

ModernGraham Valuation

Kulicke and Soffa
Industries Inc.



Company Name:

Company Ticker KLIC

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	\$1,875,896,689	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	5.02	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	3.69%	Fail
5. Earnings Growth	PEmg < 20	27.50	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.12	Pass
7. Moderate Price to Assets			

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	5.02	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago Score		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.97
MG Growth Estimate	-3.49%
MG Value	\$9.65
MG Value based on 3% Growth	\$14.05
MG Value based on 0% Growth	\$8.23
Market Implied Growth Rate	9.50%

MG Opinion

Current Price	\$26.64
% of Intrinsic Value	275.99%
Opinion	Overvalued
MG Grade	D

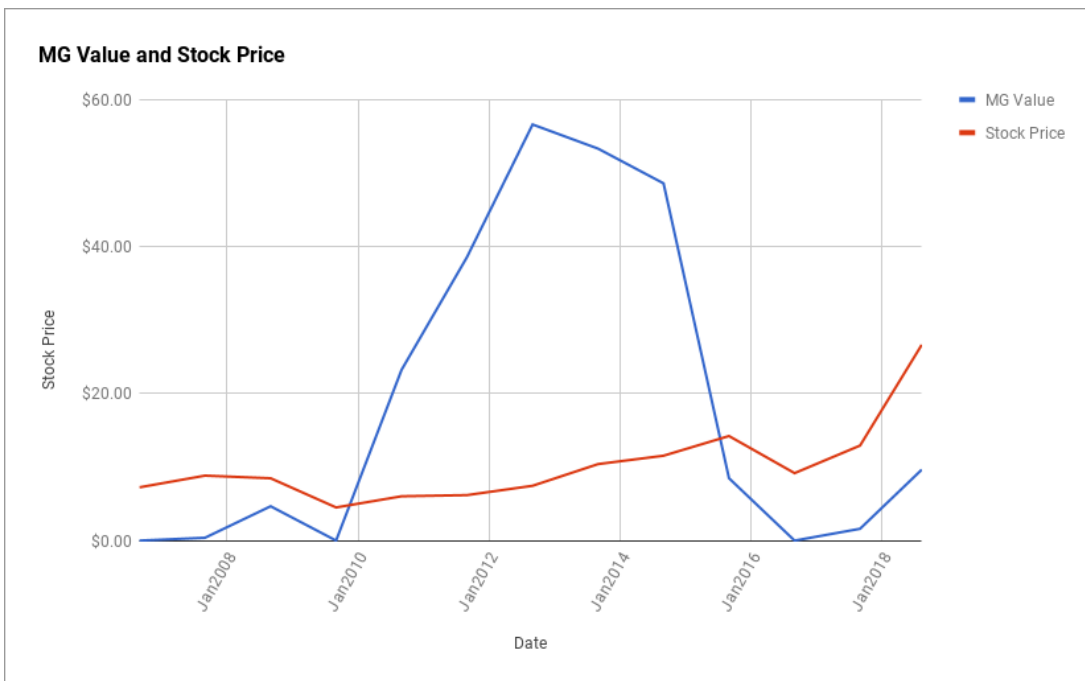
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$9.65
Graham Number	\$13.95
PEmg	27.50
Current Ratio	5.02
PB Ratio	2.12
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	\$0.66	Next Fiscal Year Estimate	\$0.97
Sep2017	\$1.75	Sep2017	\$1.06
Sep2016	\$0.68	Sep2016	\$0.82
Sep2015	\$0.69	Sep2015	\$1.00
Sep2014	\$0.81	Sep2014	\$1.26
Sep2013	\$0.78	Sep2013	\$1.39
Sep2012	\$2.13	Sep2012	\$1.47
Sep2011	\$1.73	Sep2011	\$1.00
Sep2010	\$1.92	Sep2010	\$0.60
Sep2009	-\$0.67	Sep2009	-\$0.12
Sep2008	\$0.07	Sep2008	\$0.12
Sep2007	\$0.57	Sep2007	\$0.01
Sep2006	\$0.78	Sep2006	-\$0.68
Sep2005	-\$2.02	Sep2005	-\$1.58
Sep2004	\$0.89	Sep2004	-\$1.28
Sep2003	-\$1.54	Sep2003	-\$2.04
Sep2002	-\$5.57	Sep2002	-\$1.89
Sep2001	-\$1.34	Balance Sheet Information 6/1/2018	
Sep2000	\$1.90	Total Current Assets	\$1,022,442,000
Sep1999	-\$0.36	Total Current Liabilities	\$203,578,000
Sep1998	-\$0.12	Long-Term Debt	\$0
		Total Assets	\$1,225,925,000
		Intangible Assets	\$111,780,000
		Total Liabilities	\$343,843,000
		Shares Outstanding (Diluted Average)	70,302,000





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 [Kulicke and Soffa Industries Inc Valuation – Initial Coverage \\$KLIC](#)

Other ModernGraham posts about related companies

- [Keysight Technologies Inc Valuation – August 2018 \\$KEYS](#)
- [Semtech Corp Valuation – August 2018 \\$SMTC](#)
- [Cohu Inc Valuation – August 2018 \\$COHU](#)
- [Coherent Inc Valuation – August 2018 \\$COHR](#)
- [Teradata Corp Valuation – August 2018 \\$TDC](#)
- [Silicon Laboratories Inc Valuation – August 2018 \\$SLAB](#)
- [Itron Inc Valuation – July 2018 \\$ITRI](#)
- [Celestica Inc Valuation – July 2018 \\$TSE-CLS](#)
- [Ciena Corp Valuation – July 2018 \\$CIEN](#)
- [iRobot Corp Valuation – July 2018 \\$IRBT](#)