ModernGraham Valuation

Company Name:

Corus Entertainment Inc.



Company Ticker

TSE:CJR.B

Date of Analysis 1/4/2017

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.

 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 5. Earnings Growth -26.36% Fail beginning and end 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 Currently Pays Dividend 4. Dividend Record 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

\$13.10 Current Price

% of Intrinsic Value N/A Opinion Overvalued MG Grade

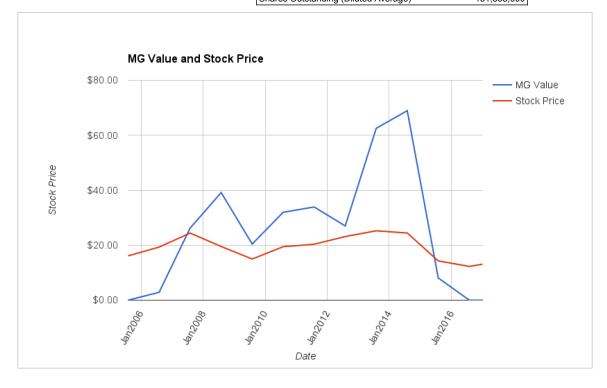
Stage 3: Information for Further Research

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
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Useful Links: ModernGraham tagged articles

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EPS History		EPSmg History	
Next Fiscal Year			
Estimate	•	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:

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

<u>Twenty-First Century Fox Inc Valuation – August 2016 \$FOXA</u>

<u>Discovery Communications Inc Valuation – August 2016 \$DISCA</u>

Scripps Networks Valuation - July 2016 \$SNI

Cablevision Systems Corp Valuation - July 2016 \$CVC

Time Warner Inc Valuation - July 2016 \$TWX

<u>Comcast Corporation Valuation – June 2016 \$CMCSA</u>