

ModernGraham Valuation

Company Name:

Company Ticker CMG

Date of Analysis

2/16/2016

Chipotle Mexican Grill, 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. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$15,417,534,039	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.91	Pass
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	313.51%	Pass
5. Earnings Growth	PEmg < 20	45.95	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	7.29	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	2.91	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$10.72
MG Growth Estimate	9.62%
MG Value	\$297.52
MG Value based on 3% Growth	\$155.47
MG Value based on 0% Growth	\$91.14
Market Implied Growth Rate	18.73%

MG Opinion

Current Price	\$492.68
% of Intrinsic Value	165.59%
Opinion	Overvalued
MG Grade	C-

Stage 3: Information for Further Research

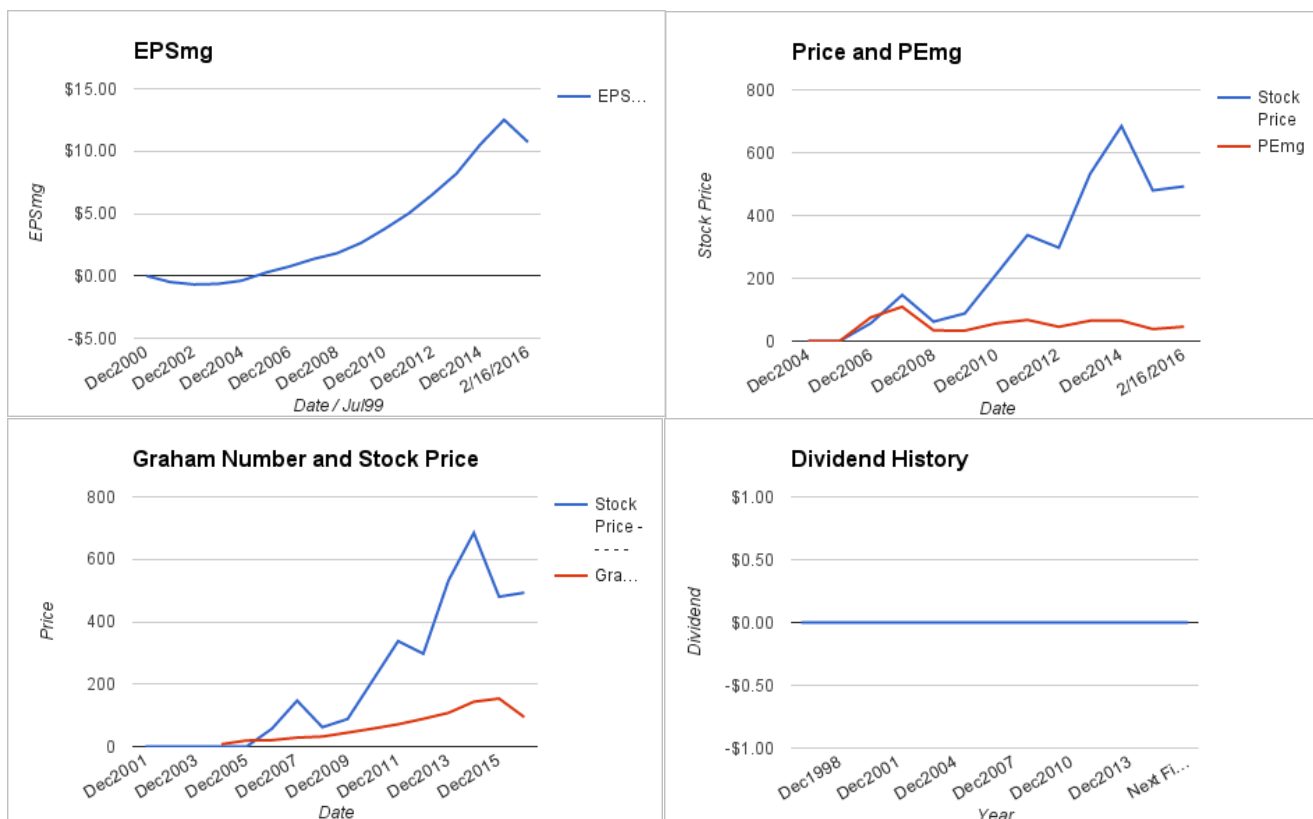
Net Current Asset Value (NCAV)	\$6.91
Graham Number	\$94.22
PEmg	45.95
Current Ratio	2.91
PB Ratio	7.29
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$5.67	Next Fiscal Year Estimate	\$10.72
Dec2015	\$15.10	Dec2015	\$12.51
Dec2014	\$14.13	Dec2014	\$10.53
Dec2013	\$10.47	Dec2013	\$8.19
Dec2012	\$8.75	Dec2012	\$6.53
Dec2011	\$6.76	Dec2011	\$5.00
Dec2010	\$5.64	Dec2010	\$3.77
Dec2009	\$3.95	Dec2009	\$2.64
Dec2008	\$2.36	Dec2008	\$1.82
Dec2007	\$2.13	Dec2007	\$1.35
Dec2006	\$1.28	Dec2006	\$0.75
Dec2005	\$1.43	Dec2005	\$0.26
Dec2004	\$0.24	Dec2004	-\$0.38
Dec2003	-\$0.34	Dec2003	-\$0.64
Dec2002	-\$0.87	Dec2002	-\$0.69
Dec2001	-\$1.49	Dec2001	-\$0.50
Dec2000	\$0.00	Dec2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information <div>Dec2015</div> Total Current Assets\$814,647,000Total Current Liabilities\$279,942,000Long-Term Debt\$0Total Assets\$2,725,066,000Intangible Assets\$21,939,000Total Liabilities\$597,092,000Shares Outstanding (Diluted Average)31,494,000	
Dec1998	\$0.00		
Dec1997	\$0.00		
Dec1996	\$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:

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ModernGraham
posts about the
company

[Chipotle Mexican Group Inc Valuation – November 2015 Update \\$CMG](#)
[Chipotle Mexican Grill Inc. Analysis – August 2015 Update \\$CMG](#)
[21 Companies in the Spotlight This Week – 5/9/15](#)
[Chipotle Mexican Grill Inc. Quarterly Valuation – May 2015 \\$CMG](#)
[40 Companies in the Spotlight This Week – 2/21/15](#)

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[Chipotle Mexican Group Inc Valuation – November 2015 Update \\$CMG](#)
[Darden Restaurants Inc. Analysis – September 2015 Update \\$DRI](#)
[Chipotle Mexican Grill Inc. Analysis – August 2015 Update \\$CMG](#)
[Chipotle Mexican Grill Inc. Quarterly Valuation – May 2015 \\$CMG](#)
[Yum! Brands Inc. Annual Valuation – 2015 \\$YUM](#)
[Starbucks Corporation Annual Valuation – 2015 \\$SBUX](#)
[Chipotle Mexican Grill Inc. Quarterly Valuation – February 2015 \\$CMG](#)
[McDonald's Corporation Annual Valuation – 2014 \\$MCD](#)
[Chipotle Mexican Grill Inc. Quarterly Valuation – October 2014 \\$CMG](#)