ModernGraham Valuation

Company Name:

Shaw Communications Inc

ModernGraham

92.98%

Company Ticker TSE:SJR.B

Date of Analysis 1/13/2017

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	\$13,447,154,783 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.48 Fail
3. Earnings Stability	Positive EPS for 10 years prior	Pass
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 beginning and end 38.46% Pass PEmg < 20 6. Moderate PEmg Ratio 15.43 Pass PB Ratio < 2.5 OR PB*PEmg < 50 7. Moderate Price to Assets 2.13 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 0.48	Fa	ail
2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1 -5.51	Fa	ail
3.	Earnings Stability	Positive EPS for 5 years prior	Pa	ass
4.	Dividend Record	Currently Pays Dividend	Pa	ass
5.	Earnings Growth	EPSmg greater than 5 years ago	Pa	ass

Score

Suitability

MG Opinion

Defensive Yes Enterprising Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.81
MG Growth Estimate	4.04%
MG Value	\$29.99
MG Value based on 3% Growth	\$26.22
MG Value based on 0% Growth	\$15.37
Market Implied Growth Rate	3.46%
Current Price	\$27.89

% of Intrinsic Value Opinion **Fairly Valued**

MG Grade

Stage 3: Information for Further Research

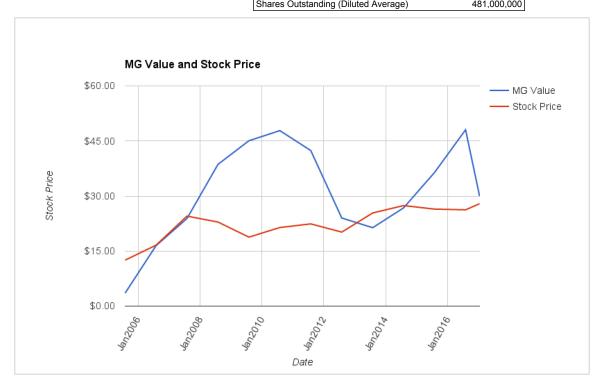
Net Current Asset Value (NCAV)	-\$16.78
Graham Number	\$19.31
PEmg	15.43
Current Ratio	0.48
PB Ratio	2.13
Current Dividend	\$1.18
Dividend Yield	4.25%
Number of Consecutive Years of Dividend Growth	0

Morningstar

Useful Links: ModernGraham tagged articles

> Google Finance **MSN Money** Yahoo Finance Seeking Alpha **GuruFocus SEC Filings**

EPS History		EPSmg History	
Next Fiscal Year			
Estimate	•	Next Fiscal Year Estimate	\$1.81
Aug2016	\$2.51	Aug2016	\$2.01
Aug2015	\$1.79	Aug2015	\$1.70
Aug2014	\$1.84	Aug2014	\$1.59
Aug2013	\$1.63	Aug2013	\$1.42
Aug2012	\$1.61	Aug2012	\$1.32
Aug2011	\$1.02	Aug2011	\$1.18
Aug2010	\$1.23	Aug2010	\$1.24
Aug2009	\$1.25	Aug2009	\$1.17
Aug2008	\$1.55	Aug2008	\$1.00
Aug2007	\$0.89	Aug2007	\$0.62
Aug2006	\$1.05	Aug2006	\$0.43
Aug2005	\$0.34	Aug2005	\$0.09
Aug2004	-\$0.08	Aug2004	-\$0.04
Aug2003	-\$0.19	Aug2003	-\$0.03
Aug2002	\$0.46	Aug2002	\$0.03
Aug2001	-\$0.31	Aug2001	-\$0.15
Aug2000	-\$0.18	Balance Sheet Information	8/1/2016
Aug1999	-\$0.04	Total Current Assets	\$876,000,000
Aug1998	\$0.00	Total Current Liabilities	\$1,819,000,000
Aug1997	\$0.07	Long-Term Debt	\$5,200,000,000
		Total Assets	\$15,239,000,000
		Intangible Assets	\$8,622,000,000
		Total Liabilities	\$8,945,000,000
		Shares Outstanding (Diluted Average)	481,000,000





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 <u>Windstream Holdings Inc Valuation – August 2016 \$WIN Verizon Communications Inc Valuation – July 2016 \$VZ</u>

AT&T Inc Valuation – July 2016 \$T

<u>Harris Corporation Valuation – February 2016 \$HRS</u> <u>CenturyLink Inc Valuation – February 2016 \$CTL</u>

Frontier Communications Corp Valuation - November 2015 Update \$FTR

<u>Harris Corporation Analysis – September 2015 Update \$HRS</u>

Arris Group Inc. Analysis - Initial Coverage \$ARRS

Level 3 Communications Inc. Analysis – Initial Coverage \$LVLT

Windstream Holdings Analysis – 2015 Update \$WIN