

ModernGraham Valuation

Company Name:

Qorvo Inc

Company Ticker QRVO

Date of Analysis

12/4/2016



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	\$6,521,163,279 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.84 Pass
3. Earnings Stability	Positive EPS for 10 years prior	Fail
4. Dividend Record	Dividend Payments for 10 years prior	Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	13633.33% Pass
5. Earnings Growth	PEmg < 20	45.72 Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.34 Pass
7. Moderate Price to Assets		

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	2.84 Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.96 Pass
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

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.11
MG Growth Estimate	15.00%
MG Value	\$42.56
MG Value based on 3% Growth	\$16.03
MG Value based on 0% Growth	\$9.40
Market Implied Growth Rate	18.61%

MG Opinion

Current Price	\$50.54
% of Intrinsic Value	118.76%
Opinion	Overvalued
MG Grade	F

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$1.46
Graham Number	\$44.14
PEmg	45.72
Current Ratio	2.84
PB Ratio	1.34
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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		Next Fiscal Year Estimate	\$1.11
Mar2016	-\$0.20	Mar2016	\$0.50
Mar2015	\$2.11	Mar2015	\$0.70
Mar2014	\$0.00	Mar2014	\$0.00
Mar2013	\$0.00	Mar2013	\$0.00
Mar2012	\$0.00	Mar2012	\$0.00
Mar2011	\$0.00	Mar2011	\$0.00
Mar2010	\$0.00	Mar2010	\$0.00
Mar2009	\$0.00	Mar2009	\$0.00
Mar2008	\$0.00	Mar2008	\$0.00
Mar2007	\$0.00	Mar2007	\$0.00
Mar2006	\$0.00	Mar2006	\$0.00
Mar2005	\$0.00	Mar2005	\$0.00
Mar2004	\$0.00	Mar2004	\$0.00
Mar2003	\$0.00	Mar2003	\$0.00
Mar2002	\$0.00	Mar2002	\$0.00
Mar2001	\$0.00	Mar2001	\$0.00
Mar2000	\$0.00	Balance Sheet Information 9/16/2016	
Mar1999	\$0.00	Total Current Assets	\$1,582,536,000
Mar1998	\$0.00	Total Current Liabilities	\$557,445,000
Mar1997	\$0.00	Long-Term Debt	\$988,625,000
		Total Assets	\$6,751,622,000
		Intangible Assets	\$3,831,076,000
		Total Liabilities	\$1,775,246,000
		Shares Outstanding (Diluted Average)	132,329,000





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

[Qorvo Inc. Analysis – Initial Coverage \\$QRVO](#)

Other
ModernGraham
posts about related
companies

[NetApp Inc Valuation – August 2016 \\$NTAP](#)
[Applied Materials Inc Valuation – August 2016 \\$AMAT](#)
[Skyworks Solutions Inc Valuation – August 2016 \\$SWKS](#)
[Garmin Limited Valuation – August 2016 \\$GRMN](#)
[Analog Devices Inc Valuation – August 2016 \\$ADI](#)
[Amphenol Corporation Valuation – August 2016 \\$APH](#)
[Agilent Technologies Inc Valuation – August 2016 \\$A](#)
[Texas Instruments Inc Valuation – August 2016 \\$TXN](#)
[Xilinx Inc Valuation – August 2016 \\$XLNX](#)
[Western Digital Corporation Valuation – August 2016 \\$WDC](#)