

# ModernGraham Valuation

## Company Name:

Company Ticker MNTA  
Date of Analysis

Momenta  
Pharmaceuticals, Inc.

8/23/2017



## 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	\$1,208,264,597	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	4.08	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	-7.11%	Fail
5. Earnings Growth	PEmg < 20	-16.12	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.01	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	4.08	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	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 Score		Fail

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.98
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$4.47</b>
MG Value based on 3% Growth	-\$14.26
MG Value based on 0% Growth	-\$8.36
Market Implied Growth Rate	-12.31%

### MG Opinion

Current Price	\$15.85
% of Intrinsic Value	354.93%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$4.47
Graham Number	\$0.00
PEmg	-16.12
Current Ratio	4.08
PB Ratio	3.01
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

[ModernGraham tagged articles](#)  
[Google Finance](#)  
[Yahoo Finance](#)  
[GuruFocus](#)  
[Morningstar](#)  
[MSN Money](#)  
[Seeking Alpha](#)  
[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	-\$0.72	Next Fiscal Year Estimate	-\$0.98
Dec2016	-\$0.31	Dec2016	-\$1.20
Dec2015	-\$1.32	Dec2015	-\$1.29
Dec2014	-\$1.91	Dec2014	-\$0.91
Dec2013	-\$2.13	Dec2013	-\$0.31
Dec2012	-\$1.16	Dec2012	\$0.39
Dec2011	\$3.55	Dec2011	\$0.72
Dec2010	\$0.81	Dec2010	-\$0.87
Dec2009	-\$1.60	Dec2009	-\$1.65
Dec2008	-\$1.74	Dec2008	-\$1.69
Dec2007	-\$1.93	Dec2007	-\$1.91
Dec2006	-\$1.62	Dec2006	-\$2.31
Dec2005	-\$0.79	Dec2005	-\$2.71
Dec2004	-\$2.56	Dec2004	-\$3.33
Dec2003	-\$5.02	Dec2003	-\$3.19
Dec2002	-\$5.70	Dec2002	-\$1.90
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	<b>Balance Sheet Information 6/1/2017</b>	
Dec1999	\$0.00	Total Current Assets	\$481,627,000
Dec1998	\$0.00	Total Current Liabilities	\$118,056,000
Dec1997	\$0.00	Long-Term Debt	\$0
		Total Assets	\$540,806,000
		Intangible Assets	\$4,613,000
		Total Liabilities	\$153,945,000
		Shares Outstanding (Diluted Average)	73,379,000





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

[Endo International PLC Valuation – July 2017 \\$ENDP](#)  
[Biogen Inc Valuation – July 2017 \\$BIIB](#)  
[Mylan NV Valuation – March 2017 \\$MYL](#)  
[Amgen Inc Valuation – March 2017 \\$AMGN](#)  
[Celgene Corporation Valuation – March 2017 \\$CELG](#)  
[Ligand Pharmaceuticals Inc Valuation – Initial Coverage \\$LGND](#)  
[Pfizer Inc Valuation – March 2017 \\$PFE](#)  
[Supernus Pharmaceuticals Inc Valuation – Initial Coverage \\$SUPN](#)  
[Lannett Company Inc Valuation – Initial Coverage \\$LCI](#)  
[Spectrum Pharmaceuticals Inc Valuation – Initial Coverage \\$SPPI](#)