

Intrinsic Value Weekly

Volume 3, No. 4

Published Weekly by Intrinsic Value Associates, LLC

January 24, 2000

"A Tidal Wave of Opportunity"

There is a natural conflict between the need to show good performance and the duty to provide the highest possible expected return to clients. When market value departs from intrinsic value in a big way, your natural reaction is to cheer if you haven't bought yet and cry if you're already fully invested. But as my former mentor's marble plaque still reads: "This too shall pass". So dips like this should always be applauded when market emotions overwhelm investment analysis, as opportunities to be applauded, not cause for worry. Let's review the general fundamentals. Each of these companies continues to build intrinsic value at double-digit rates. With the exception of two, price discounts from intrinsic value exceed 10%. The reasons for higher interest rates are based upon specious arguments grounded in a discredited "Philips Curve" trade-off between economic growth and inflation. The rise in interest rates isn't sustainable as long as some external shock doesn't interrupt the smoothly rotating economy. Capital is flowing out of losing sectors, those that have low return on capital and low or negative revenue growth, and into fast growing sectors, some of which have high returns on capital if they have current profits at all. The promise of high future promise seems ever more enticing and is impenetrable to analysis of course, so any price can be justified. The risk of loss in any one technology stock is virtually 100% right now if the time horizon for the expectation is more than a few weeks. Focus your attention on companies' progress in building intrinsic value.

Intrinsic Value Portfolio

Companies that create Intrinsic Value

Symbol	Name	Updated Valuation	Price 1/21/2000	Intrinsic Value	Over/ (Under) Priced	Q Ratio	Weekly Price Change
AC	Alliance Capital Mgt LP	9/24/1999	\$ 37.000	\$44.68	(17.2%)	5.4	3.0%
HON	Honeywell Int'l Inc.	4/29/1999	\$ 51.313	\$64.60	(20.6%)	2.4	(14.3%)
BGP	Borders Group, Inc.	1/10/2000	\$ 14.563	\$33.34	(56.3%)	1.2	(10.7%)
BGG	Briggs & Stratton	9/20/1999	\$ 48.000	\$117.62	(59.2%)	2.0	(7.2%)
CTL	CenturyTel, Inc.	3/1/1999	\$ 43.625	\$45.97	(5.1%)	2.0	(2.2%)
DAL	Delta Air Lines, Inc.	3/1/1999	\$ 46.875	\$66.79	(29.8%)	0.9	(6.3%)
G	Gillette Company	6/23/1999	\$ 39.000	\$48.52	(19.6%)	4.5	(7.4%)
LOW	Lowe's Companies	9/27/1999	\$ 47.375	\$61.77	(23.3%)	4.2	(12.5%)
MLHR	Herman Miller, Inc.	7/5/1999	\$ 22.000	\$46.47	(52.7%)	2.5	1.4%
NYT	New York Times Co.	3/1/1999	\$ 46.625	\$48.21	(3.3%)	3.3	(0.4%)
NUE	Nucor Corporation	3/1/1999	\$ 51.063	\$57.99	(11.9%)	1.9	(6.8%)
PFE	Pfizer, Inc.	6/23/1999	\$ 35.063	\$42.73	(18.0%)	9.4	(5.6%)
WEN	Wendy's International	3/1/1999	\$ 20.125	\$29.86	(32.6%)	1.6	(5.8%)
Average:					(27.7%)	Average:	(5.8%)
Bold - Outperformed the S&P 500 for the week						S&P 500	(1.6%)

Value Drivers

Standard Market Statistics

Symbol	Sales		EBIT Margin %	ROC	Quarterly Sales Y/Y	Yield	PE Last 12M	Price/Book	Price/Sales
	Growth Last 12M								
AC	41.2%	27.7%	38.6%	67.7%	5.3%	13.8	11.9	2.7	
HON	131.3%	13.0%	11.5%	513.0%	1.3%	21.7	6.1	0.9	
BGP	13.7%	6.4%	8.8%	17.6%	0.0%	15.9	1.8	0.4	
BGG	14.4%	12.0%	26.4%	17.3%	2.5%	9.8	3.4	0.8	
CTL	16.0%	30.4%	10.9%	4.3%	0.4%	28.4	4.3	3.9	
DAL	4.5%	12.7%	10.4%	7.7%	0.2%	6.2	1.6	0.5	
G	(0.0%)	23.1%	17.1%	(0.9%)	1.5%	33.5	9.6	4.6	
LOW	19.7%	6.8%	10.7%	19.2%	0.3%	35.6	6.7	1.4	
MLHR	(1.3%)	12.7%	18.4%	(0.2%)	0.7%	13.6	8.8	1.1	
NYT	3.7%	17.5%	11.8%	6.9%	0.9%	30.3	5.8	3.1	
NUE	(12.2%)	9.9%	12.6%	1.6%	1.0%	23.0	2.3	1.3	
PFE	19.6%	27.0%	20.2%	16.6%	0.9%	47.7	14.3	7.6	
WEN	2.0%	12.6%	9.2%	11.4%	1.2%	18.6	2.4	1.3	

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ECONOMIC SECTOR VALUATION

<u>SECTORS</u>	<u>S&P 500</u>	<u>S&P MIDCAP</u>	<u>S&P SMALL CAP</u>
BASIC INDUSTRY	24.8%	(27.3%)	(4.4%)
CONSUMER CYCLICALS	(10.0%)	(20.4%)	(17.4%)
CONSUMER STAPLES	(3.2%)	(11.5%)	(12.2%)
HEALTH	(31.9%)	8.6%	14.4%
ENERGY	6.6%	58.7%	19.4%
FINANCIAL	(17.7%)	(36.9%)	(36.0%)
CAPITAL GOODS	19.7%	11.5%	7.1%
TECHNOLOGY	32.1%	37.2%	96.1%
COMMUNICATIONS	5.3%	74.1% *	106.9% *
UTILITY	(13.1%)	(23.1%)	(13.3%)
TRANSPORTATION	(31.2%)	(35.6%)	(13.0%)
Weighted Total:	5.7%	5.1%	23.5%

RED - Overvalued

BLUE - (Undervalued)

Bold - outperformed the relevant index

WEEKLY PRICE CHANGE

<u>SECTORS</u>	<u>S&P 500</u>		<u>S&P MIDCAP</u>		<u>S&P SMALL CAP</u>	
	Weight	Price	Weight	Price	Weight	Price
prices as of 1/21/2000	% of Total	% Change	% of Total	% Change	% of Total	% Change
BASIC INDUSTRY	2.8%	(6.8%)	4.5%	(3.8%)	3.5%	(2.9%)
CONSUMER CYCLICALS	8.9%	(3.5%)	14.2%	(0.3%)	15.9%	(1.2%)
CONSUMER STAPLES	11.6%	(2.0%)	8.3%	(1.3%)	7.1%	0.8%
HEALTH	9.7%	(3.0%)	11.1%	5.0%	12.7%	11.4%
ENERGY	5.1%	1.6%	4.9%	5.4%	3.1%	10.0%
FINANCIAL	12.3%	(7.2%)	9.7%	(7.1%)	9.2%	(4.7%)
CAPITAL GOODS	8.2%	(2.2%)	7.7%	2.0%	12.9%	2.8%
TECHNOLOGY	30.3%	(2.9%)	28.0%	(0.6%)	28.3%	7.0%
COMMUNICATIONS	7.8%	0.7%	1.5%	6.2% *	0.9%	14.7% *
UTILITY	2.6%	4.7%	9.2%	5.3%	3.3%	(0.4%)
TRANSPORTATION	0.7%	(5.8%)	1.0%	(4.3%)	3.1%	(1.7%)
Index Total:		(1.6%)		1.0%		3.3%

* Sector contains only 3 companies

Weekly price changes may not match prior issues due to changes in composition of sectors.

Sector Comments If inflation is such a problem, how come the Basic Industry stocks are weak?

Answer: Fed policy is beginning to bite market participants. With heating oil prices jumping like internet stocks, the popular worry is that the Fed has been too slow to stem this problem and a real crunch is needed to quench the fires of inflation.

This sort of thing happens sometimes, a sudden freeze causes inventory shortages in heating oil and the market extrapolates faster than a speeding internet router. It pays to ignore these blips if you're already fully invested and to use any spare cash to snap up bargains if you're not. Consumer cyclicals, Health stocks, Financials, Utility and Transportation stocks are all under-priced. Also Mid Cap Basics.

You know the "new economy" theme is beginning to pervade when the strength in Utility stocks is attributed to the coming ability to sell electricity to consumers over the internet. Think about it, is this a way of selling more juice or a way of slashing costs in a newly deregulated market. For the utility sector as a whole, Selling, General and Administrative expenses are about 0.46% of revenue, so cost cutting doesn't strike me as a big value enhancer. But the stocks are generally under-priced so they may rise to intrinsic value for reasons that don't make sense. Who said the market is rational?

(Millions)	Large Capitalization	Mid-Cap Capitalization		Small-Cap Capitalization	
\$	11,886,038	90.1%	\$917,394	7.0%	\$ 384,881
					2.9%

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The Intense Merger Activity in Health Stocks Could Be Related to Underpricing

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Company Name	Ticker	Market Value - Equity	Quarterly Sales Growth	Current Price	Free Cash Flow Annuity	NOPAT Margin	PE Ratio	Price/Book Ratio	Price/Cash Flow	Return on Capital	Dividend Yield
ABBOTT LABORATORIES	ABT	\$47,466	4.1%	31.2	33.34	27.6	23.0	9.6	15.2	36.55	2.2%
ACUSON CORP	ACN	\$351	-0.8%	13.0	13.46	7.8	16.5	1.6	7.9	7.71	0.0%
ADAC LABORATORIES	ADAC	\$213	-4.5%	10.4	(3.22)	(1.2)	(6.6)	2.1	(13.4)	(2.40)	0.0%
ADVANCE PARADIGM INC	ADVP	\$450	139.8%	21.3	12.48	2.6	27.5	6.6	27.4	23.48	0.0%
ADVANCED TISSUE SCI -CL A	ATIS	\$249	167.2%	4.7	(16.41)	(176.6)	(4.9)	8.1	(4.9)	(37.01)	0.0%
AETNA INC	AET	\$8,335	28.9%	55.7	(481.01)	8.1	10.9	0.7	6.7	1.71	1.4%
ALLERGAN INC	AGN	\$6,961	8.9%	52.9	15.73	13.3	42.0	9.5	(511.0)	11.65	0.5%
ALLIANCE PHARMACEUTICAL C	ALLP	\$430	-69.3%	9.9	(21.79)	(736.2)	(4.1)	10.0	(7.9)	(85.03)	0.0%
ALPHARMA INC -CL A	ALO	\$1,072	23.6%	38.9	10.26	8.8	23.7	3.1	22.2	7.19	0.5%
ALZA CORP	AZA	\$3,874	28.5%	37.9	14.32	26.7	31.8	6.6	24.1	10.74	0.0%
AMERICAN HOME PRODUCTS	AHP	\$62,661	3.0%	48.0	22.06	18.2	(35.0)	5.4	20.1	13.63	1.9%
AMGEN INC	AMGN	\$76,295	20.9%	74.7	17.88	43.9	58.3	23.9	75.5	45.32	0.0%
APRIA HEALTHCARE GROUP	AHG	\$1,025	8.2%	19.7	(30.59)	(4.8)	17.1	(7.1)	(11.2)	(4.40)	0.0%
BARD (C.R.) INC	BCR	\$2,431	-13.1%	47.6	(12.47)	(1.4)	11.2	4.8	7.9	(1.38)	1.7%
BARR LABORATORIES INC	BRL	\$881	10.6%	38.6	36.02	12.6	14.4	3.3	15.0	24.17	0.0%
BAUSCH & LOMB INC	BOL	\$3,434	10.7%	59.5	11.86	7.8	95.1	4.6	23.6	6.18	1.7%
BAXTER INTERNATIONAL INC	BAX	\$17,721	11.4%	60.8	34.05	14.9	23.9	6.3	25.9	13.61	1.9%
BECKMAN COULTER INC	BEC	\$1,498	9.8%	52.0	(0.08)	7.5	17.0	11.4	7.9	5.74	1.2%
BECTON DICKINSON & CO	BDX	\$7,226	11.7%	28.8	23.94	14.8	24.7	3.9	16.7	12.87	1.3%
BEVERLY ENTERPRISES	BEV	\$397	-8.7%	3.9	(4.66)	3.4	(2.4)	0.6	7.0	3.60	0.0%
BIO TECHNOLOGY GENERAL C	BTGC	\$794	40.1%	15.1	7.41	34.3	38.1	6.4	40.4	24.11	0.0%
BIOGEN INC	BGEN	\$13,822	33.8%	92.0	15.34	28.5	65.3	17.3	84.6	18.22	0.0%
BIOMATRIX INC	BXM	\$572	57.3%	24.9	7.92	27.7	20.2	8.5	41.3	21.33	0.0%
BIOMET INC	BMET	\$4,691	10.4%	41.6	30.67	30.3	36.7	5.8	34.0	27.52	0.3%
BOSTON SCIENTIFIC CORP	BSX	\$8,579	20.1%	20.7	9.44	16.9	26.0	10.5	(60.1)	13.55	0.0%
BRISTOL MYERS SQUIBB	BMY	\$121,378	11.4%	61.2	33.35	25.0	36.1	16.9	32.3	38.72	1.4%
CEPHALON INC	CEPH	\$1,293	316.7%	39.9	(29.33)	(342.0)	(16.7)	17.3	(21.7)	(50.93)	0.0%
CHIRON CORP	CHIR	\$8,234	-7.0%	45.4	3.43	15.6	65.2	4.9	44.4	5.13	0.0%
COLUMBIA/HCA HLTHCR -VTG	COL	\$17,004	-14.9%	30.2	18.97	7.1	32.2	2.5	11.9	6.98	0.3%
CONMED CORP	CNMD	\$404	7.0%	26.5	24.57	15.1	15.7	2.2	9.3	8.75	0.0%
COOPER COMPANIES INC	COO	\$451	11.3%	32.2	16.86	16.7	19.6	3.0	7.0	7.75	0.2%
COR THERAPEUTICS INC	CORR	\$830	722.9%	33.0	(16.40)	(58.9)	(18.3)	12.0	(33.2)	(28.44)	0.0%
COVANCE INC	CVD	\$729	9.2%	12.4	8.30	11.3	14.0	2.8	8.4	9.09	0.0%
COVENTRY HEALTH CARE	CVTY	\$488	-10.7%	8.3	2.43	1.1	11.4	0.9	34.5	4.26	0.0%
CURATIVE HEALTH SERVICES	CURE	\$56	-2.8%	5.6	32.86	26.1	6.8	1.1	3.6	30.96	0.0%
CYGNUS INC	CYGN	\$424	53.4%	17.1	(29.29)	(306.3)	(12.9)	(11.6)	(9.5)	(129.36)	0.0%
DATASCOPE CORP	DSCP	\$597	14.0%	39.9	33.33	12.6	25.8	2.8	18.1	15.29	0.1%
DENTSPLY INTERNATL INC	XRAY	\$1,264	0.6%	23.9	22.83	13.0	21.1	3.0	17.4	13.44	1.0%
DIAGNOSTIC PRODUCTS CORP DP	DP	\$306	10.1%	22.4	26.39	12.3	16.9	1.7	7.7	10.73	2.1%
DURA PHARMACEUTICALS INC	DURA	\$749	65.0%	17.9	7.70	21.9	139.4	1.4	32.3	5.87	0.0%
ENZO BIOCHEM INC	ENZ	\$3,060	10.3%	122.0	3.30	12.2	158.6	15.2	392.0	7.60	0.0%
EXPRESS SCRIPTS INC -CL A	ESRX	\$2,272	34.2%	59.0	25.31	2.7	44.4	8.5	28.1	17.92	0.0%
FIRST HEALTH GROUP CORP	FHCC	\$1,480	-12.7%	30.2	28.98	24.0	20.1	10.4	14.2	21.22	0.0%
FOREST LABORATORIES -CL A	FRX	\$5,763	70.5%	69.0	6.12	6.1	44.8	6.9	67.9	4.87	0.0%
FOUNDATION HEALTH SYS -CI	FHS	\$1,314	1.1%	10.8	25.78	3.8	165.6	1.6	(35.4)	11.30	0.0%
GENESIS HEALTH VENTURES I	GHV	\$81	12.7%	2.3	(77.43)	(2.5)	(0.3)	0.1	(0.4)	(1.71)	0.0%

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@AF - Annual Figure

@NA - Not available

@CF - Combined Figure

@SF - SemiAnnual Figure

Bold Blue - Favorable Drivers

Source: Standard & Poors Corporation Compustat Research Insight®, Intrinsic Value Associates, LLC

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The Intense Merger Activity in Health Stocks Could Be Related to Under-pricing

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Company Name	Ticker	Market Value - Equity	Quarterly Sales Growth	Current Price	Free Cash Flow Annuity	NOPAT Margin	PE Ratio	Price/Book Ratio	Price/Cash Flow	Return on Capital	Dividend Yield
GENZYME GENERAL	GENZ	\$4,312	10.9%	51.3	24.79	24.8	24.1	3.1	25.0	10.44	0.0%
GILEAD SCIENCES INC	GILD	\$2,736	20.5%	62.4	(37.04)	(219.9)	(28.6)	7.2	(35.9)	(22.23)	0.0%
GUIDANT CORP	GDT	\$15,186	25.9%	50.4	17.39	21.0	48.0	25.6	294.0	30.24	0.0%
HANGER ORTHOPEDIC GRP	HGR	\$93	156.1%	4.9	12.19	11.2	12.7	1.1	4.7	9.28	0.0%
HEALTH MANAGEMNT ASSC	HMA	@NA	21.1%	15.3	7.86	13.5	22.3	@NA	20.5	12.29	0.0%
HEALTHSOUTH CORP	HRC	\$2,462	-5.2%	6.4	11.15	17.2	76.8	0.7	6.9	8.21	0.0%
HOLOGIC INC	HOLX	\$116	-18.9%	7.6	(8.88)	(8.9)	(21.3)	0.6	(426.2)	(4.31)	0.0%
HOOPER HOLMES INC	HH	\$638	18.6%	21.9	(6.21)	10.1	39.6	11.7	32.8	5.45	0.2%
HUMANA INC	HUM	\$1,309	3.8%	7.8	28.24	3.9	15.2	0.8	5.1	11.77	0.0%
ICN PHARMACEUTICALS INC	ICN	\$2,115	11.4%	27.0	34.86	25.0	(13.4)	3.4	(6.9)	16.61	1.0%
IDEC PHARMACEUTICALS CORP	IDPH	\$6,206	77.5%	147.8	8.35	42.8	97.3	37.2	230.9	18.31	0.0%
IDEXX LABS INC	IDXX	\$619	10.1%	16.4	11.46	9.1	(100.8)	2.0	946.2	8.94	0.0%
IMMUNE RESPONSE CORP/DE	IMNR	\$192	53.8%	7.7	(13.19)	(111.6)	(5.5)	4.7	(11.0)	(59.33)	0.0%
INCYTE PHARMACEUTICALS IN	INCY	\$4,471	2.1%	157.1	5.91	7.9	(88.2)	9.3	216.1	6.53	0.0%
INVACARE CORP	IVC	\$570	9.8%	19.0	24.07	9.2	12.4	2.1	8.2	12.12	0.3%
IVAX CORP	IVX	\$3,211	6.4%	30.4	0.88	2.8	50.5	6.5	61.1	2.84	0.0%
JOHNSON & JOHNSON	JNJ	\$120,813	17.9%	89.9	41.48	16.8	36.3	9.2	28.1	19.29	1.2%
JONES PHARMA INC	JMED	\$2,430	30.9%	56.1	19.73	53.7	43.4	8.1	83.0	27.64	0.2%
LASER VISION CENTERS INC	LVCI	\$221	100.3%	8.8	3.82	12.0	18.5	8.5	14.5	16.60	0.0%
LILLY (ELI) & CO	LLY	\$70,611	9.6%	64.8	36.31	30.4	31.2	16.5	27.4	38.99	1.4%
LINCARE HOLDINGS INC	LNCR	\$1,902	19.5%	35.2	23.18	23.0	20.5	4.1	15.5	15.38	0.0%
LIPOSOME COMPANY INC	LIPO	\$530	23.6%	13.6	(3.30)	(9.3)	48.8	6.5	527.2	(6.90)	0.0%
MAGELLAN HEALTH SVCS	MGL	\$228	17.2%	7.1	64.58	7.2	8.9	@NA	2.4	11.17	0.0%
MALLINCKRODT INC	MKG	\$2,059	3.9%	29.5	15.12	7.2	12.7	2.1	6.9	5.56	2.2%
MANOR CARE INC	HCR	\$1,479	-3.7%	14.3	25.46	11.7	12.9	1.5	24.6	14.79	0.0%
MAXIMUS INC	MMS	\$708	18.0%	33.8	32.10	13.7	25.1	4.1	23.4	33.38	0.0%
MEDICIS PHARMACEUT CP -CI	MRX	\$1,354	19.1%	47.0	30.65	50.8	28.1	3.3	28.5	15.71	0.0%
MEDIMMUNE INC	MEDI	\$11,208	105.2%	177.1	2.21	7.0	94.8	43.2	162.2	6.21	0.0%
MEDTRONIC INC	MDT	\$51,056	17.9%	43.6	13.31	24.9	68.1	11.7	74.8	30.01	0.4%
MENTOR CORP	MNTR	\$565	21.6%	23.1	13.79	11.8	29.7	4.0	19.5	12.80	0.4%
MERCK & CO	MRK	\$169,327	19.9%	72.4	42.92	27.5	27.8	12.4	27.5	30.55	1.6%
MILLENNIUM PHARMACTCLS IN	MLNM	\$7,352	52.5%	200.6	6.22	20.9	184.8	20.6	263.2	8.75	0.0%
MINIMED INC	MNMD	\$2,610	47.3%	84.0	7.33	9.7	107.7	15.4	137.4	11.97	0.0%
MYLAN LABORATORIES	MYL	\$3,456	9.5%	26.8	24.08	28.1	29.0	3.1	24.3	21.42	0.6%
NCS HEALTHCARE INC -CL A	NCSS	\$63	6.6%	3.1	5.63	4.8	(3.0)	0.2	(31.6)	5.17	0.0%
NORTH AMERICAN VACCINE IN	NVX	\$179	44.3%	5.4	(22.63)	(449.4)	(2.5)	(2.3)	(3.6)	(43.89)	0.0%
NOVEN PHARMACEUTICALS IN	NOVN	\$484	60.6%	22.5	(3.21)	(25.1)	106.6	13.7	(183.8)	(11.67)	0.0%
OMNICARE INC	OCR	\$1,061	23.6%	11.6	14.13	9.9	15.0	1.1	8.2	8.66	0.8%
ORGANOGENESIS INC	ORG	\$329	101.1%	10.8	(7.49)	(176.7)	(10.2)	10.8	(24.9)	(80.66)	0.0%
ORTHODONTIC CENTERS OF A	OCA	\$646	33.7%	13.4	1.52	23.9	13.1	2.5	15.0	6.72	0.0%
OSTEOTECH INC	OSTE	\$222	22.3%	15.6	17.20	26.7	14.3	3.9	16.5	29.59	0.0%
OXFORD HEALTH PLANS INC	OXHP	\$1,247	-10.1%	15.3	(66.12)	(6.3)	(1,268.8)	(5.6)	(2.3)	(63.58)	0.0%
PACIFICARE HEALTH SYS	PHSY	\$2,070	4.4%	47.5	117.03	4.6	8.9	1.1	6.7	12.03	0.0%
PAREXEL INTERNATIONAL COF	PRXL	\$335	10.8%	13.3	17.10	9.4	20.0	1.5	9.9	12.35	0.0%

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The Intense Merger Activity in Health Stocks Could Be Related to Under-pricing

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Company Name	Ticker	Market Value - Equity	Quarterly Sales Growth	Current Price	Free Cash Flow Annuity	NOPAT Margin	PE Ratio	Price/Book Ratio	Price/Cash Flow	Return on Capital	Dividend Yield
PEDIATRIX MEDICAL GROUP IN	PDX	\$143	17.4%	9.3	37.60	21.4	3.8	0.5	3.8	19.05	0.0%
PFIZER INC	PFE	\$135,738	16.6%	35.1	10.09	20.3	47.7	14.3	56.4	20.18	0.9%
PHARMACEUTICAL PROD DEV	PPDI	\$320	29.1%	13.0	8.06	8.8	12.9	1.8	11.1	7.14	0.0%
PHARMACIA & UPJOHN INC	PNU	\$24,888	6.4%	48.0	18.39	11.7	32.6	4.1	21.8	8.35	2.3%
PROTEIN DESIGN LABS INC	PDLI	\$1,924	-12.6%	102.8	(15.77)	(89.1)	(134.6)	8.0	(328.7)	(11.48)	0.0%
QUINTILES TRANSNATIONAL C	QTRN	\$2,809	26.5%	24.4	16.18	11.5	19.7	2.9	13.7	10.36	0.0%
QUORUM HEALTH GROUP INC	QHGI	\$801	10.8%	10.9	7.85	7.5	28.2	1.1	6.0	7.04	0.0%
REGENERON PHARMACEUT	REGN	\$458	4.5%	14.6	(7.64)	(31.7)	(14.7)	3.0	(80.9)	(6.57)	0.0%
RENAL CARE GROUP INC	RCGI	\$1,174	21.0%	26.7	13.97	13.9	22.7	4.2	22.6	15.60	0.0%
RESMED INC	RMD	\$811	34.8%	54.5	26.32	28.5	34.5	8.6	39.0	41.18	0.0%
RESPIRONICS INC	RESP	\$327	-6.7%	9.9	15.71	11.5	21.0	1.2	7.7	12.46	0.0%
RURAL/METRO CORP	RURL	\$64	1.7%	4.4	26.28	8.9	4.2	0.3	1.3	8.54	0.0%
SAFESKIN CORP	SFSK	\$669	1.6%	12.5	15.17	25.9	43.3	5.3	12.0	33.08	0.0%
SCHERING-PLOUGH	SGP	\$62,249	12.6%	42.4	19.26	23.9	30.7	15.6	32.0	34.87	1.2%
SEPRACOR INC	SEPR	\$5,132	68.8%	155.0	(51.65)	(434.3)	(20.6)	740.2	(56.3)	(23.59)	0.0%
SIERRA HEALTH SERVICES	SIE	\$188	14.8%	7.0	27.62	7.2	9.6	0.6	3.2	12.07	0.0%
SOLA INTL INC	SOL	\$280	6.3%	11.3	17.11	8.7	60.3	1.0	9.0	7.23	0.0%
SPACELABS MED INC	SLMD	\$155	11.2%	16.4	(1.04)	2.6	19.5	1.1	12.2	2.42	0.0%
ST JUDE MEDICAL INC	STJ	\$2,427	10.8%	28.8	21.31	14.4	139.5	3.2	13.9	11.40	0.0%
STERIS CORP	STE	\$696	3.9%	10.3	21.03	15.1	9.2	1.6	6.2	15.09	0.0%
STRYKER CORP	SYK	\$7,595	91.1%	78.4	(8.64)	14.8	(74.1)	10.3	108.8	6.39	0.2%
SUMMIT TECHNOLOGY INC	BEAM	\$502	21.5%	10.8	1.71	4.7	(25.4)	3.1	8.3	3.40	0.0%
SUNRISE MEDICAL INC	SMD	\$124	-1.5%	5.6	2.34	3.8	56.3	0.5	4.2	3.97	0.0%
SYBRON INTL CORP	SYB	\$2,276	17.9%	21.9	15.85	16.8	20.4	4.1	14.3	11.01	0.0%
SYNCOR INTL CORP/DE	SCOR	\$326	15.3%	27.6	15.22	4.5	18.6	2.9	10.5	8.99	0.0%
TECHNE CORP	TECH	\$1,343	15.4%	66.6	19.30	28.7	61.2	11.4	47.0	29.72	0.0%
TENET HEALTHCARE CORP	THC	\$7,874	8.5%	25.3	29.31	11.4	29.4	1.9	11.7	8.43	0.0%
THERAGENICS CORP	TGX	\$286	21.5%	9.7	11.46	57.9	18.5	3.2	17.4	28.56	0.0%
TOTAL RENAL CARE HLDG -CI	TRL	\$467	15.2%	5.8	17.96	17.1	31.8	1.1	8.4	13.14	0.0%
TRIGON HEALTHCARE INC	TGH	\$1,222	8.3%	31.1	50.30	7.7	30.1	1.2	9.1	9.98	0.0%
UNITED HEALTHCARE CORP	UNH	\$9,999	12.5%	58.4	3.10	3.8	18.3	2.4	565.1	8.04	0.1%
UNIVERSAL HEALTH SVCS -CL	UHS	\$1,483	7.4%	48.0	28.91	6.3	13.7	1.8	8.4	8.66	0.0%
US ONCOLOGY INC	USON	\$553	28.1%	5.5	11.54	13.6	10.3	0.8	4.9	9.35	0.0%
VARIAN MEDICAL SYTEMS INC	VAR	\$1,032	-47.4%	33.8	24.19	8.1	110.4	@NA	22.6	6.19	1.2%
VERTEX PHARMACEUTICALS II	VRTX	\$1,259	-50.6%	49.2	(19.55)	(92.8)	(16.1)	3.6	(43.7)	(8.10)	0.0%
VISX INC/DE	VISX	\$2,005	79.2%	31.3	0.00	0.0	38.9	@NA	69.6	-	0.0%
VITAL SIGNS INC	VITL	\$307	9.9%	25.0	24.17	16.4	15.7	2.1	13.7	13.38	0.6%
WARNER-LAMBERT CO	WLA	\$78,734	22.8%	92.0	27.50	16.5	43.6	18.6	48.8	24.30	0.9%
WATSON PHARMACEUTICALS	WPI	\$3,886	7.8%	40.5	19.37	23.4	23.6	4.3	23.8	15.22	0.0%
WELLPOINT HLTH NETWRK -C	WLP	\$4,632	16.1%	71.3	64.30	5.6	15.4	3.4	12.7	13.52	0.0%
WESLEY JESSEN VISIONCARE	WJCO	\$662	7.3%	39.5	35.78	15.3	19.2	12.1	19.9	28.16	0.0%

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