

MCDONALD'S CORP. NYSE-MCD										RECENT PRICE	85.04	P/E RATIO	15.6 (Trailing: 16.0 Median: 16.0)	RELATIVE P/E RATIO	1.08	DIV'D YLD	3.6%	VALUE LINE
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TIMELINESS 3 Lowered 12/10/10		High: 35.1 30.7 27.0 33.0 35.7 44.7 63.7 67.0 64.8 80.9 101.0 102.2												Target Price Range 2015 2016 2017			
SAFETY 1 New 7/27/90		Low: 24.8 15.2 12.1 24.5 27.4 31.7 42.3 45.8 50.4 61.1 72.1 83.3															
TECHNICAL 3 Raised 7/27/12		<div>LEGENDS</div> <div>12.0 x "Cash Flow" p sh</div> <div>Relative Price Strength</div> <div>2-for-1 split 3/99</div> <div>Options: Yes</div> <div>Shaded areas indicate recessions</div>															
BETA .60 (1.00 = Market)																	
2015-17 PROJECTIONS																	
Ann'l Total																	
Price																	
Gain																	
Return																	
High	130	(+55%)		14%													
Low	110	(+30%)		10%													
Insider Decisions																	
		J	F	M	A	M	J	J	A	S							
to Buy	0	0	0	0	0	1	0	0	0	0							
Options	1	0	1	0	0	1	2	0	1	0							
to Sell	1	2	1	0	0	2	2	0	1	0							
Institutional Decisions																	
		4Q2011	1Q2012	2Q2012													
to Buy	569	554	702														
to Sell	653	708	551														
Hld's(000)	674289	669409	600513														
		Percent shares traded	12	8	4												
% TOT. RETURN 10/12																	
		THIS STOCK	VL ARITH. INDEX														
1 yr.		-3.7	10.8														
3 yr.		62.5	48.5														
5 yr.		72.8	25.2														

1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC 15-17	
7.69	8.32	9.16	9.82	10.92	11.61	12.15	13.58	15.01	16.20	17.93	19.55	21.09	21.12	22.85	26.44	27.50	29.60	Revenues per sh	37.85
1.63	1.76	1.95	2.15	2.29	2.16	2.36	2.88	2.98	3.43	4.06	4.85	5.22	5.92	6.77	6.85	7.40	7.40	"Cash Flow" per sh	9.55
1.11	1.15	1.26	1.39	1.46	1.36	1.32	1.43	1.93	1.97	2.30	2.91	3.67	3.98	4.60	5.27	5.30	5.75	Earnings per sh ^A	7.50
.15	.16	.18	.20	.22	.23	.24	.40	.55	.67	1.00	1.50	1.63	2.05	2.26	2.53	2.87	3.15	Div'ds Decl'd per sh ^B	3.75
1.71	1.54	1.39	1.38	1.49	1.49	1.58	1.04	1.12	1.27	1.45	1.67	1.92	1.81	2.03	2.67	2.90	3.15	Cap'l Spending per sh	3.35
6.02	6.45	6.98	7.14	7.05	7.41	8.11	9.50	11.18	11.99	12.84	13.11	12.00	13.03	13.89	14.09	13.85	14.00	Book Value per sh ^C	18.40
1389.2	1371.4	1356.2	1350.8	1304.9	1280.7	1268.2	1261.9	1269.9	1263.2	1203.7	1165.3	1115.3	1076.7	1053.6	1021.4	1000.0	975.0	Common Shs Outst'g ^D	925.0
21.5	21.0	24.7	30.4	22.9	20.9	18.3	14.1	14.4	16.2	16.0	17.6	15.8	14.4	15.4	15.9			Avg Ann'l P/E Ratio	16.0
1.35	1.21	1.28	1.73	1.49	1.07	1.00	.80	.76	.86	.86	.93	.95	.96	.98	1.01			Relative P/E Ratio	1.05
.6%	.7%	.6%	.5%	.7%	.8%	1.0%	2.0%	2.0%	2.1%	2.7%	2.9%	2.8%	3.6%	3.2%	3.0%			Avg Ann'l Div'd Yield	3.1%

CAPITAL STRUCTURE as of 9/30/12										15406	17141	19065	20460	21586	22787	23522	22745	24075	27006	27500	28850	Revenues (\$mill)	35000
Total Debt \$13264.1 mill. Due in 5 Yrs \$4945 mill.										26.1%	25.6%	26.3%	26.2%	26.4%	22.3%	32.5%	34.2%	35.6%	35.9%	35.5%	35.5%	Operating Margin	35.0%
LT Debt \$12752.0 mill. LT Interest \$635 mill.										1050.8	1148.2	1201.0	1249.5	1249.9	1214.1	1207.8	1216.2	1276.2	1415.0	1450	1525	Depreciation (\$mill)	1800
(LT interest earned: 18.8x; total interest coverage: 17.3x) (48% of Cap'l)										1692.0	1831.4	2458.6	2509.8	2873.0	3522.6	4201.1	4405.5	4961.9	5503.1	5405	5690	Net Profit (\$mill)	7020
Leases, Uncapitalized Annual rentals \$1247 mill.										32.7%	33.5%	28.3%	31.5%	31.0%	1.4%	31.8%	30.4%	29.3%	31.3%	32.0%	32.0%	Income Tax Rate	31.5%
No Defined Benefit Pension Plan										11.0%	10.7%	12.9%	12.3%	13.3%	15.5%	17.9%	19.4%	20.6%	20.4%	19.7%	19.7%	Net Profit Margin	20.0%
Pfd Stock None										d706.9	d600.4	d662.7	1813.4	617.2	d916.6	979.7	427.6	1443.8	893.8	350	750	Working Cap'l (\$mill)	800
Common Stock 1,003,976,633 shs.										9703.6	9342.5	8357.3	8937.4	8416.5	7310.0	10186	10560	11497	12134	12750	12750	Long-Term Debt (\$mill)	10000
MARKET CAP: \$85 billion (Large Cap)										10281	11982	14202	15146	15458	15280	13383	14034	14634	14390	13850	13650	Shr. Equity (\$mill)	17000
CURRENT POSITION										9.4%	9.5%	11.6%	11.1%	12.8%	16.4%	18.8%	18.8%	19.8%	21.6%	21.5%	22.5%	Return on Total Cap'l	26.5%
2010										16.5%	15.3%	17.3%	16.6%	18.6%	23.1%	31.4%	31.4%	33.9%	38.2%	39.0%	41.5%	Return on Shr. Equity	41.5%
2011										13.6%	11.1%	12.4%	11.0%	10.7%	11.5%	17.8%	15.5%	17.5%	20.1%	18.0%	19.0%	Retained to Com Eq	20.5%
9/30/12										18%	27%	28%	34%	42%	50%	43%	51%	49%	47%	54%	55%	All Div'ds to Net Prof	50%

BUSINESS: McDonald's Corporation operated, franchised, or licensed 34,010 fast-food restaurants in the United States, Canada, and overseas, under the McDonald's banner (as of 9/30/12). About 81% are operated by franchisees or affiliates, with the remainder under the control of the company. Foreign operations contributed 68% of systemwide sales and 57% of consolidated operating profits										in 2011. The company sold a stake in Pret A Manger in 2008. Spun off Chipotle Mexican Grill in 2006 and Boston Market in 2007. Has about 420,000 employees. Officers/directors own less than 1% of common stock (4/12 Proxy). CEO: Don Thompson. Incorporated: DE. Addr.: One McDonald's Plaza, Oak Brook, Illinois 60523. Telephone: 630-623-3000. Internet: www.mcdonalds.com.											
No Defined Benefit Pension Plan										Pfd Stock None											
Common Stock 1,003,976,633 shs.										MARKET CAP: \$85 billion (Large Cap)											
CURRENT POSITION										2010											
(SMILL.)										2011											
Cash Assets										2387.0											
Receivables										2335.7											
Inventory (FIFO)										2178.5											
Other										1179.1											
Current Assets										109.9											
Accts Payable										615.8											
Debt Due										643.0											
Other										4368.5											
Current Liab.										4403.0											

ANNUAL RATES										Past 10 Yrs	Past 5 Yrs	Est'd '09-'11 to '15-'17										
of change (per sh)										8.0%	7.5%	8.5%										
Revenues										10.5%	14.0%	8.0%										
"Cash Flow"										12.5%	17.5%	8.5%										
Earnings										26.5%	25.0%	8.5%										
Dividends										6.5%	2.5%	5.0%										
Book Value																						

Cal-endar										QUARTERLY REVENUES (\$mill.)
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