

# ModernGraham Valuation

Schlumberger  
Limited.



Company Name:

Company Ticker SLB

Date of Analysis

7/17/2017

## 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.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$93,361,512,558	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.59	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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		
5. Earnings Growth		-79.27%	Fail
6. Moderate PEmg Ratio	PEmg < 20	45.26	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.31	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	1.59	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.04	Fail
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 Score		Fail

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.48
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$0.00</b>
MG Value based on 3% Growth	\$21.41
MG Value based on 0% Growth	\$12.55
Market Implied Growth Rate	18.38%

### MG Opinion

Current Price	\$66.83
% of Intrinsic Value	N/A
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D+</b>

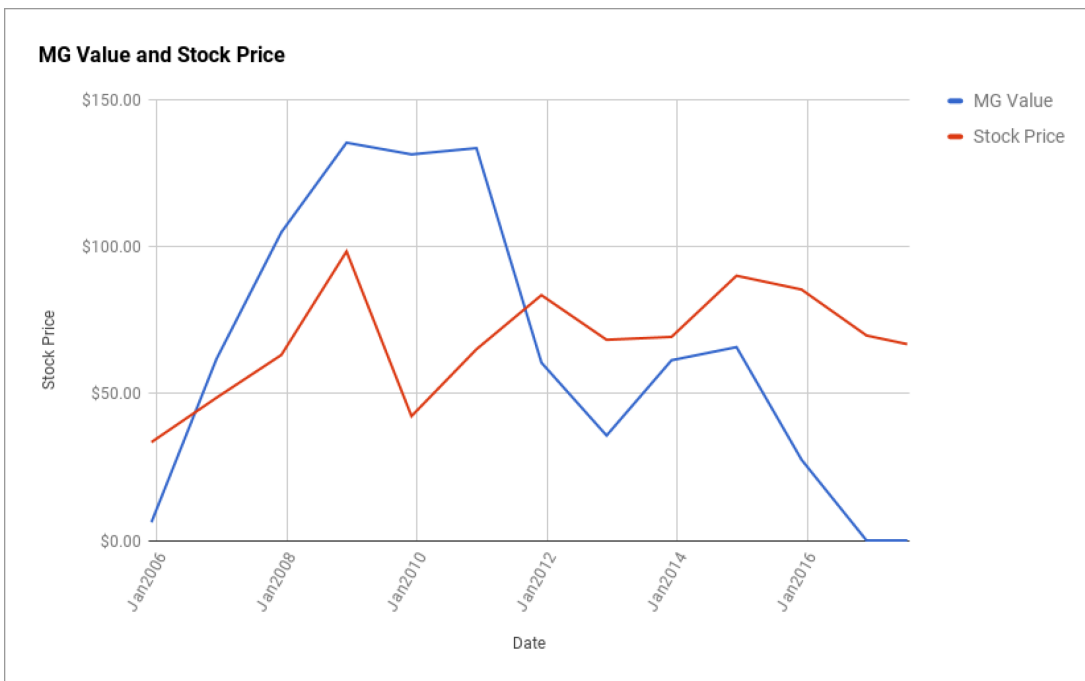
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$9.76
Graham Number	\$34.29
PEmg	45.26
Current Ratio	1.59
PB Ratio	2.31
Current Dividend	\$2.00
Dividend Yield	2.99%
Number of Consecutive Years of Dividend Growth	6

### 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	\$1.77	Next Fiscal Year Estimate	\$1.48
Dec2016	-\$1.24	Dec2016	\$1.80
Dec2015	\$1.63	Dec2015	\$3.45
Dec2014	\$4.16	Dec2014	\$4.27
Dec2013	\$5.05	Dec2013	\$4.13
Dec2012	\$4.10	Dec2012	\$3.66
Dec2011	\$3.67	Dec2011	\$3.52
Dec2010	\$3.38	Dec2010	\$3.47
Dec2009	\$2.59	Dec2009	\$3.41
Dec2008	\$4.45	Dec2008	\$3.52
Dec2007	\$4.20	Dec2007	\$2.72
Dec2006	\$3.01	Dec2006	\$1.60
Dec2005	\$1.82	Dec2005	\$0.74
Dec2004	\$1.02	Dec2004	\$0.19
Dec2003	\$0.33	Dec2003	-\$0.13
Dec2002	-\$1.99	Dec2002	-\$0.19
Dec2001	\$0.91	Dec2001	\$0.74
Dec2000	\$0.64	<b>Balance Sheet Information 3/1/2017</b>	
Dec1999	\$0.33	Total Current Assets	\$21,883,000,000
Dec1998	\$0.91	Total Current Liabilities	\$13,776,000,000
Dec1997	\$1.24	Long-Term Debt	\$16,538,000,000
		Total Assets	\$76,175,000,000
		Intangible Assets	\$34,788,000,000
		Total Liabilities	\$35,569,000,000
		Shares Outstanding (Diluted Average)	1,402,000,000





**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**
- [Schlumberger Ltd Valuation – February 2016 \\$SLB](#)
  - [Schlumberger Limited Valuation – October 2015 Update \\$SLB](#)
  - [Schlumberger Limited Analysis – July 2015 Update \\$SLB](#)
  - [Schlumberger Limited Quarterly Valuation – April 2015 \\$SLB](#)
  - [Schlumberger Limited Quarterly Valuation – January 2015 \\$SLB](#)

- Other ModernGraham posts about related companies**
- [Apache Corp Valuation – April 2017 \\$APA](#)
  - [Anadarko Petroleum Co Valuation – April 2017 \\$APC](#)
  - [Cenovus Energy Inc Valuation – Initial Coverage \\$TSE:CVE](#)
  - [Cabot Oil & Gas Corp Valuation – March 2017 \\$COG](#)
  - [Chevron Corporation Valuation – March 2017 \\$CVX](#)
  - [CARBO Ceramics Inc Valuation – Initial Coverage \\$CRR](#)
  - [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](#)