

ModernGraham Valuation

Company Name:

First Solar, Inc.

Company Ticker FSLR

Date of Analysis

8/11/2018



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	\$5,423,736,443	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	4.89	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	-130.85%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	316.74	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.08	Pass

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	4.89	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.14	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		Fail
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.17
MG Growth Estimate	-4.25%
MG Value	\$19.77
MG Value based on 3% Growth	\$2.42
MG Value based on 0% Growth	\$1.42
Market Implied Growth Rate	154.12%

MG Opinion

Current Price	\$52.79
% of Intrinsic Value	267.05%
Opinion	Overvalued
MG Grade	F

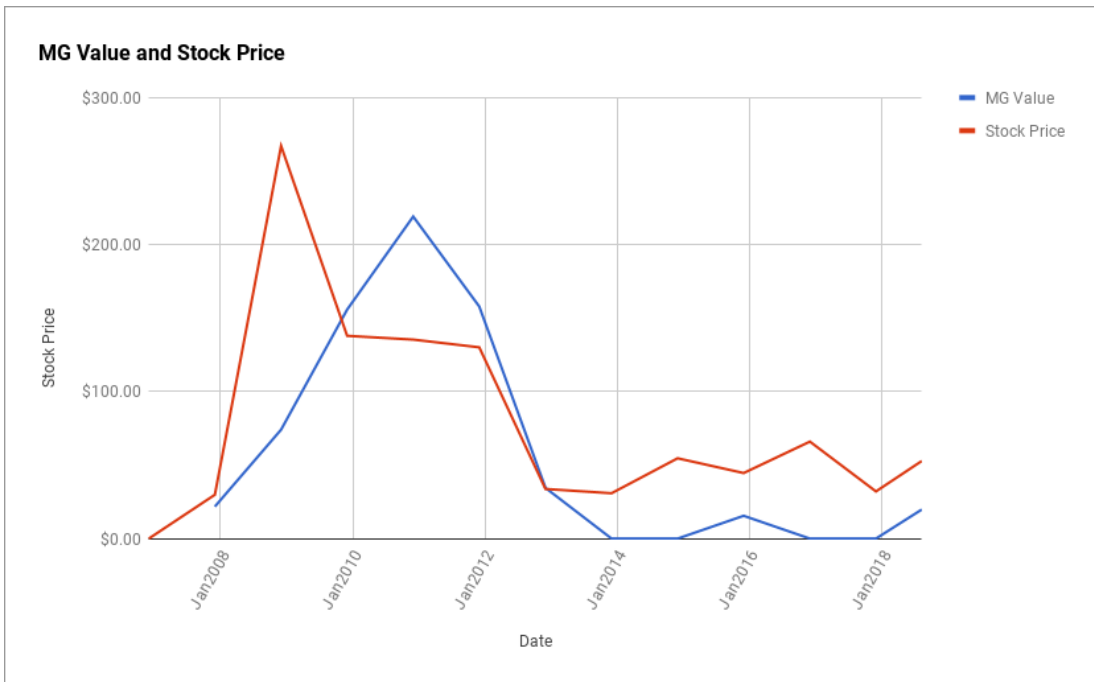
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$19.77
Graham Number	\$34.60
PEmg	316.74
Current Ratio	4.89
PB Ratio	1.08
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	\$1.09	Next Fiscal Year Estimate	\$0.17
Dec2017	-\$1.59	Dec2017	\$0.32
Dec2016	-\$4.05	Dec2016	\$1.40
Dec2015	\$5.83	Dec2015	\$3.54
Dec2014	\$3.90	Dec2014	\$2.51
Dec2013	\$3.67	Dec2013	\$2.36
Dec2012	-\$1.11	Dec2012	\$2.33
Dec2011	-\$0.46	Dec2011	\$4.10
Dec2010	\$7.68	Dec2010	\$5.69
Dec2009	\$7.53	Dec2009	\$4.05
Dec2008	\$4.24	Dec2008	\$1.93
Dec2007	\$2.03	Dec2007	\$0.57
Dec2006	\$0.07	Dec2006	-\$0.19
Dec2005	-\$0.13	Dec2005	-\$0.30
Dec2004	-\$0.39	Dec2004	-\$0.34
Dec2003	-\$0.78	Dec2003	-\$0.26
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Balance Sheet Information 6/1/2018	
Dec2000	\$0.00	Total Current Assets	\$3,986,040,000
Dec1999	\$0.00	Total Current Liabilities	\$815,412,000
Dec1998	\$0.00	Long-Term Debt	\$448,554,000
		Total Assets	\$7,025,692,000
		Intangible Assets	\$91,557,000
		Total Liabilities	\$1,914,864,000
		Shares Outstanding (Diluted Average)	104,776,000





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

- [First Solar Inc Valuation – February 2017 \\$FSLR](#)
- [First Solar Inc. Valuation – November 2015 Update \\$FSLR](#)
- [28 Companies in the Spotlight This Week – 11/1/14](#)
- [First Solar Inc. Annual Valuation – 2014 \\$FSLR](#)

Other ModernGraham posts about related companies

- [Canfor Corp Valuation – July 2018 \\$TSE:CFP](#)
- [Deltic Timber Corp Valuation – Initial Coverage \\$DEL](#)
- [First Solar Inc Valuation – February 2017 \\$FSLR](#)
- [Innergex Renewable Energy Inc Valuation – Initial Coverage \\$TSE:INE](#)
- [Canfor Corporation Valuation – Initial Coverage \\$TSE:CFP](#)
- [First Solar Inc. Valuation – November 2015 Update \\$FSLR](#)
- [First Solar Inc. Annual Valuation – 2014 \\$FSLR](#)