

ModernGraham Valuation

Cinemark Holdings,
Inc.



Company Name:

Company Ticker CNK

Date of Analysis

8/1/2018

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	\$4,251,249,242	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.53	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	93.64%	Pass
6. Moderate PEmg Ratio	PEmg < 20	17.54	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.83	Pass

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	1.53	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	8.69	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

Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.05
MG Growth Estimate	6.53%
MG Value	\$44.12
MG Value based on 3% Growth	\$29.69
MG Value based on 0% Growth	\$17.40
Market Implied Growth Rate	4.52%

MG Opinion

Current Price	\$35.92
% of Intrinsic Value	81.41%
Opinion	Fairly Valued
MG Grade	B

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$20.23
Graham Number	\$22.88
PEmg	17.54
Current Ratio	1.53
PB Ratio	2.83
Current Dividend	\$1.16
Dividend Yield	3.23%
Number of Consecutive Years of Dividend Growth	2

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	\$1.94	Next Fiscal Year Estimate	\$2.05
Dec2017	\$2.26	Dec2017	\$2.02
Dec2016	\$2.19	Dec2016	\$1.83
Dec2015	\$1.87	Dec2015	\$1.59
Dec2014	\$1.66	Dec2014	\$1.43
Dec2013	\$1.28	Dec2013	\$1.28
Dec2012	\$1.47	Dec2012	\$1.14
Dec2011	\$1.14	Dec2011	\$0.89
Dec2010	\$1.29	Dec2010	\$0.69
Dec2009	\$0.87	Dec2009	\$0.32
Dec2008	-\$0.45	Dec2008	\$0.03
Dec2007	\$0.85	Dec2007	\$0.23
Dec2006	\$0.01	Dec2006	-\$0.04
Dec2005	-\$0.31	Dec2005	-\$0.02
Dec2004	-\$0.13	Dec2004	\$0.12
Dec2003	\$0.37	Dec2003	\$0.20
Dec2002	\$0.30	Dec2002	\$0.10
Dec2001	\$0.00	Balance Sheet Information 3/1/2018	
Dec2000	\$0.00	Total Current Assets	\$591,740,000
Dec1999	\$0.00	Total Current Liabilities	\$387,349,000
Dec1998	\$0.00	Long-Term Debt	\$1,775,252,000
		Total Assets	\$4,413,471,000
		Intangible Assets	\$1,619,109,000
		Total Liabilities	\$2,941,480,000
		Shares Outstanding (Diluted Average)	116,143,000





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

- [4 Best Stocks for Value Investors This Week – 1/28/17](#)
- [Cinemark Holdings Inc Valuation – Initial Coverage \\$CNK](#)

Other ModernGraham posts about related companies

- [Corus Entertainment Inc Valuation – July 2018 \\$TSE:CJR.B](#)
- [AMC Networks Inc Valuation – July 2018 \\$AMCX](#)
- [International Speedway Corp Valuation – July 2018 \\$ISCA](#)
- [Cineplex Inc Valuation – July 2018 \\$TSE:CGX](#)
- [Graham Holdings Co Valuation – July 2018 \\$GHC](#)
- [News Corp Valuation – June 2018 \\$NWS](#)
- [Netflix Inc Valuation – June 2018 \\$NFLX](#)
- [CBS Corporation Valuation – April 2018 \\$CBS](#)
- [Discovery Inc Valuation – April 2018 \\$DISCA](#)
- [Time Warner Inc Valuation – March 2018 \\$TWX](#)