ModernGraham Valuation

Company Name:

Company Ticker SLAB Date of Analysis Silicon Laboratories

1/16/2017



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	\$2,930,878,246	Pass	
	2	Sufficiently Strong Financial Condition	Current Ratio > 2	3.26	Pass	
	3	Earnings Stability	Positive EPS for 10 years prior		Pass	
	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	-45.75%	Fail	
	6	Moderate PEmg Ratio	PEmg < 20	59.28	Fail	
	7	Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.67	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	3.26	Pass	
	2	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.22	Pass	
	3	Earnings Stability	Positive EPS for 5 years prior		Pass	
	4	Dividend Record	Currently Pays Dividend		Fail	
	5	Earnings Growth	EPSmg greater than 5 years ago		Fail	
			Score			

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

	EPSmg		\$1.15
	MG Growth Estimate		-1.39%
	MG Value		\$6.59
	MG Value based on 3% Growth		\$16.69
	MG Value based on 0% Growth		\$9.79
	Market Implied Growth Rate		25.39%
MG Opinion			
	Current Price		\$68.25
	% of Intrinsic Value	10	035.36%
	Opinion	Overvalued	
	MG Grade	F	

Stage 3: Information for Further Research

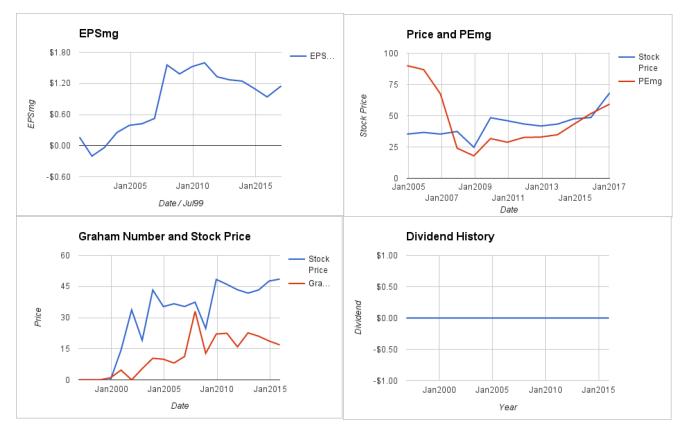
Net Current Asset Value (NCAV)	\$5.34
Graham Number	\$26.34
PEmg	59.28
Current Ratio	3.26
PB Ratio	3.67
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend	
Growth	0

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EPS History		EPSmg History	
Next Fiscal Year			
Estimate		Next Fiscal Year Estimate	\$1.1
Dec2015	\$0.69	Dec2015	\$0.9
Dec2014	\$0.87	Dec2014	\$1.1
Dec2013	\$1.14	Dec2013	\$1.2
Dec2012	\$1.47	Dec2012	\$1.2
Dec2011	\$0.79	Dec2011	\$1.3
Dec2010	\$1.57	Dec2010	\$1.60
Dec2009	\$1.57	Dec2009	\$1.52
Dec2008	\$0.67	Dec2008	\$1.38
Dec2007	\$3.64	Dec2007	\$1.50
Dec2006	\$0.54	Dec2006	\$0.5
Dec2005	\$0.32	Dec2005	\$0.42
Dec2004	\$0.58	Dec2004	\$0.39
Dec2003	\$0.86	Dec2003	\$0.2
Dec2002	\$0.41	Dec2002	-\$0.04
Dec2001	-\$0.99	Dec2001	-\$0.2
Dec2000	\$0.29	Dec2000	\$0.10
Dec1999	\$0.25	Balance Sheet Information	9/1/2016
Dec1998	\$0.00	Total Current Assets	\$468,395,000
Dec1997	\$0.00	Total Current Liabilities	\$143,847,00
Dec1996	\$0.00	Long-Term Debt	\$72,500,00
		Total Assets	\$1,030,216,00
		Intangible Assets	\$373,042,00
		Total Liabilities	\$242,587,00
		Shares Outstanding (Diluted Average)	42,307,00





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.

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