

ModernGraham Valuation

Company Name:

Company Ticker APH

Date of Analysis

10/1/2015

Amphenol
Corporation



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	\$15,117,920,081	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.65	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	132.21%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	23.45	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	5.13	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	3.65	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.06	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		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.12
MG Growth Estimate	9.64%
MG Value	\$58.77
MG Value based on 3% Growth	\$30.68
MG Value based on 0% Growth	\$17.98
Market Implied Growth Rate	7.48%

MG Opinion

Current Price	\$49.62
% of Intrinsic Value	84.43%
Opinion	Fairly Valued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$1.80
Graham Number	\$23.24
PEmg	23.45
Current Ratio	3.65
PB Ratio	5.13
Dividend Yield	1.01%
Number of Consecutive Years of Dividend Growth	4

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	\$2.42	Next Fiscal Year Estimate	\$2.12
Dec14	\$2.21	Dec14	\$1.90
Dec13	\$1.96	Dec13	\$1.66
Dec12	\$1.70	Dec12	\$1.45
Dec11	\$1.53	Dec11	\$1.29
Dec10	\$1.41	Dec10	\$1.12
Dec09	\$0.92	Dec09	\$0.94
Dec08	\$1.17	Dec08	\$0.89
Dec07	\$0.97	Dec07	\$0.70
Dec06	\$0.70	Dec06	\$0.53
Dec05	\$0.57	Dec05	\$0.42
Dec04	\$0.46	Dec04	\$0.33
Dec03	\$0.30	Dec03	\$0.26
Dec02	\$0.23	Dec02	\$0.23
Dec01	\$0.24	Dec01	\$0.21
Dec00	\$0.32	Dec00	\$0.18
Dec99	\$0.12	Dec99	\$0.10
Dec98	\$0.13	Balance Sheet Information Jun15	
Dec97	\$0.06	Total Current Assets	\$3,592,800,000
Dec96	\$0.09	Total Current Liabilities	\$984,700,000
Dec95	\$0.08	Long-Term Debt	\$2,759,200,000
		Total Assets	\$7,228,700,000
		Intangible Assets	\$2,949,100,000
		Total Liabilities	\$4,163,600,000
		Shares Outstanding (Diluted Average)	316,878,000





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:

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company

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[Texas Instruments Inc Analysis – September 2015 Update \\$TXN](#)
[My Personal Holdings: Apple Inc. – September 2015 Update \\$AAPL](#)
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