ModernGraham Valuation

Company Name:

American Tower Corp



Company Ticker AMT

Date of Analysis 6/3/2018

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.

Adequate Size of the Enterprise	Market Cap > \$2Bil	\$61,178,729,988	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.62	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at		

200.00% Pass 5. Earnings Growth beginning and end 6. Moderate PEmg Ratio PEmg < 20 57.73 Fail 7. Moderate Price to Assets PB Ratio < 2.5 OR PB*PEmg < 50 8.75 Fail

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

 Sufficiently Strong Financial Condition Current Ratio > 1.5 0.62 Fail 2. Sufficiently Strong Financial Condition Debt to NCA < 1.1 -10.63 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

Score

Suitability

Defensive No Enterprising No

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.40
MG Growth Estimate	8.25%
MG Value	\$59.98
MG Value based on 3% Growth	\$34.79
MG Value based on 0% Growth	\$20.39
Market Implied Growth Rate	24.62%

MG Opinion

Current Price \$138.52 % of Intrinsic Value 230.94%

Opinion Overvalued MG Grade

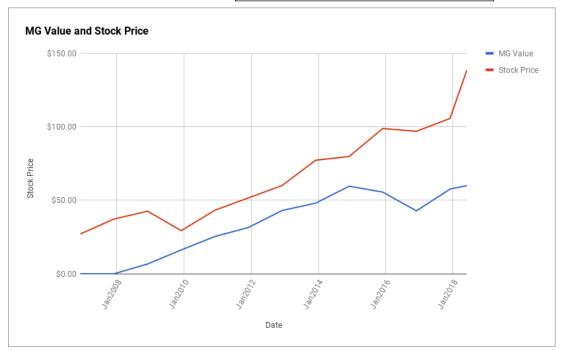
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$56.18
Graham Number	\$30.87
PEmg	57.73
Current Ratio	0.62
PB Ratio	8.75
Current Dividend	\$2.62
Dividend Yield	1.89%
Number of Consecutive Years of Dividend	
Growth	6

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Morningstar Google Finance MSN Money Yahoo Finance Seeking Alpha **GuruFocus** SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate	•	Next Fiscal Year Estimate	\$2.40
Dec2017	\$2.67	Dec2017	\$2.06
Dec2016	\$1.98	Dec2016	\$1.73
Dec2015	\$1.41	Dec2015	\$1.56
Dec2014	\$2.00	Dec2014	\$1.55
Dec2013	\$1.38	Dec2013	\$1.25
Dec2012	\$1.60	Dec2012	\$1.12
Dec2011	\$0.99	Dec2011	\$0.82
Dec2010	\$0.92	Dec2010	\$0.66
Dec2009	\$0.61	Dec2009	\$0.42
Dec2008	\$0.84	Dec2008	\$0.17
Dec2007	\$0.13	Dec2007	-\$0.31
Dec2006	\$0.06	Dec2006	-\$0.97
Dec2005	-\$0.60	Dec2005	-\$1.76
Dec2004	-\$1.10	Dec2004	-\$2.36
Dec2003	-\$1.56	Dec2003	-\$2.75
Dec2002	-\$5.95	Dec2002	-\$2.93
Dec2001	-\$2.35	Balance Sheet Information	3/1/2018
Dec2000	-\$1.15	Total Current Assets	\$2,797,400,000
Dec1999	-\$0.34	Total Current Liabilities	\$4,544,700,000
Dec1998	-\$0.59	Long-Term Debt	\$18,568,800,000
	<u> </u>	Total Assets	\$34,372,700,000
		Intangible Assets	\$17,587,300,000
		Total Liabilities	\$27,431,400,000
		Shares Outstanding (Diluted Average)	438,520,000





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 American Tower Corp Valuation – February 2017 \$AMT

American Tower Corp Valuation – November 2015 Update \$AMT

26 Companies in the Spotlight This Week – 11/22/14

American Tower Corporation Annual Valuation – 2014 \$AMT

Other ModernGraham posts about related companies <u>Charter Communications Inc Valuation – May 2018 \$CHTR</u>
<u>DISH Network Corp Valuation – Initial Coverage \$DISH</u>

AT&T Inc Valuation – April 2018 \$T

Comcast Corporation Valuation – March 2018 \$CMCSA Spok Holdings Inc Valuation – March 2018 \$SPOK

SBA Communications Corp Valuation – Initial Coverage \$SBAC

<u>Harris Corporation Valuation – February 2018 \$HRS</u>
<u>Verizon Communications Inc Valuation – February 2018 \$VZ</u>

Mitel Networks Corp Valuation - Initial Coverage \$TSE:MNW

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