

ModernGraham Valuation

CARBO Ceramics
Inc.



Company Name:

Company Ticker CRR

Date of Analysis

8/30/2018

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 | \$239,417,748 | Fail |
| 2. Sufficiently Strong Financial Condition | Current Ratio > 2 | 2.82 | Pass |
| 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 | -231.71% | Fail |
| 5. Earnings Growth | PEmg < 20 | -2.00 | Fail |
| 6. Moderate PEmg Ratio | PB Ratio < 2.5 OR PB*PEmg < 50 | 0.63 | 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 | 2.82 | Pass |
| 2. Sufficiently Strong Financial Condition | Debt to NCA < 1.1 | 0.53 | Pass |
| 3. Earnings Stability | Positive EPS for 5 years prior | | Fail |
| 4. Dividend Record | Currently Pays Dividend | | Fail |
| 5. Earnings Growth | EPSmg greater than 5 years ago Score | | Fail |

Suitability

| | |
|---------------------|-----------|
| Defensive | No |
| Enterprising | No |

Stage 2: Determination of Intrinsic Value

| | |
|-----------------------------|---------------|
| EPSmg | -\$4.36 |
| MG Growth Estimate | -4.25% |
| MG Value | \$1.81 |
| MG Value based on 3% Growth | -\$63.21 |
| MG Value based on 0% Growth | -\$37.05 |
| Market Implied Growth Rate | -5.25% |

MG Opinion

| | |
|----------------------|-------------------|
| Current Price | \$8.70 |
| % of Intrinsic Value | 481.17% |
| Opinion | Overvalued |
| MG Grade | D |

Stage 3: Information for Further Research

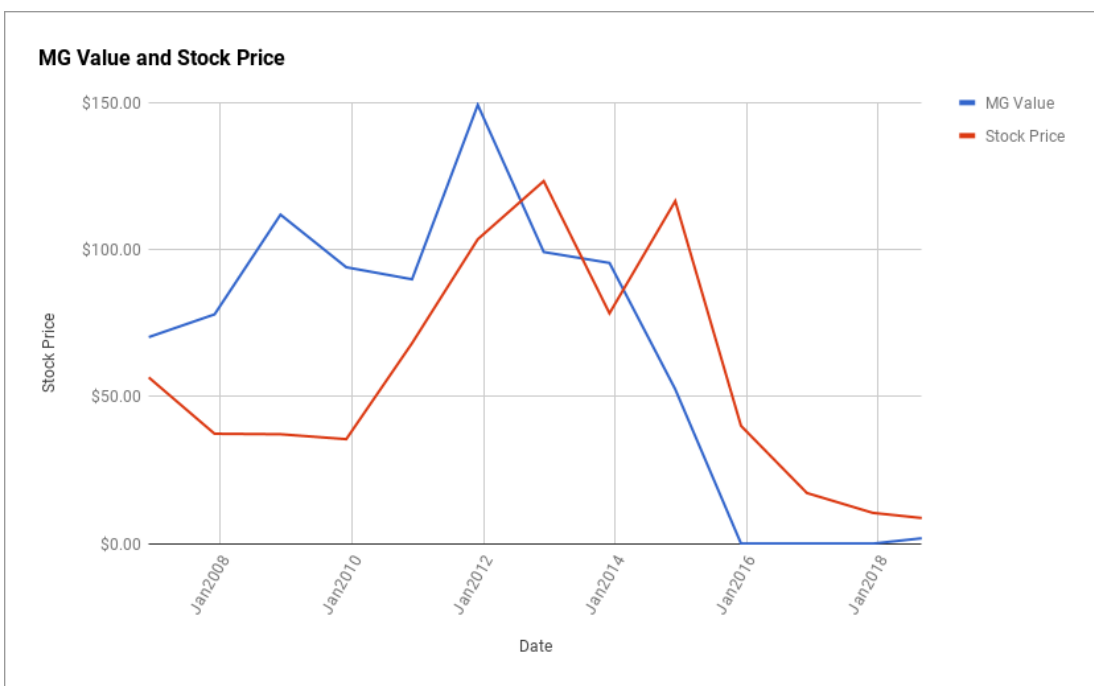
| | |
|--|--------|
| Net Current Asset Value (NCAV) | \$1.81 |
| Graham Number | \$0.00 |
| PEmg | -2.00 |
| Current Ratio | 2.82 |
| PB Ratio | 0.63 |
| Current Dividend | \$0.00 |
| Dividend Yield | 0.00% |
| Number of Consecutive Years of Dividend Growth | 0 |

Useful Links:

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[Google Finance](#)
[Yahoo Finance](#)
[GuruFocus](#)

[Morningstar](#)
[MSN Money](#)
[Seeking Alpha](#)
[SEC Filings](#)

| EPS History | | EPSmg History | |
|---------------------------|---------|---|---------------|
| Next Fiscal Year Estimate | -\$2.09 | Next Fiscal Year Estimate | -\$4.36 |
| Dec2017 | -\$9.49 | Dec2017 | -\$4.43 |
| Dec2016 | -\$3.29 | Dec2016 | -\$1.09 |
| Dec2015 | -\$4.76 | Dec2015 | \$0.78 |
| Dec2014 | \$2.41 | Dec2014 | \$3.68 |
| Dec2013 | \$3.67 | Dec2013 | \$4.18 |
| Dec2012 | \$4.59 | Dec2012 | \$4.31 |
| Dec2011 | \$5.62 | Dec2011 | \$3.98 |
| Dec2010 | \$3.40 | Dec2010 | \$3.08 |
| Dec2009 | \$2.27 | Dec2009 | \$2.82 |
| Dec2008 | \$4.51 | Dec2008 | \$2.91 |
| Dec2007 | \$2.20 | Dec2007 | \$2.03 |
| Dec2006 | \$2.22 | Dec2006 | \$1.82 |
| Dec2005 | \$1.93 | Dec2005 | \$1.55 |
| Dec2004 | \$1.73 | Dec2004 | \$1.28 |
| Dec2003 | \$1.25 | Dec2003 | \$1.00 |
| Dec2002 | \$0.85 | Dec2002 | \$0.85 |
| Dec2001 | \$1.16 | Balance Sheet Information 6/1/2018 | |
| Dec2000 | \$0.67 | Total Current Assets | \$179,498,000 |
| Dec1999 | \$0.47 | Total Current Liabilities | \$63,668,000 |
| Dec1998 | \$0.93 | Long-Term Debt | \$61,039,000 |
| | | Total Assets | \$503,957,000 |
| | | Intangible Assets | \$10,628,000 |
| | | Total Liabilities | \$130,804,000 |
| | | Shares Outstanding (Diluted Average) | 26,931,000 |





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

[CARBO Ceramics Inc Valuation – Initial Coverage \\$CRR](#)

Other
ModernGraham
posts about related
companies

[Murphy Oil Corp Valuation – August 2018 \\$MUR](#)

[Suncor Energy Inc Valuation – August 2018 \\$TSE:SU](#)

[Tidewater Inc Valuation – August 2018 \\$TDW](#)

[Carrizo Oil & Gas Inc Valuation – August 2018 \\$CRZO](#)

[Denbury Resources Inc Valuation – August 2018 \\$DNR](#)

[California Resources Corp Valuation – August 2018 \\$CRC](#)

[Crew Energy Inc Valuation – August 2018 \\$TSE-CR](#)

[Superior Energy Services Inc Valuation – August 2018 \\$SPN](#)

[Crescent Point Energy Corp Valuation – August 2018 \\$TSE-CPG](#)

[Kelt Exploration Ltd Valuation – August 2018 \\$TSE-KEL](#)