

ModernGraham Valuation

Lexington Realty
Trust



Company Name:

Company Ticker LXP

Date of Analysis

7/18/2017

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	\$2,461,596,997	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.73	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	-140.48%	Fail
5. Earnings Growth	PEmg < 20	28.30	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.73	Pass
7. Moderate Price to Assets			

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	1.73	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	14.39	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago Score		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.36
MG Growth Estimate	15.00%
MG Value	\$13.78
MG Value based on 3% Growth	\$5.19
MG Value based on 0% Growth	\$3.04
Market Implied Growth Rate	9.90%

MG Opinion

Current Price	\$10.13
% of Intrinsic Value	73.50%
Opinion	Undervalued
MG Grade	C

Stage 3: Information for Further Research

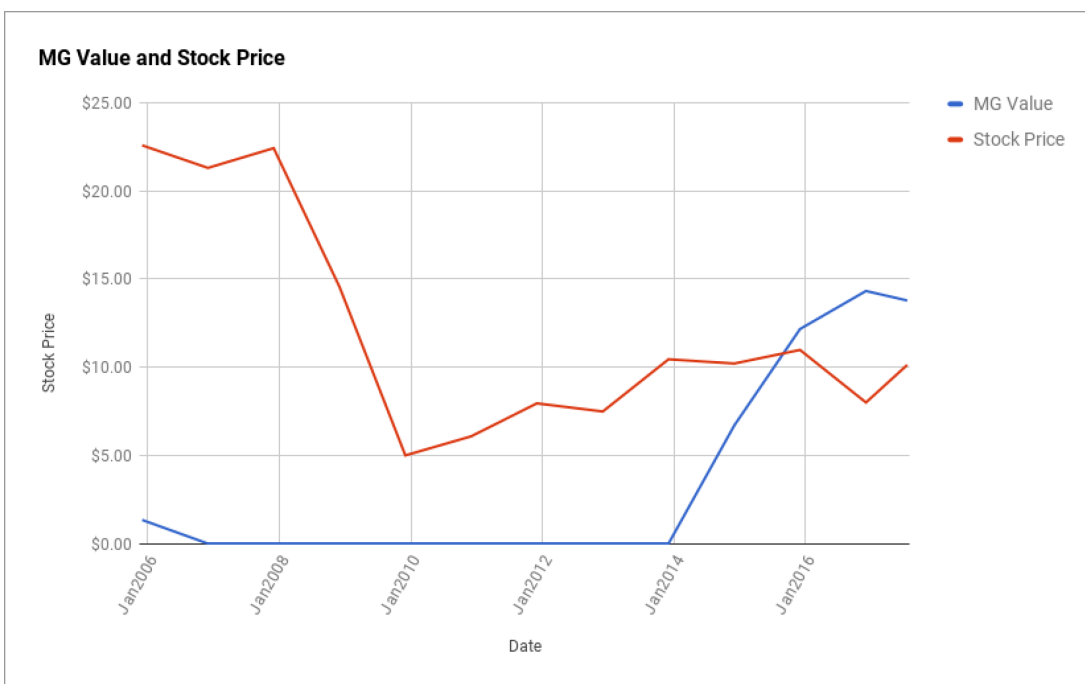
Net Current Asset Value (NCAV)	-\$7.27
Graham Number	\$6.74
PEmg	28.30
Current Ratio	1.73
PB Ratio	1.73
Current Dividend	\$0.69
Dividend Yield	6.81%
Number of Consecutive Years of Dividend Growth	6

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.37	Next Fiscal Year Estimate	\$0.36
Dec2016	\$0.37	Dec2016	\$0.37
Dec2015	\$0.45	Dec2015	\$0.32
Dec2014	\$0.38	Dec2014	\$0.17
Dec2013	-\$0.07	Dec2013	-\$0.12
Dec2012	\$0.93	Dec2012	-\$0.27
Dec2011	-\$0.68	Dec2011	-\$0.77
Dec2010	-\$0.44	Dec2010	-\$0.70
Dec2009	-\$2.22	Dec2009	-\$0.66
Dec2008	-\$0.28	Dec2008	\$0.18
Dec2007	\$0.77	Dec2007	\$0.44
Dec2006	-\$0.17	Dec2006	\$0.38
Dec2005	\$0.33	Dec2005	\$0.70
Dec2004	\$0.80	Dec2004	\$0.90
Dec2003	\$0.88	Dec2003	\$0.96
Dec2002	\$1.09	Dec2002	\$0.98
Dec2001	\$0.77	Dec2001	\$0.89
Dec2000	\$1.10	Balance Sheet Information 3/1/2017	
Dec1999	\$1.08	Total Current Assets	\$283,282,000
Dec1998	\$0.78	Total Current Liabilities	\$163,361,000
Dec1997	\$0.32	Long-Term Debt	\$1,726,229,000
		Total Assets	\$3,446,705,000
		Intangible Assets	\$574,570,000
		Total Liabilities	\$2,035,565,000
		Shares Outstanding (Diluted Average)	241,088,000





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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company

#N/A

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