# **ModernGraham Valuation**

### **Company Name:**

Mattel, Inc.

Company Ticker

MAT

Date of Analysis



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

1/30/2016

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

<ol> <li>Adequate Size of the Enterprise</li> </ol>	Market Cap > \$2Bil	\$9,223,646,004 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.21 Pass
3. Earnings Stability	Positive EPS for 10 years prior	Pass
4. Dividend Record	Dividend Payments for 10 years prior	Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at	
5. Earnings Growth	beginning and end	20.87% Fail
6. Moderate PEmg Ratio	PEmg < 20	16.61 Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.64 Fail

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	2.21 Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.21 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 No Enterprising No

### Stage 2: Determination of Intrinsic Value

\$1.66
-0.81%
\$11.43
\$24.08
\$14.12
4.06%

MG Opinion

Current Price \$27.59
% of Intrinsic Value 241.41%

Opinion Overvalued

### Stage 3: Information for Further Research

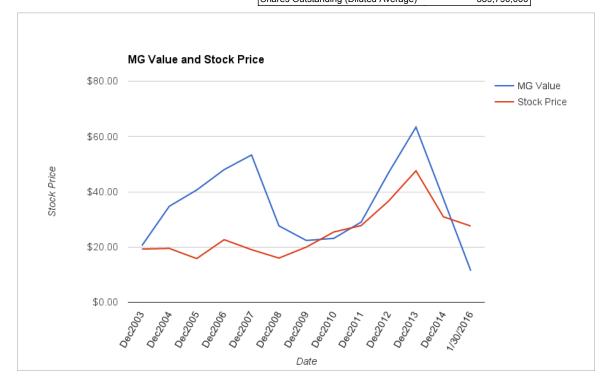
Net Current Asset Value (NCAV)	-\$2.63
Graham Number	\$12.73
PEmg	16.61
Current Ratio	2.21
PB Ratio	3.64
Dividend Yield	5.51%
Number of Consecutive Years of Dividend Growth	6

Morningstar

Useful Links: ModernGraham tagged articles

Google Finance
Yahoo Finance
GuruFocus
Seeking Alpha
SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.95	Next Fiscal Year Estimate	\$1.66
Dec2014	\$1.45	Dec2014	\$2.03
Dec2013	\$2.58	Dec2013	\$2.23
Dec2012	\$2.22	Dec2012	\$1.96
Dec2011	\$2.18	Dec2011	\$1.76
Dec2010	\$1.86	Dec2010	\$1.52
Dec2009	\$1.45	Dec2009	\$1.34
Dec2008	\$1.05	Dec2008	\$1.29
Dec2007	\$1.54	Dec2007	\$1.38
Dec2006	\$1.53	Dec2006	\$1.25
Dec2005	\$1.01	Dec2005	\$1.06
Dec2004	\$1.35	Dec2004	\$0.90
Dec2003	\$1.22	Dec2003	\$0.53
Dec2002	\$0.52	Dec2002	\$0.16
Dec2001	\$0.68	Dec2001	-\$0.06
Dec2000	-\$1.01	Dec2000	-\$0.29
Dec1999	-\$0.21	Dec1999	\$0.12
Dec1998	\$0.47	Balance Sheet Information	Sep2015
Dec1997	-\$0.52	Total Current Assets	\$3,183,219,000
Dec1996	\$1.23	Total Current Liabilities	\$1,441,598,000
Dec1995	\$0.00	Long-Term Debt	\$2,100,000,000
		Total Assets	\$6,649,530,000
		Intangible Assets	\$2,100,249,000
		Total Liabilities	\$4,076,867,000
		Shares Outstanding (Diluted Average)	339,790,000





#### 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 Mattel Inc. Analysis – September 2015 Update \$MAT 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

Other ModernGraham posts about related companies <u>Hasbro Inc Valuation – January 2016 Update \$HAS</u>

Mattel Inc. Analysis – September 2015 Update \$MAT

Hasbro Inc. Analysis – August 2015 Update \$HAS

Mattel Inc. Quarterly Valuation - May 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