

Executive Valuation Summary



Previous Close	Distance to Price Target	Price Target
553.65	17.40%	650

Valuation Measures

Model Assumptions

Market Cap	2.29T	Valuation Date	
Trailing P/E Ratio	23.60	WACC	7.27%
Forward P/E Ratio	24.10	EBITDA Multiple	40
PEG Ratio	2.87	Assumed Tax Rate	21.00%
Enterprise Value / EBITDA	18.24	Implied EV / EBITDA	52.34
Enterprise Value / Sales	6.16	Implied EV / FWD Sales	16.45
Price / Sales Ratio	5.82	Implied Price / FWD Sales	15.42

Price Target	Peer Comparison Summary		
	Name	EVToEBITDA	EVToRevenue
650	Eli Lilly and Co...	42.04	12.18
	Avid Bioservices...	98.53	7.50
EPS Growth Rate	United Therape...	11.10	5.90
16	Corcept Therap...	14.69	4.80
	Average	-5.63	4.37K

Fiscal Year	2020	2021	2022	2023	2024	2025	2026	2027
Fiscal Period	FY	FY	FY	FY	FY	FY	FY	FY
Revenue	24.5B	28.3B	28.5B	33.7B	38.7B	45.8B	49.0B	52.5B
Revenue Growth using Manual percentage input	NaN	15.40%	0.79%	17.90%	15.10%	18.30%	7.00%	7.00%
Cost of Goods Sold (COGs)	5.5B	7.3B	6.6B	7.3B	7.5B	8.9B	9.5B	10.2B
% of Sales	22.34%	25.82%	23.23%	21.75%	19.46%	19.46%	19.46%	19.46%
Gross Profit	19.1B	21.0B	21.9B	26.3B	31.2B	36.9B	39.5B	42.3B
% of Sales - Derived from Quarterly Model	77.66%	74.18%	76.77%	78.25%	80.54%	80.54%	80.54%	80.54%
Operating Expenses (SG&A)	-12.1B	-13.4B	-13.6B	-16.0B	-18.4B	-21.8B	-23.3B	-24.9B
% of Sales - Modeled flat using average % of last 2 years	-49.30%	-47.19%	-47.76%	-47.47%	-47.47%	-47.47%	-47.47%	-47.47%
Operating Income (EBIT)	7.0B	7.6B	8.3B	10.4B	12.8B	15.2B	16.2B	17.3B
Interest Expense	0K	0K	0K	0K	0K	0K	0K	0K
Other Income	271M	-1487800K	-1474000K	0	0	0	0	0
Total Other Income	271M	-1487800K	-1474000K	-896967K	-896967K	-896967K	-896967K	-896967K
Pretax Income (EBT)	7.2B	6.2B	6.8B	9.5B	11.9B	14.3B	15.3B	16.5B
Income Tax Expense	1B	574M	562M	2.0B	2.5B	3.0B	3.2B	3.5B
Tax Rate	NaN	NaN	NaN	21.00%	21.00%	21.00%	21.00%	21.00%
Net Income	6.2B	5.6B	6.2B	7.5B	9.4B	11.3B	12.1B	13.0B
Operating Income (EBIT)	7.0B	7.6B	8.3B	10.4B	12.8B	15.2B	16.2B	17.3B
Depreciation & Amortization (D&A)	1.3B	1.5B	1.5B	1.8B	2.1B	2.5B	2.6B	2.8B
% of Sales	5.39%	5.46%	5.33%	5.40%	5.40%	5.40%	5.40%	5.40%
EBITDA	8.3B	9.2B	9.8B	12.2B	14.9B	17.6B	18.9B	20.2B
Diluted EPS	6.47	5.87	6.84	8.19	10.31	12.34	13.26	14.24
Diluted EPS Growth		-9.27%	16.50%	19.68%	25.91%	19.68%	7.44%	7.41%

Discounted Cash Flow Analysis	2023	2024	2025	2026	2027	Normalized
EBITDA	12.2B	14.9B	17.6B	18.9B	20.2B	20.2B
Less: D&A	-1817008.2K	-2091376.4K	-2474098.3K	-2647285.1K	-2832595.1K	-2992973.0K
EBIT	10.4B	12.8B	15.2B	16.2B	17.3B	17.2B
Less: Taxes	-2175134.1K	-2689954.5K	-3182216.1K	-3404971.3K	-3643319.3K	-3609639.9K
NOPAT	8.2B	10.1B	12.0B	12.8B	13.7B	13.6B
Plus: D&A	1.8B	2.1B	2.5B	2.6B	2.8B	3.0B
Less: CapEx	-1919884.9K	-2209787.5K	-2614178.6K	-2797171.1K	-2992973.0K	-2992973.0K
Less: (Increase) / Decrease in NWC	1.6B	393.1M	124.6M	56.4M	60.3M	
Unlevered Free Cash Flow	9.7B	10.4B	12.0B	12.7B	13.6B	13.6B
Discount Period	0.5	1.5	2.5	3.5	4.5	4.5
Discount Factor	0.966	0.900	0.839	0.782	0.729	0.729
PV of Unlevered Free Cash Flow	9.3B	9.4B	10.0B	9.9B	9.9B	

Fiscal Year	2023	2023	2023	2024	2024	2024	2024	2025
Fiscal Period	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenue	7.1B	7.1B	7.1B	7.1B	7.1B	7.1B	7.1B	7.1B
Revenue Growth	9.64%	2.43%	-2.66%	2.07%	-0.17%	-0.17%	-0.17%	-0.17%
Cost of Goods Sold (COGs)	1.5B	1.5B	1.5B	1.4B	1.4B	1.4B	1.3B	1.3B
% of Sales	21.70%	21.20%	20.70%	20.21%	19.71%	19.21%	18.71%	18.21%
Gross Profit	5.6B	5.6B	5.6B	5.7B	5.7B	5.7B	5.8B	5.8B
% of Sales	78.30%	78.80%	79.30%	79.79%	80.29%	80.79%	81.29%	81.79%
Operating Expenses (SG&A)	-3653.0M	-3701.4M	-3749.9M	-3798.3M	-3846.8M	-3895.2M	-3943.7M	-3992.1M
% of Sales	-51.35%	-52.06%	-52.76%	-53.47%	-54.17%	-54.88%	-55.58%	-56.29%
Operating Income (EBIT)	1.9B	1.9B	1.9B	1.9B	1.9B	1.8B	1.8B	1.8B
Interest Expense	0.0K	0.0K	0.0K	0.0K	0.0K	0.0K	0.0K	0.0K
Other Income	-256750.0K	-256750.0K	-256750.0K	-256750.0K	-256750.0K	-256750.0K	-256750.0K	-256750.0K
Total Other Income	-256750.0K	-256750.0K	-256750.0K	-256750.0K	-256750.0K	-256750.0K	-256750.0K	-256750.0K
Pretax Income (EBT)	1.7B	1.6B	1.6B	1.6B	1.6B	1.6B	1.6B	1.6B
Income Tax Expense	348.5M	345.3M	342.1M	338.9M	335.7M	332.4M	329.2M	326.0M
Tax Rate	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
Net Income	1.3B	1.3B	1.3B	1.3B	1.3B	1.3B	1.2B	1.2B
Operating Income (EBIT)	1.9B	1.9B	1.9B	1.9B	1.9B	1.8B	1.8B	1.8B
Depreciation & Amortization (D&A)	384.3M	384.1M	384.0M	383.8M	383.6M	383.5M	383.3M	383.2M
% of Sales	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%
EBITDA	2.3B	2.3B	2.3B	2.3B	2.2B	2.2B	2.2B	2.2B
Diluted EPS	1.36	1.34	1.32	1.30	1.28	1.26	1.24	1.23
EPS Growth	28.45%	-16.81%	-29.25%	-8.21%	-5.47%	-5.50%	-5.54%	-5.57%

