ModernGraham Valuation

Company Name:

Company Ticker DLTR Date of Analysis Dollar Tree, Inc.





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

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

1. Adeq	quate Size of the Enterprise	Market Cap > \$2Bil	\$14,451,458,200	Pass
2. Suffic	ciently Strong Financial Condition	Current Ratio > 2	2.18	Pass
3. Earni	ings Stability	Positive EPS for 10 years prior		Pass
4. Divid	lend Record	Dividend Payments for 10 years prior		Fail
5. Earni		Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	210.62%	Pass
6. Mode	erate PEmg Ratio	PEmg < 20	28.46	Fail
7. Mode	erate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.27	Fail
Enterprising Investor; must pas	as 4 out of the following 5 tests, or be	suitable for the Defensive Investor.		
1. Suffic	ciently Strong Financial Condition	Current Ratio > 1.5	2.18	Pass
2. Suffic	ciently Strong Financial Condition	Debt to NCA < 1.1	3.37	Fail
3. Earni	ings Stability	Positive EPS for 5 years prior		Pass
4. Divid	lend Record	Currently Pays Dividend		Fail
5. Earni	ings Growth	EPSmg greater than 5 years ago		Pass

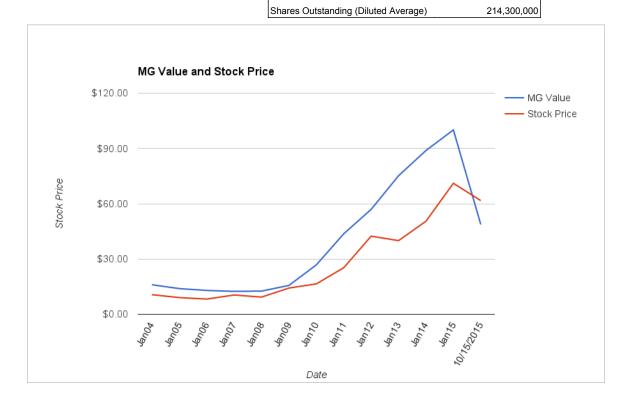
Suitability

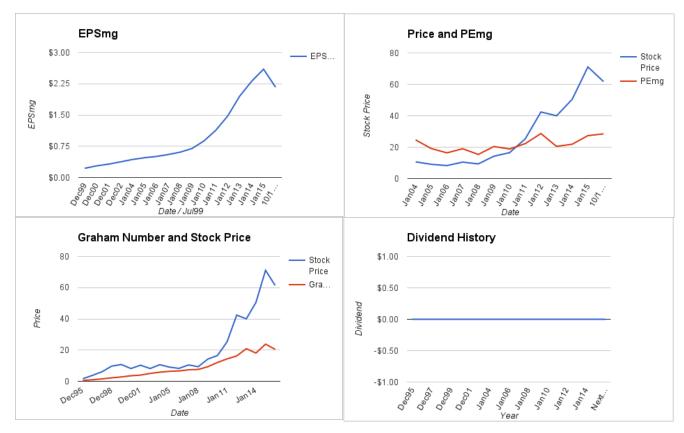
Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

•			
	EPSmg	\$2.	17
	MG Growth Estimate	6.99	3%
	MG Value	\$48.	76
	MG Value based on 3% Growth	\$31.	45
	MG Value based on 0% Growth	\$18.	43
	Market Implied Growth Rate	9.98	3%
MG Opinion			
	Current Price	\$61.	72
	% of Intrinsic Value	126.58	3%
	Opinion	Overvalued	
Stage 3: Infor	mation for Further Research		
	Net Current Asset Value (NCAV)	-\$37.	30
	Graham Number	\$20.	47
	PEmg	28.	46
	Current Ratio	2.	18
	PB Ratio	3.	27
	Dividend Yield	0.00)%
	Number of Consecutive Years of Dividend Growth		0
Useful Links:	ModernGraham tagged articles	Morningstar	
econa Linko.	Google Finance	MSN Money	
	Yahoo Finance	<u>`</u>	
	GuruFocus	Seeking Alpha	
		SEC Filings	

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.08	Next Fiscal Year Estimate	\$2.17
Jan15		Jan15	\$2.60
Jan14	• • • •	Jan14	\$2.31
Jan13		Jan13	\$2.31
Jan12		Jan12	\$1.95
Jan12	•	Jan12 Jan11	
	• • • •		\$1.14
Jan10		Jan10	\$0.88
Jan09		Jan09	\$0.70
Jan08		Jan08	\$0.61
Jan07		Jan07	\$0.55
Jan06		Jan06	\$0.51
Jan05		Jan05	\$0.47
Jan04	\$0.51	Jan04	\$0.43
Dec02	\$0.45	Dec02	\$0.38
Dec01	\$0.36	Dec01	\$0.32
Dec00	\$0.36	Dec00	\$0.28
Dec99	\$0.31	Dec99	\$0.22
Dec98	\$0.24	Balance Sheet Information	Jul15
Dec97	\$0.17	Total Current Assets	\$4,524,700,000
Dec96	\$0.12	Total Current Liabilities	\$2,073,300,000
Dec95	\$0.08	Long-Term Debt	\$8,265,500,000
		Total Assets	\$16,565,100,000
		Intangible Assets	\$8,709,900,000
		Total Liabilities	\$12,518,100,000
		1	





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	5 Undervalued Companies with a Low Beta – October 2015
	The Best Companies of the Retail Industry – August 2015
	The 20 Best Stocks For Value Investors This Week – 7/25/15
	Dollar Tree Inc. Analysis – July 2015 Update \$DLTR
	21 Companies in the Spotlight This Week – 5/9/15
Other ModernGraham posts about related companies	Tiffany and Company Valuation – October 2015 Update \$TIF
	Urban Outfitters Inc. Analysis – October 2015 Update \$URBN
	Staples Inc. Analysis – September 2015 Update \$SPLS
	Fossil Group Inc. Analysis – September 2015 Update \$FOSL
	Ross Stores Inc. Analysis – August 2015 Update \$ROST
	The Best Companies of the Retail Industry – August 2015
	Bed Bath & Beyond Inc. Analysis – August 2015 Update \$BBBY
	Ann Inc. Analysis – Initial Coverage \$ANN
	Kohl's Corporation Analysis – August 2015 Update \$KSS

Aaron's Inc. Analysis – Initial Coverage \$AAN