

ModernGraham Valuation

Company Name:

Vornado Realty
Trust

Company Ticker VNO

Date of Analysis

7/17/2016



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

Defensive Investor; must pass all 6 of the following tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$18,888,533,686	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. Dividend Record	Dividend Payments for 10 years prior		Pass
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	121.67%	Pass
5. Moderate PEmg Ratio	PEmg < 20	26.29	Fail
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.90	Fail

Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.

1. Earnings Stability	Positive EPS for 5 years prior	Pass
2. Dividend Record	Currently Pays Dividend	Pass
3. Earnings Growth	EPSmg greater than 5 years ago	Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	3.82
MG Growth Estimate	6.46%
MG Value	\$81.74
MG Value based on 3% Growth	\$55.32
MG Value based on 0% Growth	\$32.43
Market Implied Growth Rate	8.89%

MG Opinion

Current Price	\$100.30
% of Intrinsic Value	122.70%
Opinion	Overvalued
MG Grade	C+

Stage 3: Information for Further Research

Graham Number	\$53.99
PEmg	26.29
PB Ratio	2.90
Dividend Yield	2.51%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$4.66	Next Fiscal Year Estimate	\$3.82
Dec2015	\$3.59	Dec2015	\$3.33
Dec2014	\$4.15	Dec2014	\$3.18
Dec2013	\$2.09	Dec2013	\$2.58
Dec2012	\$2.94	Dec2012	\$2.67
Dec2011	\$3.23	Dec2011	\$2.49
Dec2010	\$3.24	Dec2010	\$2.22
Dec2009	\$0.28	Dec2009	\$1.96
Dec2008	\$2.10	Dec2008	\$2.96
Dec2007	\$3.22	Dec2007	\$3.45
Dec2006	\$3.29	Dec2006	\$3.48
Dec2005	\$3.43	Dec2005	\$3.44
Dec2004	\$4.27	Dec2004	\$3.26
Dec2003	\$3.73	Dec2003	\$2.64
Dec2002	\$1.87	Dec2002	\$2.06
Dec2001	\$2.42	Dec2001	\$2.02
Dec2000	\$2.16	Dec2000	\$1.80
Dec1999	\$1.90	Balance Sheet Information 3/1/2016	
Dec1998	\$1.56	Long-Term Debt	\$11,059,832,000
Dec1997	\$0.78	Total Assets	\$20,873,374,000
Dec1996	\$2.44	Intangible Assets	\$218,388,000
		Total Liabilities	\$14,348,450,000
		Shares Outstanding (Diluted Average)	188,658,000





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.

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[Boston Properties Inc Valuation – June 2016 \\$BXP](#)
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