

BE Semiconductor Industries NV **BESI**

Last Close
04 Jun 2018
28.72

Fair Value^Q
05 Jun 2018 02:00 UTC
29.70

Market Cap
04 Jun 2018
2,141.1 Mil

Sector
 Technology

Industry
Semiconductor Equipment & Materials

Country of Domicile
 Netherlands

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Company Profile

BE Semiconductor Industries NV is a Netherlands-based company engaged in development, manufacturing, marketing, sales and service of semiconductor assembly equipment for semiconductor and electronics industries.

Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	Narrow	83	88	78
Valuation	Fairly Valued	39	31	61
Quantitative Uncertainty	High	74	79	43
Financial Health	Strong	85	75	76



Source: Morningstar Equity Research

Valuation	Current		5-Yr Avg		Sector Median	Country Median
	Current	5-Yr Avg	Sector Median	Country Median		
Price/Quant Fair Value	0.97	1.11	0.87	0.99		
Price/Earnings	13.5	18.1	24.8	22.0		
Forward P/E	14.4	—	18.1	16.9		
Price/Cash Flow	11.6	13.2	17.2	13.9		
Price/Free Cash Flow	12.4	33.5	25.2	21.7		
Trailing Dividend Yield %	8.08	3.70	1.66	2.53		
Price/Book	4.9	2.8	2.6	2.9		
Price/Sales	3.7	2.4	1.9	1.8		

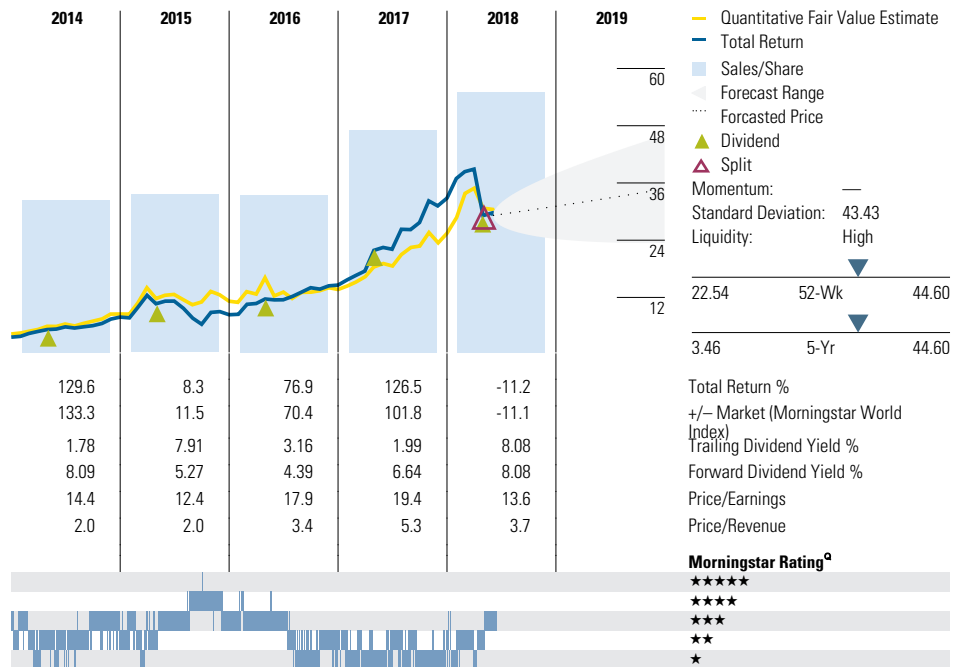
Profitability	Current		5-Yr Avg		Sector Median	Country Median
	Current	5-Yr Avg	Sector Median	Country Median		
Return on Equity %	—	21.8	12.3	13.5		
Return on Assets %	23.8	14.0	6.3	5.2		
Revenue/Employee (K)	369.8	248.4	452.3	326.2		

Financial Health	Current		5-Yr Avg		Sector Median	Country Median
	Current	5-Yr Avg	Sector Median	Country Median		
Distance to Default	0.7	0.7	0.6	0.7		
Solvency Score	—	—	463.7	554.8		
Assets/Equity	2.0	1.5	1.6	2.4		
Long-Term Debt/Equity	0.6	0.2	0.1	0.4		

Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	57.9	16.1	16.7	13.5
Operating Income %	178.6	42.7	58.7	—
Earnings %	132.5	27.6	60.4	—
Dividends %	39.0	61.5	44.6	—
Book Value %	26.6	10.3	10.7	7.2
Stock Total Return %	28.3	38.5	54.9	35.2

Price vs. Quantitative Fair Value



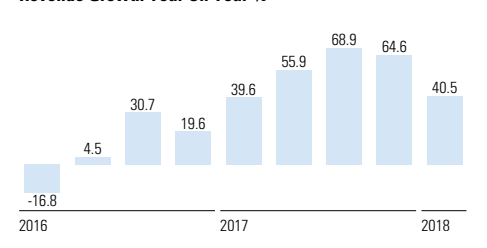
Morningstar Rating^Q
★★★★★
★★★★
★★★
★★
★

	2013	2014	2015	2016	2017	TTM	Financials (Fiscal Year in K)
Revenue	254,936	378,797	349,206	375,375	592,785	637,481	Revenue
% Change	-6.9	48.6	-7.8	7.5	57.9	7.5	% Change
Operating Income	18,859	72,068	57,895	75,168	209,433	227,166	Operating Income
% Change	-9.4	282.1	-19.7	29.8	178.6	8.5	% Change
Net Income	16,015	70,884	48,980	65,223	172,991	185,790	Net Income
Operating Cash Flow	18,147	73,295	86,507	98,731	168,153	204,513	Operating Cash Flow
Capital Spending	-11,839	-15,788	-9,795	-11,225	-11,696	-13,257	Capital Spending
Free Cash Flow	6,308	57,507	76,712	87,506	156,457	191,256	Free Cash Flow
% Sales	2.5	15.2	22.0	23.3	26.4	30.0	% Sales
EPS	0.16	0.94	0.76	0.85	1.97	2.12	EPS
% Change	-23.8	484.4	-18.7	11.8	131.2	7.9	% Change
Free Cash Flow/Share	0.17	0.54	1.02	1.15	1.39	2.32	Free Cash Flow/Share
Dividends/Share	0.15	0.17	0.75	0.50	0.70	0.70	Dividends/Share
Book Value/Share	—	—	—	—	—	—	Book Value/Share
Shares Outstanding (K)	74,614	75,425	75,727	74,653	74,551	74,551	Shares Outstanding (K)
Return on Equity %	6.1	24.0	14.9	19.4	44.5	—	Profitability
Return on Assets %	4.6	18.1	11.2	12.8	23.7	23.8	Return on Assets %
Net Margin %	6.3	18.7	14.0	17.4	29.2	29.1	Net Margin %
Asset Turnover	0.72	0.96	0.80	0.74	0.81	0.82	Asset Turnover
Financial Leverage	1.3	1.4	1.3	1.7	2.0	—	Financial Leverage
Gross Margin %	39.8	43.8	48.8	51.0	57.1	57.2	Gross Margin %
Operating Margin %	7.4	19.0	16.6	20.0	35.3	35.6	Operating Margin %
Long-Term Debt	3,059	2,978	13,352	122,603	267,274	268,415	Long-Term Debt
Total Equity	262,965	327,296	330,616	343,411	434,132	—	Total Equity
Fixed Asset Turns	10.1	14.6	12.9	14.0	22.2	23.8	Fixed Asset Turns

Quarterly Revenue & EPS

Revenue (Mil)	Mar	Jun	Sep	Dec	Total
2018	154.9	—	—	—	—
2017	110.2	170.0	159.3	153.2	592.8
2016	79.0	109.0	94.3	93.1	375.4
2015	94.9	104.3	72.1	77.8	349.2
Earnings Per Share (€)					
2018	0.46	—	—	—	—
2017	0.30	0.64	0.65	0.37	1.97
2016	0.11	0.32	0.22	0.22	0.85
2015	0.23	0.20	0.08	0.25	0.76

Revenue Growth Year On Year %



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The Quantitative Ratings are calculated daily and derived from the analyst-driven ratings of a company's peers as determined by statistical algorithms. Morningstar, Inc. ("Morningstar", "we", "our") calculates Quantitative Ratings for companies whether or not it already provides analyst ratings and qualitative coverage. In some cases, the Quantitative Ratings may differ from the analyst ratings because a company's analyst-driven ratings can significantly differ from other companies in its peer group.

i. **Quantitative Fair Value Estimate:** Intended to represent Morningstar's estimate of the per share dollar amount that a company's equity is worth today. Morningstar calculates the Quantitative Fair Value Estimate using a statistical model derived from the Fair Value Estimate Morningstar's equity analysts assign to companies. Please go to <http://global.morningstar.com/equitydisclosures> for information about Fair Value Estimate Morningstar's equity analysts assign to companies.

ii. **Quantitative Economic Moat:** Intended to describe the strength of a firm's competitive position. It is calculated using an algorithm designed to predict the Economic Moat rating a Morningstar analyst would assign to the stock. The rating is expressed as Narrow, Wide, or None.

Narrow – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 70% but less than 99%.

Wide – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 99%.

None – assigned when the probability of an analyst receiving a "Wide Moat" rating by an analyst is less than 70%.

iii. **Quantitative Star Rating:** Intended to be the summary rating based on the combination of our Quantitative Fair Value Estimate, current market price, and the Quantitative Uncertainty Rating. The rating is expressed as One-Star, Two-Star, Three-Star, Four-Star, and Five-Star.

One-Star – the stock is overvalued with a reasonable margin of safety.

*Log (Quant FVE/Price) < -1*Quantitative Uncertainty*

Two-Star - the stock is somewhat overvalued.

*Log (Quant FVE/Price) between (-1*Quantitative Uncertainty, -0.5*Quantitative Uncertainty)*

Three-Star – the stock is approximately fairly valued.

*Log (Quant FVE/Price) between (-0.5*Quantitative Uncertainty, 0.5*Quantitative Uncertainty)*

Four-Star – the stock is somewhat undervalued.

*Log (Quant FVE/Price) between (0.5*Quantitative Uncertainty, 1*Quantitative Uncertainty)*

Five-Star – the stock is undervalued with a reasonable margin of safety.

*Log (Quant FVE/Price) > 1*Quantitative Uncertainty*

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Low – the interquartile range for possible fair values is less than 10%

Medium – the interquartile range for possible fair values is less than 15% but greater than 10%

High – the interquartile range for possible fair values is less than 35% but greater than 15%

Very High – the interquartile range for possible fair values is less than 80% but greater than 35%

Extreme – the interquartile range for possible fair values is greater than 80%

v. **Quantitative Financial Health:** Intended to reflect the probability that a firm will face financial distress in the near future. The calculation uses a predictive model designed to anticipate when a company may default on its financial obligations. The rating is expressed as Weak, Moderate, and Strong.

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Moderate – assigned when Quantitative Financial Health is between 0.2 and 0.7

Strong – assigned when Quantitative Financial Health > 0.7

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ii. **Quantitative Valuation** – Using the below terms, intended to denote the relationship between the security's **Last Price** and Morningstar's quantitative fair value estimate for that security.

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Overvalued – Last Price is above Morningstar's quantitative fair value estimate.

This Report **has not been made available** to the issuer of the security prior to publication.

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