

ModernGraham Valuation

Company Name:

Intel Corporation

Company Ticker INTC

Date of Analysis

11/17/2018



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 | \$222,860,087,779 | Pass |
| 2. Sufficiently Strong Financial Condition | Current Ratio > 2 | 1.51 | Fail |
| 3. Earnings Stability | Positive EPS for 10 years prior | | Pass |
| 4. Dividend Record | Dividend Payments for 10 years prior | | Pass |
| | Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end | 67.70% | Pass |
| 5. Earnings Growth | | | |
| 6. Moderate PEmg Ratio | PEmg < 20 | 16.61 | Pass |
| 7. Moderate Price to Assets | PB Ratio < 2.5 OR PB*PEmg < 50 | 3.18 | 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 | 1.51 | Pass |
| 2. Sufficiently Strong Financial Condition | Debt to NCA < 1.1 | 2.53 | 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 | | Pass |
| | Score | | |

Suitability

| | |
|---------------------|------------|
| Defensive | No |
| Enterprising | Yes |

Stage 2: Determination of Intrinsic Value

| | |
|-----------------------------|----------------|
| EPSmg | \$2.94 |
| MG Growth Estimate | 5.48% |
| MG Value | \$57.21 |
| MG Value based on 3% Growth | \$42.62 |
| MG Value based on 0% Growth | \$24.98 |
| Market Implied Growth Rate | 4.06% |

MG Opinion

| | |
|----------------------|----------------------|
| Current Price | \$48.83 |
| % of Intrinsic Value | 85.35% |
| Opinion | Fairly Valued |
| MG Grade | B- |

Stage 3: Information for Further Research

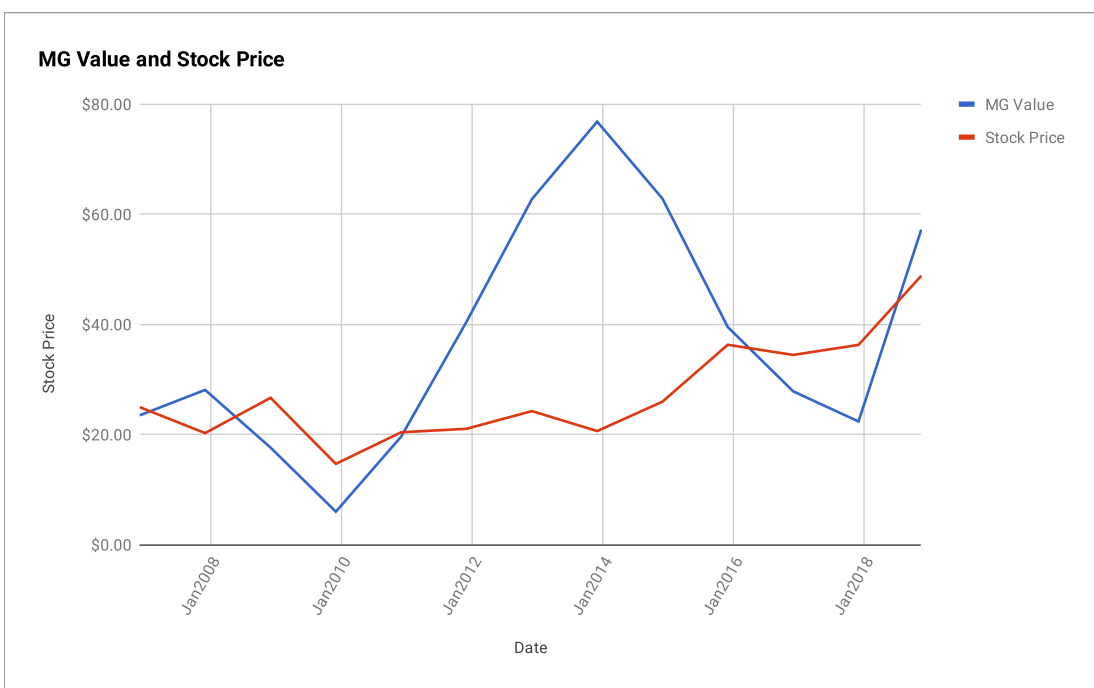
| | |
|--|---------|
| Net Current Asset Value (NCAV) | -\$5.85 |
| Graham Number | \$38.87 |
| PEmg | 16.61 |
| Current Ratio | 1.51 |
| PB Ratio | 3.18 |
| Current Dividend | \$1.08 |
| Dividend Yield | 2.21% |
| Number of Consecutive Years of Dividend Growth | 3 |

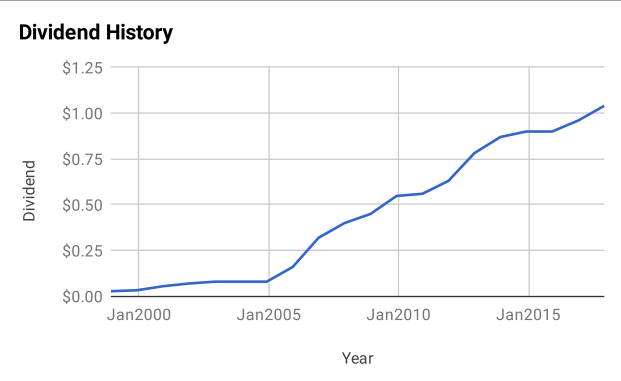
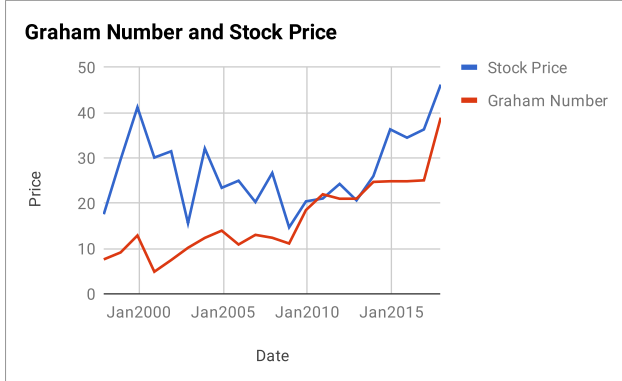
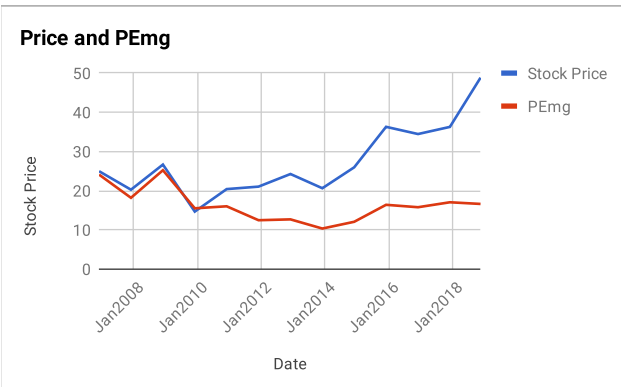
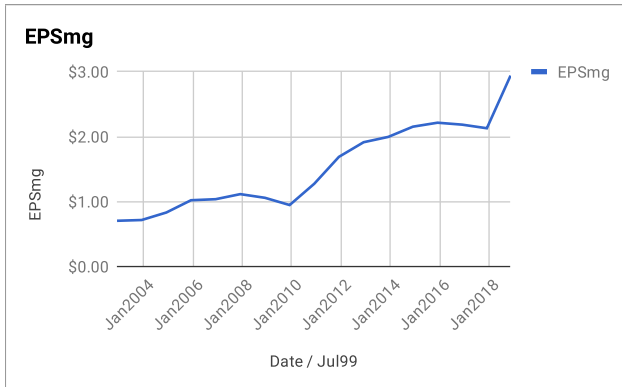
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| EPS History | | EPSmg History | |
|---------------------------|--------|---|-------------------|
| Next Fiscal Year Estimate | \$4.56 | Next Fiscal Year Estimate | \$2.94 |
| Dec2017 | \$1.99 | Dec2017 | \$2.13 |
| Dec2016 | \$2.12 | Dec2016 | \$2.18 |
| Dec2015 | \$2.33 | Dec2015 | \$2.21 |
| Dec2014 | \$2.31 | Dec2014 | \$2.15 |
| Dec2013 | \$1.89 | Dec2013 | \$2.00 |
| Dec2012 | \$2.13 | Dec2012 | \$1.91 |
| Dec2011 | \$2.39 | Dec2011 | \$1.69 |
| Dec2010 | \$2.01 | Dec2010 | \$1.27 |
| Dec2009 | \$0.77 | Dec2009 | \$0.95 |
| Dec2008 | \$0.92 | Dec2008 | \$1.06 |
| Dec2007 | \$1.18 | Dec2007 | \$1.11 |
| Dec2006 | \$0.86 | Dec2006 | \$1.04 |
| Dec2005 | \$1.40 | Dec2005 | \$1.02 |
| Dec2004 | \$1.16 | Dec2004 | \$0.83 |
| Dec2003 | \$0.85 | Dec2003 | \$0.72 |
| Dec2002 | \$0.46 | Dec2002 | \$0.70 |
| Dec2001 | \$0.19 | Balance Sheet Information 9/1/2018 | |
| Dec2000 | \$1.51 | Total Current Assets | \$29,590,000,000 |
| Dec1999 | \$1.05 | Total Current Liabilities | \$19,574,000,000 |
| Dec1998 | \$0.87 | Long-Term Debt | \$25,338,000,000 |
| | | Total Assets | \$128,242,000,000 |
| | | Intangible Assets | \$36,513,000,000 |
| | | Total Liabilities | \$56,759,000,000 |
| | | Shares Outstanding (Diluted Average) | 4,648,000,000 |





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**
- [Intel Corp Valuation – February 2018 \\$INTC](#)
 - [5 Overvalued Dow Components – July 2016](#)
 - [Intel Corporation Valuation – May 2016 \\$INTC](#)
 - [11 Best Stocks For Value Investors This Week – 11/21/15](#)
 - [Intel Corp Valuation – November 2015 Update \\$INTC](#)

- Other ModernGraham posts about related companies**
- [Apple Inc Valuation – November 2018 \\$AAPL](#)
 - [Littelfuse Inc Valuation – September 2018 \\$LFUS](#)
 - [CTS Corporation Valuation – August 2018 \\$CTS](#)
 - [Kopin Corp Valuation – August 2018 \\$KOPN](#)
 - [Knowles Corp Valuation – August 2018 \\$KN](#)
 - [Cree Inc Valuation – August 2018 \\$CREE](#)
 - [Cray Inc Valuation – August 2018 \\$CRAY](#)
 - [Kulicke & Soffa Industries Inc Valuation – August 2018 \\$KLIC](#)
 - [Keysight Technologies Inc Valuation – August 2018 \\$KEYS](#)
 - [Semtech Corp Valuation – August 2018 \\$SMTC](#)