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| **Company Name**: Cambrex Corp. **Ticker: CBM** |
| **Date of Study**: 12/19/17 **Price**: $51.55 |
| **Your Name**: Gladys Henrikson |
| **Your Club**: MicNova |

**First Cut Stock Study Report**

**Discuss why you consider this to be a high quality. Growth company that should be investigated further. Please include comments on historical sales and EPS growth, pre-tax profit margin, return on equity and debt.**

Cambrex operates in a niche, but global, pharmaceutical market with a strong pipeline of early & late stage clinical trials of new generic APIs in development. It’s customers are large pharmaceutical companies. This small cap company has had double-digit sales and operating income growth over the last 5 years. Return on equity averages over 20%; it has no debt.

**Briefly describe how the company makes money**.

It develops & produces small molecule active pharmaceutical ingredients (APIs) and other advanced products for branded and generic pharmaceuticals. Includes components for Gilead’s HCV, plus treatments for pain & ADHD.

**Projected Growth Rate for Sales**? 7.1%

**Why did you select this rate**? Similar to Value Line. **Discuss from where future growth will come**. New products & customers.

**Projected growth rate for Earnings Per Share**? 7.1%

**Why did you select this rate**? Similar to projected sales growth rate, and similar to Value Line projection.

**Projected High P/E**? \_19.5\_\_\_\_\_\_\_

**Why did you select this value**? Lower than Cambrex’s highest P/E over last 5 years, and similar to 19 high P/E by ValueLine

**Projected Low P/E**? \_14\_\_\_\_\_\_\_\_

**Why did you select this value**? Average P/E

**Projected Low Price**? \_\_$42.7\_\_\_\_\_\_\_\_\_

**Why did you select this value**? Similar to low this year (42.55)

**At the current price, the stock is a (*check one***):

\_\_X\_\_\_**Buy** \_\_\_\_\_\_ **Hold** \_\_\_\_\_**Sell**

**At the current price the upside/downside ratio is** \_3.6\_\_\_\_\_\_\_\_\_ **to 1**.

**Compound Annual Return, using Forecast High P/E is** \_\_10.2%\_\_\_\_\_\_\_\_\_

**Your Final Recommendation is (*check one*):**

\_\_X\_\_**Buy** \_\_\_\_\_\_ **Hold** \_\_\_\_\_**Sell**