



Figure 6: Valeant Pharmaceuticals (VRX)

Valeant Pharmaceuticals (VRX)												www.valeant.com		
	FY	Q3	Q3	%	LTM	Market	Create			FY	FY	Create		
\$ mm	2016	09/30/16	09/30/17	Change	09/30/17	Value	LTM	Q4	2017E	2018E	2018E			
						of Debt		12/31/17						
Revenue	9,674	2,480	2,219	-10.5%	8,964		8,964	2,157	8,718	8,232				
EBITDA	4,303	1,163	951	-18.2%	3,808		3,808	865	3,628	3,207	3,207			
Interest	1,828	467	456	-2.4%	1,848		1,848	450	1,833	1,662				
Taxes	(27)	(113)	(1,700)	1400.4%	(2,677)		(2,677)	25	(2,804)	100				
Capex	235	53	50	-5.3%	179		179	50	175	200				
FCF Before Working Capital and Other	2,267	756	2,145		4,458		4,458	341	4,425	1,246				
FCF as % Net Debt	7.7%	NA	34.1%		17.7%		18.3%	5.4%	17.7%	5.1%				
EBITDA %	44.5%	46.9%	42.9%		42.5%		42.5%	40.1%	41.6%	39.0%				
EBITDA/Interest	2.4x	2.5x	2.1x		2.1x		2.1x	1.9x	2.0x	1.9x				
Net Secured Debt/EBITDA	2.3x	NA	1.9x		1.9x		1.9x	2.4x	2.3x	2.3x	2.3x			
Total Debt/EBITDA	6.9x	NA	7.1x		7.1x		6.9x	7.5x	7.2x	8.0x	7.8x			
Net Debt/EBITDA	6.8x	NA	6.6x		6.6x		6.4x	7.2x	6.9x	7.5x	7.3x			
Cash	542	NA	1,969		1,969		1,969	1,052	1,052	1,462	1,462			
Availability	625	NA	1,032		1,032		1,032	1,032	1,032	1,457	1,457			
Liquidity	1,167	NA	3,001		3,001		3,001	2,084	2,084	2,919	2,919			
Secured Debt	10,646	NA	9,320		9,320		9,320	9,272	9,272	8,847	8,847			
Total Debt	29,846	NA	27,141		27,141		26,385	26,093	26,093	25,668	24,912			
Net Debt	29,304	NA	25,172		25,172		24,416	25,041	25,041	24,206	23,449			
Debt Structure														
\$1500 mm Revolver L+375 due 04/20/18	875	NA	425		425	100.00	425	425	425	-	-			
\$2246 mm Term Loan A3 L+375 due 10/20/18	1,016	NA	-		-	100.00	-	-	-	-	-			
\$1109 mm Term Loan BD2 L+425 due 02/13/19	1,048	NA	-		-	100.00	-	-	-	-	-			
\$990 mm Term Loan BC2 L+450 due 12/11/19	805	NA	-		-	100.00	-	-	-	-	-			
\$1000 mm Term Loan A4DD L+375 due 04/01/20	658	NA	-		-	100.00	-	-	-	-	-			
\$2950 mm Term Loan BE1 L+450 due 08/05/20	2,429	NA	-		-	100.00	-	-	-	-	-			
\$4150 mm Term Loan BF1 L+475 due 04/01/22	3,815	NA	5,685		5,685	100.00	5,685	4,637	4,637	4,637	4,637			
\$1250 mm 6.5% Secured Bond due 03/15/22	-	NA	1,235		1,235	100.00	1,235	1,235	1,235	1,235	1,235			
\$2000 mm 7% Secured Bond due 03/15/24	-	NA	1,975		1,975	100.00	1,975	1,975	1,975	1,975	1,975			
\$1000 mm 5.5% Secured Bond due 11/01/25	-	NA	-		-	100.00	-	1,000	1,000	1,000	1,000			
Total Secured Debt	10,646	NA	9,320		9,320		9,320	9,272	9,272	8,847	8,847			
\$1600 mm 6.75% Bond due 08/15/18	1,593	NA	-		-	100.00	-	-	-	-	-			
\$2000 mm 5.375% Bond due 03/15/20	1,985	NA	1,988		1,988	100.00	1,988	1,988	1,988	1,988	1,988			
\$690 mm 7% Bond due 10/01/20	689	NA	689		689	100.00	689	258	258	258	258			
\$2250 mm 6.375% Bond due 10/15/20	2,231	NA	2,235		2,235	100.00	2,235	1,666	1,666	1,666	1,666			
\$1625 mm 7.5% Bond due 07/15/21	1,613	NA	1,615		1,615	100.00	1,615	1,615	1,615	1,615	1,615			
\$650 mm 6.75% Bond due 08/15/21	647	NA	647		647	100.00	647	647	647	647	647			
\$900 mm 5.625% Bond due 12/01/21	894	NA	895		895	98.25	879	895	895	895	879			
\$550 mm 7.25% Bond due 07/15/22	543	NA	544		544	100.00	544	544	544	544	544			
\$1000 mm 5.5% Bond due 03/01/23	992	NA	993		993	92.00	914	993	993	993	914			
\$3250 mm 5.875% Bond due 05/15/23	3,220	NA	3,223		3,223	93.00	2,997	3,223	3,223	3,223	2,997			
€1500 mm 4.5% Bond due 05/15/23	1,563	NA	1,757		1,757	89.88	1,579	1,757	1,757	1,757	1,579			
\$3250 mm 6.125% Bond due 04/15/25	3,218	NA	3,221		3,221	92.00	2,963	3,221	3,221	3,221	2,963			
Other Unsecured Debt	12	NA	14		14	100.00	14	14	14	14	14			
Total Debt	29,846	NA	27,141		27,141		26,385	26,093	26,093	25,668	24,912			
Preferred / Other	-	-	-		-		-	-	-	-	-			
Basic Shares Out	347	NA	350		350		350	350	350	350	350			
Share Price	\$ 14.52	NA	\$ 21.67		\$ 21.67		\$ 21.67	\$ 21.67	\$ 14.52	\$ 14.52	\$ 14.52			
Market Cap	5,043	NA	7,580		7,580		7,580	7,580	5,079	5,079	5,079			
TEV	34,347	NA	32,752		32,752		31,996	32,621	30,120	29,285	28,528			
TEV/EBITDA	8.0x	NA	8.6x		8.6x		8.4x	9.4x	8.3x	9.1x	8.9x			

Source: Deutsche Bank and Company Disclosures