

Valuation of Moderna (MRNA)

Discounted Cash Flows

(in millions)

	2018A	2019A	2020A	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Revenue	135.1	60.2	803.4	18,700.0	21,700.0	19,650.0	15,600.0	14,450.0	13,400.0	14,350.0	13,400.0	14,350.0	14,100.0	17,550.0	19,200.0	19,650.0	20,000.0	20,450.0
Cost of Goods Sold (ex D&A)	-	-	(7.9)	(2,805.0)	3,255.0	2,947.5	2,340.0	1,300.5	1,206.0	1,291.5	1,206.0	1,148.0	1,128.0	1,404.0	1,536.0	1,375.5	1,400.0	1,431.5
Depreciation & Amortization	(25.0)	(31.0)	(31.0)	(35.0)	(104.2)	(94.3)	(74.9)	(69.4)	(68.3)	(73.2)	(68.3)	(77.5)	(76.1)	(94.8)	(109.4)	(112.0)	(114.0)	(122.7)
Gross Profit	110.1	29.2	764.5	15,860.0	24,850.8	22,503.2	17,865.1	15,681.1	14,537.7	15,568.3	14,537.7	15,420.5	15,151.9	18,859.2	20,626.6	20,913.5	21,286.0	21,758.8
R&D	(454.1)	(496.3)	(1,370.3)	(1,870.0)	2,170.0	1,965.0	1,560.0	1,300.5	1,206.0	1,291.5	1,206.0	1,148.0	1,128.0	1,404.0	1,536.0	1,375.5	1,400.0	1,431.5
SG&A	(94.3)	(109.6)	(188.3)	(748.0)	3,255.0	2,947.5	2,340.0	2,167.5	2,010.0	2,152.5	2,010.0	1,722.0	1,692.0	2,106.0	2,304.0	1,965.0	2,000.0	2,045.0
EBIT	(438.3)	(576.7)	(794.1)	13,242.0	30,275.8	27,415.7	21,765.1	19,149.1	17,753.7	19,012.3	17,753.7	18,290.5	17,971.9	22,369.2	24,466.6	24,254.0	24,686.0	25,235.3
Free Cash Flow projections:																		
EBIT	(438.3)	(576.7)	(794.1)	13,242.0	30,275.8	27,415.7	21,765.1	19,149.1	17,753.7	19,012.3	17,753.7	18,290.5	17,971.9	22,369.2	24,466.6	24,254.0	24,686.0	25,235.3
Taxes on EBIT	nm	nm	nm	(1,194.9)	7,871.7	7,128.1	5,658.9	4,978.8	4,616.0	4,943.2	4,616.0	4,755.5	4,672.7	5,816.0	6,361.3	6,306.0	6,418.4	6,561.2
NOPAT	(438.3)	(576.7)	(794.1)	12,047.1	22,404.1	20,287.6	16,106.2	14,170.4	13,137.7	14,069.1	13,137.7	13,535.0	13,299.2	16,553.2	18,105.3	17,948.0	18,267.6	18,674.1
Add: Depreciation & Amortization	25.0	31.0	31.0	35.0	104.2	94.3	74.9	69.4	68.3	73.2	68.3	77.5	76.1	94.8	109.4	112.0	114.0	122.7
Less: Capex	(106)	(32)	(67)	(70)	(130.2)	(117.9)	(93.6)	(86.7)	(80.4)	(86.1)	(80.4)	(86.1)	(84.6)	(105.3)	(115.2)	(117.9)	(120.0)	(122.7)
Less: Investment in NWC	5	(22)	(1,249)	(2,145)	(21.7)	(19.7)	(15.6)	(14.5)	(13.4)	(14.4)	(13.4)	(14.4)	(14.1)	(17.6)	(19.2)	(19.7)	(20.0)	(20.5)
Add: Increase in Unearned Revenue (LTI)	(65.3)	(72.1)	3,842.3	4,430.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Free Cash Flow	(579.7)	(671.2)	1,762.4	14,297.4	22,356.4	20,244.4	16,071.9	14,138.6	13,112.2	14,041.8	13,112.2	13,512.0	13,276.6	16,525.2	18,080.3	17,922.4	18,241.6	18,653.7
Terminal Value	(8,530)	(9,876)	25,932	210,376	328,958	297,881	236,486	208,039	192,937	206,616	192,937	198,820	195,356	243,156	266,039	263,715	268,413	274,475
PV of FCF	93,425.7																	
PV of Terminal Value	72,278.0																	
Excess cash	15,348.0																	
Enterprise value	181,051.7																	
Less: Debt	(10,799.0)																	
Equity value	170,252.7																	
Number of shares	473.0																	
Intrinsic value per share	359.9																	

WACC 10%

terminal growth rate 3%