

ModernGraham Valuation



Company Name:

Amphenol Corporation

Company Ticker APH

Date of Analysis

5/22/2018

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	\$26,272,800,512	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.80	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	111.43%	Pass
6. Moderate PEmg Ratio	PEmg < 20	32.67	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	7.02	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	1.80	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.42	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	\$2.70
MG Growth Estimate	6.35%
MG Value	\$57.17
MG Value based on 3% Growth	\$39.10
MG Value based on 0% Growth	\$22.92
Market Implied Growth Rate	12.08%

MG Opinion

Current Price	\$88.10
% of Intrinsic Value	154.11%
Opinion	Overvalued
MG Grade	C

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$4.74
Graham Number	\$31.92
PEmg	32.67
Current Ratio	1.80
PB Ratio	7.02
Current Dividend	\$0.70
Dividend Yield	0.79%
Number of Consecutive Years of Dividend Growth	6

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	\$3.47	Next Fiscal Year Estimate	\$2.70
Dec2017	\$2.06	Dec2017	\$2.29
Dec2016	\$2.61	Dec2016	\$2.33
Dec2015	\$2.41	Dec2015	\$2.11
Dec2014	\$2.21	Dec2014	\$1.89
Dec2013	\$1.96	Dec2013	\$1.66
Dec2012	\$1.69	Dec2012	\$1.45
Dec2011	\$1.53	Dec2011	\$1.29
Dec2010	\$1.41	Dec2010	\$1.12
Dec2009	\$0.92	Dec2009	\$0.94
Dec2008	\$1.17	Dec2008	\$0.89
Dec2007	\$0.97	Dec2007	\$0.70
Dec2006	\$0.70	Dec2006	\$0.53
Dec2005	\$0.57	Dec2005	\$0.42
Dec2004	\$0.46	Dec2004	\$0.33
Dec2003	\$0.30	Dec2003	\$0.26
Dec2002	\$0.23	Dec2002	\$0.23
Dec2001	\$0.24	Balance Sheet Information 3/1/2018	
Dec2000	\$0.32	Total Current Assets	\$3,937,100,000
Dec1999	\$0.12	Total Current Liabilities	\$2,184,700,000
Dec1998	\$0.13	Long-Term Debt	\$2,489,400,000
		Total Assets	\$9,403,700,000
		Intangible Assets	\$4,580,500,000
		Total Liabilities	\$5,435,800,000
		Shares Outstanding (Diluted Average)	316,000,000





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**
- [5 Best Stocks for Value Investors This Week – 2/25/17](#)
 - [Amphenol Corp Valuation – February 2017 \\$APH](#)
 - [21 Best Undervalued Stocks of the Week – 8/27/16](#)
 - [Amphenol Corporation Valuation – August 2016 \\$APH](#)
 - [19 Best Stocks For Value Investors This Week – 1/9/16](#)

- Other ModernGraham posts about related companies**
- [Qualcomm Inc Valuation – May 2018 \\$QCOM](#)
 - [Advanced Micro Devices Inc Valuation – May 2018 \\$AMD](#)
 - [Ametek Inc Valuation – April 2018 \\$AME](#)
 - [Qorvo Inc Valuation – April 2018 \\$QRVO](#)
 - [FLIR Systems Inc Valuation – April 2018 \\$FLIR](#)
 - [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](#)