

ModernGraham Valuation

Company Name:

Centurylink Inc

Company Ticker CTL

Date of Analysis

4/1/2019



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	\$13,378,511,740	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.69	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	-70.46%	Fail
5. Earnings Growth	PEmg < 20	20.27	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	0.67	Pass
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	0.69	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-20.69	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	\$0.61
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$8.85
MG Value based on 0% Growth	\$5.19
Market Implied Growth Rate	5.89%

MG Opinion

Current Price	\$12.38
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	C

Stage 3: Information for Further Research

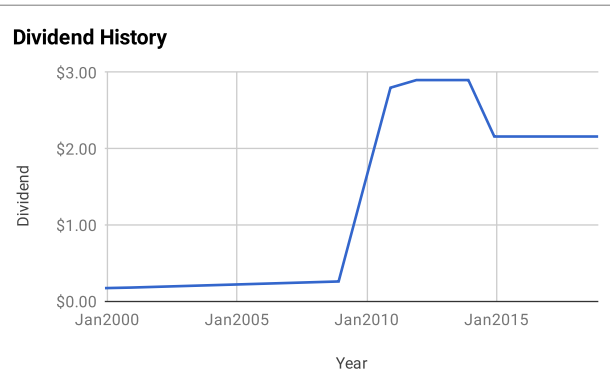
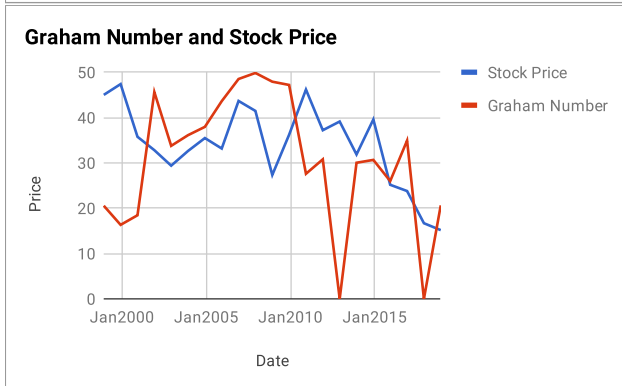
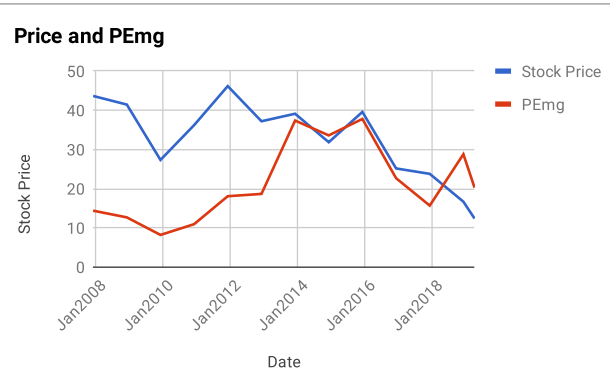
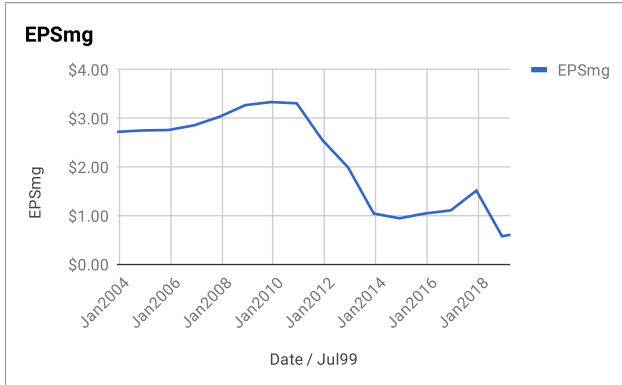
Net Current Asset Value (NCAV)	-\$43.67
Graham Number	\$20.62
PEmg	20.27
Current Ratio	0.69
PB Ratio	0.67
Current Dividend	\$2.16
Dividend Yield	17.45%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
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GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
	\$1.03		\$0.61
Dec2018	-\$1.63	Dec2018	\$0.58
Dec2017	\$2.21	Dec2017	\$1.52
Dec2016	\$1.16	Dec2016	\$1.11
Dec2015	\$1.58	Dec2015	\$1.05
Dec2014	\$1.36	Dec2014	\$0.95
Dec2013	-\$0.40	Dec2013	\$1.05
Dec2012	\$1.25	Dec2012	\$1.99
Dec2011	\$1.07	Dec2011	\$2.55
Dec2010	\$3.13	Dec2010	\$3.31
Dec2009	\$3.23	Dec2009	\$3.33
Dec2008	\$3.52	Dec2008	\$3.27
Dec2007	\$3.72	Dec2007	\$3.03
Dec2006	\$3.07	Dec2006	\$2.86
Dec2005	\$2.49	Dec2005	\$2.76
Dec2004	\$2.41	Dec2004	\$2.75
Dec2003	\$2.35	Dec2003	\$2.72
Dec2002	\$5.61	Balance Sheet Information	
Dec2001	\$1.05	12/1/2018	
Dec2000	\$0.90	Total Current Assets	\$3,820,000,000
Dec1999	\$1.70	Total Current Liabilities	\$5,531,000,000
		Long-Term Debt	\$35,409,000,000
		Total Assets	\$70,256,000,000
		Intangible Assets	\$38,810,000,000
		Total Liabilities	\$50,428,000,000
		Shares Outstanding (Diluted Average)	1,067,234,000





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.

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