

ModernGraham Valuation

Company Name:

Hologic, Inc.

Company Ticker HOLX

Date of Analysis

3/6/2017



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	\$11,560,298,635	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.81	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-133.59%	Fail
6. Moderate PEmg Ratio	PEmg < 20	54.89	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	5.25	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	1.81	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.50	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		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.75
MG Growth Estimate	15.00%
MG Value	\$28.88
MG Value based on 3% Growth	\$10.88
MG Value based on 0% Growth	\$6.38
Market Implied Growth Rate	23.20%

MG Opinion

Current Price	\$41.17
% of Intrinsic Value	142.58%
Opinion	Overvalued
MG Grade	F

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$9.75
Graham Number	\$18.50
PEmg	54.89
Current Ratio	1.81
PB Ratio	5.25
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.90	Next Fiscal Year Estimate	\$0.75
Sep2016	\$1.16	Sep2016	-\$0.08
Sep2015	\$0.45	Sep2015	-\$0.70
Sep2014	\$0.06	Sep2014	-\$1.14
Sep2013	-\$4.36	Sep2013	-\$2.02
Sep2012	-\$0.28	Sep2012	-\$1.24
Sep2011	\$0.59	Sep2011	-\$1.75
Sep2010	-\$0.24	Sep2010	-\$2.56
Sep2009	-\$8.64	Sep2009	-\$3.07
Sep2008	-\$1.57	Sep2008	-\$0.19
Sep2007	\$0.86	Sep2007	\$0.45
Sep2006	\$0.28	Sep2006	\$0.21
Sep2005	\$0.32	Sep2005	\$0.13
Sep2004	\$0.15	Sep2004	-\$0.01
Sep2003	\$0.04	Sep2003	-\$0.10
Sep2002	\$0.00	Sep2002	-\$0.15
Sep2001	-\$0.34	Sep2001	-\$0.16
Sep2000	-\$0.31	Balance Sheet Information 12/1/2016	
Sep1999	-\$0.07	Total Current Assets	\$2,338,100,000
Sep1998	\$0.19	Total Current Liabilities	\$1,290,700,000
Sep1997	\$0.33	Long-Term Debt	\$2,615,600,000
		Total Assets	\$7,337,800,000
		Intangible Assets	\$4,480,200,000
		Total Liabilities	\$5,109,200,000
		Shares Outstanding (Diluted Average)	284,224,000





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
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posts about related
companies

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[Envision Healthcare Corp Valuation – Initial Coverage \\$EVHC](#)
[UnitedHealth Group Inc Valuation – February 2017 \\$UNH](#)
[Davita Inc Valuation – February 2017 \\$DVA](#)
[Steris PLC Valuation – Initial Coverage \\$STE](#)
[Danaher Corporation Valuation – February 2017 \\$DHR](#)
[Cryolife Inc Valuation – Initial Coverage \\$CRY](#)
[CorVel Corp Valuation – Initial Coverage \\$CRVL](#)
[Charles River Laboratories Intl Inc Valuation – Initial Coverage \\$CRL](#)
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