

# ModernGraham Valuation

Company Name:

Biogen Inc

Company Ticker BIIB

Date of Analysis

6/25/2018



## 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	\$61,384,850,617	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.23	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	319.38%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	17.13	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.41	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	3.23	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.84	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	\$17.05
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$656.60</b>
MG Value based on 3% Growth	\$247.29
MG Value based on 0% Growth	\$144.96
Market Implied Growth Rate	4.32%

### MG Opinion

Current Price	\$292.19
% of Intrinsic Value	44.50%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>B-</b>

## Stage 3: Information for Further Research

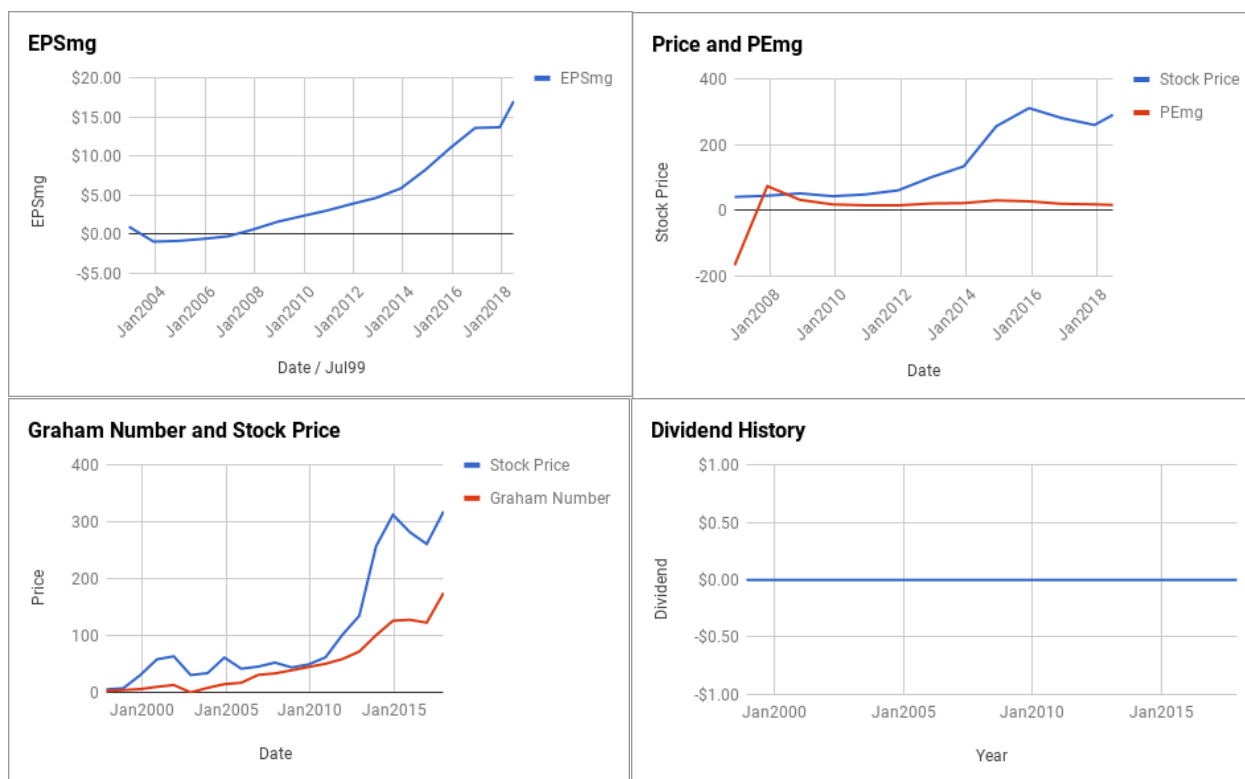
Net Current Asset Value (NCAV)	-\$8.77
Graham Number	\$175.14
PEmg	17.13
Current Ratio	3.23
PB Ratio	4.41
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### 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	
Dec2017	\$11.92	Dec2017	\$13.73
Dec2016	\$16.93	Dec2016	\$13.63
Dec2015	\$15.34	Dec2015	\$11.08
Dec2014	\$12.37	Dec2014	\$8.29
Dec2013	\$7.81	Dec2013	\$5.90
Dec2012	\$5.76	Dec2012	\$4.68
Dec2011	\$5.04	Dec2011	\$3.89
Dec2010	\$3.94	Dec2010	\$3.04
Dec2009	\$3.35	Dec2009	\$2.34
Dec2008	\$2.65	Dec2008	\$1.61
Dec2007	\$1.99	Dec2007	\$0.61
Dec2006	\$0.63	Dec2006	-\$0.25
Dec2005	\$0.47	Dec2005	-\$0.58
Dec2004	\$0.07	Dec2004	-\$0.83
Dec2003	-\$4.92	Dec2003	-\$0.93
Dec2002	\$0.85	Dec2002	\$0.98
Dec2001	\$1.78	<b>Balance Sheet Information</b>	
Dec2000	\$0.72	<b>3/1/2018</b>	
Dec1999	\$0.47	Total Current Assets	\$10,195,400,000
Dec1998	\$0.30	Total Current Liabilities	\$3,152,100,000
		Long-Term Debt	\$5,929,400,000
		Total Assets	\$26,090,100,000
		Intangible Assets	\$8,702,300,000
		Total Liabilities	\$12,052,600,000
		Shares Outstanding (Diluted Average)	211,700,000





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

[Biogen Inc Valuation – July 2017 \\$BIIB](#)  
[Biogen Inc Valuation – February 2016 Update \\$BIIB](#)  
[13 Best Stocks For Value Investors This Week – 10/17/15](#)  
[Biogen Inc. Valuation – October 2015 Update \\$BIIB](#)  
[The Best Companies of the Pharmaceuticals Industry – August 2015](#)

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posts about related  
companies

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[Amgen Inc Valuation – June 2018 \\$AMGN](#)  
[Celgene Corp Valuation – June 2018 \\$CELG](#)  
[Allergan PLC Valuation – May 2018 \\$AGN](#)  
[Incyte Corp Valuation – April 2018 \\$INCY](#)  
[Regeneron Pharmaceuticals Inc Valuation – April 2018 \\$REGN](#)  
[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](#)