ModernGraham Valuation

Company Name: Supernus Pharmaceuticals Inc

Company Ticker SUPN
Date of Analysis 3/7/2017

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	$1,413,310,105	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.88	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	-111.33%	Fail
6. Moderate PEmg Ratio	PEmg < 20	44.38	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	7.39	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	1.88	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.06	Pass
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
	Score		

Suitability

Defensive	**No**
Enterprising	**No**

Stage 2: Determination of Intrinsic Value

EPSmg		$0.61
MG Growth Estimate		-4.25%
MG Value		**$0.65**
MG Value based on 3% Growth		$8.90
MG Value based on 0% Growth		$5.22
Market Implied Growth Rate		17.94%

MG Opinion

Current Price		$27.25
% of Intrinsic Value		4220.10%
Opinion	**Overvalued**	
MG Grade	**F**	

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	$0.65
Graham Number	$8.88
PEmg	44.38
Current Ratio	1.88
PB Ratio	7.39
Current Dividend	$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

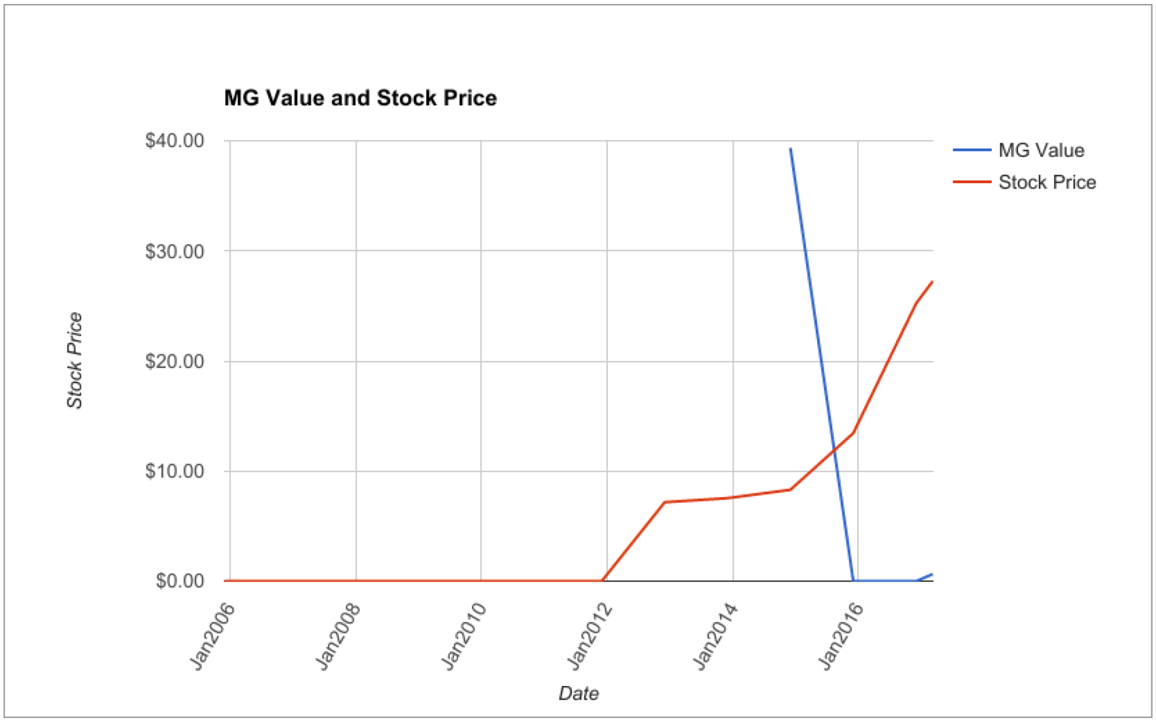
Useful Links:

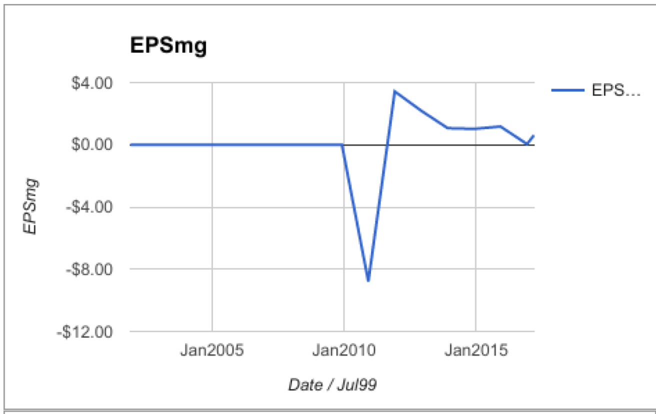
ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

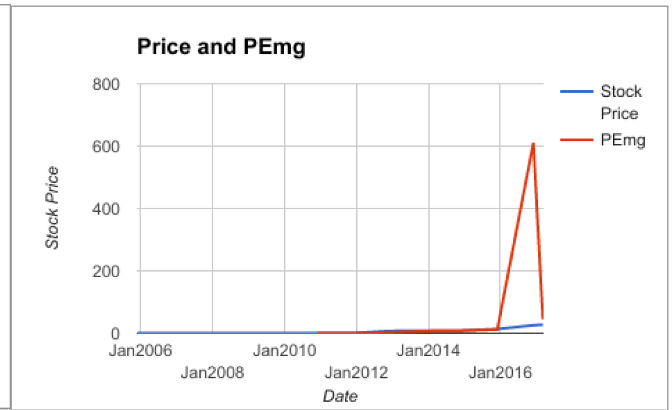
EPS History	
Next Fiscal Year Estimate	$0.95
Dec2016	$1.76
Dec2015	$0.28
Dec2014	-$0.26
Dec2013	-$2.90
Dec2012	-$2.72
Dec2011	$31.39
Dec2010	-$26.38
Dec2009	$0.00
Dec2008	$0.00
Dec2007	$0.00
Dec2006	$0.00
Dec2005	$0.00
Dec2004	$0.00
Dec2003	$0.00
Dec2002	$0.00
Dec2001	$0.00
Dec2000	$0.00
Dec1999	$0.00
Dec1998	$0.00
Dec1997	$0.00

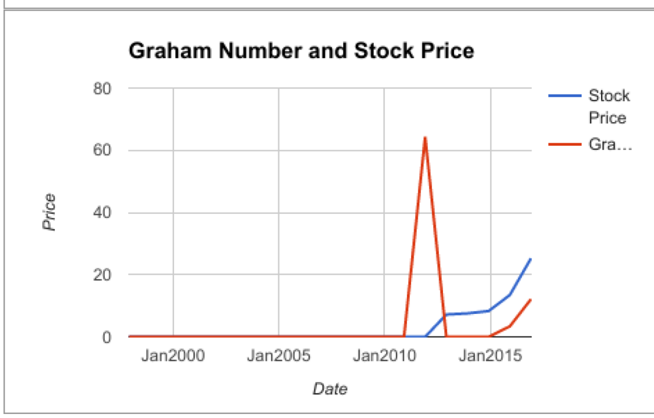
EPSmg History	
Next Fiscal Year Estimate	$0.61
Dec2016	$0.04
Dec2015	$1.17
Dec2014	$1.02
Dec2013	$1.07
Dec2012	$2.19
Dec2011	$3.43
Dec2010	-$8.79
Dec2009	$0.00
Dec2008	$0.00
Dec2007	$0.00
Dec2006	$0.00
Dec2005	$0.00
Dec2004	$0.00
Dec2003	$0.00
Dec2002	$0.00
Dec2001	$0.00

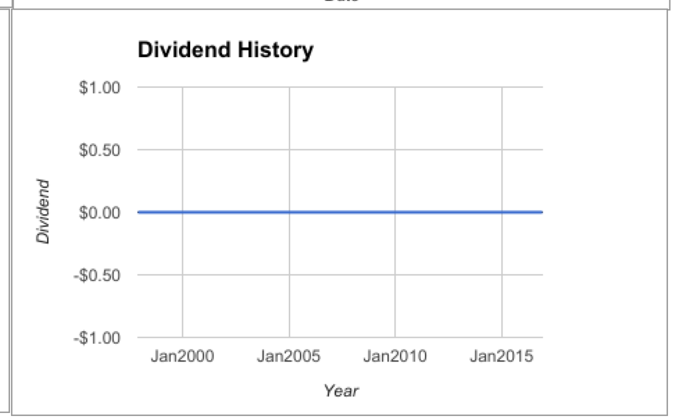
Balance Sheet Information	**12/1/2016**
Total Current Assets	$151,404,000
Total Current Liabilities	$80,742,000
Long-Term Debt	$4,165,000
Total Assets	$309,568,000
Intangible Assets	$16,490,000
Total Liabilities	$117,813,000
Shares Outstanding (Diluted Average)	52,021,000











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.

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Other ModernGraham posts about the company	#N/A
Other ModernGraham posts about related companies	Spectrum Pharmaceuticals Inc Valuation – Initial Coverage $SPPI Abbott Laboratories Valuation – January 2017 $ABT Johnson & Johnson Valuation – January 2017 $JNJ Allergan plc Valuation – January 2017 $AGN Impax Laboratories Inc – Initial Coverage $IPXL Alexion Pharmaceuticals Inc Valuation – December 2016 $ALXN 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