

ModernGraham Valuation

Company Name:

FLIR Systems, Inc.

Company Ticker FLIR

Date of Analysis

4/17/2018



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	\$7,355,798,698	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.51	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	-7.55%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	36.33	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.10	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	3.51	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.42	Pass
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
	Score		

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.46
MG Growth Estimate	1.01%
MG Value	\$15.33
MG Value based on 3% Growth	\$21.13
MG Value based on 0% Growth	\$12.39
Market Implied Growth Rate	13.92%

MG Opinion

Current Price	\$52.95
% of Intrinsic Value	345.33%
Opinion	Overvalued
MG Grade	C

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$2.90
Graham Number	\$24.81
PEmg	36.33
Current Ratio	3.51
PB Ratio	4.10
Current Dividend	\$0.60
Dividend Yield	1.13%
Number of Consecutive Years of Dividend Growth	7

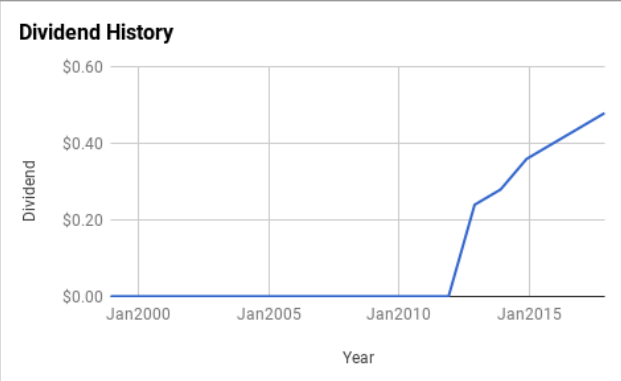
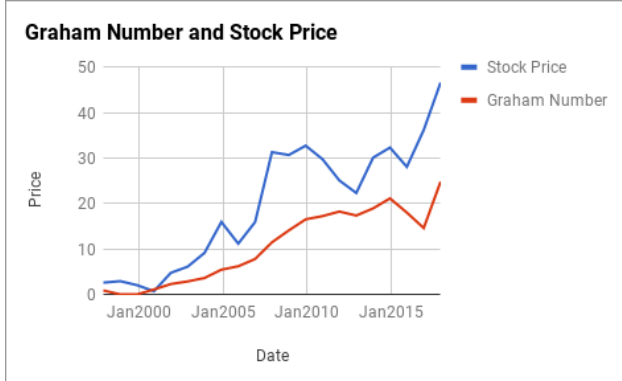
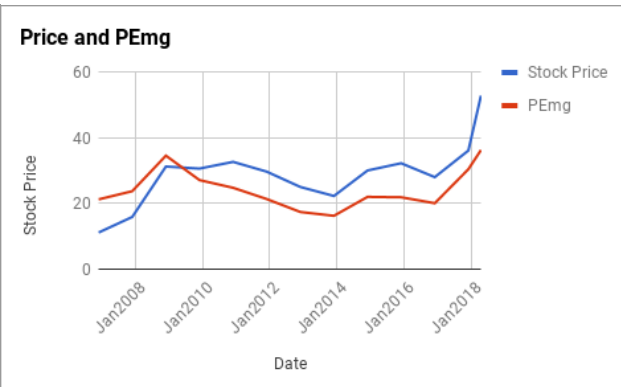
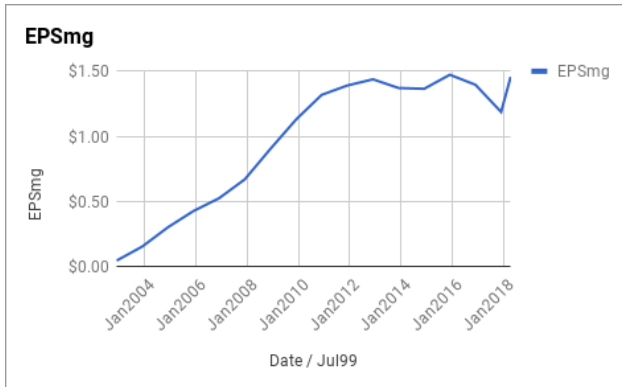
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.07	Next Fiscal Year Estimate	\$1.46
Dec2017	\$0.77	Dec2017	\$1.19
Dec2016	\$1.20	Dec2016	\$1.40
Dec2015	\$1.72	Dec2015	\$1.47
Dec2014	\$1.39	Dec2014	\$1.37
Dec2013	\$1.22	Dec2013	\$1.37
Dec2012	\$1.45	Dec2012	\$1.44
Dec2011	\$1.38	Dec2011	\$1.39
Dec2010	\$1.54	Dec2010	\$1.32
Dec2009	\$1.45	Dec2009	\$1.13
Dec2008	\$1.28	Dec2008	\$0.90
Dec2007	\$0.89	Dec2007	\$0.67
Dec2006	\$0.66	Dec2006	\$0.52
Dec2005	\$0.58	Dec2005	\$0.43
Dec2004	\$0.46	Dec2004	\$0.30
Dec2003	\$0.29	Dec2003	\$0.15
Dec2002	\$0.29	Dec2002	\$0.04
Dec2001	\$0.20	Balance Sheet Information 12/1/2017	
Dec2000	-\$0.23	Total Current Assets	\$1,387,219,000
Dec1999	-\$0.48	Total Current Liabilities	\$394,933,000
Dec1998	\$0.03	Long-Term Debt	\$420,684,000
		Total Assets	\$2,810,026,000
		Intangible Assets	\$1,077,941,000
		Total Liabilities	\$975,468,000
		Shares Outstanding (Diluted Average)	142,025,000





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**
- [FLIR Systems Inc Valuation – November 2016 \\$FLIR](#)
 - [FLIR Systems Inc Valuation – May 2016 \\$FLIR](#)
 - [FLIR Systems Inc. Valuation – November 2015 Update \\$FLIR](#)
 - [FLIR Systems Inc. Analysis – August 2015 Update \\$FLIR](#)
 - [47 Companies in the Spotlight This Week – 5/16/15](#)

- Other ModernGraham posts about related companies**
- [NetApp Inc Valuation – April 2018 \\$NTAP](#)
 - [Applied Materials Inc Valuation – April 2018 \\$AMAT](#)
 - [Broadcom Inc Valuation – April 2018 \\$AVGO](#)
 - [Microchip Technology Inc Valuation – April 2018 \\$MCHP](#)
 - [KLA-Tencor Corp Valuation – March 2018 \\$KLAC](#)
 - [TE Connectivity Ltd Valuation – March 2018 \\$TEL](#)
 - [Juniper Networks Inc Valuation – March 2018 \\$JNPR](#)
 - [NVIDIA Corp Valuation – March 2018 \\$NVDA](#)
 - [Seagate Technology PLC Valuation – March 2018 \\$STX](#)
 - [HP Inc Valuation – February 2018 \\$HPQ](#)