

ModernGraham Valuation

Company Name:

Nabors Industries Ltd.

Company Ticker NBR

Date of Analysis

6/30/2018



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	\$2,273,144,196	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.95	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	-884.09%	Fail
5. Earnings Growth	PEmg < 20	-3.19	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	0.72	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	1.95	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	5.85	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	-\$2.01
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$29.17
MG Value based on 0% Growth	-\$17.10
Market Implied Growth Rate	-5.84%

MG Opinion

Current Price	\$6.41
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D+

Stage 3: Information for Further Research

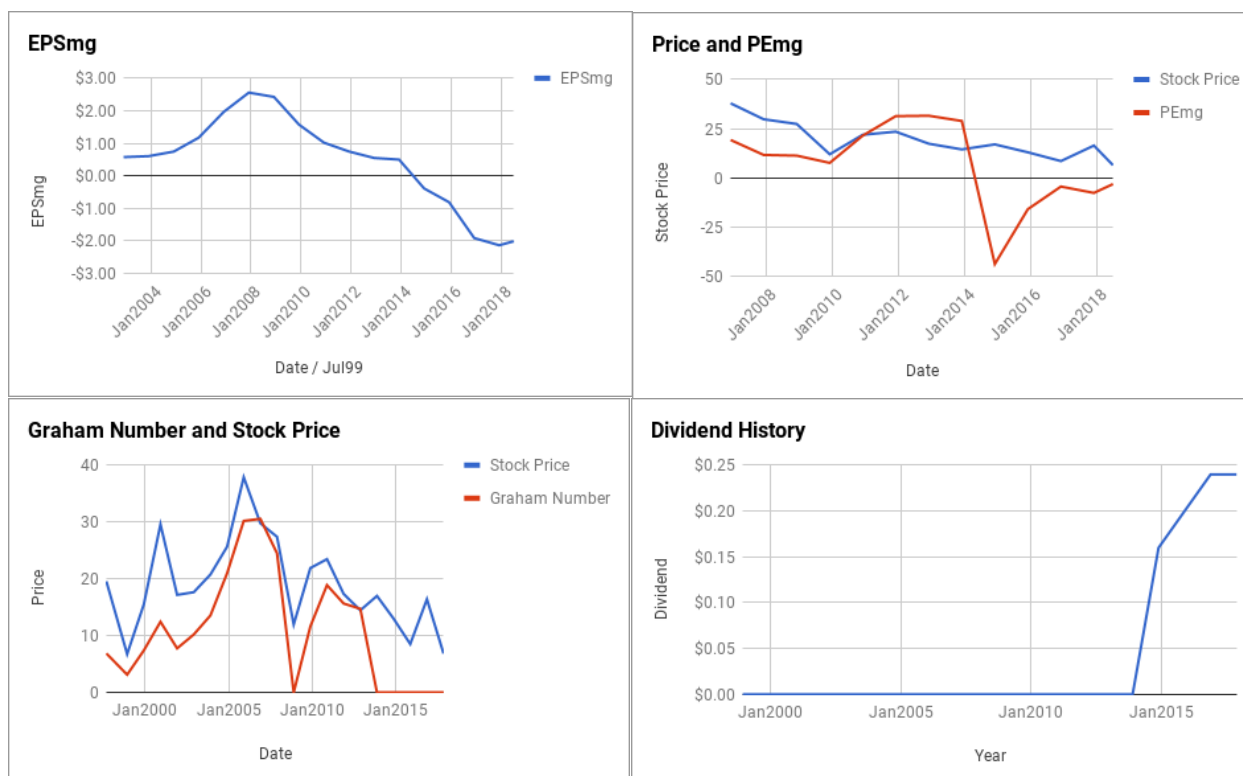
Net Current Asset Value (NCAV)	-\$13.18
Graham Number	\$0.00
PEmg	-3.19
Current Ratio	1.95
PB Ratio	0.72
Current Dividend	\$0.24
Dividend Yield	3.74%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	-\$1.36	Dec2017	-\$2.01
Dec2016	-\$1.90	Dec2016	-\$2.13
Dec2015	-\$3.64	Dec2015	-\$1.91
Dec2014	-\$1.29	Dec2014	-\$0.81
Dec2013	-\$2.28	Dec2013	-\$0.39
Dec2012	\$0.47	Dec2012	\$0.50
Dec2011	\$0.56	Dec2011	\$0.55
Dec2010	\$0.85	Dec2010	\$0.75
Dec2009	\$0.33	Dec2009	\$1.02
Dec2008	-\$0.30	Dec2008	\$1.58
Dec2007	\$1.65	Dec2007	\$2.43
Dec2006	\$3.25	Dec2006	\$2.56
Dec2005	\$3.40	Dec2005	\$1.97
Dec2004	\$2.00	Dec2004	\$1.18
Dec2003	\$0.96	Dec2003	\$0.75
Dec2002	\$0.62	Dec2002	\$0.61
Dec2001	\$0.41	Dec2001	\$0.58
Dec2000	\$1.12	Balance Sheet Information 3/1/2018	
Dec1999	\$0.45	Total Current Assets	\$1,494,373,000
Dec1998	\$0.10	Total Current Liabilities	\$766,828,000
	\$0.58	Long-Term Debt	\$4,256,160,000
		Total Assets	\$8,299,830,000
		Intangible Assets	\$172,982,000
		Total Liabilities	\$5,562,822,000
		Shares Outstanding (Diluted Average)	308,788,000





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:

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[28 Companies in the Spotlight This Week – 2/28/15](#)
[Nabors Industries Limited Annual Valuation – 2015 \\$NBR](#)
[16 Companies in the Spotlight This Week – 3/1/14](#)
[Nabors Industries \(NBR\) Annual Valuation](#)

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[Andeavor Valuation – May 2018 \\$ANDV](#)
[Halliburton Co Valuation – May 2018 \\$HAL](#)
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[Kinder Morgan Inc Valuation – May 2018 \\$KMI](#)
[Range Resources Corp Valuation – May 2018 \\$RRC](#)