

ModernGraham Valuation

Company Name:

CEVA, Inc.

Company Ticker CEVA

Date of Analysis

7/2/2018



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	\$673,297,677	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	6.98	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	26.04%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	49.19	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.65	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	6.98	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		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.62
MG Growth Estimate	13.76%
MG Value	\$22.18
MG Value based on 3% Growth	\$8.93
MG Value based on 0% Growth	\$5.24
Market Implied Growth Rate	20.34%

MG Opinion

Current Price	\$30.30
% of Intrinsic Value	136.59%
Opinion	Overvalued
MG Grade	D

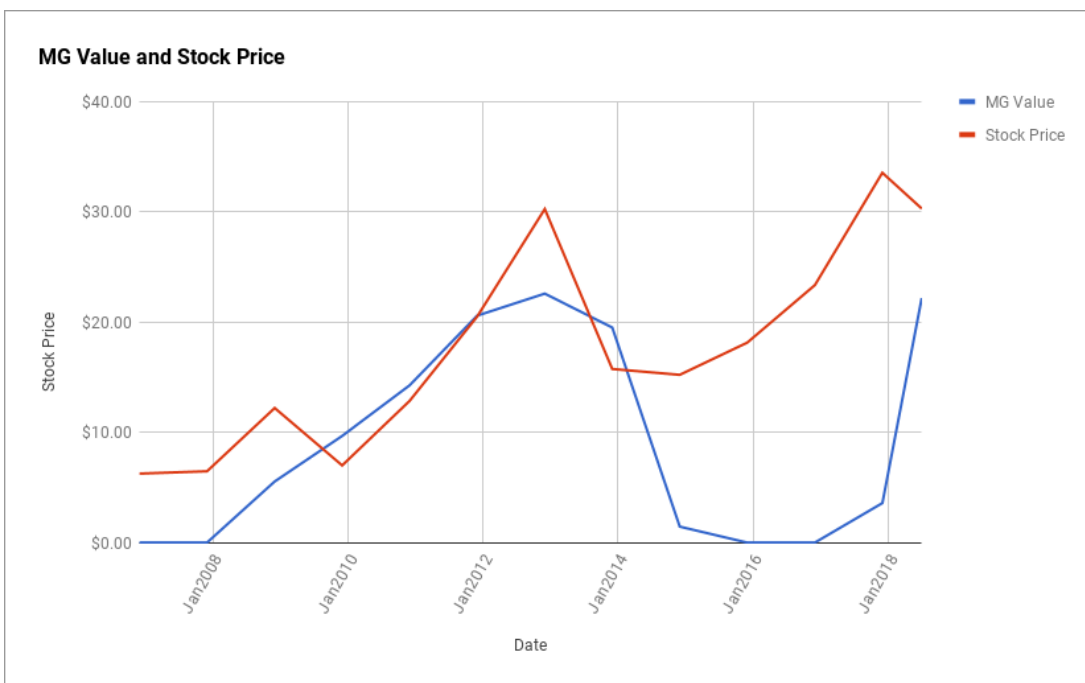
Stage 3: Information for Further Research

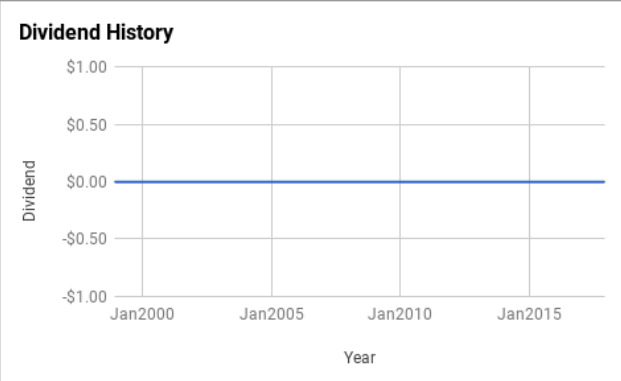
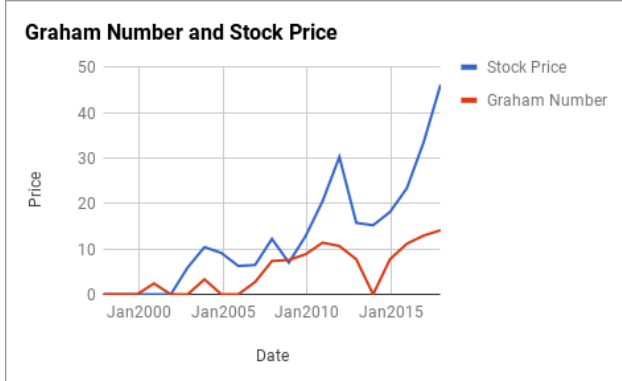
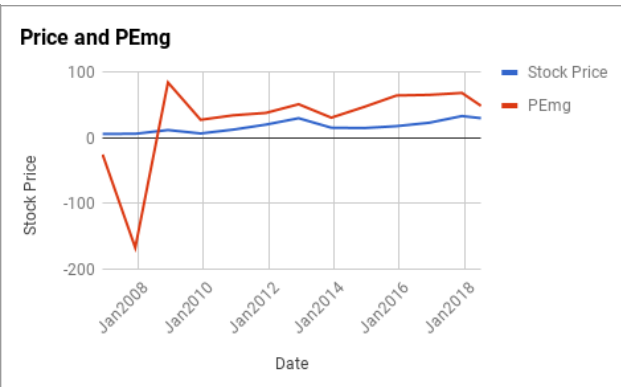
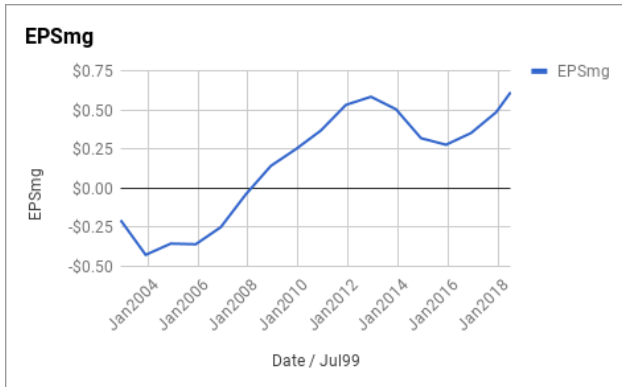
Net Current Asset Value (NCAV)	\$5.90
Graham Number	\$14.12
PEmg	49.19
Current Ratio	6.98
PB Ratio	2.65
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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	\$0.77	Next Fiscal Year Estimate	\$0.62
Dec2017	\$0.75	Dec2017	\$0.49
Dec2016	\$0.61	Dec2016	\$0.35
Dec2015	\$0.30	Dec2015	\$0.28
Dec2014	-\$0.04	Dec2014	\$0.32
Dec2013	\$0.30	Dec2013	\$0.51
Dec2012	\$0.59	Dec2012	\$0.59
Dec2011	\$0.77	Dec2011	\$0.53
Dec2010	\$0.51	Dec2010	\$0.37
Dec2009	\$0.41	Dec2009	\$0.25
Dec2008	\$0.42	Dec2008	\$0.14
Dec2007	\$0.06	Dec2007	-\$0.04
Dec2006	-\$0.01	Dec2006	-\$0.25
Dec2005	-\$0.12	Dec2005	-\$0.36
Dec2004	\$0.09	Dec2004	-\$0.35
Dec2003	-\$0.66	Dec2003	-\$0.43
Dec2002	-\$2.15	Dec2002	-\$0.20
Dec2001	\$1.15	Balance Sheet Information 3/1/2018	
Dec2000	\$1.03	Total Current Assets	\$164,326,000
Dec1999	\$0.00	Total Current Liabilities	\$23,543,000
Dec1998	\$0.00	Long-Term Debt	\$0
		Total Assets	\$286,542,000
		Intangible Assets	\$50,195,000
		Total Liabilities	\$33,727,000
		Shares Outstanding (Diluted Average)	22,148,000





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 of the Worst Stocks to Invest In – December 2016](#)
[CEVA Inc Valuation – Initial Coverage \\$CEVA](#)

Other ModernGraham posts about related companies [MTS Systems Corp Valuation – June 2018 \\$MTSC](#)
[Jabil Inc Valuation – June 2018 \\$JBL](#)
[Arrow Electronics Inc Valuation – June 2018 \\$ARW](#)
[Lam Research Corp Valuation – June 2018 \\$LRCX](#)
[Emerson Electric Co Valuation – June 2018 \\$EMR](#)
[Skyworks Solutions Inc Valuation – June 2018 \\$SWKS](#)
[Garmin Ltd Valuation – June 2018 \\$GRMN](#)
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[Fortive Corp Valuation – June 2018 \\$FTV](#)
[Analog Devices Inc Valuation – June 2018 \\$ADI](#)