

# ModernGraham Valuation

Crown Castle  
International Corp.  
(REIT)



## Company Name:

Company Ticker CCI

Date of Analysis

3/18/2018

## 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	\$44,385,439,600	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.88	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 beginning and end		
5. Earnings Growth		-369.37%	Fail
6. Moderate PEmg Ratio	PEmg < 20	74.64	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.61	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	0.88	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-101.35	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.46
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$56.26</b>
MG Value based on 3% Growth	\$21.19
MG Value based on 0% Growth	\$12.42
Market Implied Growth Rate	33.07%

### MG Opinion

Current Price	\$109.08
% of Intrinsic Value	193.88%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$45.98
Graham Number	\$26.53
PEmg	74.64
Current Ratio	0.88
PB Ratio	3.61
Current Dividend	\$3.90
Dividend Yield	3.58%
Number of Consecutive Years of Dividend Growth	4

### Useful Links:

[ModernGraham tagged articles](#)

[Google Finance](#)

[Yahoo Finance](#)

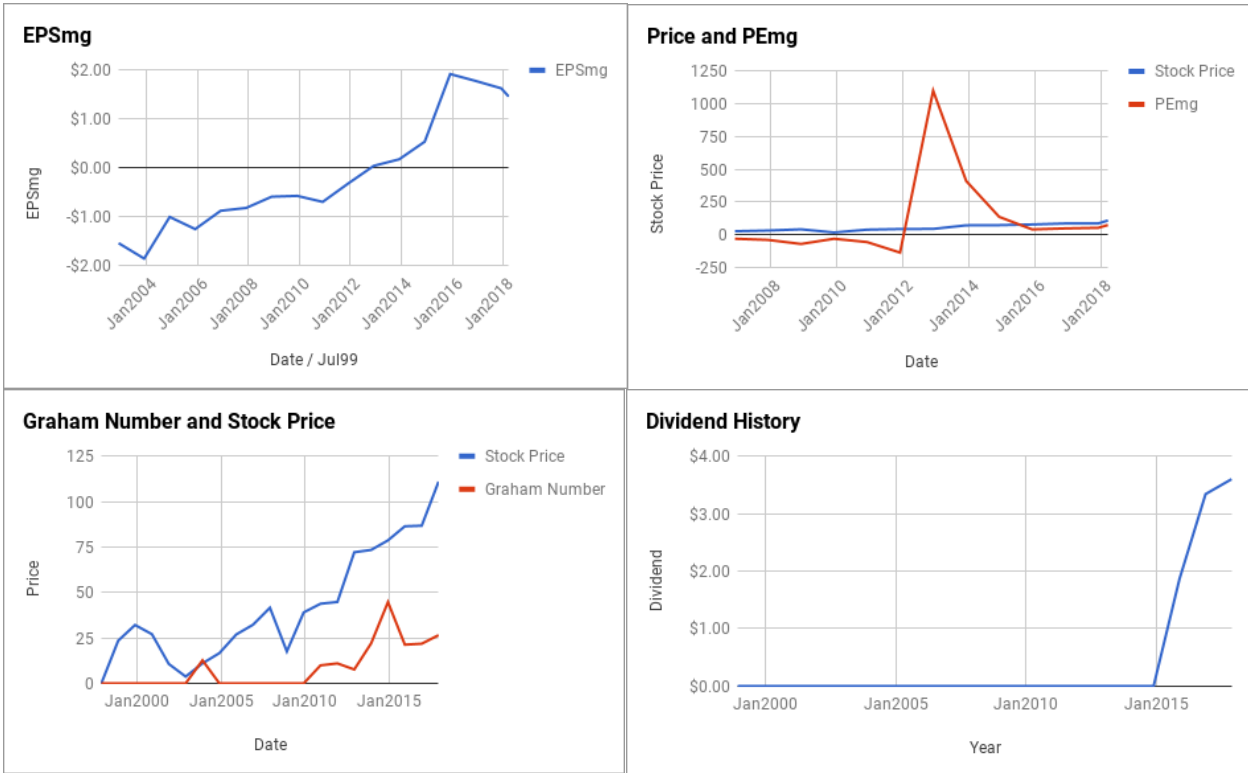
[Morningstar](#)

[MSN Money](#)

[Seeking Alpha](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.03	Next Fiscal Year Estimate	\$1.46
Dec2017	\$1.01	Dec2017	\$1.63
Dec2016	\$0.95	Dec2016	\$1.78
Dec2015	\$4.42	Dec2015	\$1.92
Dec2014	\$1.04	Dec2014	\$0.54
Dec2013	\$0.26	Dec2013	\$0.18
Dec2012	\$0.64	Dec2012	\$0.04
Dec2011	\$0.52	Dec2011	-\$0.32
Dec2010	-\$1.16	Dec2010	-\$0.70
Dec2009	-\$0.47	Dec2009	-\$0.57
Dec2008	-\$0.25	Dec2008	-\$0.59
Dec2007	-\$0.87	Dec2007	-\$0.82
Dec2006	-\$0.30	Dec2006	-\$0.88
Dec2005	-\$2.06	Dec2005	-\$1.26
Dec2004	\$0.88	Dec2004	-\$1.01
Dec2003	-\$2.36	Dec2003	-\$1.86
Dec2002	-\$1.38	Dec2002	-\$1.54
Dec2001	-\$2.22	<b>Balance Sheet Information</b>	
Dec2000	-\$1.48	<b>12/1/2017</b>	
Dec1999	-\$0.96	Total Current Assets	\$1,133,780,000
Dec1998	-\$1.02	Total Current Liabilities	\$1,292,082,000
		Long-Term Debt	\$16,044,369,000
		Total Assets	\$32,229,570,000
		Intangible Assets	\$15,983,227,000
		Total Liabilities	\$19,890,488,000
		Shares Outstanding (Diluted Average)	407,908,000





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

- [21 Companies in the Spotlight This Week – 5/9/15](#)
- [Crown Castle International Corporation Annual Valuation – 2015 SCCI](#)
- [16 Companies in the Spotlight This Week – 4/26/14](#)
- [Crown Castle International \(CCI\) Annual Valuation – 2014](#)

Other ModernGraham posts about related companies

- [GGP Inc Valuation – March 2018 \\$GGP](#)
- [Starwood Property Trust Inc Valuation – March 2018 \\$STWD](#)
- [Simon Property Group Inc Valuation – March 2018 \\$SPG](#)
- [Welltower Inc Valuation – March 2018 \\$WELL](#)
- [Boston Properties Inc Valuation – March 2018 \\$BXP](#)
- [AvalonBay Communities Inc Valuation – February 2018 \\$AVB](#)
- [Weyerhaeuser Co Valuation – February 2018 \\$WY](#)
- [Alexandria Real Estate Equities Inc Valuation – February 2018 \\$ARE](#)
- [Education Realty Trust Inc Valuation – Initial Coverage \\$EDR](#)
- [American Campus Communities Inc Valuation – September 2017 \\$ACC](#)