

ModernGraham Valuation

Cypress
Semiconductor
Corporation



Company Name:

Company Ticker CY

Date of Analysis 4/4/2017

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	\$4,363,256,211	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.27	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	10.71%	Fail
6. Moderate PEmg Ratio	PEmg < 20	-21.56	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.28	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	1.27	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	6.24	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		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.63
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$9.09
MG Value based on 0% Growth	-\$5.33
Market Implied Growth Rate	-15.03%

MG Opinion

Current Price	\$13.51
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D+

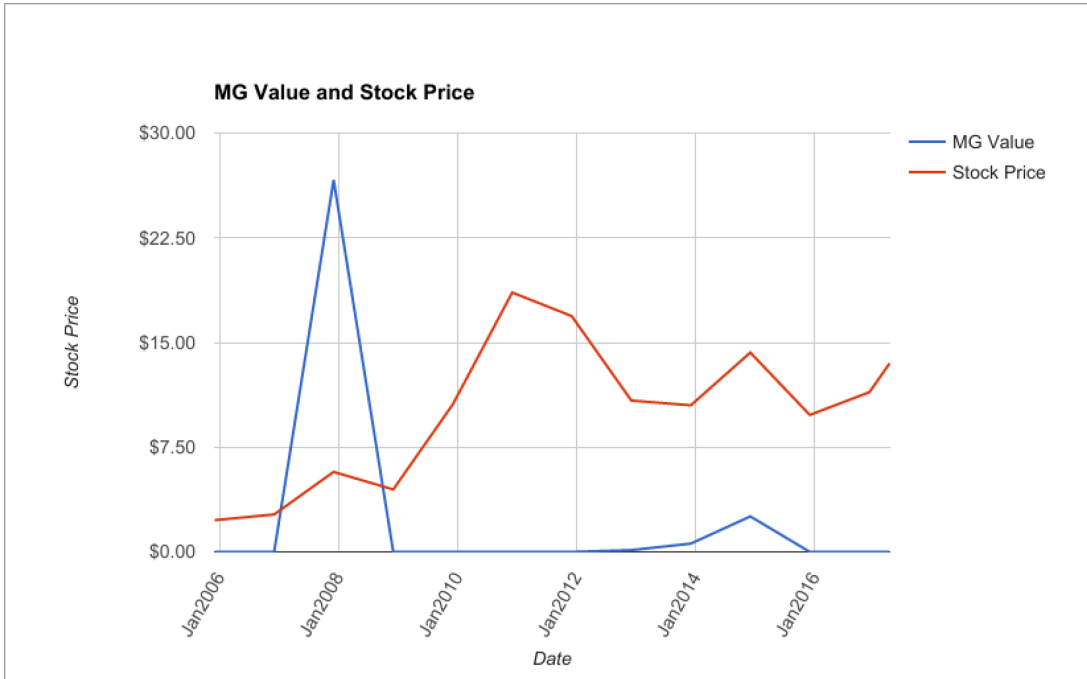
Stage 3: Information for Further Research

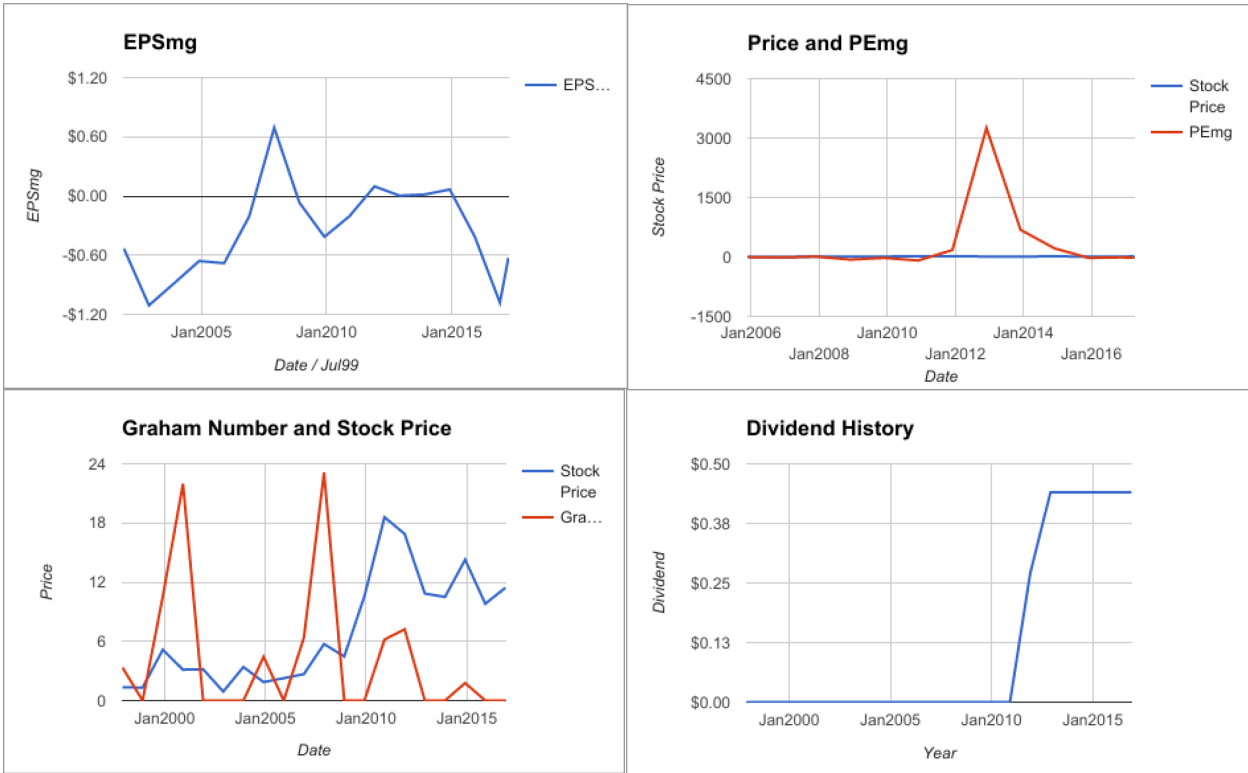
Net Current Asset Value (NCAV)	-\$3.40
Graham Number	\$8.97
PEmg	-21.56
Current Ratio	1.27
PB Ratio	2.28
Current Dividend	\$0.44
Dividend Yield	3.26%
Number of Consecutive Years of Dividend Growth	0

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.61	Next Fiscal Year Estimate	-\$0.63
Dec2016	-\$2.15	Dec2016	-\$1.08
Dec2015	-\$1.25	Dec2015	-\$0.41
Dec2014	\$0.11	Dec2014	\$0.07
Dec2013	-\$0.32	Dec2013	\$0.02
Dec2012	-\$0.16	Dec2012	\$0.00
Dec2011	\$0.90	Dec2011	\$0.10
Dec2010	\$0.40	Dec2010	-\$0.21
Dec2009	-\$1.03	Dec2009	-\$0.41
Dec2008	-\$1.89	Dec2008	-\$0.07
Dec2007	\$2.23	Dec2007	\$0.69
Dec2006	\$0.25	Dec2006	-\$0.21
Dec2005	-\$0.69	Dec2005	-\$0.68
Dec2004	\$0.17	Dec2004	-\$0.66
Dec2003	-\$0.04	Dec2003	-\$0.89
Dec2002	-\$2.02	Dec2002	-\$1.11
Dec2001	-\$3.28	Dec2001	-\$0.53
Dec2000	\$2.03	Balance Sheet Information 12/1/2016	
Dec1999	\$0.76	Total Current Assets	\$893,943,000
Dec1998	-\$1.03	Total Current Liabilities	\$702,457,000
Dec1997	\$0.07	Long-Term Debt	\$1,194,979,000
		Total Assets	\$3,871,871,000
		Intangible Assets	\$2,358,531,000
		Total Liabilities	\$1,980,043,000
		Shares Outstanding (Diluted Average)	319,522,000





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

#N/A

Other ModernGraham posts about related companies

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- [CTS Corporation Valuation – Initial Coverage \\$CTS](#)
- [IT Hardware Industry Review – March 2017](#)
- [Garmin Ltd Valuation – March 2017 \\$GRMN](#)
- [Hewlett Packard Enterprise Co Valuation – Initial Valuation \\$HPE](#)
- [Fortive Corp Valuation – Initial Coverage \\$FTV](#)
- [Analog Devices Inc Valuation – February 2017 \\$ADI](#)
- [Micron Technology Inc Valuation – February 2017 \\$MU](#)
- [Amphenol Corp Valuation – February 2017 \\$APH](#)
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