

ModernGraham Valuation

Company Name:

Hasbro, Inc.

Company Ticker HAS

Date of Analysis

7/6/2016



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	\$10,157,812,269	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.28	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	63.10%	Pass
6. Moderate PEmg Ratio	PEmg < 20	25.14	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	6.56	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	3.28	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.88	Pass
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

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$3.30
MG Growth Estimate	3.94%
MG Value	\$54.10
MG Value based on 3% Growth	\$47.87
MG Value based on 0% Growth	\$28.06
Market Implied Growth Rate	8.32%

MG Opinion

Current Price	\$83.01
% of Intrinsic Value	153.43%
Opinion	Overvalued
MG Grade	C+

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$1.84
Graham Number	\$32.96
PEmg	25.14
Current Ratio	3.28
PB Ratio	6.56
Current Dividend	\$1.84
Dividend Yield	2.22%
Number of Consecutive Years of Dividend Growth	3

Useful Links:

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

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.75	Next Fiscal Year Estimate	\$3.30
Dec2015	\$3.57	Dec2015	\$3.01
Dec2014	\$3.20	Dec2014	\$2.71
Dec2013	\$2.17	Dec2013	\$2.50
Dec2012	\$2.55	Dec2012	\$2.61
Dec2011	\$2.82	Dec2011	\$2.56
Dec2010	\$2.74	Dec2010	\$2.32
Dec2009	\$2.48	Dec2009	\$2.00
Dec2008	\$2.00	Dec2008	\$1.66
Dec2007	\$1.97	Dec2007	\$1.41
Dec2006	\$1.29	Dec2006	\$0.96
Dec2005	\$1.09	Dec2005	\$0.69
Dec2004	\$0.96	Dec2004	\$0.35
Dec2003	\$0.88	Dec2003	\$0.05
Dec2002	-\$0.99	Dec2002	-\$0.21
Dec2001	\$0.35	Dec2001	\$0.26
Dec2000	-\$0.82	Dec2000	\$0.33
Dec1999	\$0.93	Balance Sheet Information 3/1/2016	
Dec1998	\$1.00	Total Current Assets	\$2,524,083,000
Dec1997	\$0.68	Total Current Liabilities	\$768,373,000
Dec1996	\$1.01	Long-Term Debt	\$1,547,434,000
		Total Assets	\$4,364,695,000
		Intangible Assets	\$864,909,000
		Total Liabilities	\$2,757,305,000
		Shares Outstanding (Diluted Average)	126,948,000





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

- [Hasbro Inc Valuation – January 2016 Update \\$HAS](#)
- [Hasbro Inc Valuation – January 2016 Update \\$HAS](#)
- [Hasbro Inc. Analysis – August 2015 Update \\$HAS](#)
- [Hasbro Inc. Analysis – August 2015 Update \\$HAS](#)
- [28 Companies in the Spotlight This Week – 2/28/15](#)

Other ModernGraham posts about related companies

- [Electronic Arts Inc Valuation – May 2016 \\$EA](#)
- [Mattel Inc Valuation – January 2016 Update \\$MAT](#)
- [Hasbro Inc Valuation – January 2016 Update \\$HAS](#)
- [Mattel Inc. Analysis – September 2015 Update \\$MAT](#)
- [Hasbro Inc Valuation – January 2016 Update \\$HAS](#)
- [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](#)