



1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
--	--	--	--	--	--	--	--	--	--	--	--	8.04	11.67	17.32	24.71	32.35	38.25	Sales per sh	48.55
--	--	--	--	--	--	--	--	--	--	--	--	3.30	4.84	6.48	13.72	17.35	20.90	"Cash Flow" per sh	27.95
--	--	--	--	--	--	--	--	--	--	--	--	2.93	4.51	6.24	8.34	11.50	15.00	Earnings per sh <sup>A</sup>	22.00
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	Nil	Nil	Div'ds Decl'd per sh	Nil
--	--	--	--	--	--	--	--	--	--	--	--	1.26	.60	.56	.87	.90	.90	Cap'l Spending per sh	.90
--	--	--	--	--	--	--	--	--	--	--	--	13.08	12.23	15.71	16.25	19.70	26.45	Book Value per sh	41.20
--	--	--	--	--	--	--	--	--	--	--	--	306.37	303.86	333.04	334.40	340.00	340.00	Common Shs Outst'g <sup>B</sup>	340.00
--	--	--	--	--	--	--	--	--	--	--	--	15.7	11.6	14.3	15.6	<i>Bold figures are Value Line estimates</i>		Avg Ann'l P/E Ratio	15.0
--	--	--	--	--	--	--	--	--	--	--	--	.98	.74	.80	.82			Relative P/E Ratio	.95
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--			Avg Ann'l Div'd Yield	Nil

CAPITAL STRUCTURE as of 6/30/15				2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC		18-20	
Total Debt \$30883 mill. Due in 5 Yrs \$10205 mill.				--	--	--	--	--	--	--	--	2463.5	3546.6	5769.6	8263.5	11000	13000	Sales (\$mill)		16500	
LT Debt \$30292 mill. LT Interest \$1500 mill. (82% of Capital)				--	--	--	--	--	--	--	--	53.2%	54.4%	52.6%	46.4%	49.0%	53.0%	Operating Margin		57.0%	
Leases, Uncapitalized: Annual rentals \$44.2 mill.				--	--	--	--	--	--	--	--	55.8	57.3	113.8	1737.6	2000	2000	Depreciation (\$mill)		2000	
No Defined Benefit Pension Plan Pfd Stock None				--	--	--	--	--	--	--	--	955.1	1412.0	2043.0	2849.8	3900	5100	Net Profit (\$mill)		7500	
Common Stock 342,788,885 shares as of 7/22/15				--	--	--	--	--	--	--	--	4.5%	2.8%	20.2%	2.8%	5.0%	5.0%	Income Tax Rate		5.0%	
MARKET CAP: \$54.2 billion (Large Cap)				--	--	--	--	--	--	--	--	38.8%	39.8%	35.4%	34.5%	35.5%	39.2%	Net Profit Margin		45.5%	
CURRENT POSITION (\$MILL.)				2013	2014	6/30/15	--	--	--	--	--	--	433.2	954.7	1373.5	1462.3	2000	2000	Working Cap'l (\$mill)		2000
Cash Assets				600.3	322.6	958.0	--	--	--	--	--	--	6539.8	10535	17163	15254	30000	30000	Long-Term Debt (\$mill)		20000
Receivables				1814.8	2075.8	2371.0	--	--	--	--	--	--	4007.0	3717.4	5233.3	5434.5	6700	9000	Shr. Equity (\$mill)		14000
Inventory (FIFO)				883.0	950.6	1229.5	--	--	--	--	--	--	9.6%	11.0%	10.9%	16.0%	12.0%	14.5%	Return on Total Cap'l		23.5%
Other				587.8	844.1	1786.7	--	--	--	--	--	--	23.8%	38.0%	39.0%	52.4%	58.0%	56.5%	Return on Shr. Equity		53.5%
Current Assets				3885.9	4193.1	6345.2	--	--	--	--	--	--	23.8%	38.0%	39.0%	52.4%	58.0%	56.5%	Retained to Com Eq		53.5%
Accts Payable				327.0	398.0	415.8	--	--	--	--	--	--	--	--	--	Nil	Nil	All Div'ds to Net Prof		Nil	
Debt Due				204.8	.9	590.9	<b>BUSINESS:</b> Valeant Pharmaceuticals International is a multinational specialty pharmaceutical and medical device company that develops, manufactures, and markets a broad range of branded, generic and branded generic pharmaceuticals, over-the-counter (OTC) products, and medical devices, which are marketed directly or indirectly in over 100 countries. Formed 9/10 when Biovail Corporation and Valeant Pharmaceuticals merged. Officers and directors own 8.6% of common stock; Ruane, Cundiff & Goldfarb, 10.3%; Pershing Square, 5.8%; ValueAct Holdings, 5.7%; T. Rowe, 5.3% (4/15 proxy) Chairman and CEO: J. Michael Pearson, Inc.: DE. Address: 2150 Saint Elzear Blvd. West Laval, QC H7L 4A8, Canada. Telephone: 514-744-6792. Internet: www.valeant.com.														
Other				1980.6	2331.9	3284.3	<b>Valeant Pharmaceuticals has recently found itself in hot water.</b> On September 28th, shares of VRX stock plummeted on news that lawmakers were pushing for a subpoena to force the company to turn over documents related to price increases on two of its products. The drugs in question, <i>Isuprel</i> and <i>Nitropress</i> , are two commonly used heart medications that Valeant acquired earlier this year. Following the purchases, management proceeded to raise the cost of the drugs by 525% and 212%, respectively, which is what prompted an initial investigation back in August. While it is unclear how this will play out, this development, coupled with broader industry weakness, has clearly weighed on investor sentiment. Shares of Valeant stock have declined more than 25% since our July report.														
Current Liab.				2512.4	2730.8	4291.0	<b>From an operational standpoint, things appear rock solid.</b> Through the first six months of 2015, Valeant's earnings have advanced 46% year over year, on revenue growth of 25%. Improvement has been driven by strength in U.S. Dermatology (sales +46%) and Neuro/Generics (+56%), partially offset by foreign ex-														

ANNUAL RATES	Past 10 Yrs	Past 5 Yrs	Est'd '12-'14 to '18-'20
of change (per sh)	--	--	18.0%
Sales	--	--	22.5%
"Cash Flow"	--	--	23.0%
Earnings	--	--	Nil
Dividends	--	--	18.5%
Book Value	--	--	

Cal-endar	QUARTERLY SALES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2012	856.1	820.1	884.1	986.3	3546.6
2013	1068.4	1095.8	1541.7	2063.7	5769.6
2014	1886.2	2041.1	2056.2	2280.0	8263.5
2015	2190.9	2732.4	2800	3276.7	11000
2016	2800	3200	3300	3700	13000

Cal-endar	EARNINGS PER SHARE <sup>A</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2012	1.14	1.01	1.15	1.22	4.51
2013	1.30	1.34	1.43	2.15	6.24
2014	1.76	1.91	2.11	2.58	8.34
2015	2.36	2.56	2.60	3.98	11.50
2016	3.50	3.80	4.00	4.70	16.00

Cal-endar	QUARTERLY DIVIDENDS PAID				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2011					
2012					
2013					
2014					
2015					

NO CASH DIVIDENDS BEING PAID

(A) Fully-diluted earnings. Next earnings report due late October. May not sum due to change in share count. (B) In millions.

Company's Financial Strength	B++
Stock's Price Stability	30
Price Growth Persistence	100
Earnings Predictability	NMF