# **ModernGraham Valuation**

CARBO Ceramics

Inc.



## Company Name: Company Ticker CRR

Company Ticker Date of Analysis

3/8/2017

# 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.

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1	<ol> <li>Adequate Size of the Enterprise</li> </ol>	Market Cap > \$2Bil	\$322,663,908	Fail
2	2. Sufficiently Strong Financial Condition	Current Ratio > 2	6.24	Pass
3	<ol> <li>Earnings Stability</li> </ol>	Positive EPS for 10 years prior		Fail
4	<ol> <li>Dividend Record</li> </ol>	Dividend Payments for 10 years prior		Fail
		Increase of 33% in EPS in past 10 years using 3 year averages at		
5	5. Earnings Growth	beginning and end	-216.31%	Fail
6	<ol><li>Moderate PEmg Ratio</li></ol>	PEmg < 20	-4.75	Fail
7	<ol> <li>Moderate Price to Assets</li> </ol>	PB Ratio < 2.5 OR PB*PEmg < 50	0.47	Fail
Enterprising Investor; mi	ust pass 4 out of the following 5 tests, or be s	uitable for the Defensive Investor.		
1	1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	6.24	Pass
2	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.37	Pass
3	<ol><li>Earnings Stability</li></ol>	Positive EPS for 5 years prior		Fail
4	<ol> <li>Dividend Record</li> </ol>	Currently Pays Dividend		Pass
ξ	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

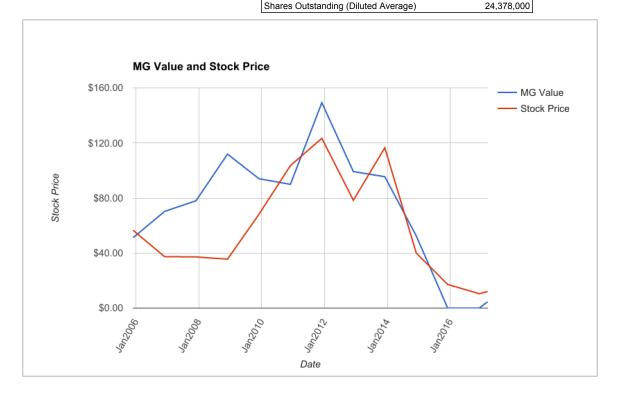
 Useful Links:
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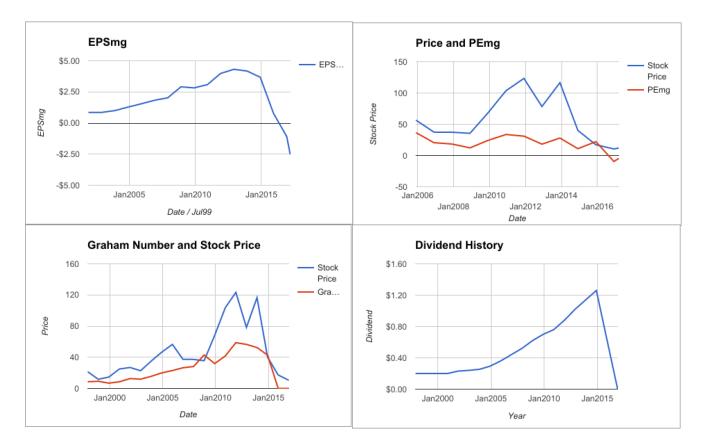
 Google Finance
 MSN Money

 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	\$4.3
Dec2011	\$5.62	Dec2011	\$3.98
Dec2010	\$3.40	Dec2010	\$3.08
Dec2009	\$2.27	Dec2009	\$2.82
Dec2008	\$4.51	Dec2008	\$2.9
Dec2007	\$2.20	Dec2007	\$2.03
Dec2006	\$2.22	Dec2006	\$1.82
Dec2005	\$1.93	Dec2005	\$1.5
Dec2004	\$1.73	Dec2004	\$1.28
Dec2003	\$1.25	Dec2003	\$1.0
Dec2002	\$0.85	Dec2002	\$0.8
Dec2001	\$1.16	Dec2001	\$0.8
Dec2000	\$0.67	Balance Sheet Information	12/1/2010
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

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 – Initial Coverage \$CRCC

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