ModernGraham Valuation

Company Name:

TE Connectivity Ltd

Company Ticker Date of Analysis

12/10/2015



Pass

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.

TEL

1. Ad	lequate Size of the Enterprise	Market Cap > \$2Bil	\$24,901,565,672	Pass
2. Su	Ifficiently Strong Financial Condition	Current Ratio > 2	2.20	Pass
3. Ea	arnings Stability	Positive EPS for 10 years prior		Fail
4. Div	vidend Record	Dividend Payments for 10 years prior		Pass
5. Ea		Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-407.91%	Fail
6. Mc	oderate PEmg Ratio	PEmg < 20	14.99	Pass
7. Mc	oderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.71	Pass
Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.				
1. Su	ufficiently Strong Financial Condition	Current Ratio > 1.5	2.20	Pass
2. Su	ufficiently Strong Financial Condition	Debt to NCA < 1.1	0.79	Pass
3. Ea	arnings Stability	Positive EPS for 5 years prior		Pass
4. Div	vidend Record	Currently Pays Dividend		Pass

EPSmg greater than 5 years ago

Suitability

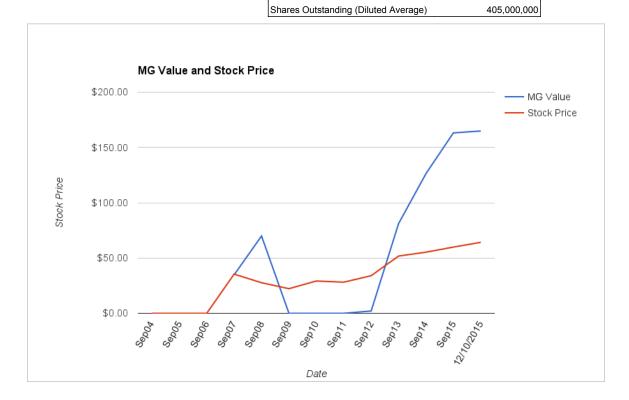
Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

5. Earnings Growth

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	EPSmg	\$4.28
	MG Growth Estimate	15.00%
	MG Value	\$164.91
	MG Value based on 3% Growth	\$62.11
	MG Value based on 0% Growth	\$36.41
	Market Implied Growth Rate	3.25%
MG Opinion		
	Current Price	\$64.21
	% of Intrinsic Value	38.94%
	Opinion	Undervalued
Stage 3: Infor	mation for Further Research	
	Net Current Asset Value (NCAV)	-\$7.74
	Graham Number	\$45.91
	PEmg	14.99
	Current Ratio	2.20
	PB Ratio	2.71
	Dividend Yield	1.93%
	Number of Consecutive Years of Dividend Growth	6
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	\$ 3.85	Next Fiscal Year Estimate	\$4.28
Sep15		Sep15	\$4.24
Sep14		Sep14	\$3.28
Sep13		Sep13	\$2.11
Sep12		Sep12	\$1.39
Sep12		Sep11	\$0.57
Sep10		Sep10	-\$0.35
Sep09		Sep09	-\$0.33
Sep08		Sep08	\$1.82
Sep07		Sep07	\$1.02
Sep06		Sep06	\$1.66
Sep05		Sep05	\$1.08
Sep04		Sep04	\$1.08
Sep03		Sep03	-\$0.15
Sep02		Sep02	\$0.00
Sep01		Sep01	\$0.00
Sep00		Sep00	\$0.00
Sep99	\$0.00	Balance Sheet Information	Sep15
Sep98	\$0.00	Total Current Assets	\$7,887,000,000
Sep97	\$0.00	Total Current Liabilities	\$3,577,000,000
Sep96	\$0.00	Long-Term Debt	\$3,403,000,000
		Total Assets	\$20,608,000,000
		Intangible Assets	\$6,379,000,000
		Total Liabilities	\$11,023,000,000
		1	





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	The Best Stocks of the IT Hardware Industry – September 2015	
	19 Best Stocks For Value Investors This Week – 8/29/15	
	TE Connectivity Limited Analysis – August 2015 Update \$TEL	
	The 12 Best Stocks For Value Investors This Week – 5/30/15	
	The Best Value Stocks of the IT Hardware Industry – May 2015	
Other ModernGraham posts about related companies	Broadcom Corp Valuation – November 2015 Update \$BRCM	
	SanDisk Corp Valuation – November 2015 Update \$SNDK	
	Corning Inc Valuation – November 2015 Update \$GLW	
	Intel Corp Valuation – November 2015 Update \$INTC	

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