# **ModernGraham Valuation**

### **Company Name:**

Company Ticker MU Date of Analysis Micron Technology, Inc.



11/10/2015

## 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.

	<ol> <li>Adequate Size of the Enterprise</li> </ol>	Market Cap > \$2Bil	\$16,926,901,549 Pass
	2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.20 Pass
	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	-216.22% Fail
	6. Moderate PEmg Ratio	PEmg < 20	10.64 Pass
	7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.42 Pass
Enterprising Inve	stor; must pass 4 out of the following 5 tests, or b	e suitable for the Defensive Investor.	
	1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	2.20 Pass
	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.33 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

No No

#### Suitability

Defensive		
Enterprising		

#### Stage 2: Determination of Intrinsic Value

PB Ratio

**Dividend Yield** 

•			
	EPSmg		\$1.46
	MG Growth Estimate		15.00%
	MG Value		\$56.39
	MG Value based on 3% Growth		\$21.24
	MG Value based on 0% Growth		\$12.45
	Market Implied Growth Rate		1.07%
MG Opinion			
	Current Price		\$15.59
	% of Intrinsic Value		27.65%
	Opinion	Undervalued	
Stage 3: Infor	mation for Further Research		
	Net Current Asset Value (NCAV)		-\$2.89
	Graham Number		\$12.88
	PEmg		10.64
	Current Ratio		2.20

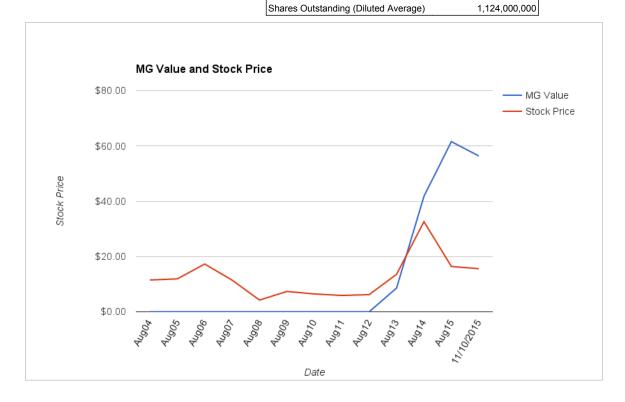
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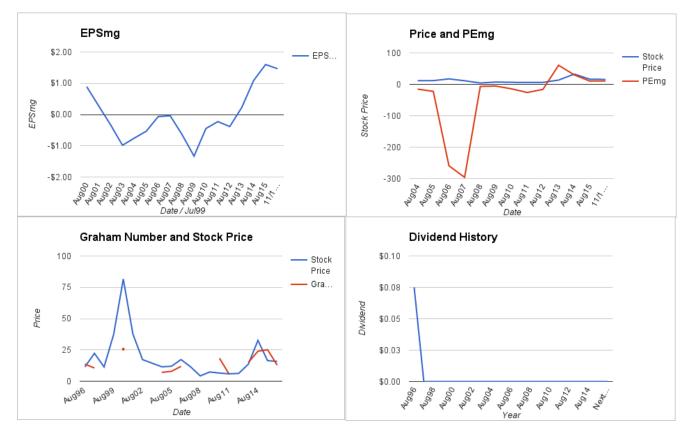
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Useful Links:	ModernGraham tagged articles	Morningstar
	Google Finance	MSN Money
	Yahoo Finance	Seeking Alpha
	GuruFocus	SEC Filings

Number of Consecutive Years of Dividend Growth

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.65	Next Fiscal Year Estimate	\$1.46
Aug15	\$2.47	Aug15	\$1.60
Aug14	\$2.54	Aug14	\$1.09
Aug13	\$1.13	Aug13	\$0.22
Aug12	-\$1.04	Aug12	-\$0.38
Aug11	\$0.17	Aug11	-\$0.23
Aug10	\$1.85	Aug10	-\$0.45
Aug09	-\$2.35	Aug09	-\$1.33
Aug08	-\$2.10	Aug08	-\$0.64
Aug07	-\$0.42	Aug07	-\$0.04
Aug06	\$0.57	Aug06	-\$0.07
Aug05	\$0.29	Aug05	-\$0.53
Aug04	\$0.24	Aug04	-\$0.75
Aug03	-\$2.11	Aug03	-\$0.98
Aug02	-\$1.51	Aug02	-\$0.33
Aug01	-\$1.05	Aug01	\$0.28
Aug00	\$2.56	Aug00	\$0.89
Aug99	-\$0.13	Balance Sheet Information	Aug15
Aug98	-\$0.58	Total Current Assets	\$8,596,000,000
Aug97	\$0.72	Total Current Liabilities	\$3,905,000,000
Aug96	\$1.38	Long-Term Debt	\$6,252,000,000
		Total Assets	\$24,143,000,000
		Intangible Assets	\$449,000,000
		Total Liabilities	\$11,841,000,000
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#### 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 30 Companies in the Spotlight This Week – 11/15/14 Micron Technology Inc. Annual Valuation – 2014 \$MU

Other ModernGraham posts about related companies Xilinx Inc. Valuation – November 2015 Update \$XLNX Ametek Inc. Valuation – November 2015 Update \$AME Skyworks Solutions Inc. Valuation – October 2015 Update \$SWKS Agilent Technologies Inc. Valuation – October 2015 Update \$A Western Digital Corporation Valuation – October 2015 Update \$MDC MTS Systems Corporation Valuation – October 2015 Update \$MTSC Linear Technology Corp Valuation – October 2015 Update \$LLTC Altera Corporation Analysis – October 2015 Update \$LLTC Lam Research Corporation Analysis – October 2015 Update \$LRCX Amphenol Corporation Analysis – October 2015 Update \$APH