ModernGraham Valuation

Company Name:

California Resources Corp



Company Ticker Date of Analysis

2/13/2017

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.

CRC

•		
 Adequate Size of the Enterprise 	Market Cap > \$2Bil	\$768,191,796 Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.54 Fail
3. Earnings Stability	Positive EPS for 10 years prior	Fail
4. Dividend Record	Dividend Payments for 10 years prior	Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at	
5. Earnings Growth	beginning and end	-413333.33% Fail

6. Moderate PEmg Ratio PEmg < 20 -0.73 Fail 7. Moderate Price to Assets PB Ratio < 2.5 OR PB*PEmg < 50 -1.60 Fail

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	0.54 Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-17.13 Fail
3. Earnings Stability	Positive EPS for 5 years prior	Fail
Dividend Record	Currently Pays Dividend	Pass
5. Earnings Growth	EPSmg greater than 5 years ago	Fail

\$18.86

Score

Suitability

Defensive No Enterprising No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$25.96
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$376.37
MG Value based on 0% Growth	-\$220.63
Market Implied Growth Rate	-4.61%

MG Opinion

Current Price % of Intrinsic Value N/A Opinion Overvalued

MG Grade

Stage 3: Information for Further Research

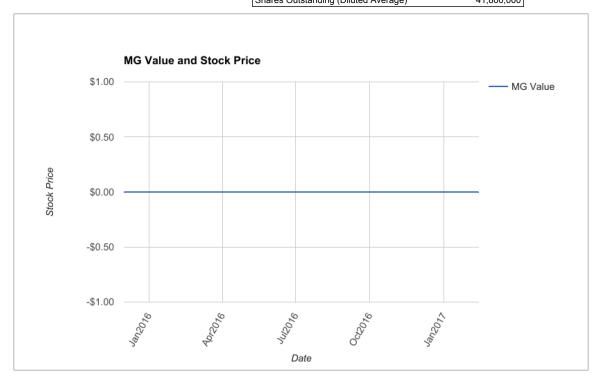
Net Current Asset Value (NCAV)	-\$154.76
Graham Number	\$0.00
PEmg	-0.73
Current Ratio	0.54
PB Ratio	-1.60
Current Dividend	\$0.10
Dividend Yield	0.53%
Number of Consecutive Years of Dividend Growth	0

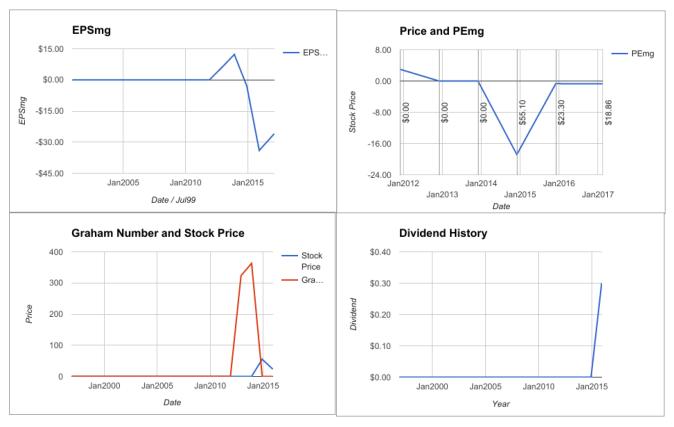
Morningstar

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	-\$25.96
Dec2015	-\$92.70	Dec2015	-\$34.02
Dec2014	-\$37.50	Dec2014	-\$2.93
Dec2013	\$22.40	Dec2013	\$12.27
Dec2012	\$18.00	Dec2012	\$6.00
Dec2011	\$0.00	Dec2011	\$0.00
Dec2010	\$0.00	Dec2010	\$0.00
Dec2009	\$0.00	Dec2009	\$0.00
Dec2008	\$0.00	Dec2008	\$0.00
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Dec2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information	9/1/2016
Dec1998	\$0.00	Total Current Assets	\$356,000,000
Dec1997	\$0.00	Total Current Liabilities	\$658,000,000
Dec1996	\$0.00	Long-Term Debt	\$5,173,000,000
		Total Assets	\$6,332,000,000
		Intangible Assets	\$0
		Total Liabilities	\$6,825,000,000
		Shares Outstanding (Diluted Average)	41,800,000





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

Kelt Exploration Ltd Valuation - Initial Coverage \$TSE:KEL

Canadian National Resources Ltd Valuation - Initial Coverage \$TSE:CNQ

Halliburton Company Valuation - January 2017 \$HAL

<u>Just Energy Group Inc Valuation – Initial Coverage \$TSE-JE</u>

SM Energy Co Valuation – Initial Coverage \$SM

Kinder Morgan Inc Valuation – January 2017 \$KMI

South Jersey Industries Inc Valuation - Initial Coverage \$SJI

Secure Energy Services Inc Valuation - Initial Coverage \$TSE:SES

Surge Energy Inc Valuation – Initial Coverage \$TSE:SGY

Range Resources Corp Valuation - January 2017 \$RRC