

June 27, 2013

SN VALUATION [Stocks, Real Estate, Bonds]

Chipotle (CMG)

Price:	\$358.96	Net Tang. Bk Value Incl. Cash, Excl.	\$1,229,430,000.00	Net Tang. Book Yr. 5 (Inc. Cash):	\$3,433,435,419.66
Market Cap:	\$11,095,453,600	Goodwill (NTBVIC):		Avg. Year FCF/Share:	\$426,937,852.23
Cash:	\$507,500,000	NTBVIC/Market Downside Recovery:	11.08%	Year 5 Disposition FCF Multiple:	3.0
Debt:	\$0	Op. Cash Flow:	\$411,841,120	Year 5 Disposition Price:	\$4,714,248,976.33
Net Cash:	\$507,500,000	Implied Years to Fill Gap:	23.96		
Enterprise Value:	\$10,587,953,600	Today's Equity if 5x Op. CF:	\$2,464,953,360		
Shares Outstanding:	30,910,000	Net Tang. Book+ Gain Disposition:			\$4,714,248,976.33
		IRR:			-15.73%
		Price:			\$152.52
		Target Market Cap:			\$4,714,248,976
		Target Enterprise Value:			\$4,206,748,976

* Our future intrinsic value measures the total return, which includes both capital appreciation and dividend income.

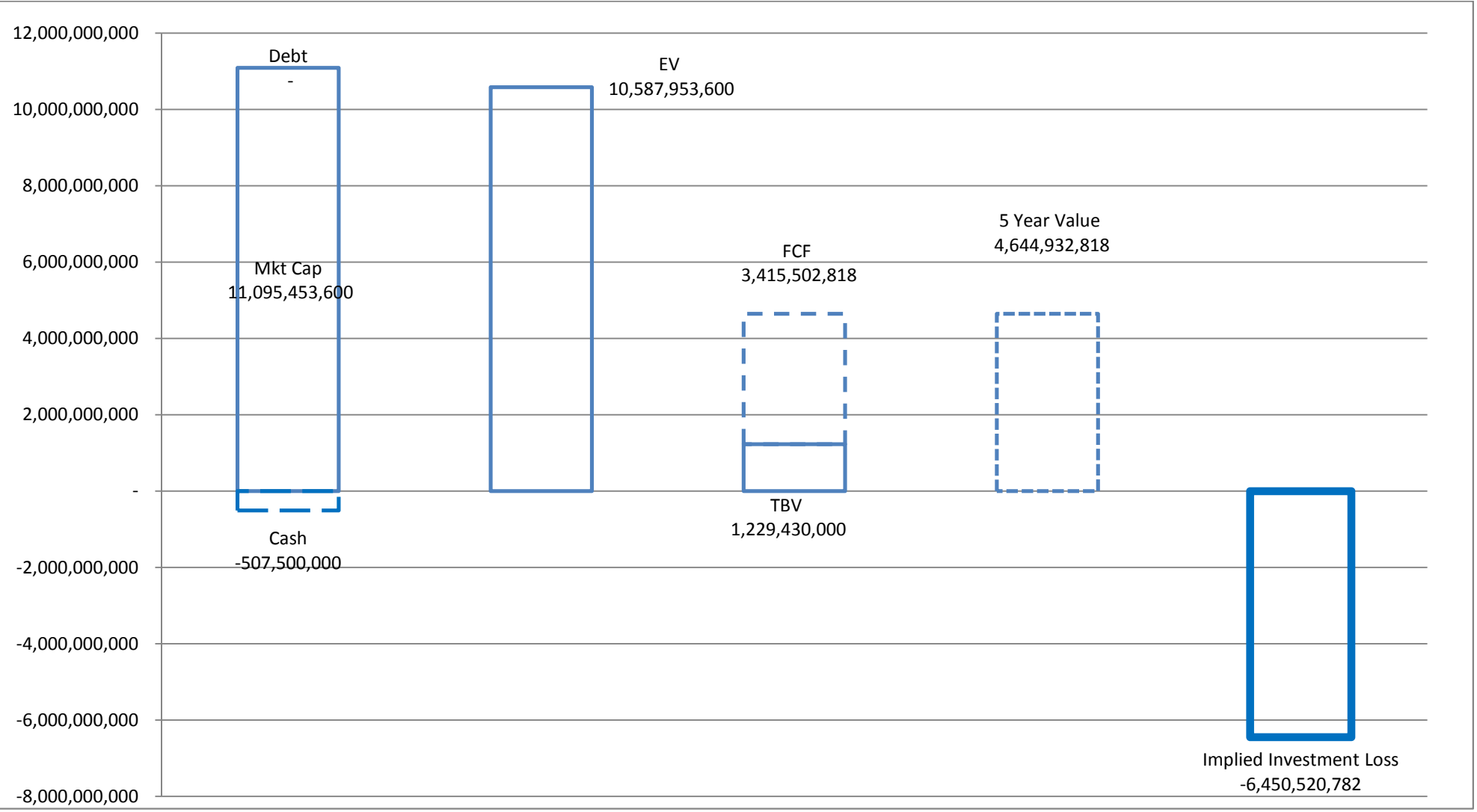
Market is pushing this overpriced stock to \$400. Even with our assumptions of 15-20% growth, there is no way the fundamentals justify the current market price.

Short!

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Chipotle Mexican Grill, Inc. is a Delaware corporation. It completed its initial public offering in January 2006. The Company develops and operates fast-casual, fresh Mexican food restaurants in 35 states throughout the United States, the District of Columbia, Ontario, Canada and London England. As of December 31, 2011, it has approximately 1230 restaurants throughout the United States, the District of Columbia, Ontario, Canada and London England. Its restaurants serve a focused menu of tacos, burritos, salads and burrito bowls (a burrito without the tortilla), made using fresh ingredients. All of the Company's food is prepared from scratch, with the majority prepared in its restaurants while some is prepared with the same ingredients in commissaries. Chipotle Mexican Grill, Unburritoable, Food With Integrity, Fresh Is Not Enough, Anymore, The Gourmet Restaurant Where You Eat With Your Hands, and a number of related designs and logos are U.S. registered trademarks of Chipotle. It has filed trademark applications for a number of other marks in the U.S. In addition, U.S. registrations, it has registered trademarks for 'Chipotle' and a number of other marks in Canada, the European Union and various other countries, and have filed trademark applications for 'Chipotle Mexican Grill,' 'Chipotle' and a number of other marks in various countries as well. The Company competes with national and regional fast-casual, quick-service and casual dining restaurants. Its competition also includes a variety of locally owned restaurants and the deli sections and in-restaurant cafes of several grocery store chains. The Company is subject to federal, state and local regulations. Each of its restaurants is subject to state and local licensing and regulation by health, alcoholic beverage, sanitation, food and workplace safety and other agencies.

Company Name:		Chipotle			Income Statement	
Ticker Symbol:	CMG	Market Capitalization:	\$11,095,453,600.00	Revenue:	\$2,820,000,000.00	100.0%
Last Price:	\$358.96	Total Debt:	\$0.00	Cost of Goods Sold:	\$2,079,660,000.00	73.7%
Net Cash/Share:	\$16.42	Total Cash:	\$507,500,000.00	Gross Profit:	\$740,340,000.00	26.3%
Net Cash to Last Price:	4.57%	Net Cash/(Debt):	\$507,500,000.00	EBITDA:	\$565,780,000.00	20.1%
Shares Outstanding:	30,910,000	Enterprise Value:	\$10,587,953,600.00	Net Income:	\$291,920,000.00	10.4%
Industry:	Restaurants	Current EV/Share:	\$342.54			
Sector:	Consumer Cyclical	EBITDA:	\$624,120,000.00	Balance Sheet		
Institutional Ownership:	#VALUE!	EV/EBITDA Multiple:	16.96	Cash:	\$346,930,000.00	
Mutual Fund Ownership:	54.44%	EV/EBITDA Multiple Average Year 1-5:	13.08	Short Term Investment:	\$160,570,000.00	
Insider Ownership:	2.39%	EV/FCF Multiple (excluding acquisition):	47.50	A/R:	\$17,000,000.00	
Retail Ownership:	#VALUE!	EV/FCF Multiple Average Year 1-5 (excluding acquisition):	24.80	PP&E:	\$745,000,000.00	
Float:	0.77%	Upper Range		Assets:	\$1,583,590,000.00	
		DCF: EV/EBITDA Terminal Value		A/P:	\$59,000,000.00	
		Implied TV from 3 X EV/EBITDA Multiple	\$3,009,460,135.58	Deferred Tax:	\$47,580,000.00	
		Enterprise Value	\$3,009,460,135.58	Other Liabilities:	\$318,000,000.00	
		Cash at Year 5:	\$2,642,189,261.13	Short term Debt:	\$0.00	
		Debt at Year 5:	\$0.00	Long Term Debt:	\$0.00	
		Equity Value Year 5:	\$5,651,649,396.71	Liabilities:	\$424,580,000.00	
		Equity/Share at Year 5:	\$182.84	Retained Earnings:	\$950,000,000.00	
		Annualized Return:	-12.62%	Paid-In Capital:	\$820,350,000.00	
		Lower Range		Treasury Stock:	-\$520,000,000.00	
		DCF: Net Tangible Asset excluding Cash/Debt Terminal Value		Stockholder's Equity:	\$1,251,370,000.00	
		Year 5 Net Tangible Assets excluding cash and debt	-\$121,660,000.00	Cash Flow		
		Enterprise Value	-\$121,660,000.00	Net Income:	278,000,000.00	
		Cash at Year 5:	\$2,642,189,261.13	Depreciation/Amortization:	84,130,000.00	
		Debt at Year 5:	\$0.00	Change in Working capital:	78,230,000.00	
		Equity Value Year 5:	\$2,520,529,261.13	Cash from Operating Activities:	419,960,000.00	
		Equity/Share at Year 5:	\$81.54	Capital Expenditures:	-197,040,000.00	
		Annualized Return:	-25.65%	Cash from Investing Activities:	-355,500,000.00	
		EVA		Total Cash Dividends Paid:	0.00	
		EVA today:	\$1,441,735,220.72	Issuance (Retirement) of Stock:	-216,610,000.00	
		EVA in 5 Years:	\$2,888,620,338.75	Issuance (Retirement) of Debt:	-130,000.00	
		EVA/Share:	\$93.45	Cash from Financing Activities:	-143,530,000.00	
		Cash at Year 5:	\$2,642,189,261.13	Profitability Margins		
		Debt at Year 5:	\$0.00	Debt to Equity:	0.00%	
		Equity Value Year 5:	\$5,530,809,599.89	Return on Assets:	17.56%	
		Equity/Share at Year 5:	\$178.93	Return on Capital:	22.22%	
		Annualized return:	14.91%	Return on Equity:	22.22%	
		Current Net Tangible Asset				
		Net Tangible Asset/Share:	\$36.79			
		Net Tangible Asset/Share in Year 5:	\$108.09			
		Annualized return:	24.06%			
		Average EV to EBITDA:	N/A			
		Company EV to EBITDA:	16.96			
		Average EV to EBIT:	N/A			
		Company EV to EBITA:	23.23			
		Current Equity Price:	\$358.96			
		Selling at Discount?	Premium			
		Appreciation Potential:	-89.75%			



SN VALUATION

LBO Pro Forma Income Statement

Name:

Chipotle

Ticker:

CMG

	Historical				Forecasted				
	12 months ending 2009-12-31	12 months ending 2010-12-31	12 months ending 2011-12-31	12 months ending 2012-12-31	2013	2014	2015	2016	2017
Revenue	1,518.42	1,835.92	2,269.55	2,731.22	3,277.46	3,769.08	4,334.45	4,984.61	5,732.31
COGS	1,139.90	1,346.52	1,680.32	1,990.88	2,458.10	2,826.81	3,250.83	3,738.46	4,299.23
Gross margin	378.52	489.40	589.23	740.34	819.37	942.27	1,083.61	1,246.15	1,433.08
SG&A	107.55	126.36	157.92	195.32	245.81	292.69	325.08	373.85	429.92
R&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unusual expense	5.96	6.30	5.81	5.03	0.00	0.00	0.00	0.00	0.00
Other operating expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation is: Excluded from COGS					100.00	100.00	100.00	100.00	100.00
Operating Income (EBITA)	265.01	356.74	425.50	539.99	473.56	559.59	658.53	772.31	903.15
Interest income/(expense)	0.51	1.23	-0.86	1.82	4.73	4.73	4.73	4.73	4.73
Gain (loss) on sale of asset	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income before tax	204.22	289.06	349.70	457.69	478.28	564.32	663.26	777.04	907.88
Tax	77.36	110.08	134.76	179.69	167.40	197.51	232.14	271.96	317.76
Income after tax	126.84	178.98	214.94	278.00	310.89	366.81	431.12	505.07	590.12
Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity in affiliates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	126.84	178.98	214.94	278.00	310.89	366.81	431.12	505.07	590.12
*Figures are in millions (\$)									
EPS (based off today's share count)	\$4.10	\$5.79	\$6.95	\$8.99	\$10.06	\$11.87	\$13.95	\$16.34	\$19.09
P/E (historical today's price; forecasted intrinsic price)	87.48	61.99	51.62	39.91	30.07	21.48	15.40	11.08	7.99
Revenue Growth	N/A	20.91%	23.62%	20.34%	20.00%	15.00%	15.00%	15.00%	15.00%
Tax Rate	37.89%	38.08%	38.54%	39.23%	35.00%	35.00%	35.00%	35.00%	35.00%
Implied Debt Interest Rate	13.14%	32.54%	-23.50%	51.56%	NA	NA	NA	NA	NA
Margins									
COGS	75.07%	73.34%	74.04%	72.89%	75.00%	75.00%	75.00%	75.00%	75.00%
Gross margin	24.93%	26.66%	25.96%	27.11%	25.00%	25.00%	25.00%	25.00%	25.00%
SG&A	7.08%	6.88%	6.96%	7.15%	7.50%	7.50%	7.50%	7.50%	7.50%
R&D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Unusual expense	0.39%	0.34%	0.26%	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%
Other operating expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation is: Excluded from COGS	0.00%	0.00%	0.00%	0.00%	3.05%	2.65%	2.31%	2.01%	1.74%
Operating Income (EBITA)	17.45%	19.43%	18.75%	19.77%	14.45%	14.85%	15.19%	15.49%	15.76%
Interest income/(expense)	0.03%	0.07%	-0.04%	0.07%	0.14%	0.13%	0.11%	0.09%	0.08%
Gain (loss) on sale of asset	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income before tax	13.45%	15.74%	15.41%	16.76%	14.59%	14.97%	15.30%	15.59%	15.84%
Tax	5.10%	6.00%	5.94%	6.58%	5.11%	5.24%	5.36%	5.46%	5.54%
Income after tax	8.35%	9.75%	9.47%	10.18%	9.49%	11.19%	13.15%	15.41%	18.01%
Minority Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Equity in affiliates	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net income	8.35%	9.75%	9.47%	10.18%	9.49%	9.73%	9.95%	10.13%	10.29%

						Adjustment		Adjusted Proforma	2011	2012	2013	2014	2015
	As of 2009-12-31	As of 2010-12-31	As of 2011-12-31	As of 2012-12-31	As of 2013-03-31	+	-						
Cash	219.57	224.83	401.24	322.55	346.93			346.93	608.77	941.68	1,356.31	1,864.92	2,481.62
Short term investment	50.00	124.77	55.01	150.31	160.57			160.57	160.57	160.57	160.57	160.57	160.57
Cash and Short term	269.57	349.60	456.25	472.86	507.50			507.50	769.34	1,102.25	1,516.88	2,025.49	2,642.19
Accounts Receivable	4.76	5.66	8.39	16.80	17.00			17.00	17.00	17.00	17.00	17.00	17.00
Other receivables	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Receivables	4.76	5.66	8.39	16.80	17.00			17.00	17.00	17.00	17.00	17.00	17.00
Total Inventory	5.61	7.10	8.91	11.10	11.43			11.43	11.43	11.43	11.43	11.43	11.43
Prepaid Expenses	14.38	16.02	21.40	27.38	31.72			31.72	31.72	31.72	31.72	31.72	31.72
Other Current Assets	3.13	4.32	6.24	8.86	9.38			9.38	9.38	9.38	9.38	9.38	9.38
Current Assets	297.45	382.70	501.19	537.00	577.03	0.00	0.00	577.03	838.87	1,171.78	1,586.41	2,095.02	2,711.72
PP&E, Gross	882.11	982.11	1,122.12	0.00	1,125.00			1,125.00	1,275.00	1,425.00	1,575.00	1,725.00	1,875.00
Change in Depreciation	61.31	68.92	74.94	84.13	84.13			84.13	100.96	116.10	133.51	153.54	176.57
Accumulated Depreciation	245.70	305.23	370.17	0.00	380.00			380.00	480.96	597.06	730.57	884.11	1,060.68
PP&E, Net	636.41	676.88	751.95	0.00	745.00			745.00	794.04	827.94	844.43	840.89	814.32
Goodwill	21.94	21.94	21.94	21.94	21.94	0.00		21.94	21.94	21.94	21.94	21.94	21.94
Intangibles	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Long term investments	0.00	0.00	128.24	190.87	207.35			207.35	207.35	207.35	207.35	207.35	207.35
Other long term assets	5.70	16.56	21.98	42.55	32.27			32.27	32.27	32.27	32.27	32.27	32.27
Long Term Assets	664.05	715.38	924.11	255.36	1,006.56	0.00	0.00	1,006.56	1,055.60	1,089.50	1,105.99	1,102.45	1,075.88
Total Assets	961.50	1,098.08	1,425.30	792.36	1,583.59	0.00	0.00	1,583.59	1,894.48	2,261.28	2,692.40	3,197.47	3,787.60
Accounts Payable	25.23	33.70	46.38	58.70	59.00			59.00	59.00	59.00	59.00	59.00	59.00
Accrued Expense	72.62	89.23	106.70	128.01	123.00			123.00	123.00	123.00	123.00	123.00	123.00
Other current Liabilities	4.21	0.00	4.24	0.00	31.24			31.24	31.24	31.24	31.24	31.24	31.24
Total Current Liabilities	102.06	122.93	157.32	186.71	213.24	0.00	0.00	213.24	213.24	213.24	213.24	213.24	213.24
Notes Payables/Short Term Debt	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Current port. Of LT Debt/Capital Leases	0.10	0.12	0.13	0.14	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Long term Debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Lease Obligations	3.78	3.66	3.53	3.39	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Interest Earning Debt	3.88	3.78	3.66	3.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Income tax	38.86	50.52	64.38	48.95	47.58			47.58	47.58	47.58	47.58	47.58	47.58
Minority Interest	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other liabilities	113.25	133.49	155.72	183.56	163.76			163.76	163.76	163.76	163.76	163.76	163.76
Total Liabilities	258.05	310.72	381.08	422.75	424.58	0.00	0.00	424.58	424.58	424.58	424.58	424.58	424.58
Redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Non-redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Common Stock	0.34	0.34	0.34	0.35	0.35		0.00	0.35	0.35	0.35	0.35	0.35	0.35
Additional Paid-in capital	539.88	594.33	676.65	816.61	820.00	0.00	0.00	820.00	820.00	820.00	820.00	820.00	820.00
Dividends Paid	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Retained Earnings	277.53	456.51	671.46	949.46	950.00		0.00	950.00	1,260.89	1,627.69	2,058.81	2,563.88	3,154.01
Treasury Stock	-114.32	-240.92	-304.43	-521.52	-520.00		0.00	-520.00	-520.00	-520.00	-520.00	-520.00	-520.00
Other Equity	0.03	0.61	0.20	1.02	1.02			1.02	1.02	1.02	1.02	1.02	1.02
Total Equity	703.46	810.87	1,044.22	1,245.92	1,251.37	0.00	0.00	1,251.37	1,562.26	1,929.06	2,360.18	2,865.25	3,455.38
Liability + Equity	961.51	1,121.59	1,425.30	1,668.67	1,675.95	0.00	0.00	1,675.95	1,986.84	2,353.64	2,784.76	3,289.83	3,879.96
Variance	-0.01	-23.51	0.00	-876.31	-92.36			-92.36	-92.36	-92.36	-92.36	-92.36	-92.36
Debt/Equity	0.01	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Inventory Turnover	270.66	258.58	254.72	246.06	286.74			238.95	286.74	329.75	379.22	436.10	501.51
Inventory Turnover Days	1.35	1.41	1.43	1.48	1.27			1.53	1.27	1.11	0.96	0.84	0.73
Days Inventory Outstanding	1.80	1.92	1.94	2.04	1.70			2.10	1.70	1.48	1.28	1.12	0.97
Accounts Receivable Turnover	319.00	324.37	270.51	162.57	192.79			160.66	192.79	221.71	254.97	293.21	337.19
Accounts Receivable Turnover Days	1.14	1.13	1.35	2.25	1.89			2.27	1.89	1.65	1.43	1.24	1.08
Days Payable Outstanding	8.08	9.14	10.07	10.76	8.76			10.82	8.76	7.62	6.62	5.76	5.01
Days Sales Outstanding	1.14	1.13	1.35	2.25	1.89			2.25	2.27	1.89	1.65	1.43	1.24
Cash Conversion Cycle	-5.14	-6.09	-6.79	-6.48	-5.17			-6.48	-4.79	-4.25	-3.69	-3.21	-2.79
Net tangible assets/share	\$22.05	\$25.52	\$33.07	\$39.60	\$39.77			\$49.83	\$61.70	\$75.65	\$91.99	\$111.08	

SN VALUATION

LBO Adjusted Proforma Cash Flow

Ticker:

CMG

	12 months ending 2009-12-31	12 months ending 2010-12-31	12 months ending 2011-12-31	12 months ending 2012-12-31	2011	2012	2013	2014	2015
Net Income	126.84	178.98	214.94	278.00	310.89	366.81	431.12	505.07	590.12
Depreciation	61.31	68.92	74.94	84.13	100.96	116.10	133.51	153.54	176.57
Net Income + Depreciation	188.15	247.90	289.88	362.13	411.84	482.91	564.63	658.61	766.70
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Taxes	8.28	10.06	11.32	-18.06	0.00	0.00	0.00	0.00	0.00
Non Cash Items	21.07	13.41	11.76	-2.34	0.00	0.00	0.00	0.00	0.00
Change in Working capital	43.17	17.81	98.14	78.23	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	-0.90	-2.73	-8.41	0.00	0.00	0.00	0.00	0.00
Other Receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventory	0.00	-1.49	-1.81	-2.19	0.00	0.00	0.00	0.00	0.00
Prepaid Expenses	0.00	-1.64	-5.38	-5.98	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	8.47	12.68	12.32	0.00	0.00	0.00	0.00	0.00
Cash from Operating Activities	260.67	289.18	411.10	419.96	411.84	482.91	564.63	658.61	766.70
Capital Expenditures Expenditures	-117.20	-113.22	-151.15	-197.04	-150.00	-150.00	-150.00	-150.00	-150.00
Long term investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Investing Activities	49.99	-76.67	-59.07	-158.46	0.00	0.00	0.00	0.00	0.00
Cash from Investing Activities	-67.21	-189.89	-210.22	-355.50	-150.00	-150.00	-150.00	-150.00	-150.00
Financing Cash flow items	10.44	14.53	38.79	73.21	0.00	0.00	0.00	0.00	0.00
Total Cash Dividends Paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Stock	-72.30	-108.95	-62.93	-216.61	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Current Portion Debt	-	-	-	-	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Long Term Debt	-0.08	-0.10	-0.12	-0.13	0.00	0.00	0.00	0.00	0.00
Cash from Financing Activities	-61.94	-94.52	-24.26	-143.53	0.00	0.00	0.00	0.00	0.00
Foreign Exchange effect	0.00	0.48	-0.20	0.38	0.00	0.00	0.00	0.00	0.00
Beginning Cash Balance	88.05	219.57	224.84	401.24	346.93	608.77	941.68	1,356.31	1,864.92
Net Change in Cash	131.52	5.27	176.41	-78.69	261.84	332.91	414.63	508.61	616.70
Ending Cash Balance	219.57	224.84	401.25	322.55	608.77	941.68	1,356.31	1,864.92	2,481.62
Capex to Revenue	7.72%	6.17%	6.66%	7.21%	4.58%	3.98%	3.46%	3.01%	2.62%
Depreciation to Sales	4.04%	3.75%	3.30%	3.08%	3.08%	3.08%	3.08%	3.08%	3.08%
Amortization to Sales	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A/R to Sales	0.31%	0.31%	0.37%	0.62%	0.51%	0.45%	0.39%	0.34%	0.29%
Distributable FCF/EV Yield	1.83%	0.94%	1.90%	0.61%	2.47%	3.14%	3.92%	4.80%	5.82%
Dividend Yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FCF (Ops-Investing)	143.47	175.96	259.95	222.92	261.84	332.91	414.63	508.61	616.70

SN VALUATION

LBO Debt Schedule

Ticker:

CMG

	Proforma	2013	2014	2015	2016	2017
Net Change in Cash	-78.69	261.84	332.91	414.63	508.61	616.70
Current Portion Debt Repayment						
Long Term Debt Repayment						
Outstanding Debt	0.00	0.00	0.00	0.00	0.00	0.00
Current Portion Debt Balance	0.00	0.00	0.00	0.00	0.00	0.00
Long Term Debt Balance	0.00	0.00	0.00	0.00	0.00	0.00
Forward Libor Curve		3.00%	3.00%	3.00%	3.00%	3.00%
Spread		4.00%	4.00%	4.00%	4.00%	4.00%
Interest Rate		7.00%	7.00%	7.00%	7.00%	7.00%
Interest Expense		0.00	0.00	0.00	0.00	0.00
Cash Balance		472.86				
Interest @ 1.0%		4.73	4.73	4.73	4.73	4.73
Net Interest Expense/(Income)		(4.73)	(4.73)	(4.73)	(4.73)	(4.73)
Net Interest Rate		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
EBITDA		473.56	559.59	658.53	772.31	903.15
EBITDA/Interest Expense Coverage		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Interest Rate Coverage Table

Debt Rating	2013	2014	2015	2016	2017
AAA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
AA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
A+	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
A	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
A-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
BBB	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
BB+	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
BB	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
B+	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
B	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
B-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CCC	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CC	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
C	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
D	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

*Source: NYU; Professor Damodaran

Altman Z Score

Company Name:

Chipotle

Ticker:

CMG

Period	2009	2010	2011	2012	2013	2014	2015	2016	2017
Working Capital	195.39	259.77	343.87	363.79	625.63	958.54	1,373.17	1,881.78	2,498.48
Total Assets	961.50	1,098.08	1,425.30	1,583.59	1,894.48	2,261.28	2,692.40	3,197.47	3,787.60
X1	0.20	0.24	0.24	0.23	0.33	0.42	0.51	0.59	0.66
Retained Earnings	277.53	456.51	671.46	950.00	1,260.89	1,627.69	2,058.81	2,563.88	3,154.01
Total Assets	961.50	1,098.08	1,425.30	1,583.59	1,894.48	2,261.28	2,692.40	3,197.47	3,787.60
X2	0.29	0.42	0.47	0.60	0.67	0.72	0.76	0.80	0.83
EBITDA	265.01	356.74	425.50	539.99	573.56	659.59	758.53	872.31	1,003.15
Total Assets	961.50	1,098.08	1,425.30	1,583.59	1,894.48	2,261.28	2,692.40	3,197.47	3,787.60
X3	0.28	0.32	0.30	0.34	0.30	0.29	0.28	0.27	0.26
Market Value of Equity	11,095.45	11,095.45	11,095.45	11,095.45	9,349.72	7,878.65	6,639.04	5,594.47	4,714.25
Total Liabilities	258.05	310.72	381.08	424.58	424.58	424.58	424.58	424.58	424.58
X4	43.00	35.71	29.12	26.13	22.02	18.56	15.64	13.18	11.10
Net Sales	1,518.42	1,835.92	2,269.55	2,731.22	3,277.46	3,769.08	4,334.45	4,984.61	5,732.31
Total Assets	961.50	1,098.08	1,425.30	1,583.59	1,894.48	2,261.28	2,692.40	3,197.47	3,787.60
X5	1.58	1.67	1.59	1.72	1.73	1.67	1.61	1.56	1.51
Altman Z Score	28.94	25.04	21.00	19.65	17.27	15.28	13.60	12.19	11.01

$$Z = 1.2 \times X1 + 1.4 \times X2 + 3.3 \times X3 + 0.6 \times X4 + 1.0 \times X5$$

Z-SCORE ABOVE 3.0 –The company is considered 'Safe' based on the financial figures only.

Blue

Z-SCORE BETWEEN 2.7 and 2.99 – 'On Alert'. This zone is an area where one should 'Exercise Caution'.

Green

Z-SCORE BETWEEN 1.8 and 2.7 – Good chance of the company going bankrupt within 2 years.

Yellow

Z-SCORE BELOW 1.80- Probability of Financial Catastrophe is Very High.

Red

Year	Present Value	Holding Period					Terminal Value			Sale Price
	0	1	2	3	4	5	6	7	8	TBV at Year 5 + 3 Years FCF
Tangible Book Value	1,229.43	1,540.32	1,907.12	2,338.24	2,843.31	3,433.44				3,433.44
Annual Change		310.89	366.81	431.12	505.07	590.12				
Annual FCF	222.92	261.84	332.91	414.63	508.61	616.70	426.94	426.94	426.94	1,280.81
Annual Op. Cash Flow	419.96	411.84	482.91	564.63	658.61	766.70	576.94	576.94	576.94	
Annual PP&E Investment	(197.04)	(150.00)	(150.00)	(150.00)	(150.00)	(150.00)	(150.00)	(150.00)	(150.00)	
Today's Tangible Book Value	1,229.43	1,509.76	1,854.02	2,276.77	2,795.91	3,433.44				4,714.25
Intrinsic Value IRR	22.80%									
Market Price	11,095.45	9,349.72	7,878.65	6,639.04	5,594.47	4,714.25				4,714.25
Market Price IRR	-15.73%									

Debt	0.00%	0.00
Equity	100.00%	11,095.45
Total	100.00%	11,095.45

	Present Value	Holding Period					Terminal Value			Sale Price
	Historic	ProForma	1	2	3	4	5			
Book Equity	1251.37	11,095.45	11,406.34	11,773.15	12,204.26	12,709.34	13,299.46			
Goodwill	21.94	9,866.02	9,866.02	9,866.02	9,866.02	9,866.02	9,866.02			
Debt	0	0.00	0.00	0.00	0.00	0.00	0.00			
Debt Interest Rate		7.00%	7.00%	7.00%	7.00%	7.00%	7.00%			
Additional Interest Expense		0.00	0.00	0.00	0.00	0.00				
Tangible Book Value	1229.43	1,229.43	1,540.32	1,907.12	2,338.24	2,843.31	3,433.44			3,433.44
Annual Change			310.89	366.81	431.12	505.07	590.12			
Annual FCF	222.92		261.84	332.91	414.63	508.61	616.70	616.70	616.70	616.70
Annual Net Income	278.00		310.89	366.81	431.12	505.07	590.12	590.12	590.12	590.12
Annual Op. Cash Flow	419.96		411.84	482.91	564.63	658.61	766.70	766.70	766.70	766.70
Dividend Payments										
Annual PP&E Investment	(197.04)		(150.00)	(150.00)	(150.00)	(150.00)	(150.00)	(150.00)	(150.00)	(150.00)
Debt Paydown	0.00						0.00	0.00	0.00	
Sale Price in Year 5										5,283.52
Remaining Debt Balance										0.00
Capital Left for Equity Investor										5,283.52
Dividend Payments										0.00
Total Cash In Flow										5,283.52
Invested Equity	11,095.45	9,565.35	8,246.25	7,109.06	6,128.69	5,283.52				
IRR	-13.79%									

<u>Value Creation</u>	
TBV Growth (equals sum of NI Year 1-5)	2,204.01
Cash Flow (Year 6-8)	1,850.09
Total	4,054.09

<u>Value Dilution</u>	
Debt	0.00
Goodwill	9,844.08
Additional Interest	0.00
Total	9,844.08