ModernGraham Valuation

Company Name:

Perrigo Company plc Ordinary Shares



2.04 Pass

Company Ticker
Date of Analysis

1/26/2016

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.

5. Earnings Growth

6. Moderate PEmg Ratio

7. Moderate Price to Assets

PRGO

 Adequate Size of the Enterprise 	Market Cap > \$2Bil	\$21,822,692,000 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.73 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	

increase of 33% in EPS in past 10 years using 3 year averages at beginning and end 173.94% Pass
PEmg < 20 36.82 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	1.73 Pass
2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	4.29 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

PB Ratio < 2.5 OR PB*PEmg < 50

Suitability

Defensive No Enterprising Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$4.04
MG Growth Estimate	4.11%
MG Value	\$67.66
MG Value based on 3% Growth	\$58.65
MG Value based on 0% Growth	\$34.38
Market Implied Growth Rate	14.16%

MG Opinion

 Current Price
 \$148.94

 % of Intrinsic Value
 220.11%

Opinion Overvalued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$41.46
Graham Number	\$112.08
PEmg	36.82
Current Ratio	1.73
PB Ratio	2.04
Dividend Yield	0.32%
Number of Consecutive Years of Dividend Growth	14

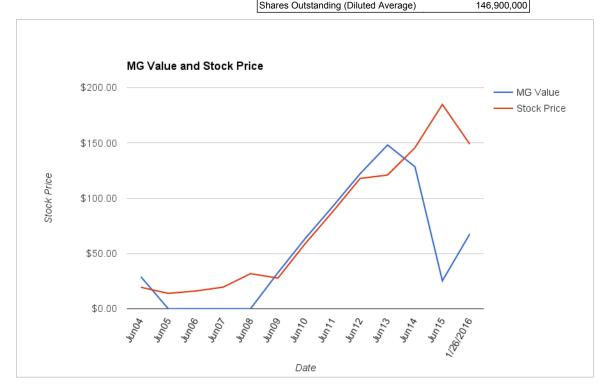
 Useful Links:
 ModernGraham tagged articles
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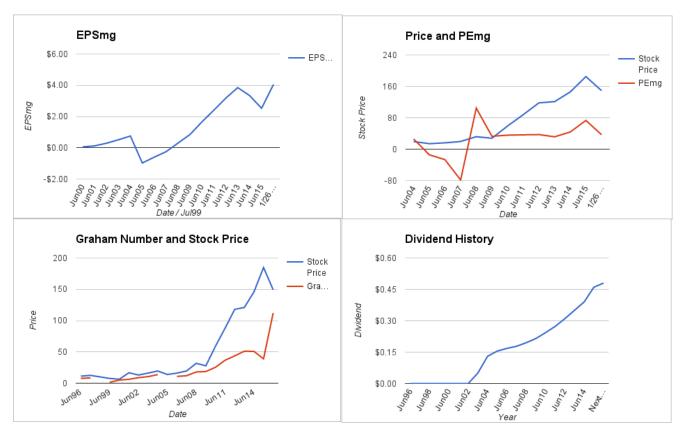
 Google Finance
 MSN Money

 Yahoo Finance
 Seeking Alpha

 GuruFocus
 SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$7.61	Next Fiscal Year Estimate	\$4.04
Jun15	\$0.92	Jun15	\$2.53
Jun14	\$1.77	Jun14	\$3.34
Jun13	\$4.68	Jun13	\$3.85
Jun12	\$4.27	Jun12	\$3.17
Jun11	\$3.63	Jun11	\$2.40
Jun10	\$2.41	Jun10	\$1.66
Jun09	\$1.54	Jun09	\$0.85
Jun08	\$1.43	Jun08	\$0.30
Jun07	\$0.79	Jun07	-\$0.25
Jun06	\$0.76	Jun06	-\$0.60
Jun05	-\$4.57	Jun05	-\$0.97
Jun04	\$1.11	Jun04	\$0.75
Jun03	\$0.76	Jun03	\$0.51
Jun02	\$0.60	Jun02	\$0.29
Jun01	\$0.33	Jun01	\$0.12
Jun00	\$0.23	Jun00	\$0.06
Jun99	\$0.02	Balance Sheet Information	Sep15
Jun98	-\$0.69	Total Current Assets	\$2,880,800,000
Jun97	\$0.58	Total Current Liabilities	\$1,661,200,000
Jun96	\$0.52	Long-Term Debt	\$5,229,900,000
		Total Assets	\$19,703,100,000
		Intangible Assets	\$15,645,400,000
		Total Liabilities	\$8,971,100,000
		Shares Outstanding (Diluted Average)	146,900,000





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 Perrigo Company PLC Analysis – October 2015 Update \$PRGO
Perrigo Company Analysis – July 2015 Update \$PRGO

24 Companies in the Spotlight This Week – 3/28/15

Perrigo Company plc Quarterly Valuation – March 2015 \$PRGO

27 Companies in the Spotlight This Week – 12/20/14

Other ModernGraham posts about related companies

Johnson & Johnson Valuation – January 2016 Update \$JNJ

Mylan NV Valuation – January 2016 Update \$MYL

Celgene Corp Valuation – December 2015 Update \$CELG

Merck & Co Valuation – November 2015 Update \$MRK

Zoetis Inc. Valuation – October 2015 Update \$ZTS

Biogen Inc. Valuation – October 2015 Update \$BIIB

Perrigo Company PLC Analysis – October 2015 Update \$PRGO

Amgen Inc. Analysis – September 2015 Update \$AMGN

Pfizer Inc Analysis – September 2015 Update \$PFE

Johnson & Johnson Analysis – September 2015 Update \$JNJ