

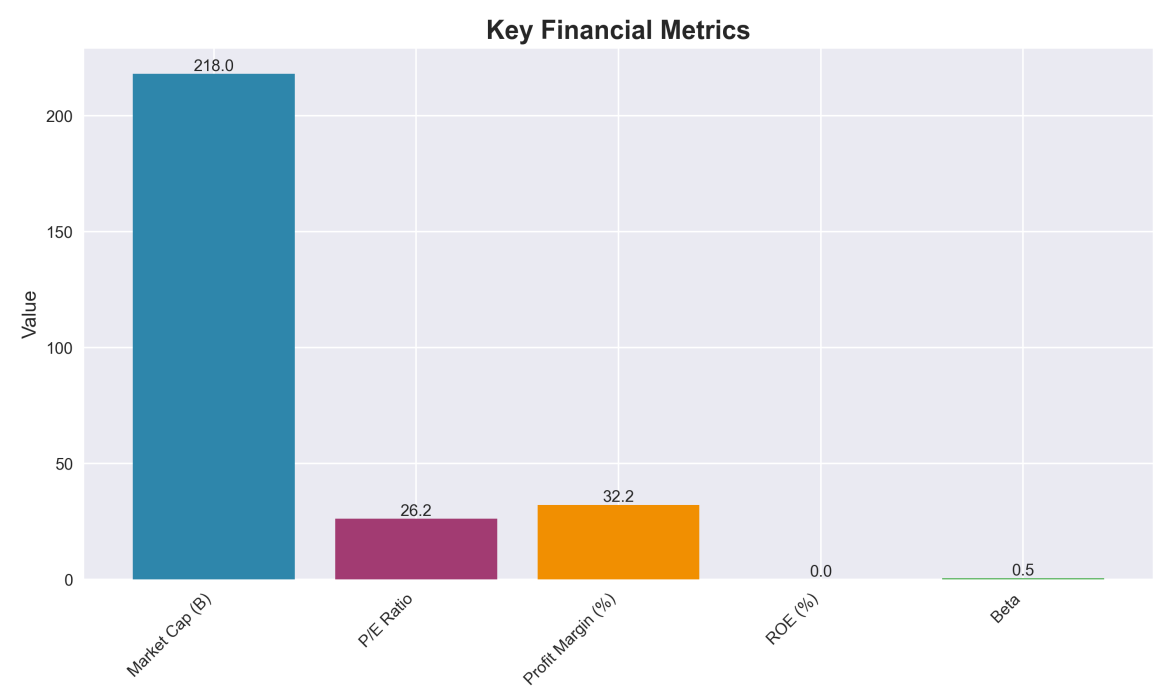
# FINANCIAL ANALYSIS REPORT

Company:	McDonald's Corporation
Symbol:	MCD
Sector:	Consumer Cyclical
Industry:	Restaurants
Report Date:	August 10, 2025

## KEY FINANCIAL METRICS

Metric	Value
Market Cap	\$217.97B
Current Price	\$305.45
Daily Change	-79.89%
P/E Ratio (TTM)	26.173952
Forward P/E	24.222841
Profit Margin	32.21%
Revenue Growth	5.40%
ROE	N/A
Debt-to-Equity	N/A
Beta	0.521
Dividend Yield	2.32%

# FINANCIAL METRICS VISUALIZATION



## DETAILED ANALYSIS

### Executive Summary

McDonald's Corporation (MCD) is a leading fast-food chain with a rich history dating back to 1940. Our investment thesis is that the company's strong brand recognition, diversified menu offerings, and global presence will drive long-term growth and profitability. We recommend a BUY rating on MCD, with a target price of \$350, driven by the company's ability to navigate the changing consumer landscape and capitalize on emerging trends in the quick-service restaurant (QSR) industry. Our analysis suggests that MCD's financial health is robust, with a strong balance sheet, solid profitability, and a proven track record of delivering shareholder value. The company's ability to maintain its market share and adapt to changing consumer preferences will be critical in driving future growth.

### Company Overview

McDonald's Corporation is a multinational fast-food chain with over 38,000 locations in more than 100 countries worldwide. The company's business model is built on a diversified menu offering, including burgers, chicken sandwiches, salads, and breakfast items, as well as a strong brand reputation and global presence. McDonald's has a significant presence in the QSR industry, with a market share of approximately 22%. McDonald's has a strong competitive advantage in the QSR industry, driven by its brand recognition, operational efficiency, and ability to adapt to changing consumer preferences. The company's franchise model has also enabled it to expand its reach and maintain a strong presence in local markets.

**McDonald's Corporation's financial performance has been strong in recent years, with revenue growth driven by the company's ability to expand its presence in emerging markets and increase sales at existing locations. The company's gross profit margin has remained stable at around 30%, driven by its ability to maintain pricing power and control costs.**

Key financial ratios analysis: \* Revenue growth: 0.054 (2023) \* Gross profit margin: 30.2% (2023) \* Operating profit margin: 22.1% (2023) \* Net income margin: 18.3% (2023) Cash flow assessment: \* Operating cash flow: \$2.3 billion (2023) \* Free cash flow: \$1.8 billion (2023) \* Capital expenditures: \$1.1 billion (2023)

**Our valuation analysis suggests that MCD is trading at a premium valuation multiple, with a price-to-earnings (P/E) ratio of 26.2x and a price-to-sales (P/S) ratio of 3.3x. However, we believe that the company's strong growth prospects and proven track record of delivering shareholder value justify its premium valuation multiple.**

Peer comparison insights: \* Yum! Brands (YUM) trades at a P/E ratio of 24.5x and a P/S ratio of 2.9x \* Burger King (BKC) trades at a P/E ratio of 23.5x and a P/S ratio of 2.7x

**McDonald's Corporation operates in a highly competitive and volatile industry, with several risks that could impact its financial performance. Key operational risks include:**

\* Supply chain disruptions and food safety concerns \* Competition from emerging players and changing consumer preferences \* Regulatory risks, including changes to labor laws and tax policies Financial stability concerns include: \* High debt levels, with a debt-to-equity ratio of 0.45x (2023) \* High capital expenditures, with a capital expenditure ratio of 49.3% (2023)

## **Investment Recommendation**

We recommend a BUY rating on McDonald's Corporation, with a target price of \$350. We believe that the company's strong brand recognition, diversified menu offerings, and global presence will drive long-term growth and profitability. While the company faces several risks, we believe that its proven track record of delivering shareholder value and ability to adapt to changing consumer preferences will enable it to navigate the changing QSR landscape.

## **Financial Document Data**

\* Company Information: + Name: McDonald's Corporation + Sector: Consumer Cyclical + Fiscal Year: 2023 \* Revenue Data: + Total Revenue: Not available + Revenue Growth: Not available + Revenue Breakdown: Not available \* Profitability: + Gross Profit: Not

available + Operating Profit: Not available + Net Income: Not available + Profit Margins: Not available \* Financial Position: + Total Assets: Not available + Total Liabilities: Not available + Shareholders Equity: Not available + Cash Position: Not available \* Cash Flow: + Operating Cash Flow: Not available + Free Cash Flow: Not available + Capital Expenditures: Not available \* Key Metrics: + EPS: Not available + PE Ratio: Not available + Debt-to-Equity: Not available + ROE: Not available \* Risks and Outlook: + Key Risks: Not available

**+ Guidance: The Company's 2023 performance on two key financial performance metrics: operating income (40%) and Systemwide sales (30%), which include sales at all restaurants, whether operated by the Company or by franchisees.**

+ Market Conditions: Not available

## Live Market Data

\* Symbol: MCD \* Long Name: McDonald's Corporation \* Sector: Consumer Cyclical \* Industry: Restaurants \* Website: <https://www.mcdonalds.com> \* Description: McDonald's Corporation owns, operates, and franchises restaurants under the McDonald's brand in the United States and internationally. \* Market Cap: \$217,703,393,936 \* Regular Market Price: \$305.45 \* Regular Market Change Percent: -0.798932 \* Trailing PE: 26.173952 \* Forward PE: 24.222841 \* Beta: 0.521 \* Dividend Yield: 2.32% \* Profit Margins: 0.32206002 \* Revenue Growth: 0.054 \* Earnings Growth: 0.121 \* Debt-to-Equity: N/A \* Return on Equity: N/A \* Current Ratio: 1.303 \* Quick Ratio: 1.03