

# ModernGraham Valuation

## Company Name:

Company Ticker BXP  
Date of Analysis

Boston Properties,  
Inc.

6/23/2016



## Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

*Defensive Investor; must pass 6 out of the following 7 tests.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$20,029,384,604	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	4.32	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-9.69%	Fail
6. Moderate PEmg Ratio	PEmg < 20	30.30	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.47	Fail

*Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.*

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	4.32	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	5.20	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$4.28
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$164.93</b>
MG Value based on 3% Growth	\$62.12
MG Value based on 0% Growth	\$36.41
Market Implied Growth Rate	10.90%

### MG Opinion

Current Price	\$129.80
% of Intrinsic Value	78.70%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>B-</b>

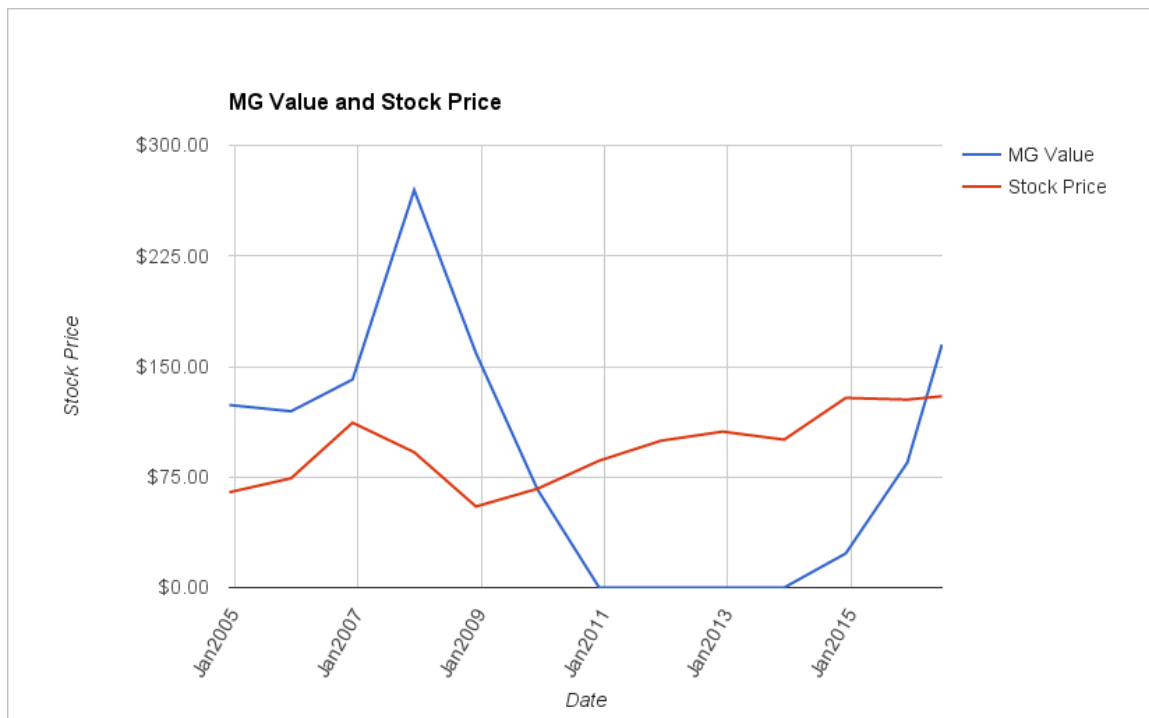
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$70.73
Graham Number	\$68.96
PEmg	30.30
Current Ratio	4.32
PB Ratio	3.47
Current Dividend	\$2.60
Dividend Yield	2.00%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

[ModernGraham tagged articles](#) [Morningstar](#)  
[Google Finance](#) [MSN Money](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$5.85	Next Fiscal Year Estimate	\$4.28
Dec2015	\$3.72	Dec2015	\$3.35
Dec2014	\$2.83	Dec2014	\$2.95
Dec2013	\$4.86	Dec2013	\$2.77
Dec2012	\$1.92	Dec2012	\$1.67
Dec2011	\$1.86	Dec2011	\$2.14
Dec2010	\$1.14	Dec2010	\$3.01
Dec2009	\$1.76	Dec2009	\$4.30
Dec2008	\$1.03	Dec2008	\$5.44
Dec2007	\$10.94	Dec2007	\$7.00
Dec2006	\$7.46	Dec2006	\$4.84
Dec2005	\$3.86	Dec2005	\$3.49
Dec2004	\$2.61	Dec2004	\$3.22
Dec2003	\$3.71	Dec2003	\$3.30
Dec2002	\$4.66	Dec2002	\$2.87
Dec2001	\$2.19	Dec2001	\$1.88
Dec2000	\$2.01	Dec2000	\$1.57
Dec1999	\$1.71	<b>Balance Sheet Information 3/1/2016</b>	
Dec1998	\$1.52	Total Current Assets	\$2,539,727,000
Dec1997	\$1.03	Total Current Liabilities	\$587,384,000
Dec1996	\$0.00	Long-Term Debt	\$10,160,366,000
		Total Assets	\$19,175,830,000
		Intangible Assets	\$0
		Total Liabilities	\$13,426,047,000
		Shares Outstanding (Diluted Average)	153,917,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

## Recommended Reading:

Other  
ModernGraham  
posts about the  
company

[Boston Properties Inc. Valuation – November 2015 Update \\$BXP](#)

[Boston Properties Inc. Analysis – August 2015 Update \\$BXP](#)

[47 Companies in the Spotlight This Week – 5/16/15](#)

[Boston Properties Inc. Quarterly Valuation – May 2015 \\$BXP](#)

[34 Companies in the Spotlight This Week – 2/7/15](#)

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[AvalonBay Communities Inc Valuation – May 2016 \\$AVB](#)

[Weyerhaeuser Company Valuation – May 2016 \\$WY](#)

[Realty Income Corporation Valuation – May 2016 \\$O](#)

[Welltower Inc. Valuation – May 2016 \\$HCN](#)

[Starwood Property Trust Inc Stock Valuation – February 2016 \\$STWD](#)

[Kimco Realty Corp Stock Valuation – February 2016 \\$KIM](#)

[HCP Inc Valuation – January 2016 Update \\$HCP](#)

[Macerich Co Valuation – January 2016 Update \\$MAC](#)

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