

# ModernGraham Valuation

Company Name:

FMC Corp

Company Ticker FMC

Date of Analysis

3/8/2018



## 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	\$11,043,028,691	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.65	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	104.91%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	21.76	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.12	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	1.65	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.07	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 Score		Pass

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$3.78
MG Growth Estimate	9.05%
<b>MG Value</b>	<b>\$100.52</b>
MG Value based on 3% Growth	\$54.81
MG Value based on 0% Growth	\$32.13
Market Implied Growth Rate	6.63%

### MG Opinion

Current Price	\$82.25
% of Intrinsic Value	81.83%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>C+</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$21.36
Graham Number	\$48.75
PEmg	21.76
Current Ratio	1.65
PB Ratio	4.12
Current Dividend	\$0.66
Dividend Yield	0.80%
Number of Consecutive Years of Dividend Growth	0

### 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		Next Fiscal Year Estimate	
Dec2017	\$5.29	Dec2017	\$3.78
Dec2016	\$3.99	Dec2016	\$2.93
Dec2015	\$1.56	Dec2015	\$2.44
Dec2014	\$3.66	Dec2014	\$2.83
Dec2013	\$2.29	Dec2013	\$2.36
Dec2012	\$2.16	Dec2012	\$2.29
Dec2011	\$3.00	Dec2011	\$2.26
Dec2010	\$2.55	Dec2010	\$1.80
Dec2009	\$1.18	Dec2009	\$1.38
Dec2008	\$1.56	Dec2008	\$1.39
Dec2007	\$2.01	Dec2007	\$1.23
Dec2006	\$0.86	Dec2006	\$0.81
Dec2005	\$0.83	Dec2005	\$0.74
Dec2004	\$0.73	Dec2004	\$0.45
Dec2003	\$1.07	Dec2003	\$0.20
Dec2002	\$0.19	Dec2002	-\$0.13
Dec2001	\$0.48	Dec2001	-\$0.12
Dec2000	-\$2.72	<b>Balance Sheet Information</b>	
Dec1999	\$0.88	<b>12/1/2017</b>	
Dec1998	\$1.64	Total Current Assets	\$3,652,700,000
	\$0.76	Total Current Liabilities	\$2,209,400,000
		Long-Term Debt	\$2,993,000,000
		Total Assets	\$9,206,300,000
		Intangible Assets	\$3,830,700,000
		Total Liabilities	\$6,524,500,000
		Shares Outstanding (Diluted Average)	134,468,000





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

[10 Most Undervalued Companies for the Defensive Investor – May 2016](#)  
[10 Most Undervalued Companies for the Defensive Investor – February 2016](#)  
[10 Low PE Stocks for the Defensive Investor – February 2016](#)  
[18 Best Stocks For Value Investors This Week – 1/30/16](#)  
[FMC Corporation Valuation – January 2016 Update \\$FMC](#)

Other  
ModernGraham  
posts about related  
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[Kraton Corp Valuation – March 2018 \\$KRA](#)  
[Quaker Chemical Corp Valuation – March 2018 \\$KWR](#)  
[Sensient Technologies Corp Valuation – March 2018 \\$SXT](#)  
[Albemarle Corp Valuation – March 2018 \\$ALB](#)  
[Praxair Inc Valuation – March 2018 \\$PX](#)  
[Ingevity Corp Valuation – March 2018 \\$NGVT](#)  
[PolyOne Corp Valuation – March 2018 \\$POL](#)  
[Green Plains Inc Valuation – March 2018 \\$GPRI](#)  
[Eastman Chemical Co Valuation – March 2018 \\$EMN](#)