

ModernGraham Valuation

Company Name:

Company Ticker EXR

Date of Analysis

3/5/2017

Extra Space Storage,
Inc.



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	\$9,914,532,260	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.16	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	504.42%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	36.26	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.44	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	0.16	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-10.05	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
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.18
MG Growth Estimate	15.00%
MG Value	\$83.96
MG Value based on 3% Growth	\$31.62
MG Value based on 0% Growth	\$18.54
Market Implied Growth Rate	13.88%

MG Opinion

Current Price	\$79.08
% of Intrinsic Value	94.19%
Opinion	Fairly Valued
MG Grade	D+

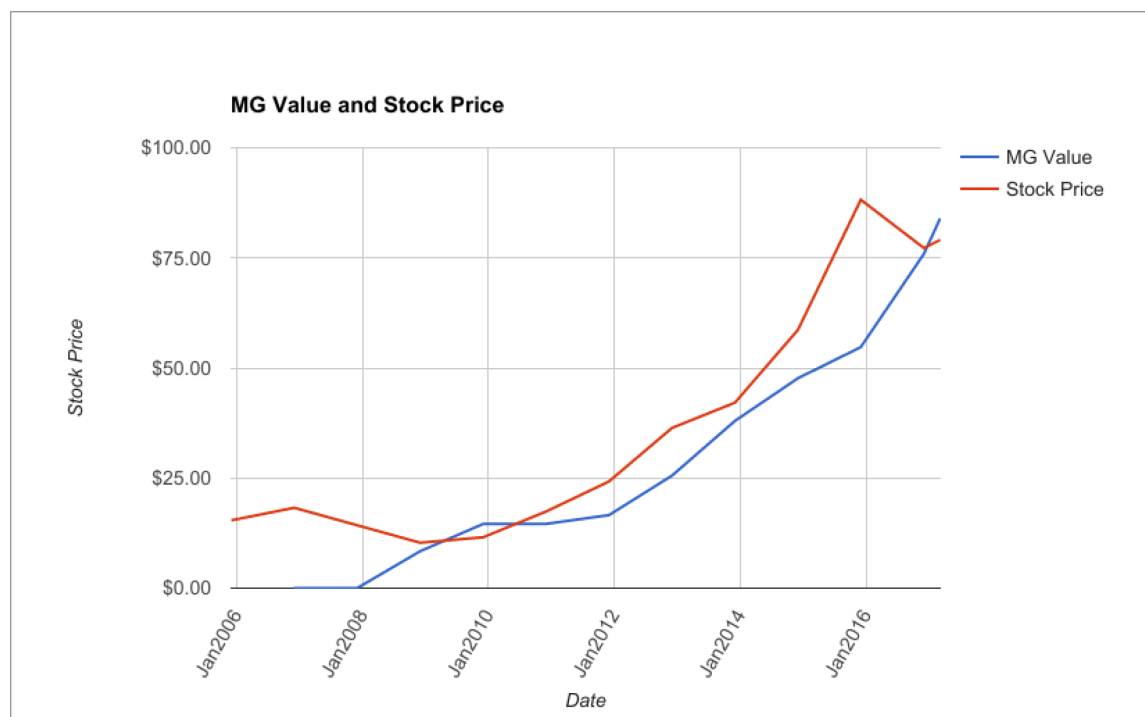
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$37.89
Graham Number	\$30.78
PEmg	36.26
Current Ratio	0.16
PB Ratio	4.44
Current Dividend	\$2.93
Dividend Yield	3.71%
Number of Consecutive Years of Dividend Growth	8

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	\$2.36	Next Fiscal Year Estimate	\$2.18
Dec2016	\$2.91	Dec2016	\$1.97
Dec2015	\$1.56	Dec2015	\$1.42
Dec2014	\$1.53	Dec2014	\$1.24
Dec2013	\$1.53	Dec2013	\$0.99
Dec2012	\$1.14	Dec2012	\$0.66
Dec2011	\$0.54	Dec2011	\$0.43
Dec2010	\$0.30	Dec2010	\$0.38
Dec2009	\$0.37	Dec2009	\$0.38
Dec2008	\$0.46	Dec2008	\$0.22
Dec2007	\$0.53	Dec2007	-\$0.38
Dec2006	\$0.27	Dec2006	-\$1.29
Dec2005	-\$0.14	Dec2005	-\$2.13
Dec2004	-\$1.68	Dec2004	-\$2.83
Dec2003	-\$5.62	Dec2003	-\$2.90
Dec2002	-\$3.84	Dec2002	-\$1.28
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Balance Sheet Information 12/1/2016	
Dec1999	\$0.00	Total Current Assets	\$74,353,000
Dec1998	\$0.00	Total Current Liabilities	\$466,388,000
Dec1997	\$0.00	Long-Term Debt	\$3,941,223,000
		Total Assets	\$7,091,446,000
		Intangible Assets	\$0
		Total Liabilities	\$4,846,554,000
		Shares Outstanding (Diluted Average)	125,948,000





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

#N/A

Other
ModernGraham
posts about related
companies

[American Tower Corp Valuation – February 2017 \\$AMT](#)
[Chartwell Retirement Residences Valuation – Initial Coverage \\$TSE:CSH.UN](#)
[Equity Residential Valuation – February 2017 \\$EQR](#)
[Communications Sales & Leasing Valuation – Initial Coverage \\$CSAL](#)
[Kite Realty Group Trust Valuation – Initial Coverage \\$KRG](#)
[Kilroy Realty Corp Valuation – Initial Coverage \\$KRC](#)
[Crombie Real Estate Investment Trust Valuation – Initial Coverage \\$TSE:CRR.UN](#)
[Smart REIT Valuation – Initial Coverage \\$TSE:SRU.UN](#)
[Prologis Inc Valuation – February 2017 \\$PLD](#)
[Camden Property Trust Valuation – Initial Coverage \\$CPT](#)