

ModernGraham Valuation

Company Name:

Inteliquent Inc

Company Ticker IQNT

Date of Analysis

1/7/2017



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	\$786,935,413	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	4.43	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	54.13%	Pass
6. Moderate PEmg Ratio	PEmg < 20	24.04	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.99	Fail

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	4.43	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.95
MG Growth Estimate	15.00%
MG Value	\$36.60
MG Value based on 3% Growth	\$13.78
MG Value based on 0% Growth	\$8.08
Market Implied Growth Rate	7.77%

MG Opinion

Current Price	\$22.85
% of Intrinsic Value	62.43%
Opinion	Undervalued
MG Grade	B

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$4.02
Graham Number	\$11.88
PEmg	24.04
Current Ratio	4.43
PB Ratio	3.99
Current Dividend	\$0.62
Dividend Yield	2.71%
Number of Consecutive Years of Dividend Growth	4

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	
Dec2015	\$1.09	Dec2015	\$0.95
Dec2014	\$1.12	Dec2014	\$0.74
Dec2013	\$1.15	Dec2013	\$0.51
Dec2012	\$1.71	Dec2012	\$0.27
Dec2011	-\$2.54	Dec2011	-\$0.22
Dec2010	\$0.82	Dec2010	\$0.89
Dec2009	\$0.97	Dec2009	\$0.84
Dec2008	\$1.22	Dec2008	\$0.67
Dec2007	\$0.72	Dec2007	\$0.28
Dec2006	\$0.24	Dec2006	-\$0.01
Dec2005	\$0.20	Dec2005	-\$0.15
Dec2004	\$0.01	Dec2004	-\$0.30
Dec2003	-\$1.02	Dec2003	-\$0.38
Dec2002	-\$0.14	Dec2002	-\$0.05
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Dec2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information 9/1/2016	
Dec1998	\$0.00	Total Current Assets	\$179,433,000
Dec1997	\$0.00	Total Current Liabilities	\$40,549,000
Dec1996	\$0.00	Long-Term Debt	\$0
		Total Assets	\$238,525,000
		Intangible Assets	\$1,715,000
		Total Liabilities	\$40,549,000
		Shares Outstanding (Diluted Average)	34,584,000





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:

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ModernGraham
posts about the
company

#N/A

Other
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companies

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[Verizon Communications Inc Valuation – July 2016 \\$VZ](#)
[AT&T Inc Valuation – July 2016 \\$T](#)
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[CenturyLink Inc Valuation – February 2016 \\$CTL](#)
[Frontier Communications Corp Valuation – November 2015 Update \\$FTR](#)
[Harris Corporation Analysis – September 2015 Update \\$HRS](#)
[Arris Group Inc. Analysis – Initial Coverage \\$ARRS](#)
[Level 3 Communications Inc. Analysis – Initial Coverage \\$LVT](#)
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