

# ModernGraham Valuation

Company Name:

Intel Corporation

Company Ticker INTC

Date of Analysis

5/19/2016



## 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	\$139,702,280,739	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.56	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	132.40%	Pass
6. Moderate PEmg Ratio	PEmg < 20	13.92	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.39	Pass

*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	1.56	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.21	Fail
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

<b>Defensive</b>	<b>Yes</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.15
MG Growth Estimate	1.89%
<b>MG Value</b>	<b>\$26.44</b>
MG Value based on 3% Growth	\$31.23
MG Value based on 0% Growth	\$18.31
Market Implied Growth Rate	2.71%

### MG Opinion

Current Price	\$29.99
% of Intrinsic Value	113.44%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>B-</b>

## Stage 3: Information for Further Research

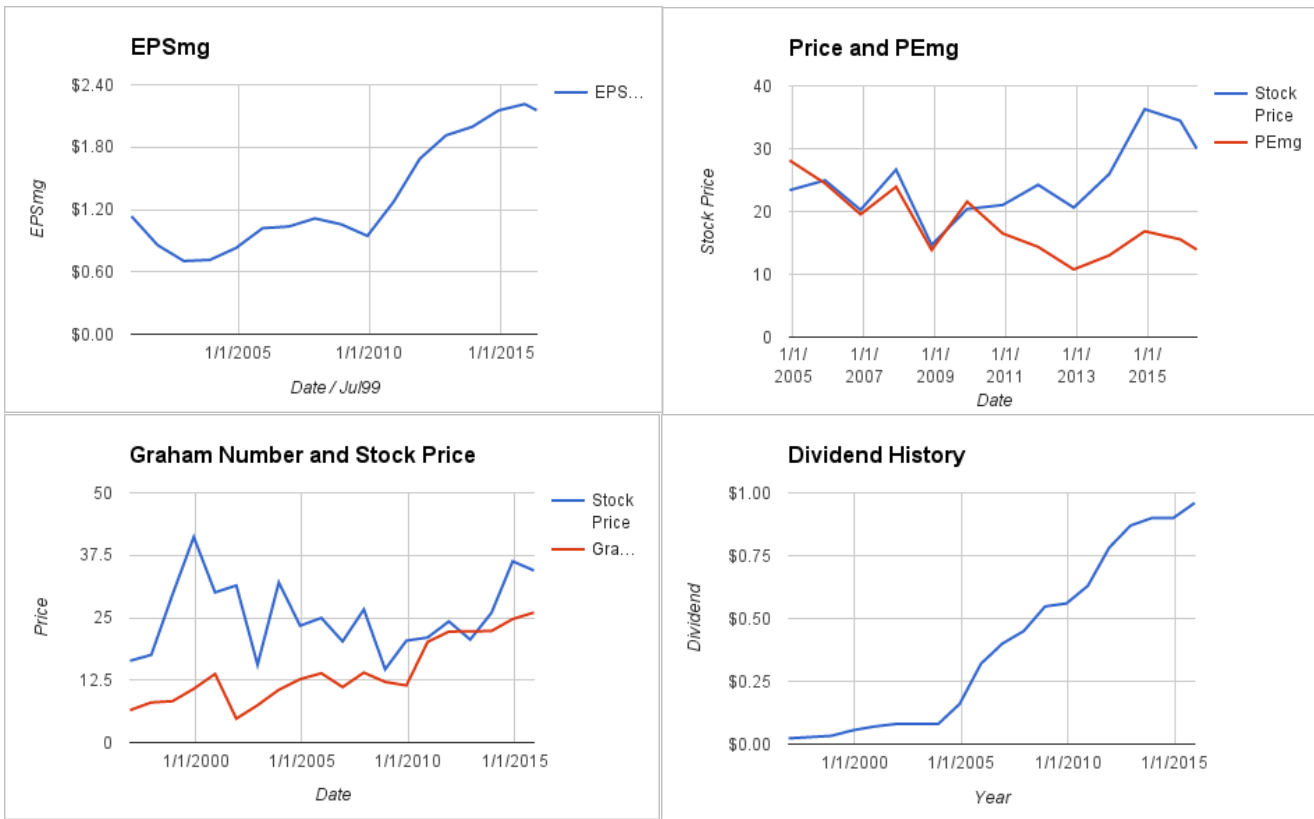
Net Current Asset Value (NCAV)	-\$3.47
Graham Number	\$24.32
PEmg	13.92
Current Ratio	1.56
PB Ratio	2.39
Current Dividend	\$0.98
Dividend Yield	3.27%
Number of Consecutive Years of Dividend Growth	2

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.03	Next Fiscal Year Estimate	\$2.15
12/1/2015	\$2.33	12/1/2015	\$2.21
12/1/2014	\$2.31	12/1/2014	\$2.15
12/1/2013	\$1.89	12/1/2013	\$2.00
12/1/2012	\$2.13	12/1/2012	\$1.91
12/1/2011	\$2.39	12/1/2011	\$1.69
12/1/2010	\$2.01	12/1/2010	\$1.27
12/1/2009	\$0.77	12/1/2009	\$0.95
12/1/2008	\$0.92	12/1/2008	\$1.06
12/1/2007	\$1.18	12/1/2007	\$1.11
12/1/2006	\$0.86	12/1/2006	\$1.04
12/1/2005	\$1.40	12/1/2005	\$1.02
12/1/2004	\$1.16	12/1/2004	\$0.83
12/1/2003	\$0.85	12/1/2003	\$0.72
12/1/2002	\$0.46	12/1/2002	\$0.70
12/1/2001	\$0.19	12/1/2001	\$0.86
12/1/2000	\$1.51	12/1/2000	\$1.14
12/1/1999	\$1.06	<b>Balance Sheet Information 3/1/2016</b>	
12/1/1998	\$0.87	Total Current Assets	\$27,397,000,000
12/1/1997	\$0.97	Total Current Liabilities	\$17,526,000,000
12/1/1996	\$0.73	Long-term Debt	\$21,775,000,000
		Total Assets	\$105,467,000,000
		Intangible Assets	\$28,082,000,000
		Total Liabilities	\$44,293,000,000
		Shares Outstanding (Diluted Average)	4,875,000,000





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.

### Recommended Reading:

Other ModernGraham posts about the company

- [11 Best Stocks For Value Investors This Week – 11/21/15](#)
- [Intel Corp Valuation – November 2015 Update \\$INTC](#)
- [The Best Stocks of the IT Hardware Industry – September 2015](#)
- [15 Best Stocks For Value Investors This Week – 8/22/15](#)
- [Intel Corporation Analysis – August 2015 Update \\$INTC](#)

Other ModernGraham posts about related companies

- [FLIR Systems Inc Valuation – May 2016 \\$FLIR](#)
- [NetApp Inc Valuation – March 2016 \\$NTAP](#)
- [Applied Materials Inc Valuation – February 2016 \\$AMAT](#)
- [Skyworks Solutions Inc Stock Valuation – February 2016 \\$SWKS](#)
- [Analog Devices Inc Stock Valuation – February 2016 \\$ADI](#)
- [Garmin Ltd Stock Valuation – February 2016 \\$GRMN](#)
- [Emerson Electric Co Valuation – February 2016 \\$EMR](#)
- [Applied Materials Inc Valuation – February 2016 \\$AMAT](#)
- [Skyworks Solutions Inc Stock Valuation – February 2016 \\$SWKS](#)
- [Analog Devices Inc Stock Valuation – February 2016 \\$ADI](#)