

# ModernGraham Valuation

Company Name:

Corning Incorporated

Company Ticker GLW

Date of Analysis

2/28/2018



## 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	\$24,934,736,664	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.75	Pass
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	-21.66%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	23.29	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.60	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	2.75	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.85	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

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.25
MG Growth Estimate	-2.83%
<b>MG Value</b>	<b>\$3.54</b>
MG Value based on 3% Growth	\$18.11
MG Value based on 0% Growth	\$10.61
Market Implied Growth Rate	7.39%

### MG Opinion

Current Price	\$29.08
% of Intrinsic Value	821.42%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D+</b>

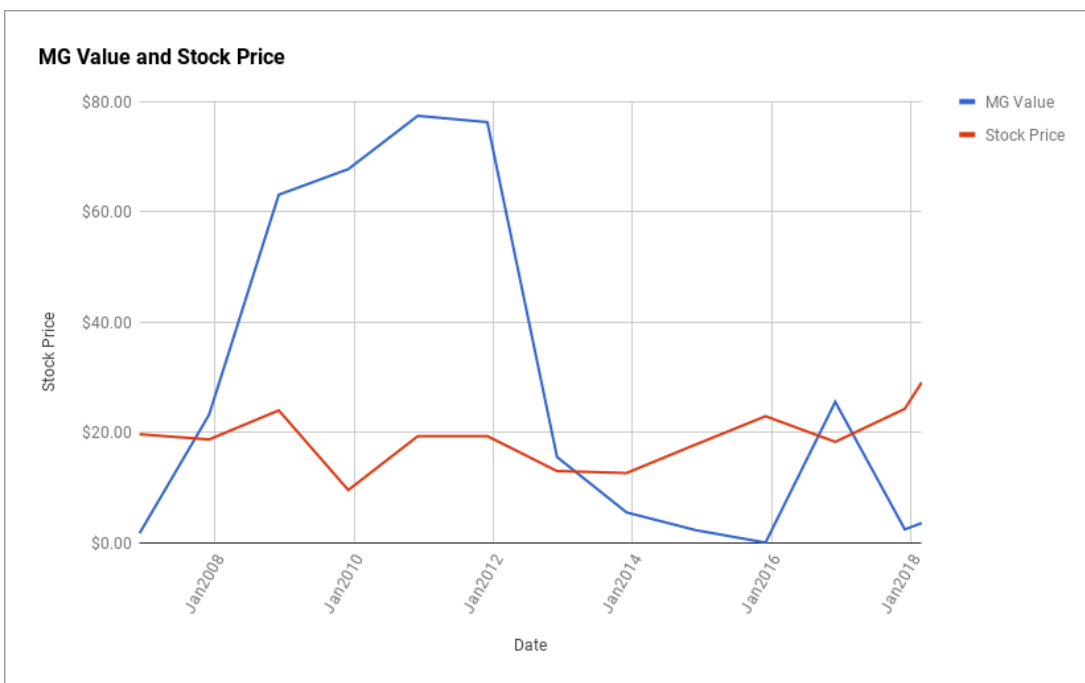
## Stage 3: Information for Further Research

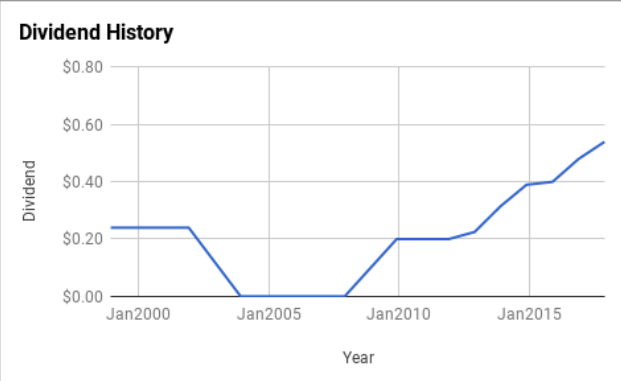
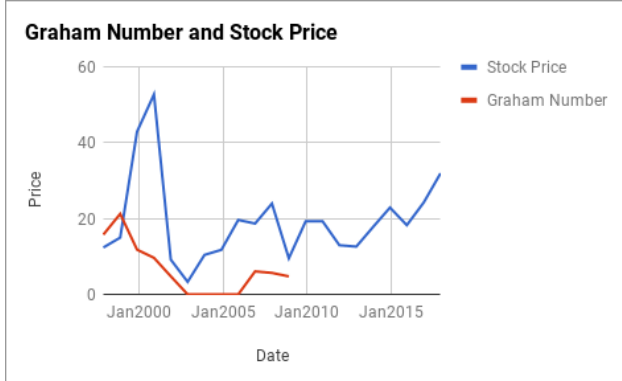
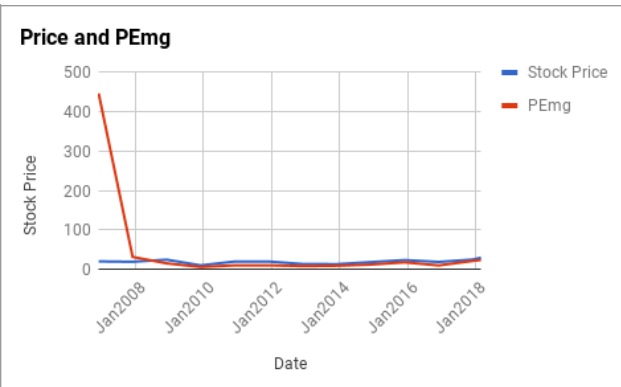
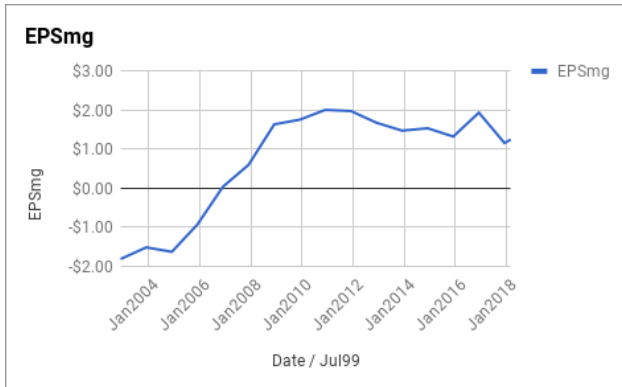
Net Current Asset Value (NCAV)	-\$3.43
Graham Number	\$23.56
PEmg	23.29
Current Ratio	2.75
PB Ratio	1.60
Current Dividend	\$0.62
Dividend Yield	2.13%
Number of Consecutive Years of Dividend Growth	7

### 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	\$1.59	Next Fiscal Year Estimate	\$1.25
Dec2017	-\$0.66	Dec2017	\$1.16
Dec2016	\$3.23	Dec2016	\$1.94
Dec2015	\$1.00	Dec2015	\$1.33
Dec2014	\$1.73	Dec2014	\$1.54
Dec2013	\$1.34	Dec2013	\$1.48
Dec2012	\$1.09	Dec2012	\$1.68
Dec2011	\$1.78	Dec2011	\$1.98
Dec2010	\$2.25	Dec2010	\$2.01
Dec2009	\$1.28	Dec2009	\$1.76
Dec2008	\$3.32	Dec2008	\$1.64
Dec2007	\$1.34	Dec2007	\$0.60
Dec2006	\$1.16	Dec2006	\$0.04
Dec2005	\$0.38	Dec2005	-\$0.92
Dec2004	-\$1.61	Dec2004	-\$1.63
Dec2003	-\$0.22	Dec2003	-\$1.51
Dec2002	-\$1.39	Dec2002	-\$1.81
Dec2001	-\$5.89	<b>Balance Sheet Information 12/1/2017</b>	
Dec2000	\$0.49	Total Current Assets	\$8,827,000,000
Dec1999	\$0.66	Total Current Liabilities	\$3,209,000,000
Dec1998	\$0.56	Long-Term Debt	\$4,749,000,000
		Total Assets	\$27,494,000,000
		Intangible Assets	\$2,563,000,000
		Total Liabilities	\$11,796,000,000
		Shares Outstanding (Diluted Average)	865,000,000





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**

- [Corning Inc Valuation – November 2015 Update \\$GLW](#)
- [Corning Inc. Analysis – August 2015 Update \\$GLW](#)
- [30 Companies in the Spotlight This Week – 5/23/15](#)
- [Corning Inc. Quarterly Valuation – May 2015 \\$GLW](#)
- [34 Companies in the Spotlight This Week – 2/7/15](#)

**Other ModernGraham posts about related companies**

- [Caterpillar Inc Valuation – February 2018 \\$CAT](#)
- [Eagle Materials Inc Valuation – Initial Coverage \\$EXP](#)
- [Louisiana-Pacific Corp Valuation – Initial Coverage \\$LPX](#)
- [Lowe's Companies Inc Valuation – March 2017 \\$LOW](#)
- [Cavco Industries Inc Valuation – Initial Coverage \\$CVCO](#)
- [LGI Homes Inc Valuation – Initial Coverage \\$LGIH](#)
- [Fortune Brands Home & Security Inc Valuation – Initial Coverage \\$FBHS](#)
- [Acuity Brands Inc Valuation – Initial Coverage \\$AYI](#)
- [Stantec Inc Valuation – Initial Coverage \\$TSE:STN](#)
- [Home Depot Inc Valuation – February 2017 \\$HD](#)