

ModernGraham Valuation

Company Name:

Company Ticker RRC
Date of Analysis

Range Resources
Corp.

5/4/2018



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	\$3,483,144,462	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.50	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	-32.24%	Fail
5. Earnings Growth	PEmg < 20	-35.35	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	0.58	Fail
7. Moderate Price to Assets			

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	0.50	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-11.97	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

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.39
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$5.59
MG Value based on 0% Growth	-\$3.28
Market Implied Growth Rate	-21.92%

MG Opinion

Current Price	\$13.62
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$22.54
Graham Number	\$14.11
PEmg	-35.35
Current Ratio	0.50
PB Ratio	0.58
Current Dividend	\$0.08
Dividend Yield	0.59%
Number of Consecutive Years of Dividend Growth	0

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.38	Next Fiscal Year Estimate	-\$0.39
Dec2017	\$1.34	Dec2017	-\$0.59
Dec2016	-\$2.75	Dec2016	-\$1.20
Dec2015	-\$4.29	Dec2015	-\$0.24
Dec2014	\$3.79	Dec2014	\$1.41
Dec2013	\$0.70	Dec2013	\$0.10
Dec2012	\$0.08	Dec2012	-\$0.08
Dec2011	\$0.36	Dec2011	\$0.04
Dec2010	-\$1.53	Dec2010	\$0.13
Dec2009	-\$0.35	Dec2009	\$1.00
Dec2008	\$2.25	Dec2008	\$1.53
Dec2007	\$1.54	Dec2007	\$1.07
Dec2006	\$1.14	Dec2006	\$0.76
Dec2005	\$0.85	Dec2005	\$0.53
Dec2004	\$0.38	Dec2004	\$0.37
Dec2003	\$0.41	Dec2003	\$0.34
Dec2002	\$0.32	Dec2002	-\$0.03
Dec2001	\$0.24	Balance Sheet Information 3/1/2018	
Dec2000	\$0.64	Total Current Assets	\$337,947,000
Dec1999	-\$0.18	Total Current Liabilities	\$678,846,000
Dec1998	-\$4.55	Long-Term Debt	\$4,081,694,000
		Total Assets	\$11,730,168,000
		Intangible Assets	\$1,641,197,000
		Total Liabilities	\$5,895,576,000
		Shares Outstanding (Diluted Average)	246,594,000





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.

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