

ModernGraham Valuation

Company Name:

Corning Incorporated

Company Ticker GLW

Date of Analysis

1/2/2019



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 | \$23,803,872,024 | Pass |
| 2. Sufficiently Strong Financial Condition | Current Ratio > 2 | 2.13 | 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 | -27.31% | Fail |
| 5. Earnings Growth | | | |
| 6. Moderate PEmg Ratio | PEmg < 20 | 25.88 | Fail |
| 7. Moderate Price to Assets | PB Ratio < 2.5 OR PB*PEmg < 50 | 1.98 | 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 | 2.13 | Pass |
| 2. Sufficiently Strong Financial Condition | Debt to NCA < 1.1 | 1.44 | 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 | \$1.15 |
| MG Growth Estimate | -3.81% |
| MG Value | \$1.02 |
| MG Value based on 3% Growth | \$16.66 |
| MG Value based on 0% Growth | \$9.76 |
| Market Implied Growth Rate | 8.69% |

MG Opinion

| | |
|----------------------|-------------------|
| Current Price | \$29.73 |
| % of Intrinsic Value | 2920.20% |
| Opinion | Overvalued |
| MG Grade | D+ |

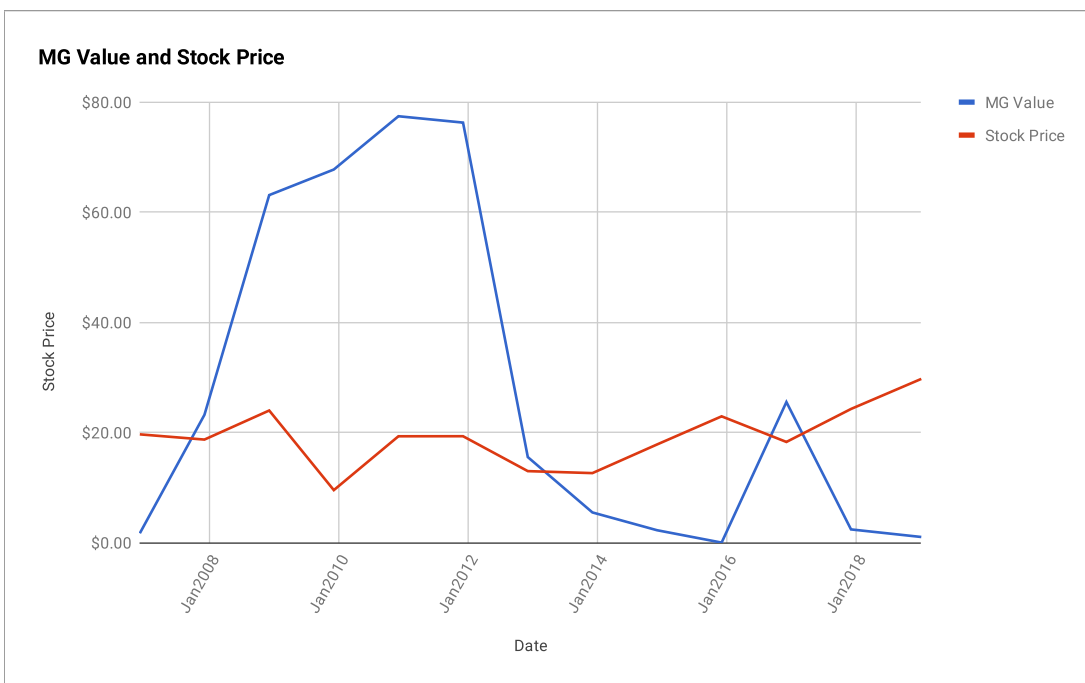
Stage 3: Information for Further Research

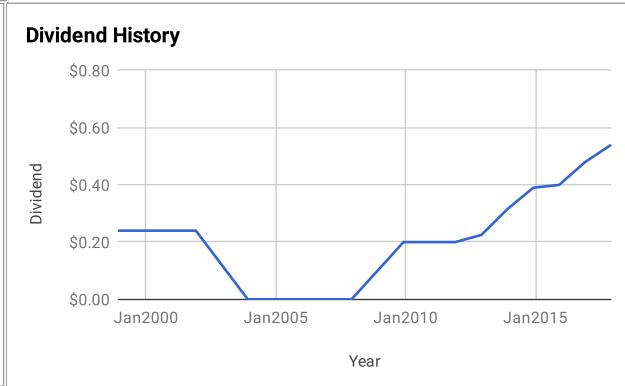
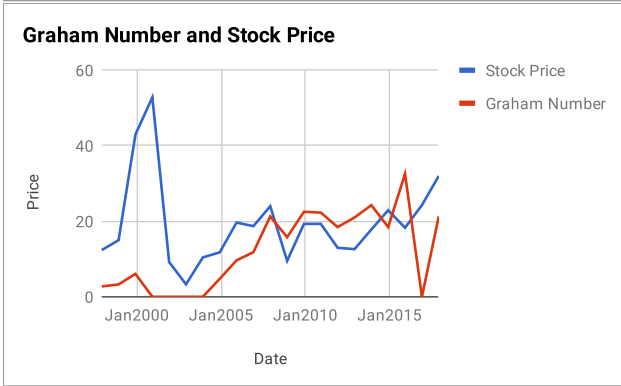
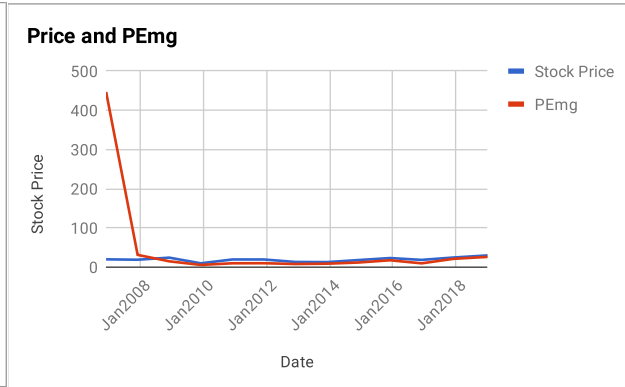
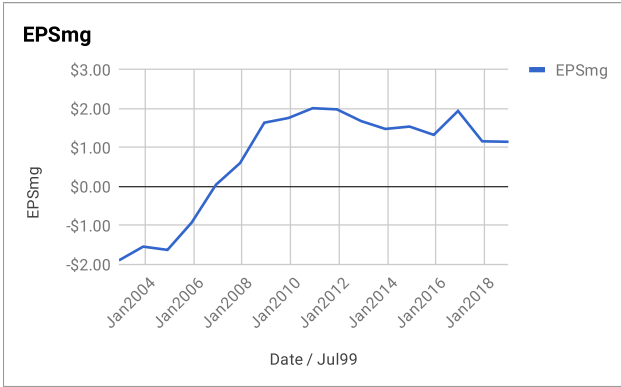
| | |
|--|---------|
| Net Current Asset Value (NCAV) | -\$6.22 |
| Graham Number | \$21.29 |
| PEmg | 25.88 |
| Current Ratio | 2.13 |
| PB Ratio | 1.98 |
| Current Dividend | \$0.62 |
| Dividend Yield | 2.09% |
| Number of Consecutive Years of Dividend Growth | 7 |

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 | \$1.29 | Next Fiscal Year Estimate | \$1.15 |
| Dec2017 | -\$0.66 | Dec2017 | \$1.16 |
| Dec2016 | \$3.23 | Dec2016 | \$1.94 |
| Dec2015 | \$1.00 | Dec2015 | \$1.33 |
| Dec2014 | \$1.73 | Dec2014 | \$1.54 |
| Dec2013 | \$1.34 | Dec2013 | \$1.48 |
| Dec2012 | \$1.09 | Dec2012 | \$1.68 |
| Dec2011 | \$1.78 | Dec2011 | \$1.98 |
| Dec2010 | \$2.25 | Dec2010 | \$2.01 |
| Dec2009 | \$1.28 | Dec2009 | \$1.76 |
| Dec2008 | \$3.32 | Dec2008 | \$1.64 |
| Dec2007 | \$1.34 | Dec2007 | \$0.60 |
| Dec2006 | \$1.16 | Dec2006 | \$0.04 |
| Dec2005 | \$0.38 | Dec2005 | -\$0.92 |
| Dec2004 | -\$1.61 | Dec2004 | -\$1.63 |
| Dec2003 | -\$0.22 | Dec2003 | -\$1.54 |
| Dec2002 | -\$1.39 | Dec2002 | -\$1.89 |
| Dec2001 | -\$5.89 | Balance Sheet Information 9/1/2018 | |
| Dec2000 | \$0.49 | Total Current Assets | \$6,632,000,000 |
| Dec1999 | \$0.22 | Total Current Liabilities | \$3,112,000,000 |
| Dec1998 | \$0.19 | Long-Term Debt | \$5,056,000,000 |
| | | Total Assets | \$26,392,000,000 |
| | | Intangible Assets | \$3,239,000,000 |
| | | Total Liabilities | \$12,414,000,000 |
| | | Shares Outstanding (Diluted Average) | 930,000,000 |





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**
- [Corning Inc Valuation – February 2018 \\$GLW](#)
 - [Corning Inc Valuation – May 2016 \\$GLW](#)
 - [Corning Inc Valuation – November 2015 Update \\$GLW](#)
 - [Corning Inc. Analysis – August 2015 Update \\$GLW](#)
 - [30 Companies in the Spotlight This Week – 5/23/15](#)

- Other ModernGraham posts about related companies**
- [HP Inc Valuation – December 2018 \\$HPQ](#)
 - [Intel Corp Valuation – November 2018 \\$INTC](#)
 - [Apple Inc Valuation – November 2018 \\$AAPL](#)
 - [Littelfuse Inc Valuation – September 2018 \\$LFUS](#)
 - [CTS Corporation Valuation – August 2018 \\$CTS](#)
 - [Kopin Corp Valuation – August 2018 \\$KOPN](#)
 - [Knowles Corp Valuation – August 2018 \\$KN](#)
 - [Cree Inc Valuation – August 2018 \\$CREE](#)
 - [Cray Inc Valuation – August 2018 \\$CRAY](#)
 - [Kulicke & Soffa Industries Inc Valuation – August 2018 \\$KLIC](#)