Valuation Worksheet

Company: Toy Retailer Inc. Current Price $: 34.62 Date: (4/29/Year 6)

Ticker: ____ Exchange: ____ Current P/E: 21.2 Current Yield: 0%

Financial Statement & Ratio Analysis

	Company						Ind. Or Competitor		Market
	Year 1	Year 2	Year 3	Year 4	Year 5	5-Year avg	Year 5	5-Year avg	Year 5
Per Share Information									
Price: High	26.80	35.00	36.00	41.00	42.90				
Low	16.00	19.90	22.00	30.40	32.40				
Earnings per Share (EPS)	1.09	1.11	1.15	1.47	1.65	Growth Rate: 10.9%			
Dividends per Share	0.00	0.00	0.00	0.00	0.00	Growth Rate: NA			
Book Value per Share (BV)	5.95	7.11	8.39	9.85	11.60				
Financial Ratios									
Price-Earnings Ratio (P/E): Avg	19.6	24.7	25.2	24.3	22.8	23.3	19.0	17.9	21.3
High (High Price ÷ EPS)	24.6	31.5	31.3	27.9	26.0	28.3			
Low (Low Price ÷ EPS)	14.7	17.9	19.1	20.7	19.6	18.4			
Dividend Yield % (DY): Avg	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.1	2.7
High (DPS ÷ Low Price)	0.0	0.0	0.0	0.0	0.0	0.0			
Low (DPS ÷ High Price)	0.0	0.0	0.0	0.0	0.0	0.0			
Payout Ratio % (DPS ÷ EPS)	0.0	0.0	0.0	0.0	0.0	0.0	22.0	21.0	
Return on Equity % (EPS ÷ BV)	18.3	15.6	13.7	14.9	14.2	15.4	15.0	15.7	
Financial Leverage* %	10.0	9.5	16.1	23.2	19.5	15.6	30.4	34.1	

**Long-term debt divided by equity.*
Figures in gray type were not needed for this valuation. Year 1 data is oldest; Year 5 is the most recent.

Valuation Estimates

Model based on earnings:

Average high P/E x estimated Year 6 EPS: 28.3 x $1.83 = $51.79 (high valuation estimate)

Average low P/E x estimated Year 6 EPS: 18.4 x $1.83 = $33.67 (low valuation estimate)

Model based on dividends:

Estimated Year 6 annual DPS ÷ average low DY ____ ÷ ____ = ____ (high valuation estimate)

Estimated Year 6 annual DPS ÷ average high DY ____ ÷ ____ = ____ (low valuation estimate)

Use decimal form for DY. For instance, 5.4% would be 0.054.