

ModernGraham Valuation

Company Name:

ABIOMED, Inc.

Company Ticker ABMD

Date of Analysis

2/4/2019



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	\$15,717,581,534	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	6.76	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	-1053.75%	Fail
5. Earnings Growth	PEmg < 20	138.75	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	18.45	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	6.76	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

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.51
MG Growth Estimate	15.00%
MG Value	\$96.79
MG Value based on 3% Growth	\$36.45
MG Value based on 0% Growth	\$21.37
Market Implied Growth Rate	65.13%

MG Opinion

Current Price	\$348.83
% of Intrinsic Value	360.40%
Opinion	Overvalued
MG Grade	C-

Stage 3: Information for Further Research

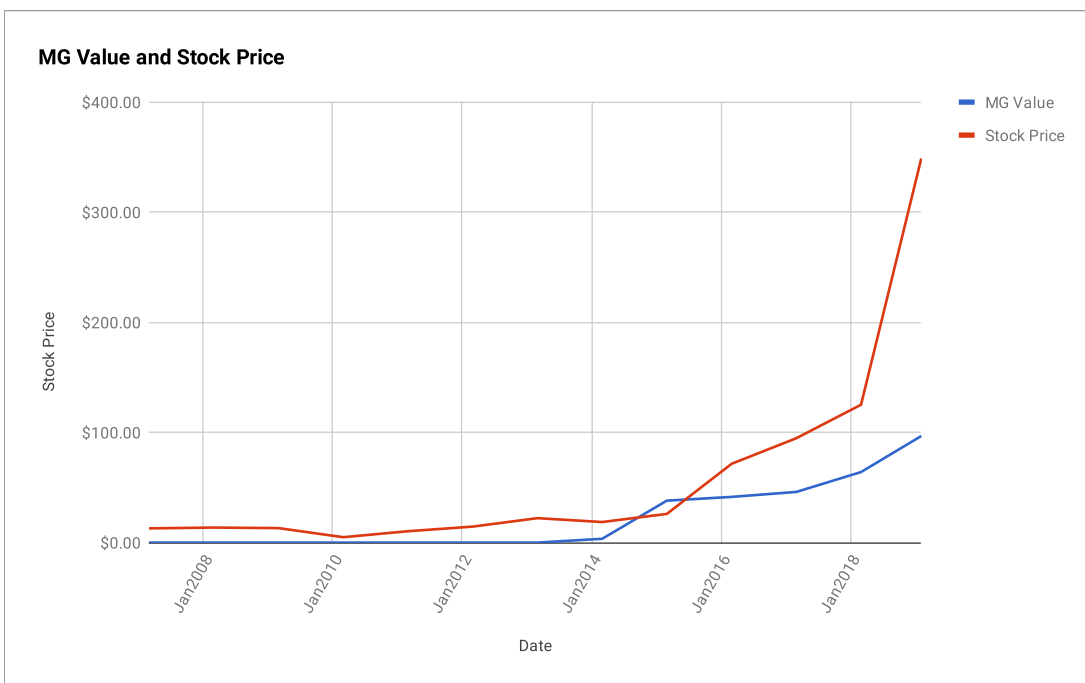
Net Current Asset Value (NCAV)	\$11.62
Graham Number	\$37.44
PEmg	138.75
Current Ratio	6.76
PB Ratio	18.45
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Mar2018	\$2.45	Mar2018	\$1.66
Mar2017	\$1.17	Mar2017	\$1.20
Mar2016	\$0.85	Mar2016	\$1.08
Mar2015	\$2.65	Mar2015	\$0.99
Mar2014	\$0.18	Mar2014	\$0.09
Mar2013	\$0.37	Mar2013	-\$0.06
Mar2012	\$0.04	Mar2012	-\$0.38
Mar2011	-\$0.32	Mar2011	-\$0.66
Mar2010	-\$0.52	Mar2010	-\$0.88
Mar2009	-\$0.91	Mar2009	-\$1.01
Mar2008	-\$1.26	Mar2008	-\$0.97
Mar2007	-\$1.03	Mar2007	-\$0.79
Mar2006	-\$1.15	Mar2006	-\$0.69
Mar2005	-\$0.11	Mar2005	-\$0.53
Mar2004	-\$0.45	Mar2004	-\$0.75
Mar2003	-\$0.87	Mar2003	-\$0.86
Mar2002	-\$1.02	Balance Sheet Information	
Mar2001	-\$0.94	12/1/2018	
Mar2000	-\$0.60	Total Current Assets	\$628,728,000
Mar1999	-\$0.39	Total Current Liabilities	\$92,980,000
		Long-Term Debt	\$0
		Total Assets	\$957,116,000
		Intangible Assets	\$48,776,000
		Total Liabilities	\$105,586,000
		Shares Outstanding (Diluted Average)	45,040,000





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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