

# ModernGraham Valuation

Denbury Resources  
Inc.



## Company Name:

Company Ticker DNR

Date of Analysis

8/13/2018

## 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	\$2,040,729,871	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.43	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		
5. Earnings Growth		-202.70%	Fail
6. Moderate PEmg Ratio	PEmg < 20	-2.45	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.36	Fail

*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	0.43	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-8.98	Fail
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

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	-\$1.87
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$0.00</b>
MG Value based on 3% Growth	-\$27.09
MG Value based on 0% Growth	-\$15.88
Market Implied Growth Rate	-5.48%

### MG Opinion

Current Price	\$4.58
% of Intrinsic Value	N/A
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D</b>

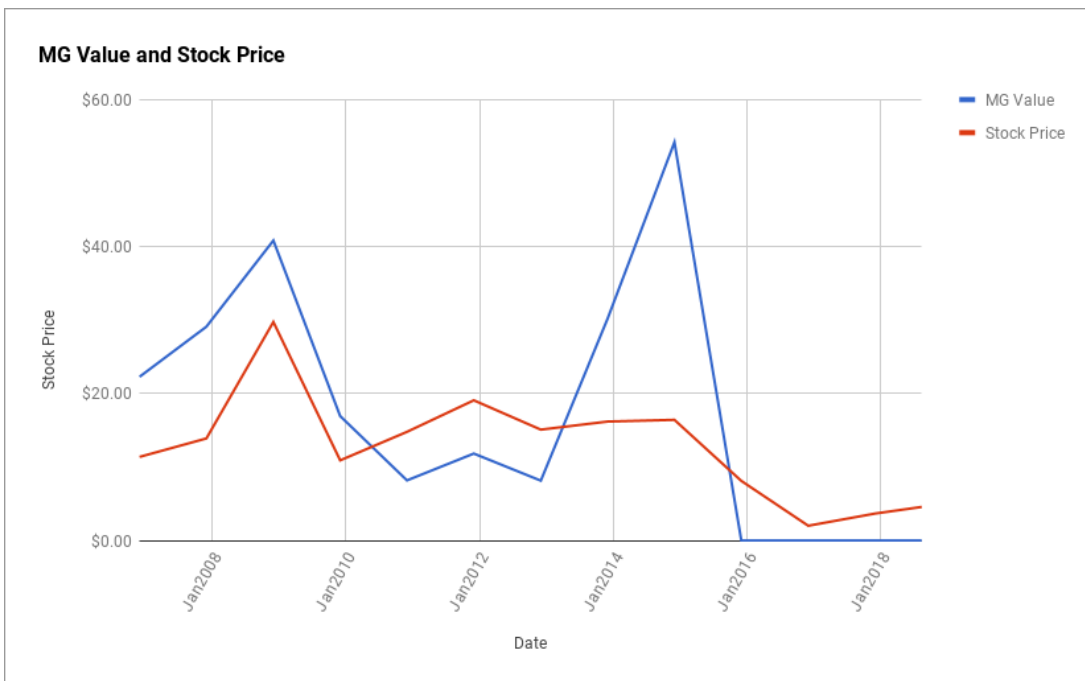
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$7.49
Graham Number	\$3.30
PEmg	-2.45
Current Ratio	0.43
PB Ratio	2.36
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.30	Next Fiscal Year Estimate	-\$1.87
Dec2017	\$0.41	Dec2017	-\$2.76
Dec2016	-\$2.61	Dec2016	-\$3.62
Dec2015	-\$12.57	Dec2015	-\$3.21
Dec2014	\$1.81	Dec2014	\$1.41
Dec2013	\$1.11	Dec2013	\$1.09
Dec2012	\$1.35	Dec2012	\$1.04
Dec2011	\$1.43	Dec2011	\$0.88
Dec2010	\$0.72	Dec2010	\$0.66
Dec2009	-\$0.30	Dec2009	\$0.67
Dec2008	\$1.54	Dec2008	\$1.06
Dec2007	\$1.00	Dec2007	\$0.76
Dec2006	\$0.82	Dec2006	\$0.58
Dec2005	\$0.70	Dec2005	\$0.43
Dec2004	\$0.36	Dec2004	\$0.32
Dec2003	\$0.26	Dec2003	\$0.30
Dec2002	\$0.22	Dec2002	\$0.12
Dec2001	\$0.28	<b>Balance Sheet Information 6/1/2018</b>	
Dec2000	\$0.77	Total Current Assets	\$224,237,000
Dec1999	\$0.03	Total Current Liabilities	\$523,819,000
Dec1998	-\$2.77	Long-Term Debt	\$2,689,647,000
		Total Assets	\$4,534,235,000
		Intangible Assets	\$0
		Total Liabilities	\$3,648,590,000
		Shares Outstanding (Diluted Average)	457,165,000





**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**
- [Denbury Resources Inc Valuation – February 2017 \\$DNR](#)
  - [Denbury Resources Inc. Valuation – November 2015 Update \\$DNR](#)
  - [10 Most Undervalued Companies for the Enterprising Investor – October 2015](#)
  - [5 Undervalued Companies for Value Investors with a High Beta – October 2015](#)
  - [10 Companies Benjamin Graham Would Invest In Today – October 2015](#)

- Other ModernGraham posts about related companies**
- [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](#)
  - [Canadian Natural Resources Ltd Valuation – August 2018 \\$TSE:CNQ](#)
  - [SM Energy Co Valuation – August 2018 \\$SM](#)
  - [Surge Energy Inc Valuation – July 2018 \\$TSE:SGY](#)
  - [CIRCOR International Inc Valuation – July 2018 \\$CIR](#)
  - [SEACOR Holdings Inc Valuation – July 2018 \\$CKH](#)