

ModernGraham Valuation

Company Name:

Company Ticker TSE:CPG
Date of Analysis

Crescent Point
Energy Corp

8/7/2018



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 | \$4,771,627,525 | Pass |
| 2. Sufficiently Strong Financial Condition | Current Ratio > 2 | 0.41 | Fail |
| 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 | -329.73% | Fail |
| 5. Earnings Growth | PEmg < 20 | -18.24 | Fail |
| 6. Moderate PEmg Ratio | PB Ratio < 2.5 OR PB*PEmg < 50 | 0.53 | 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 | 0.41 | Fail |
| 2. Sufficiently Strong Financial Condition | Debt to NCA < 1.1 | -6.01 | 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 | -\$0.47 |
| MG Growth Estimate | -4.25% |
| MG Value | \$0.00 |
| MG Value based on 3% Growth | -\$6.84 |
| MG Value based on 0% Growth | -\$4.01 |
| Market Implied Growth Rate | -13.37% |

MG Opinion

| | |
|----------------------|-------------------|
| Current Price | \$8.61 |
| % of Intrinsic Value | N/A |
| Opinion | Overvalued |
| MG Grade | C |

Stage 3: Information for Further Research

| | |
|--|----------|
| Net Current Asset Value (NCAV) | -\$12.23 |
| Graham Number | \$11.33 |
| PEmg | -18.24 |
| Current Ratio | 0.41 |
| PB Ratio | 0.53 |
| Current Dividend | \$0.36 |
| Dividend Yield | 4.18% |
| Number of Consecutive Years of Dividend Growth | 0 |

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[Morningstar](#)
[MSN Money](#)
[Seeking Alpha](#)
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| EPS History | | EPSmg History | |
|---------------------------|---------|---|------------------|
| Next Fiscal Year Estimate | \$0.34 | Next Fiscal Year Estimate | -\$0.47 |
| Dec2017 | -\$0.23 | Dec2017 | -\$0.74 |
| Dec2016 | -\$1.81 | Dec2016 | -\$0.76 |
| Dec2015 | -\$1.82 | Dec2015 | -\$0.09 |
| Dec2014 | \$1.21 | Dec2014 | \$0.73 |
| Dec2013 | \$0.37 | Dec2013 | \$0.43 |
| Dec2012 | \$0.57 | Dec2012 | \$0.65 |
| Dec2011 | \$0.72 | Dec2011 | \$0.73 |
| Dec2010 | \$0.21 | Dec2010 | \$0.79 |
| Dec2009 | -\$0.19 | Dec2009 | \$1.08 |
| Dec2008 | \$3.71 | Dec2008 | \$1.58 |
| Dec2007 | -\$0.32 | Dec2007 | \$0.57 |
| Dec2006 | \$1.05 | Dec2006 | \$0.94 |
| Dec2005 | \$1.12 | Dec2005 | \$0.78 |
| Dec2004 | \$1.07 | Dec2004 | \$0.51 |
| Dec2003 | \$0.50 | Dec2003 | \$0.20 |
| Dec2002 | \$0.14 | Dec2002 | \$0.04 |
| Dec2001 | -\$0.03 | Balance Sheet Information 6/1/2018 | |
| Dec2000 | \$0.00 | Total Current Assets | \$490,900,000 |
| Dec1999 | \$0.00 | Total Current Liabilities | \$1,186,200,000 |
| Dec1998 | \$0.00 | Long-Term Debt | \$4,181,000,000 |
| | | Total Assets | \$16,174,700,000 |
| | | Intangible Assets | \$245,700,000 |
| | | Total Liabilities | \$7,210,100,000 |
| | | Shares Outstanding (Diluted Average) | 549,279,000 |





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

[5 Overvalued Canadian Stocks for Intelligent Investors – March 2017](#)
[Crescent Point Energy Corp Valuation – Initial Coverage \\$TSE:CPG](#)

Other
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[Surge Energy Inc Valuation – July 2018 \\$TSE:SGY](#)
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[World Fuel Services Corp Valuation – July 2018 \\$INT](#)
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