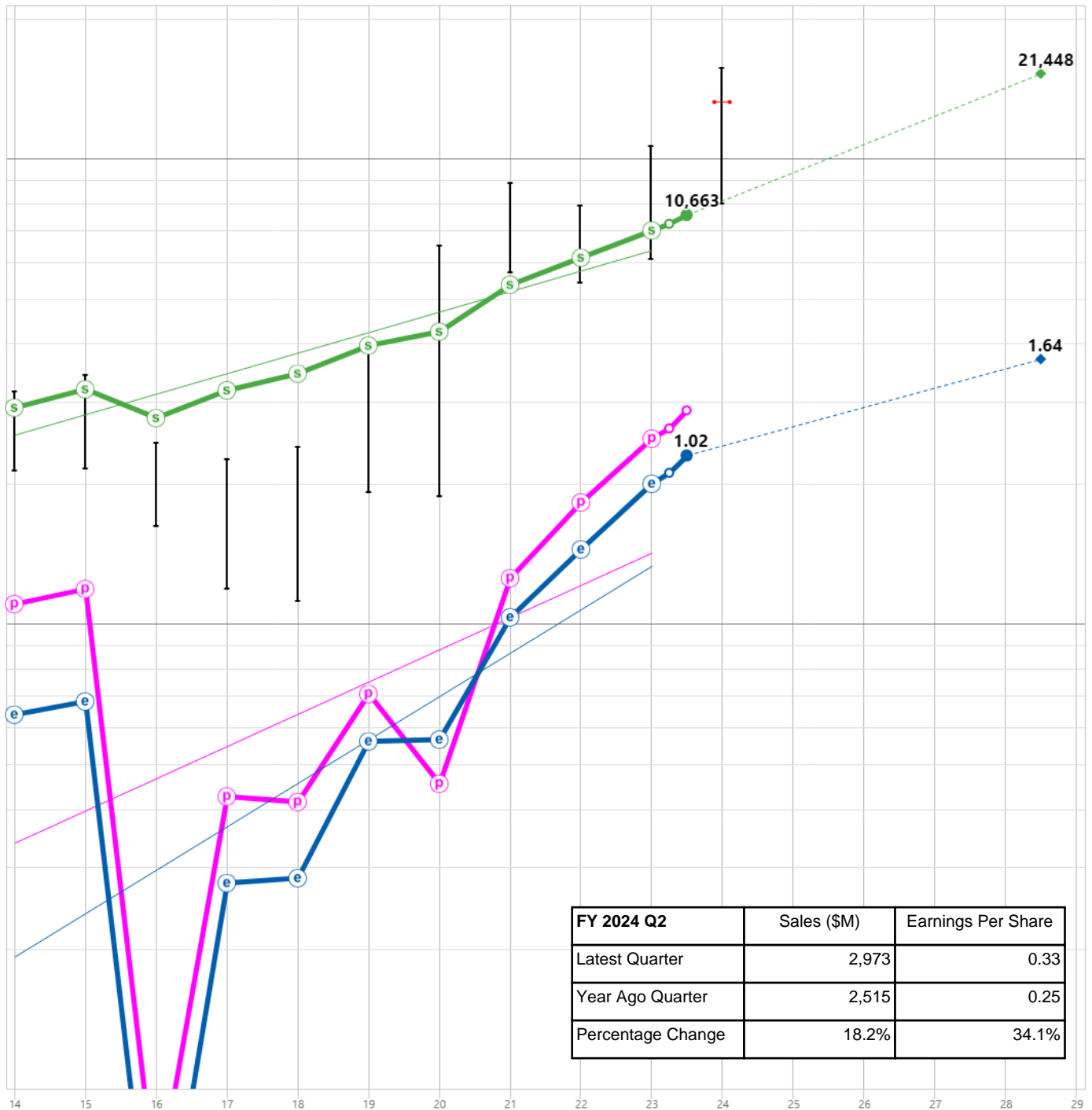


Stock Selection Guide

Company	Chipotle Mexican Gri		Date	10/11/24	
Prepared by	Carpenter		Data taken from	BI Stock Data	
Where traded	NYS	Industry	Restaurants		
Capitalization ---	Outstanding Amounts	Reference			
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	1,381.5	0.5		63.2	
Debt (\$M)	4,278.8	% to Tot Cap	53.5	% Pot Dil	0.6

Symbol: CMG

1 VISUAL ANALYSIS of Sales, Earnings, and Price



- | | | | |
|-----------------------------------|-------|--|-------|
| (1) Historical Sales Growth | 10.7% | (3) Historical Earnings Per Share Growth | 24.0% |
| (2) Estimated Future Sales Growth | 15.0% | (4) Estimated Future Earnings Per Share Growth | 10.0% |

2 EVALUATING Management

Chipotle Mexican Gri

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Last 5 Year Avg.
% Pre-tax Profit on Sales	17.4%	17.1%	1.0%	6.2%	5.5%	8.2%	4.9%	10.8%	13.7%	16.4%	10.8%
% Earned on Equity	23.2%	19.2%	1.5%	12.5%	12.2%	21.2%	19.4%	27.8%	38.0%	42.1%	29.7%
% Debt To Capital	0.0%	0.0%	0.0%	0.0%	0.0%	62.9%	61.0%	60.5%	61.2%	57.0%	60.5%

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

CURRENT PRICE 58.65 (10/11/24)

52-WEEK HIGH 69.26

52-WEEK LOW 35.37

	A	B	C	D	E	F	G	H
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
2019	17.2	8.5	0.25	69.2	34.2	0.00	0.0	0.0
2020	28.7	8.3	0.25	114.8	33.2	0.00	0.0	0.0
2021	39.2	25.1	0.46	85.5	54.9	0.00	0.0	0.0
2022	35.1	23.9	0.64	54.7	37.3	0.00	0.0	0.0
2023	47.0	26.9	0.89	53.0	30.3	0.00	0.0	0.0
AVERAGE		18.5		75.4	38.0		0.0	
CURRENT/TTM			1.02	67.9	34.7	0.00	0.0	
AVERAGE PRICE EARNINGS RATIO: 56.7					CURRENT PRICE EARNINGS RATIO: 57.5			

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE - NEXT 5 YEARS

Avg. High P/E 65.0 X Estimate High Earnings/Share 1.64 = Forecasted High Price \$ 106.8

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 38.0 X Estimate Low Earnings/Share 1.02 = Forecasted Low Price \$ 38.8

(b) Avg. Low Price of Last 5 Years 18.5

(c) Recent Market Low Price 23.9

(d) Price Dividend Will Support $\frac{\text{Indicated Dividend}}{\text{High Yield}} = \frac{0.00}{0.00\%} = 0.0$

Selected Forecasted Low Price \$ 38.8

C ZONING using 25%-50%-25%

Forecasted High Price 106.8 Minus Forecasted Low Price 38.8 = 68.0 Range. 25% of Range 17.0

Buy Zone 38.8 to 55.8

Hold Zone 55.8 to 89.8

Sell Zone 89.8 to 106.8

Present Market Price of 58.65 is in the **HOLD** Zone

D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price} - \text{Current Price}}{\text{Current Price} - \text{Low Price}} = \frac{106.8 - 58.65}{58.65 - 38.8} = \frac{48.13}{19.85} = 2.4$ To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

$\frac{\text{High Price} - \text{Current Price}}{\text{Current Price}} = \frac{106.8 - 58.65}{58.65} = 1.8206 \times 100 = 182.06 - 100 = 82.1$ % Appreciation

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A $\frac{\text{Indicated Annual Dividend}}{\text{Current Price}} = \frac{0.00}{58.65} = 0.0000 = 0.0\%$ Current Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{0.0\%}{65.00} = 0.0\%$

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast Average PE}} = \frac{0.0\%}{51.50} = 0.0\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 12.7 %
Average Yield 0.0 %
Annualized Rate of Return 12.7 %

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

Annualized Appreciation 7.6 %
Average Yield 0.0 %
Annualized Rate of Return 7.6 %