

ModernGraham Valuation

Company Name:

Company Ticker AMD

Date of Analysis

8/16/2015

Advanced Micro
Devices, Inc.



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	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	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	Fail
6. Moderate PEmg Ratio	PEmg < 20	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	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	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	Fail
3. Earnings Stability	Positive EPS for 5 years prior	Fail
4. Dividend Record	Currently Pays Dividend	Fail
5. Earnings Growth	EPSmg greater than 5 years ago	Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-0.58
MG Growth Estimate	0.84%
MG Value	\$0.00
MG Value based on 3% Growth	-\$8.35
MG Value based on 0% Growth	-\$4.90
Market Implied Growth Rate	-5.85%

MG Opinion

Current Price	\$1.84
% of Intrinsic Value	N/A
Opinion	Overvalued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$1.38
PEmg	-3.19
Current Ratio	1.75
PB Ratio	-10.15
Dividend Yield	0.00%
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	-\$0.73	Next Fiscal Year Estimate	-\$0.58
Dec14	-\$0.53	Dec14	-\$0.40
Dec13	-\$0.11	Dec13	-\$0.22
Dec12	-\$1.60	Dec12	-\$0.51
Dec11	\$0.66	Dec11	-\$0.61
Dec10	\$0.64	Dec10	-\$1.53
Dec09	\$0.45	Dec09	-\$2.45
Dec08	-\$5.15	Dec08	-\$3.33
Dec07	-\$6.06	Dec07	-\$2.05
Dec06	-\$0.34	Dec06	-\$0.32
Dec05	\$0.40	Dec05	-\$0.48
Dec04	\$0.25	Dec04	-\$0.72
Dec03	-\$0.79	Dec03	-\$0.95
Dec02	-\$3.81	Dec02	-\$0.80
Dec01	-\$0.18	Dec01	\$0.60
Dec00	\$2.89	Dec00	\$0.78
Dec99	-\$0.30	Dec99	-\$0.19
Dec98	-\$0.36	Balance Sheet Information Jun15	
Dec97	-\$0.08	Total Current Assets	\$2,451,000,000
Dec96	-\$0.26	Total Current Liabilities	\$1,399,000,000
Dec95	\$0.79	Long-Term Debt	\$2,034,000,000
		Total Assets	\$3,381,000,000
		Intangible Assets	\$533,000,000
		Total Liabilities	\$3,522,000,000
		Outstanding Shares	778,000,000



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.

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posts about the
company

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