

ModernGraham Valuation

Fluor Corporation
(NEW)



Company Name:

Company Ticker FLR

Date of Analysis

2/20/2019

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	\$5,303,183,707	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.52	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	-43.59%	Fail
6. Moderate PEmg Ratio	PEmg < 20	19.36	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.67	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	1.52	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.87	Pass
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		Fail

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.95
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$28.24
MG Value based on 0% Growth	\$16.55
Market Implied Growth Rate	5.43%

MG Opinion

Current Price	\$37.70
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	C+

Stage 3: Information for Further Research

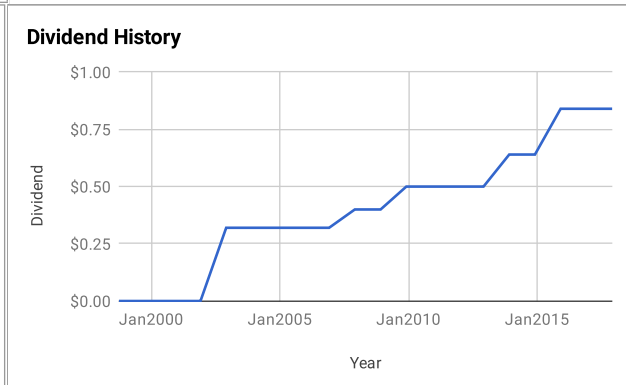
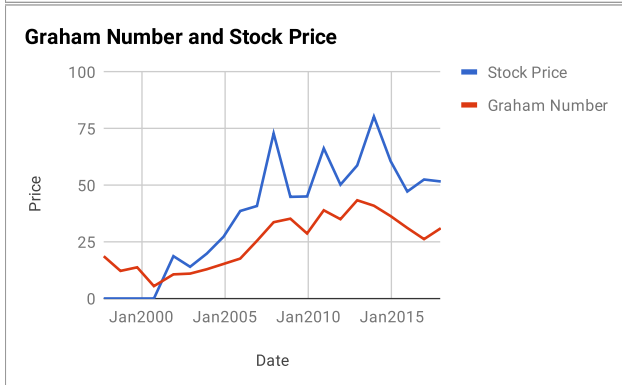
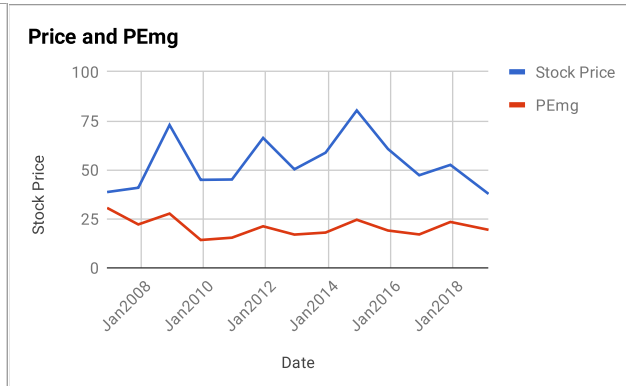
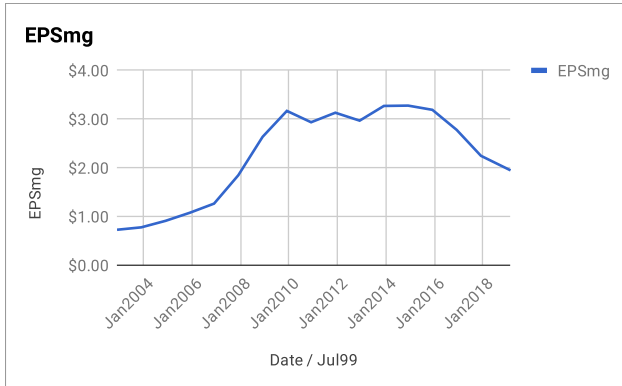
Net Current Asset Value (NCAV)	-\$2.57
Graham Number	\$31.02
PEmg	19.36
Current Ratio	1.52
PB Ratio	1.67
Current Dividend	\$0.84
Dividend Yield	2.23%
Number of Consecutive Years of Dividend Growth	0

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	\$1.79	Next Fiscal Year Estimate	\$1.95
Dec2017	\$1.36	Dec2017	\$2.25
Dec2016	\$2.00	Dec2016	\$2.78
Dec2015	\$2.81	Dec2015	\$3.19
Dec2014	\$3.20	Dec2014	\$3.28
Dec2013	\$4.06	Dec2013	\$3.27
Dec2012	\$2.71	Dec2012	\$2.97
Dec2011	\$3.40	Dec2011	\$3.13
Dec2010	\$1.98	Dec2010	\$2.94
Dec2009	\$3.75	Dec2009	\$3.17
Dec2008	\$3.93	Dec2008	\$2.64
Dec2007	\$2.93	Dec2007	\$1.85
Dec2006	\$1.48	Dec2006	\$1.26
Dec2005	\$1.31	Dec2005	\$1.08
Dec2004	\$1.13	Dec2004	\$0.91
Dec2003	\$0.98	Dec2003	\$0.78
Dec2002	\$1.03	Dec2002	\$0.73
Dec2001	\$0.13	Balance Sheet Information 9/1/2018	
Oct2000	\$0.81	Total Current Assets	\$5,584,161,000
Oct1999	\$0.69	Total Current Liabilities	\$3,662,103,000
Oct1998	\$1.49	Long-Term Debt	\$1,667,359,000
		Total Assets	\$9,147,976,000
		Intangible Assets	\$553,294,000
		Total Liabilities	\$5,948,047,000
		Shares Outstanding (Diluted Average)	141,549,000





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**
- [Fluor Corporation Valuation – April 2018 \\$FLR](#)
 - [Fluor Corporation Valuation – December 2016 \\$FLR](#)
 - [Fluor Corporation Valuation – August 2016 \\$FLR](#)
 - [26 Best Stocks For Value Investors This Week – 2/6/16](#)
 - [Fluor Corp Valuation – February 2016 Update \\$FLR](#)

- Other ModernGraham posts about related companies**
- [Vulcan Materials Co Valuation – February 2019 \\$VMC](#)
 - [PulteGroup Inc Valuation – January 2019 \\$PHM](#)
 - [Sherwin-Williams Co Valuation – January 2019 \\$SHW](#)
 - [Johnson Controls International PC Valuation – January 2019 \\$JCI](#)
 - [Cummins Inc Valuation – January 2019 \\$CMI](#)
 - [Flowserve Corp Valuation – January 2019 \\$FLS](#)
 - [Home Depot Inc Valuation – November 2018 \\$HD](#)
 - [Cavco Industries Inc Valuation – September 2018 \\$CVCO](#)
 - [LGI Homes Inc Valuation – September 2018 \\$LGIH](#)
 - [Stantec Inc Valuation – August 2018 \\$TSE-STN](#)