

ModernGraham Valuation

Company Name:

Company Ticker APH
Date of Analysis

Amphenol
Corporation

3/12/2019



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	\$28,082,775,997	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.86	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	112.11%	Pass
5. Earnings Growth	PEmg < 20	29.03	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	7.18	Fail
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	1.86	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.32	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	\$3.25
MG Growth Estimate	8.07%
MG Value	\$80.00
MG Value based on 3% Growth	\$47.09
MG Value based on 0% Growth	\$27.60
Market Implied Growth Rate	10.26%

MG Opinion

Current Price	\$94.26
% of Intrinsic Value	117.83%
Opinion	Overvalued
MG Grade	C

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$4.55
Graham Number	\$34.36
PEmg	29.03
Current Ratio	1.86
PB Ratio	7.18
Current Dividend	\$0.88
Dividend Yield	0.93%
Number of Consecutive Years of Dividend Growth	7

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.90	Next Fiscal Year Estimate	\$3.25
Dec2018	\$3.85	Dec2018	\$2.82
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	Balance Sheet Information 12/1/2018	
Dec2001	\$0.24	Total Current Assets	\$4,571,600,000
Dec2000	\$0.32	Total Current Liabilities	\$2,451,300,000
Dec1999	\$0.12	Long-Term Debt	\$2,806,400,000
		Total Assets	\$10,044,900,000
		Intangible Assets	\$4,501,100,000
		Total Liabilities	\$5,980,700,000
		Shares Outstanding (Diluted Average)	309,600,000





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

- [Amphenol Corp Valuation – May 2018 \\$APH](#)
- [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](#)

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- [Qualcomm Inc Valuation – March 2019 #QCOM](#)
- [Ametek Inc Valuation – March 2019 #AME](#)
- [Advanced Micro Devices Inc Valuation – February 2019 \\$AMD](#)
- [Qorvo Inc Valuation – February 2019 \\$QRVO](#)
- [FLIR Systems Inc Valuation – February 2019 \\$FLIR](#)
- [NetApp Inc Valuation – February 2019 \\$NTAP](#)
- [Applied Materials Inc Valuation – February 2019 \\$AMAT](#)
- [Microchip Technology Inc Valuation – February 2019 \\$MCHP](#)
- [Broadcom Inc Valuation – February 2019 \\$AVGO](#)
- [KLA-Tencor Corp Valuation – January 2019 \\$KLAC](#)