

ModernGraham Valuation

Company Name:

Intel Corporation

Company Ticker INTC

Date of Analysis

2/24/2018



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	\$232,192,483,121	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.69	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	42.55%	Pass
6. Moderate PEmg Ratio	PEmg < 20	19.05	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.31	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	1.69	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.07	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 Score		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.51
MG Growth Estimate	2.46%
MG Value	\$33.64
MG Value based on 3% Growth	\$36.34
MG Value based on 0% Growth	\$21.30
Market Implied Growth Rate	5.27%

MG Opinion

Current Price	\$47.73
% of Intrinsic Value	141.88%
Opinion	Overvalued
MG Grade	C+

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$5.16
Graham Number	\$32.89
PEmg	19.05
Current Ratio	1.69
PB Ratio	3.31
Current Dividend	\$1.08
Dividend Yield	2.26%
Number of Consecutive Years of Dividend Growth	3

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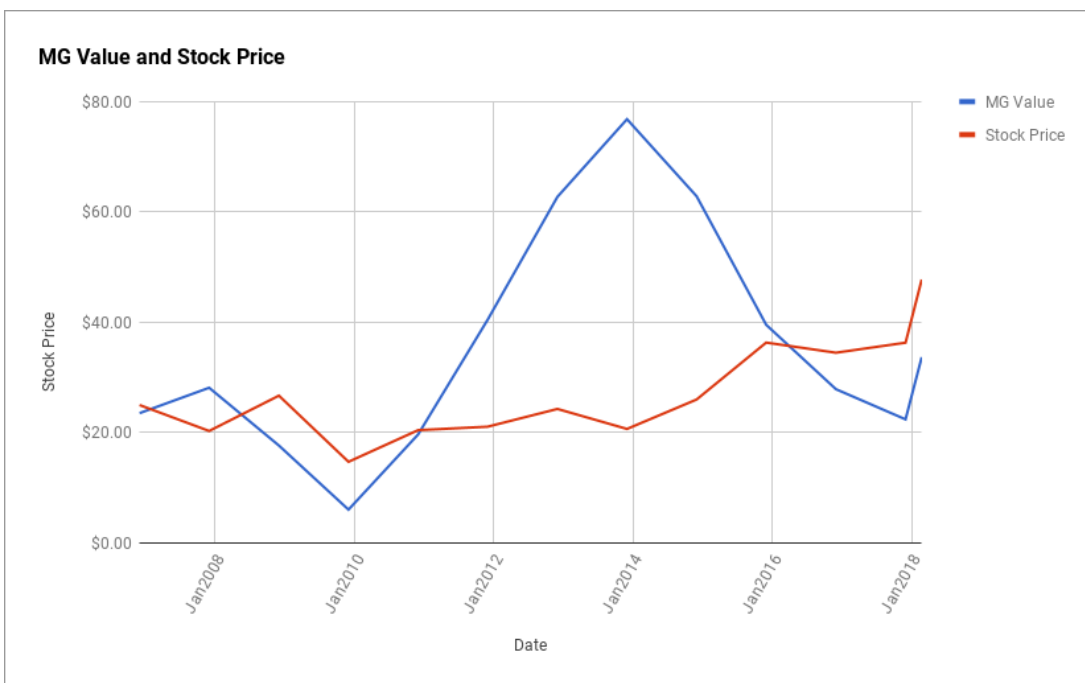
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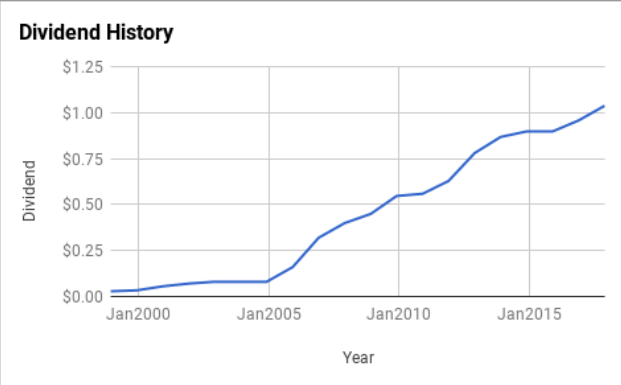
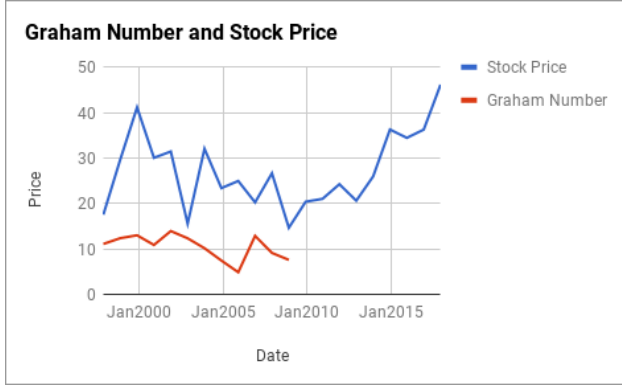
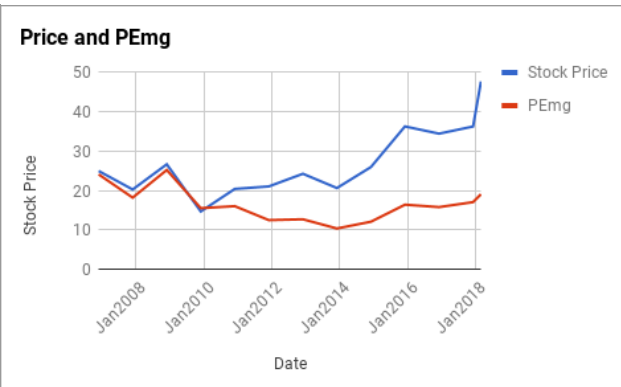
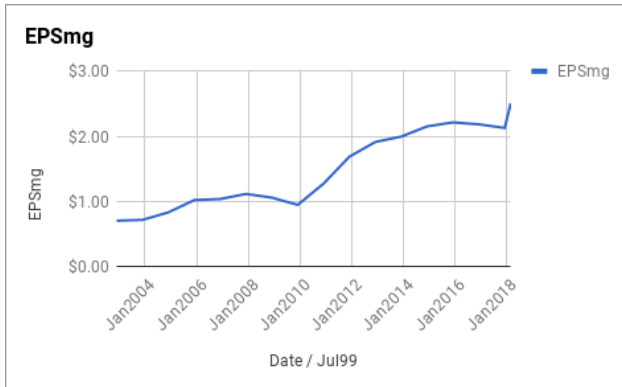
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.26	Next Fiscal Year Estimate	\$2.51
Dec2017	\$1.99	Dec2017	\$2.13
Dec2016	\$2.12	Dec2016	\$2.18
Dec2015	\$2.33	Dec2015	\$2.21
Dec2014	\$2.31	Dec2014	\$2.15
Dec2013	\$1.89	Dec2013	\$2.00
Dec2012	\$2.13	Dec2012	\$1.91
Dec2011	\$2.39	Dec2011	\$1.69
Dec2010	\$2.01	Dec2010	\$1.27
Dec2009	\$0.77	Dec2009	\$0.95
Dec2008	\$0.92	Dec2008	\$1.06
Dec2007	\$1.18	Dec2007	\$1.11
Dec2006	\$0.86	Dec2006	\$1.04
Dec2005	\$1.40	Dec2005	\$1.02
Dec2004	\$1.16	Dec2004	\$0.83
Dec2003	\$0.85	Dec2003	\$0.72
Dec2002	\$0.46	Dec2002	\$0.70
Dec2001	\$0.19	Balance Sheet Information 12/1/2017	
Dec2000	\$1.51	Total Current Assets	\$29,500,000,000
Dec1999	\$1.05	Total Current Liabilities	\$17,421,000,000
Dec1998	\$0.87	Long-Term Debt	\$25,037,000,000
		Total Assets	\$123,249,000,000
		Intangible Assets	\$37,134,000,000
		Total Liabilities	\$54,230,000,000
		Shares Outstanding (Diluted Average)	4,793,000,000





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](#)

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