

# ModernGraham Valuation

## Company Name:

Company Ticker IPXL

Date of Analysis

1/4/2017

Impax Laboratories  
Inc



## 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	\$1,059,749,635	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.09	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-139.81%	Fail
5. Earnings Growth	PEmg < 20	-45.26	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.11	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	2.09	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.22	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Fail

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.31
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$0.00</b>
MG Value based on 3% Growth	-\$4.50
MG Value based on 0% Growth	-\$2.64
Market Implied Growth Rate	-26.88%

### MG Opinion

Current Price	\$14.03
% of Intrinsic Value	N/A
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$7.22
Graham Number	\$0.00
PEmg	-45.26
Current Ratio	2.09
PB Ratio	1.11
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
	-\$2.60		-\$0.31
Dec2015	\$0.54	Dec2015	\$0.86
Dec2014	\$0.81	Dec2014	\$1.21
Dec2013	\$1.47	Dec2013	\$1.47
Dec2012	\$0.82	Dec2012	\$1.42
Dec2011	\$0.97	Dec2011	\$1.68
Dec2010	\$3.82	Dec2010	\$1.80
Dec2009	\$0.82	Dec2009	\$0.69
Dec2008	\$0.26	Dec2008	\$0.48
Dec2007	\$2.06	Dec2007	\$0.39
Dec2003	-\$0.28	Dec2003	-\$0.52
Dec2002	-\$0.42	Dec2002	-\$0.68
Dec2001	-\$0.60	Dec2001	-\$0.90
Dec2000	-\$0.91	Dec2000	-\$1.08
Dec1999	-\$1.12	Dec1999	-\$1.10
Dec1998	-\$0.73	Dec1998	-\$0.98
Dec1997	-\$1.97	Dec1997	-\$0.94
Dec1996	-\$1.08	<b>Balance Sheet Information 9/1/2016</b>	
Dec1995	\$0.00	Total Current Assets	\$700,586,000
Dec1994	\$0.00	Total Current Liabilities	\$334,533,000
Dec1993	\$0.00	Long-Term Debt	\$812,375,000
		Total Assets	\$2,119,656,000
		Intangible Assets	\$1,099,607,000
		Total Liabilities	\$1,215,796,000
		Shares Outstanding (Diluted Average)	71,331,000





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

#N/A

Other  
ModernGraham  
posts about related  
companies

[Akorn Inc Valuation – December 2016 \\$AKRX](#)  
[SciClone Pharmaceuticals Inc Valuation – Initial Coverage \\$SCLN](#)  
[Regeneron Pharmaceuticals Inc Valuation – November 2016 \\$REGN](#)  
[Merck & Co Inc Valuation – August 2016 \\$MRK](#)  
[Mallinckrodt PLC Valuation – August 2016 \\$MNK](#)  
[Vertex Pharmaceuticals Inc Valuation – August 2016 \\$VRTX](#)  
[Amgen Inc Valuation – August 2016 \\$AMGN](#)  
[Pfizer Inc Valuation – August 2016 \\$PFE](#)  
[Abbott Laboratories Valuation – August 2016 \\$ABT](#)  
[Johnson & Johnson Valuation – August 2016 \\$JNJ](#)