

# ModernGraham Valuation

## Company Name:

Company Ticker REGN

Date of Analysis

4/19/2018

Regeneron  
Pharmaceuticals 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	\$34,013,884,267	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.82	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	-832.46%	Fail
5. Earnings Growth	PEmg < 20	30.51	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	5.95	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	3.82	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago Score		Pass

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$10.35
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$398.55</b>
MG Value based on 3% Growth	\$150.10
MG Value based on 0% Growth	\$87.99
Market Implied Growth Rate	11.00%

### MG Opinion

Current Price	\$315.83
% of Intrinsic Value	79.24%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

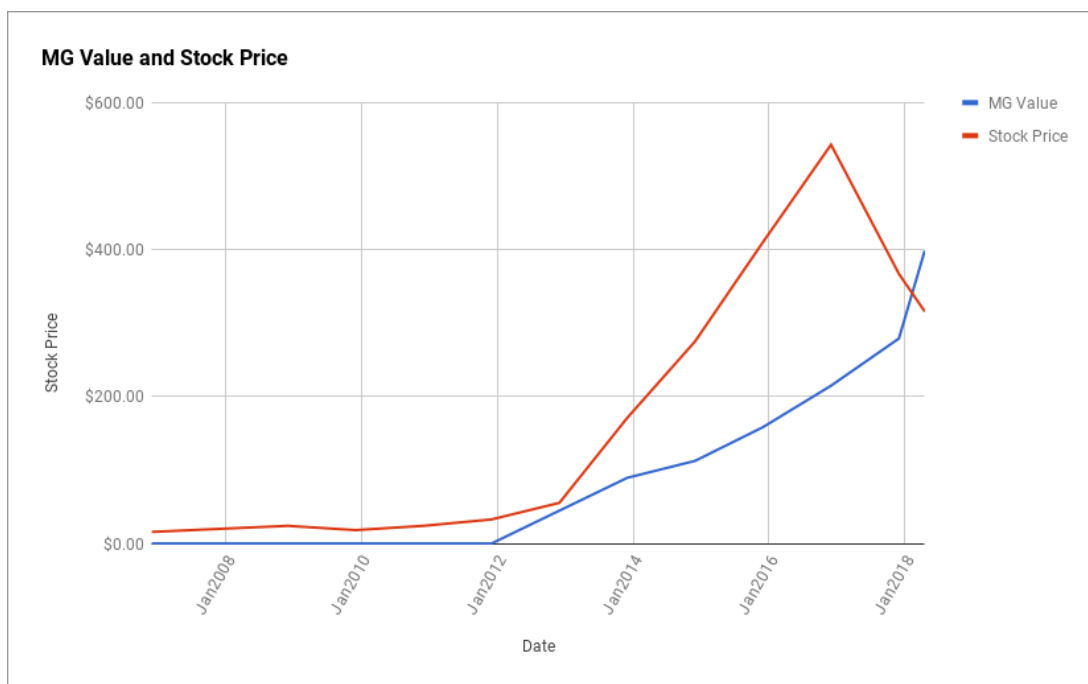
Net Current Asset Value (NCAV)	\$14.80
Graham Number	\$140.46
PEmg	30.51
Current Ratio	3.82
PB Ratio	5.95
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### 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		\$15.36	Next Fiscal Year Estimate		\$10.35
Dec2017		\$10.34	Dec2017		\$7.25
Dec2016		\$7.70	Dec2016		\$5.58
Dec2015		\$5.52	Dec2015		\$4.12
Dec2014		\$2.98	Dec2014		\$2.92
Dec2013		\$3.72	Dec2013		\$2.33
Dec2012		\$6.75	Dec2012		\$1.16
Dec2011		-\$2.45	Dec2011		-\$1.56
Dec2010		-\$1.26	Dec2010		-\$1.18
Dec2009		-\$0.85	Dec2009		-\$1.22
Dec2008		-\$1.00	Dec2008		-\$1.29
Dec2007		-\$1.59	Dec2007		-\$1.39
Dec2006		-\$1.77	Dec2006		-\$1.37
Dec2005		-\$1.71	Dec2005		-\$1.30
Dec2004		\$0.74	Dec2004		-\$1.17
Dec2003		-\$2.13	Dec2003		-\$1.96
Dec2002		-\$2.83	Dec2002		-\$1.68
Dec2001		-\$1.81	<b>Balance Sheet Information</b>		
Dec2000		-\$0.66	<b>12/1/2017</b>		
Dec1999		-\$0.74	Total Current Assets		\$4,335,030,000
Dec1998		-\$0.28	Total Current Liabilities		\$1,135,483,000
			Long-Term Debt		\$0
			Total Assets		\$8,764,286,000
			Intangible Assets		\$0
			Total Liabilities		\$2,620,208,000
			Shares Outstanding (Diluted Average)		115,834,000





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**

- [Regeneron Pharmaceuticals Inc Valuation – November 2016 \\$REGN](#)
- [Regeneron Pharmaceuticals Inc Valuation – August 2016 \\$REGN](#)
- [Regeneron Pharmaceuticals Inc. Annual Valuation – 2015 \\$REGN](#)
- [16 Companies in the Spotlight this Week – 4/19/14](#)
- [Regeneron Pharmaceuticals Inc. \(REGN\) Annual Valuation – 2014](#)

**Other ModernGraham posts about related companies**

- [Alexion Pharmaceuticals Inc Valuation – April 2018 \\$ALXN](#)
- [Vertex Pharmaceuticals Inc Valuation – April 2018 \\$VRTX](#)
- [AmerisourceBergen Corp Valuation – April 2018 \\$ABC](#)
- [Perrigo Company PLC Valuation – April 2018 \\$PRGO](#)
- [AbbVie Inc Valuation – April 2018 \\$ABBV](#)
- [Eli Lilly and Co. Valuation – March 2018 \\$LLY](#)
- [Zoetis Inc Valuation – March 2018 \\$ZTS](#)
- [Gilead Sciences Inc Valuation – March 2018 \\$GILD](#)
- [Pfizer Inc Valuation – February 2018 \\$PFE](#)
- [Merck & Co Inc Valuation – February 2018 \\$MRK](#)