ModernGraham Valuation

Company Name:

Company Ticker MAT Date of Analysis

Mattel, Inc.



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

9/8/2015

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	Pass
2. Sufficiently Strong Financial Condition	n Current Ratio > 2	Pass
3. Earnings Stability	Positive EPS for 10 years prior	Pass
 Dividend Record Earnings Growth 	Dividend Payments for 10 years prior Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	Pass Fail
6. Moderate PEmg Ratio	PEmg < 20	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	Pass

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	Fail
3. Earnings Stability	Positive EPS for 5 years prior	Pass
4. Dividend Record	Currently Pays Dividend	Pass
5. Earnings Growth	EPSmg greater than 5 years ago	Fail

Suitability

Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

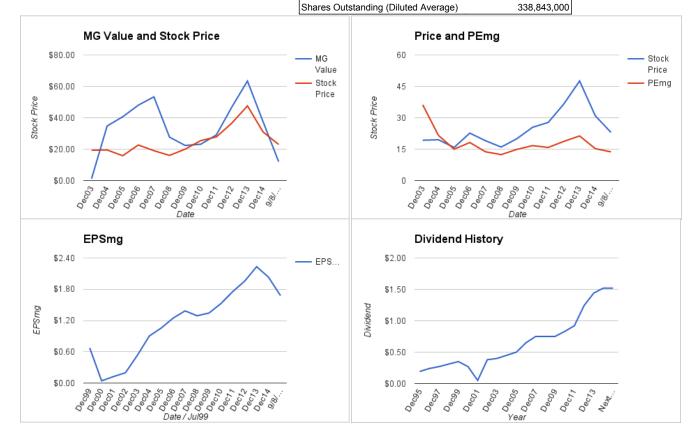
GuruFocus

•	EPSmg	\$1.68	
	MG Growth Estimate	-0.67%	
	MG Value	\$12.02	
	MG Value based on 3% Growth	\$24.32	
	MG Value based on 0% Growth	\$14.26	
	Market Implied Growth Rate	2.61%	
MG Opinion			
	Current Price	\$23.00	
	% of Intrinsic Value	191.33%	
	Opinion	Overvalued	
Stage 3: Infor	mation for Further Research		
	Net Current Asset Value (NCAV)	-\$2.96	
	Graham Number	\$13.05	
	PEmg	13.71	
	Current Ratio	2.84	
	PB Ratio	3.04	
	Dividend Yield	6.61%	
	Number of Consecutive Years of Dividend Growth	6	
Useful Links:	ModernGraham tagged articles	Morningstar	
	Google Finance Yahoo Finance	MSN Money	

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SEC Filings

EPS History		EPSmg History		
Next Fiscal Year Estimate	¢1.00	Next Fiscal Year Estimate		\$1.68
Dec14		Dec14		\$2.03
Dec13		Dec13		\$2.23
Dec12		Dec12		\$1.96
Dec11	\$2.18	Dec11		\$1.76
Dec10	\$1.86	Dec10		\$1.52
Dec09	\$1.45	Dec09		\$1.34
Dec08	\$1.05	Dec08		\$1.29
Dec07	\$1.54	Dec07		\$1.38
Dec06	\$1.53	Dec06		\$1.25
Dec05	\$1.01	Dec05		\$1.06
Dec04	\$1.35	Dec04		\$0.90
Dec03	\$1.22	Dec03		\$0.53
Dec02	\$0.52	Dec02		\$0.20
Dec01	\$0.68	Dec01		\$0.12
Dec00	-\$1.01	Dec00		\$0.04
Dec99	-\$0.21	Dec99		\$0.67
Dec98	\$1.10	Balance Sheet Information	Jun15	
Dec97	\$0.93	Total Current Assets		\$2,529,702,000
Dec96	\$1.36	Total Current Liabilities		\$889,674,000
Dec95	\$1.26	Long-Term Debt		\$2,100,000,000
		Total Assets		\$6,097,802,000
		Intangible Assets		\$2,119,682,000
		Total Liabilities		\$3,533,329,000
		Channel Outstanding (Diluted Augusta)		222 042 000



Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

Other ModernGraham posts about the company	30 Companies in the Spotlight This Week - 5/23/15
	Mattel Inc. Quarterly Valuation – May 2015 \$MAT
	10 Companies Benjamin Graham Would Invest In Today – May 2015
	5 Highest Dividend Yields Among Undervalued Companies for the Defensive Investor – April 2015
	5 Undervalued Companies for the Defensive Investor Near 52 Week Lows – April 2015
Other Meders Crehem	Hasbro Inc. Analysis – August 2015 Update \$HAS
ModernGraham posts about related companies	Mattel Inc. Quarterly Valuation – May 2015 \$MAT
	Hasbro Inc. Quarterly Valuation – February 2015 \$HAS
	Mattelling Overtarius Visionation February 2015 (MAT

Hasbro Inc. Quarterly Valuation – February 2015 \$HAS Mattel Inc. Quarterly Valuation – February 2015 \$MAT Electronic Arts Inc. Annual Valuation – 2015 \$EA Hasbro Inc. Quarterly Valuation – November 2014 \$HAS Mattel Inc. Quarterly Valuation – October 2014 \$MAT Hasbro Inc. Quarterly Valuation – August 2014 \$HAS Mattel Inc. Quarterly Valuation – July 2014 \$MAT Hasbro Inc. May 2014 Quarterly Valuation \$HAS