



Company Name: LAM RESEARCH



Assumptions	
Date	Saturday, April 16, 2022
Discount Rate	11.34%
Tax Rate	21%
EBITDA Growth Rate	15.00%
52-Week Low	455.84
52-Week High	731.85
Current Price	456.16
Price Target	735.17
Upside	61.17%

In Millions of USD

Year	TTM	2022	2023	2024	2025	2026
EBITDA	5,683	6,536	7,516	8,644	9,940	11,431
Depreciation & Amortization	(319)	(319)	(319)	(319)	(319)	(319)
EBIT	5,364	6,217	7,197	8,324	9,621	11,112
Check	5,364					
Variance						
Tax	(578)	(1,305)	(1,511)	(1,748)	(2,020)	(2,334)
EBIT (1-t)	4,786	4,911	5,686	6,576	7,601	8,778
Add Back Depreciation	319	319	319	319	319	319
NWC	-	-	-	-	-	-
Capital Expenditures	(554)	(554)	(554)	(554)	(554)	(554)
Unlevered Free Cash Flow	4,552	4,677	5,451	6,342	7,366	8,544
PV Unlevered Free Cash Flow		4,200	4,397	4,594	4,792	4,993
	22,976					

Terminal value - Growing perpetuity

Long term growth rate	5%
2025 FCF x (1+g)	8,971
Terminal value in 2025	141,405
PV Terminal Value	82,628
Enterprise Value	105,604

Terminal value - EBITDA Multiple

EBITDA multiple	11.42
Terminal value in 2025	130,547
PV Terminal Value	76,283
Enterprise Value	99,259
Total Shares Outstanding	140

Net Debt

Total Debt	4,962
Cash and Short Term Investments	5,087
Net Debt	(125)

Share Price Target

Growing Perpetuity	757.91
EBITDA Multiple	712.43

Enterprise Value

Market Cap	63,634
Total Debt	4,962
Less Cash	(5,087)
Enterprise Value	63,509

Ratios

PE Ratio (TTM)	14.72
Price / Sales (TTM)	3.90
EV / Sales (TTM)	3.89
EV / EBITDA (TTM)	11.17
EV / EBITDA (2022)	9.72