

# ModernGraham Valuation

Company Name:

American Tower Corp

Company Ticker AMT

Date of Analysis

11/17/2015



## 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. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$41,734,361,830	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.69	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	434.95%	Pass
5. Earnings Growth	PEmg < 20	54.78	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	6.36	Fail
7. Moderate Price to Assets			

*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	0.69	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-39.57	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		Pass

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.80
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$69.25</b>
MG Value based on 3% Growth	\$26.08
MG Value based on 0% Growth	\$15.29
Market Implied Growth Rate	23.14%

### MG Opinion

Current Price	\$98.53
% of Intrinsic Value	142.28%
<b>Opinion</b>	<b>Overvalued</b>

## Stage 3: Information for Further Research

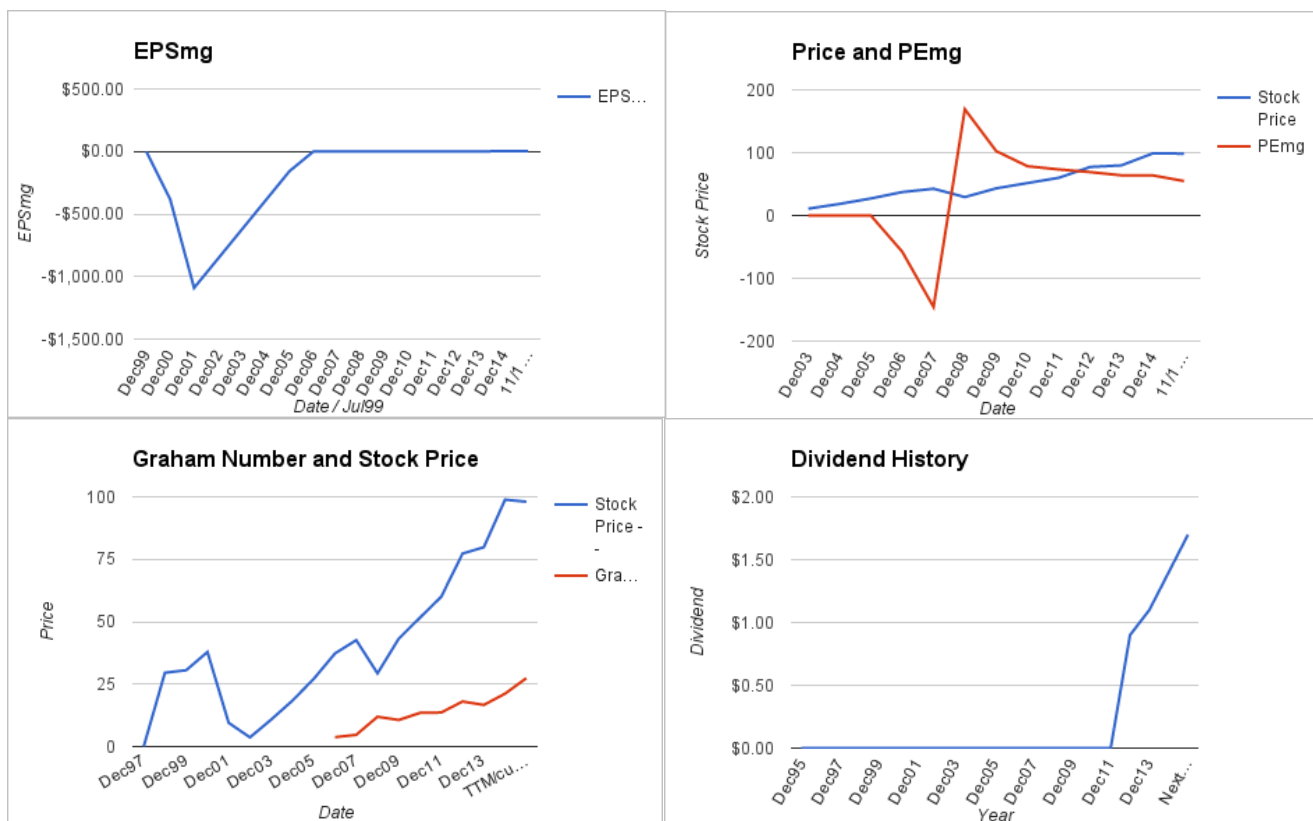
Net Current Asset Value (NCAV)	-\$45.34
Graham Number	\$27.37
PEmg	54.78
Current Ratio	0.69
PB Ratio	6.36
Dividend Yield	1.73%
Number of Consecutive Years of Dividend Growth	4

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.13	Next Fiscal Year Estimate	\$1.80
Dec14	\$2.00	Dec14	\$1.55
Dec13	\$1.38	Dec13	\$1.25
Dec12	\$1.60	Dec12	\$1.12
Dec11	\$0.99	Dec11	\$0.82
Dec10	\$0.92	Dec10	\$0.66
Dec09	\$0.61	Dec09	\$0.42
Dec08	\$0.84	Dec08	\$0.17
Dec07	\$0.13	Dec07	-\$0.29
Dec06	\$0.06	Dec06	-\$0.65
Dec05	-\$0.60	Dec05	-\$157.60
Dec04	-\$1.10	Dec04	-\$391.21
Dec03	-\$1.28	Dec03	-\$624.59
Dec02	-\$1.75	Dec02	-\$857.87
Dec01	-\$2,349.31	Dec01	-\$1,090.88
Dec00	-\$1,153.59	Dec00	-\$384.74
Dec99	-\$0.34	Dec99	-\$0.28
Dec98	-\$0.59	<b>Balance Sheet Information</b> <b>Sep15</b> Total Current Assets \$940,355,000 Total Current Liabilities \$1,369,508,000 Long-Term Debt \$16,981,560,000 Total Assets \$26,926,790,000 Intangible Assets \$14,067,570,000 Total Liabilities \$20,308,900,000 Shares Outstanding (Diluted Average) 427,227,000	
Dec97	-\$0.04		
Dec96	\$0.00		
Dec95	\$0.00		





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

[26 Companies in the Spotlight This Week – 11/22/14](#)  
[American Tower Corporation Annual Valuation – 2014 \\$AMT](#)

Other  
ModernGraham  
posts about related  
companies

[Weyerhaeuser Co Valuation – November 2015 Update \\$WY](#)  
[Boston Properties Inc. Valuation – November 2015 Update \\$BXP](#)  
[Welltower Inc. Valuation – November 2015 Update \\$HCN](#)  
[Kimco Realty Corporation Valuation – November 2015 Update \\$KIM](#)  
[Prologis Inc. Valuation – October 2015 Update \\$PLD](#)  
[HCP Inc. Valuation – October 2015 Update \\$HCP](#)  
[Essex Property Trust Inc. Analysis – October 2015 Update \\$ESS](#)  
[Macerich Company Analysis – September 2015 Update \\$MAC](#)  
[Alexandria Real Estate Equities Inc. Analysis – Initial Coverage \\$ARE](#)  
[Weyerhaeuser Company Analysis – August 2015 Update \\$WY](#)