

ModernGraham Valuation

CES Energy Solutions
Corp



Company Name:

Company Ticker TSE:CEU

Date of Analysis

7/2/2018

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	\$1,224,733,479	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.92	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	-137.04%	Fail
5. Earnings Growth	PEmg < 20	-82.13	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.96	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	3.92	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.11	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	-\$0.05
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$0.79
MG Value based on 0% Growth	-\$0.46
Market Implied Growth Rate	-45.32%

MG Opinion

Current Price	\$4.49
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D

Stage 3: Information for Further Research

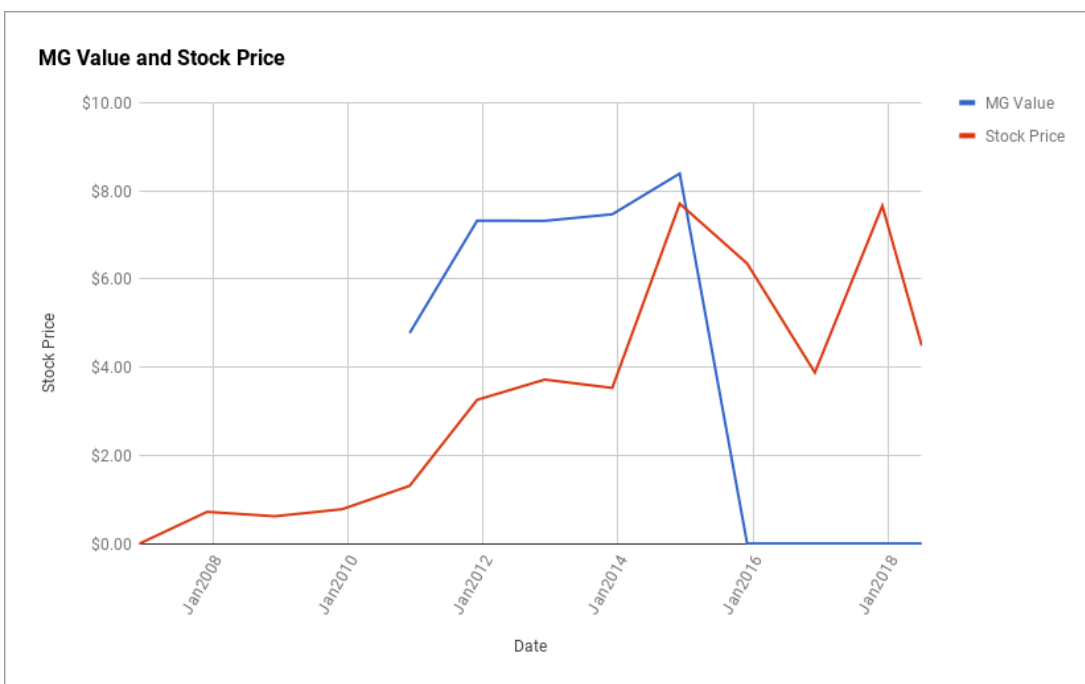
Net Current Asset Value (NCAV)	-\$0.22
Graham Number	\$0.00
PEmg	-82.13
Current Ratio	3.92
PB Ratio	1.96
Current Dividend	\$0.03
Dividend Yield	0.67%
Number of Consecutive Years of Dividend Growth	0

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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	\$0.13	Dec2017	-\$0.06
Dec2016	-\$0.27	Dec2016	-\$0.10
Dec2015	-\$0.42	Dec2015	\$0.02
Dec2014	\$0.31	Dec2014	\$0.24
Dec2013	\$0.19	Dec2013	\$0.19
Dec2012	\$0.16	Dec2012	\$0.19
Dec2011	\$0.25	Dec2011	\$0.19
Dec2010	\$0.25	Dec2010	\$0.12
Dec2009	\$0.07	Dec2009	\$0.04
Dec2008	\$0.16	Dec2008	\$0.01
Dec2007	\$0.09	Dec2007	-\$0.06
Dec2006	-\$0.33	Dec2006	-\$0.11
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Balance Sheet Information	
Dec2000	\$0.00	3/1/2018	
Dec1999	\$0.00	Total Current Assets	\$495,279,000
Dec1998	\$0.00	Total Current Liabilities	\$126,283,000
		Long-Term Debt	\$409,629,000
		Total Assets	\$1,184,941,000
		Intangible Assets	\$368,948,000
		Total Liabilities	\$554,539,000
		Shares Outstanding (Diluted Average)	274,569,000





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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