

# ModernGraham Valuation

Company Name:

Biogen Inc

Company Ticker BIIB

Date of Analysis

3/28/2019



## 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	\$46,257,034,108	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.32	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	314.38%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	11.41	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.61	Pass

*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	2.32	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.37	Fail
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>Yes</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$20.61
MG Growth Estimate	12.91%
<b>MG Value</b>	<b>\$707.38</b>
MG Value based on 3% Growth	\$298.87
MG Value based on 0% Growth	\$175.20
Market Implied Growth Rate	1.45%

### MG Opinion

Current Price	\$235.16
% of Intrinsic Value	33.24%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>B</b>

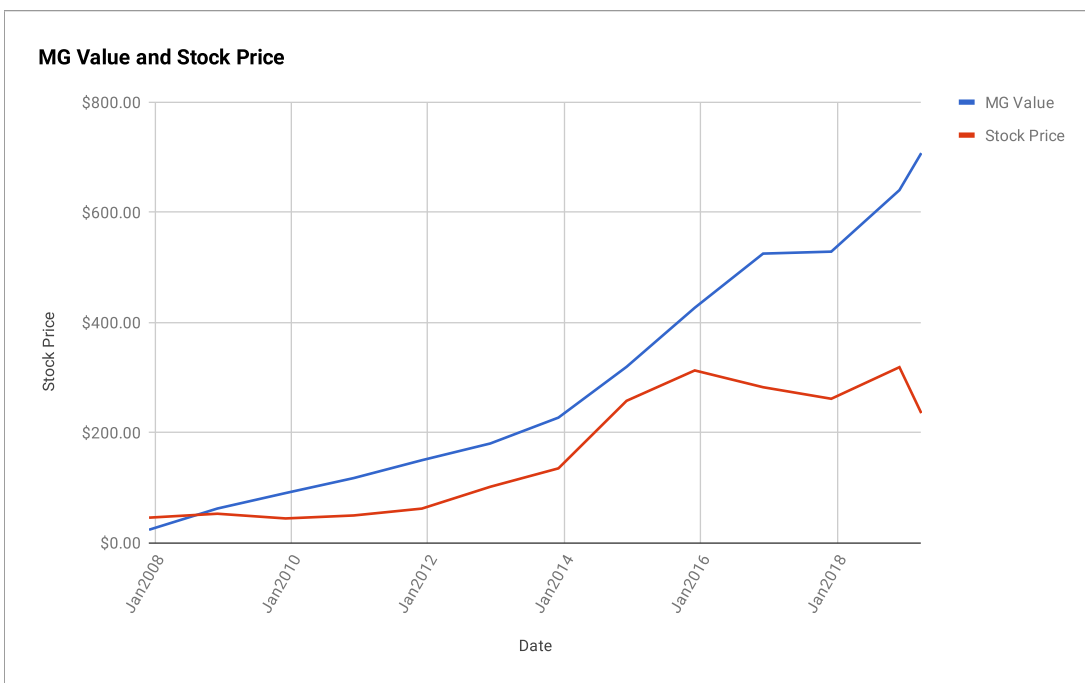
## Stage 3: Information for Further Research

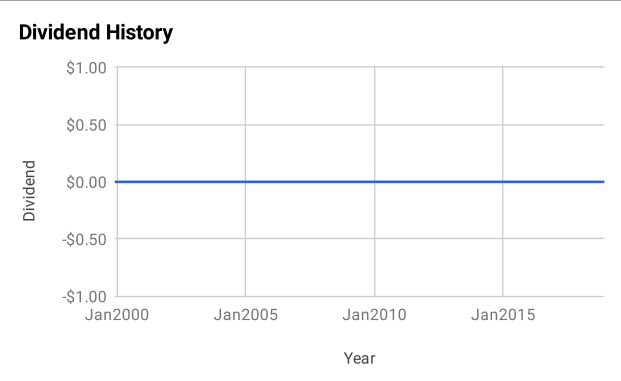
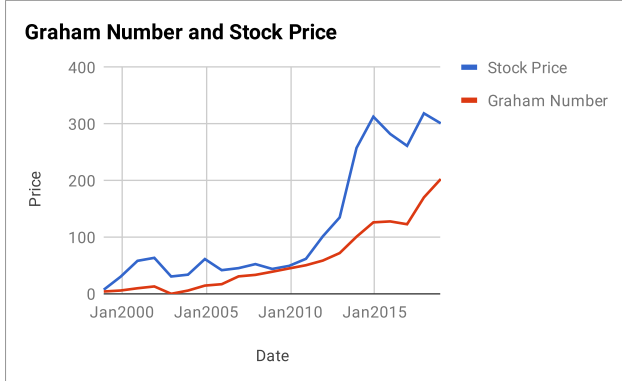
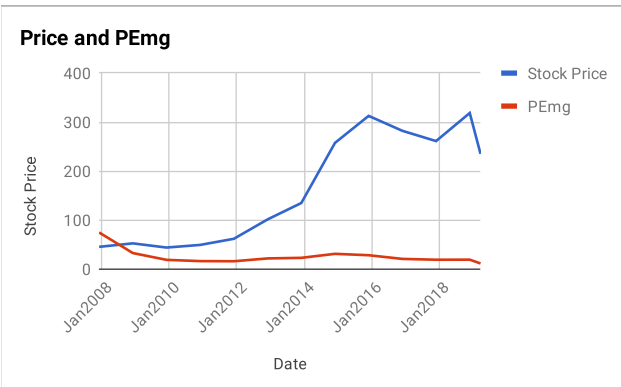
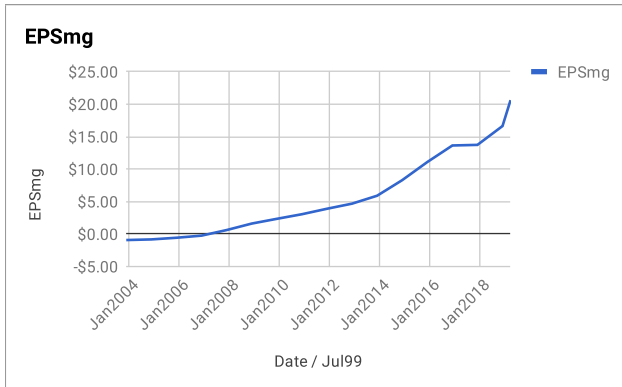
Net Current Asset Value (NCAV)	-\$23.06
Graham Number	\$202.57
PEmg	11.41
Current Ratio	2.32
PB Ratio	3.61
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### 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	\$27.58	Next Fiscal Year Estimate	\$20.61
Dec2018	\$21.58	Dec2018	\$16.63
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	<b>Balance Sheet Information 12/1/2018</b>	
Dec2001	\$1.78	Total Current Assets	\$7,640,900,000
Dec2000	\$0.72	Total Current Liabilities	\$3,295,200,000
Dec1999	\$0.47	Long-Term Debt	\$5,936,500,000
		Total Assets	\$25,288,900,000
		Intangible Assets	\$8,826,400,000
		Total Liabilities	\$12,257,300,000
		Shares Outstanding (Diluted Average)	200,200,000





**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 – June 2018 \\$BIIB](#)
  - [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](#)

- Other ModernGraham posts about related companies**
- [Mylan NV Valuation – March 2019 #MYL](#)
  - [Celgene Corp Valuation – March 2019 #CELG](#)
  - [Amgen Inc Valuation – March 2019 #AMGN](#)
  - [AbbVie Inc Valuation – March 2019 #ABBY](#)
  - [Allergan PLC Valuation – February 2019 \\$AGN](#)
  - [Incyte Corp Valuation – February 2019 \\$INCY](#)
  - [Regeneron Pharmaceuticals Inc Valuation – February 2019 \\$REGN](#)
  - [Alexion Pharmaceuticals Inc Valuation – February 2019 \\$ALXN](#)
  - [Vertex Pharmaceuticals Inc Valuation – February 2019 \\$VRTX](#)
  - [Perrigo Company Valuation – February 2019 \\$PRGO](#)