

ModernGraham Valuation

Company Name:

Company Ticker CRR

Date of Analysis

3/8/2017

CARBO Ceramics
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	\$322,663,908	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	6.24	Pass
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 beginning and end	-216.31%	Fail
5. Earnings Growth	PEmg < 20	-4.75	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	0.47	Fail
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	6.24	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.37	Pass
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
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$2.53
MG Growth Estimate	-4.25%
MG Value	\$4.53
MG Value based on 3% Growth	-\$36.64
MG Value based on 0% Growth	-\$21.48
Market Implied Growth Rate	-6.62%

MG Opinion

Current Price	\$12.00
% of Intrinsic Value	265.13%
Opinion	Overvalued
MG Grade	D

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$4.53
Graham Number	\$0.00
PEmg	-4.75
Current Ratio	6.24
PB Ratio	0.47
Current Dividend	\$0.10
Dividend Yield	0.83%
Number of Consecutive Years of Dividend Growth	1

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	-\$3.79	Next Fiscal Year Estimate	-\$2.53
Dec2016	-\$3.29	Dec2016	-\$1.09
Dec2015	-\$4.76	Dec2015	\$0.78
Dec2014	\$2.41	Dec2014	\$3.68
Dec2013	\$3.67	Dec2013	\$4.18
Dec2012	\$4.59	Dec2012	\$4.31
Dec2011	\$5.62	Dec2011	\$3.98
Dec2010	\$3.40	Dec2010	\$3.08
Dec2009	\$2.27	Dec2009	\$2.82
Dec2008	\$4.51	Dec2008	\$2.91
Dec2007	\$2.20	Dec2007	\$2.03
Dec2006	\$2.22	Dec2006	\$1.82
Dec2005	\$1.93	Dec2005	\$1.55
Dec2004	\$1.73	Dec2004	\$1.28
Dec2003	\$1.25	Dec2003	\$1.00
Dec2002	\$0.85	Dec2002	\$0.85
Dec2001	\$1.16	Dec2001	\$0.85
Dec2000	\$0.67	Balance Sheet Information 12/1/2016	
Dec1999	\$0.47	Total Current Assets	\$217,223,000
Dec1998	\$0.93	Total Current Liabilities	\$34,804,000
Dec1997	\$1.00	Long-Term Debt	\$67,404,000
		Total Assets	\$723,457,000
		Intangible Assets	\$12,131,000
		Total Liabilities	\$106,887,000
		Shares Outstanding (Diluted Average)	24,378,000





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

[Concho Resources Inc Valuation – Initial Coverage \\$CXO](#)
[Murphy Oil Corporation Valuation – March 2017 \\$MUR](#)
[Suncor Energy Inc Valuation – Initial Coverage \\$TSE:SU](#)
[CST Brands Inc Valuation – Initial Coverage \\$CST](#)
[Valero Energy Corp Valuation – February 2017 \\$VLO](#)
[Tidewater Inc Valuation – February 2017 \\$TDW](#)
[Occidental Petroleum Corp Valuation – February 2017 \\$OXY](#)
[Carrizo Oil & Gas Inc Valuation – Initial Coverage \\$CRZO](#)
[Denbury Resources Inc Valuation – February 2017 \\$DNR](#)
[California Resources Corp Valuation – Initial Coverage \\$CRC](#)