ModernGraham Valuation

Company Name:

Company Ticker SNDK Date of Analysis

SanDisk Corporation



Pass

11/25/2015

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.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$14,993,649,792 Pass
2. Sufficiently Strong Financial Conditio	on Current Ratio > 2	3.17 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	-252.96% Fail
6. Moderate PEmg Ratio	PEmg < 20	23.58 Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.73 Fail
Enterprising Investor; must pass 4 out of the following 5 tests, o	or be suitable for the Defensive Investor.	
1. Sufficiently Strong Financial Conditio	on Current Ratio > 1.5	3.17 Pass
2. Sufficiently Strong Financial Conditio	on Debt to NCA < 1.1	0.86 Pass
3. Earnings Stability	Positive EPS for 5 years prior	Pass
4. Dividend Record	Currently Pays Dividend	Pass

EPSmg greater than 5 years ago

Suitability

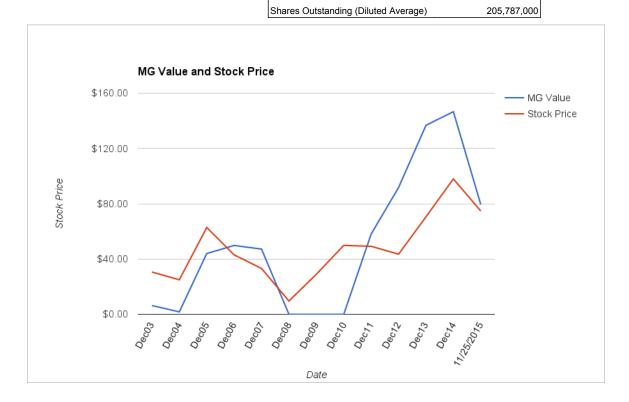
Defensive	No
Enterprising	Yes

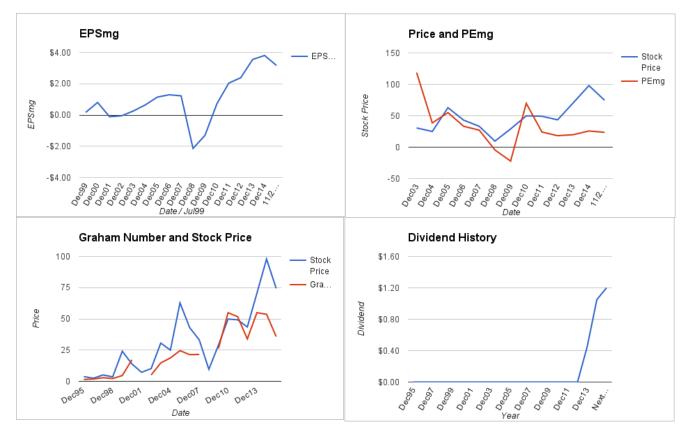
Stage 2: Determination of Intrinsic Value

5. Earnings Growth

	EPSmg	\$3.17	
	5		
	MG Growth Estimate	8.28%	
	MG Value	\$79.43	
	MG Value based on 3% Growth	\$45.95	
	MG Value based on 0% Growth	\$26.93	
	Market Implied Growth Rate	7.54%	
MG Opinion			
	Current Price	\$74.73	
	% of Intrinsic Value	94.08%	
	Opinion	Fairly Valued	
Stage 3: Infor	mation for Further Research		
	Net Current Asset Value (NCAV)	\$0.85	
		AAE A4	
	Graham Number	\$35.81	
	Graham Number PEmg	\$35.81	
	PEmg	23.58	
	PEmg Current Ratio	23.58 3.17	
	PEmg Current Ratio PB Ratio	23.58 3.17 2.73	
	PEmg Current Ratio PB Ratio Dividend Yield Number of Consecutive Years of Dividend	23.58 3.17 2.73 1.61%	
Useful Links:	PEmg Current Ratio PB Ratio Dividend Yield Number of Consecutive Years of Dividend	23.58 3.17 2.73 1.61%	
Useful Links:	PEmg Current Ratio PB Ratio Dividend Yield Number of Consecutive Years of Dividend Growth	23.58 3.17 2.73 1.61% 3	
Useful Links:	PEmg Current Ratio PB Ratio Dividend Yield Number of Consecutive Years of Dividend Growth ModernGraham tagged articles	23.58 3.17 2.73 1.61% 3 <u>Morningstar</u>	

EPS History		EPSmg History			
Next Fiscal Year Estimate	\$2.03	Next Fiscal Year Estimate		\$3.17	
Dec14		Dec14		\$3.81	
Dec14		Dec14		\$3.55	
Dec12		Dec12			
				\$2.38	
Dec11		Dec11		\$2.04	
Dec10		Dec10		\$0.71	
Dec09	\$1.79	Dec09		-\$1.31	
Dec08	-\$8.82	Dec08		-\$2.14	
Dec07	\$0.93	Dec07		\$1.23	
Dec06	\$0.96	Dec06		\$1.29	
Dec05	\$2.00	Dec05		\$1.14	
Dec04	\$1.44	Dec04		\$0.65	
Dec03	\$1.02	Dec03		\$0.26	
Dec02	\$0.25	Dec02		-\$0.05	
Dec01	-\$2.19	Dec01		-\$0.11	
Dec00	\$2.06	Dec00		\$0.80	
Dec99	\$0.22	Dec99		\$0.17	
Dec98	\$0.11	Balance Sheet Information	Sep15		
Dec97	\$0.20	Total Current Assets		\$3,613,646,000	
Dec96	\$0.15	Total Current Liabilities		\$1,139,010,000	
Dec95	\$0.12	Long-Term Debt		\$2,137,737,000	
		Total Assets		\$9,073,003,000	
		Intangible Assets		\$1,174,606,000	
		Total Liabilities		\$3,438,928,000	





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	The Best Stocks of the IT Hardware Industry – September 2015	
ModernGraham posts about the	15 Best Stocks For Value Investors This Week – 8/22/15	
company	SanDisk Corporation Analysis – August 2015 Update \$SNDK	
	SanDisk Corporation Quarterly Valuation – May 2015 \$SNDK	
	28 Companies in the Spotlight This Week - 2/28/15	
Other	Corning Inc Valuation – November 2015 Update \$GLW	
ModernGraham posts about related		
companies	FLIR Systems Inc. Valuation – November 2015 Update \$FLIR	
	NVIDIA Corporation Valuation – November 2015 Update \$NVDA	
	FMC Technologies Inc. Valuation – November 2015 Update \$FTI	

Applied Materials Inc Valuation – November 2015 Update \$AMAT Micron Technology Inc. Valuation – November 2015 Update \$MU Xilinx Inc. Valuation – November 2015 Update \$XLNX

Ametek Inc. Valuation – November 2015 Update \$AME Skyworks Solutions Inc. Valuation – October 2015 Update \$SWKS