$0.97
Aug2015	-\$0.29	Aug2015	\$1.11
Aug2014	\$1.76	Aug2014	\$1.79
Aug2013	\$1.90	Aug2013	\$1.62
Aug2012	\$1.78	Aug2012	\$1.39
Aug2011	\$1.78	Aug2011	\$1.16
Aug2010	\$1.56	Aug2010	\$0.83
Aug2009	-\$0.71	Aug2009	\$0.53
Aug2008	\$1.54	Aug2008	\$1.02
Aug2007	\$1.24	Aug2007	\$0.68
Aug2006	\$0.41	Aug2006	\$0.23
Aug2005	\$0.83	Aug2005	\$0.13
Aug2004	-\$0.27	Aug2004	\$0.00
Aug2003	\$0.47	Aug2003	\$0.24
Aug2002	-\$1.98	Aug2002	\$0.21
Aug2001	\$1.53	Aug2001	\$1.12
Aug2000	\$2.30	Balance Sheet Information 8/1/2016	
Dec1999	\$0.00	Total Current Assets	\$470,059,000
Dec1998	\$0.00	Total Current Liabilities	\$531,739,000
Dec1997	\$0.00	Long-Term Debt	\$2,081,020,000
		Total Assets	\$6,093,385,000
		Intangible Assets	\$5,149,157,000
		Total Liabilities	\$3,775,468,000
		Shares Outstanding (Diluted Average)	131,858,000





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

[Cineplex Inc Valuation – Initial Coverage \\$TSE:CGX](#)
[Twenty-First Century Fox Inc Valuation – November 2016 \\$FOXA](#)
[Graham Holdings Co Valuation – August 2016 \\$GHC](#)
[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](#)