**Intel (INTC) Analysis Done On 08/02/2020**

**Numbers Below Are in USD Billions Below Unless Noted**

* $203 billion market cap
* 2.8% dividend
* TTM operating margin is 33.4%
* 5 Year average OM is 28.8%
* Share count fell from 5,696 million in 2010 to 4,351 million in the TTM period. Or a fall of 23.6% in this period.
* Book value per share rose from $8.97 per share in 2010 to $19.28 per share in the TTM period. Or a rise of 115% in the last decade.
* Morningstar ROIC in the TTM period is 21.2%
* 5 year average Morningstar ROIC is 20%.
* TTM ROE is 30.1%
* 5 year average ROE is 21.2%
* TTM FCF/Sales is 27.7%
* 5 year average FCF/Sales is 20.3%
* Its CCC rose from 52 days in 2010 to 75 days in the TTM period. Or a rise of 44.2% in that time.
* EV/EBIT is 215.5/26.4 = 8.2
* EV/FCF is 215/21.9 = 9.8
* EBIT/EV (Earnings Yield) = 12.3%
* FCF/EV (Earnings Yield) = 10.2%

Enterprise Value = market cap – cash and cash equivalents + ST and LT debt ~~(and debt equivalents)~~ + preferred stock + minority interest

Calculation below is in billions of USD.

EV = 203 – 25.8 in cash, cash equivalents, and ST investments + 2.25 in ST debt and capital leases + 36.1 in LT debt and obligations + 0 in preferred stock + 0 in minority interest = $215.5 billion USD.

STOPPED ABOVE AFTER EV CALCULATION DUE TO HIGH CURRENT RELATIVE VALUATION

**Notes:**

Cash and cash equivalents make up 4.9% of the TTM balance sheet.

Short term debt makes up less than 4.9% of TTM balance sheet.

Long term debt makes up 23.9% of the TTM balance sheet.

Meaning the company has A NET DEBT balance sheet position – based on actual balance sheet numbers.

Large part of its TTM balance sheet is in both Net PP&E and Intangibles – 30.6% and 34.5% respectively.

ROIC = EBIT/ (shareholders equity + debt and debt equivalents – cash & cash equivalents and other investments.)

ROIC = 13/ (830 + 10 in ST debt + 60 in LT debt – 860 in Cash and cash equivalents)

ROIC = 13/40 = 32.5%

**Basic Valuations Below**

Shareholders equity = 1.36 billion EUR or $1.46 billion – LOW BOOK VALUE – THIS ISN’T THE CALCUATION FOR THIS COMPANY

* 3.827 X 8 = 30.616 + 1.05 – 2.07 – 7.96 = 21.636 billion DKK or $3.11 billion USD

Even with the companies large debt load its still undervalued by 16.4% today.