

# ModernGraham Valuation

## Company Name:

Company Ticker TSE:SJR.B

Date of Analysis

1/13/2017

Shaw  
Communications 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	\$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 beginning and end	38.46%	Pass
5. Earnings Growth	PEmg < 20	15.43	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.13	Pass
7. Moderate Price to Assets			

*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	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-5.51	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		

### Suitability

<b>Defensive</b>	<b>Yes</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.81
MG Growth Estimate	4.04%
<b>MG Value</b>	<b>\$29.99</b>
MG Value based on 3% Growth	\$26.22
MG Value based on 0% Growth	\$15.37
Market Implied Growth Rate	3.46%

### MG Opinion

Current Price	\$27.89
% of Intrinsic Value	92.98%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>B</b>

## 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

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.28	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	<b>Balance Sheet Information 8/1/2016</b>	
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

[Windstream Holdings Inc Valuation – August 2016 \\$WIN](#)  
[Verizon Communications Inc Valuation – July 2016 \\$VZ](#)  
[AT&T Inc Valuation – July 2016 \\$T](#)  
[Harris Corporation Valuation – February 2016 \\$HRS](#)  
[CenturyLink Inc Valuation – February 2016 \\$CTL](#)  
[Frontier Communications Corp Valuation – November 2015 Update \\$FTR](#)  
[Harris Corporation Analysis – September 2015 Update \\$HRS](#)  
[Arris Group Inc. Analysis – Initial Coverage \\$ARRS](#)  
[Level 3 Communications Inc. Analysis – Initial Coverage \\$LVT](#)  
[Windstream Holdings Analysis – 2015 Update \\$WIN](#)