

ModernGraham Valuation



Company Name:

Boston Properties,
Inc.

Company Ticker BXP

Date of Analysis

3/1/2018

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	\$18,344,290,442	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.69	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	83.99%	Pass
6. Moderate PEmg Ratio	PEmg < 20	39.97	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.17	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	2.69	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	11.00	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 Score		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.97
MG Growth Estimate	0.14%
MG Value	\$26.09
MG Value based on 3% Growth	\$43.12
MG Value based on 0% Growth	\$25.28
Market Implied Growth Rate	15.73%

MG Opinion

Current Price	\$118.87
% of Intrinsic Value	455.59%
Opinion	Overvalued
MG Grade	C+

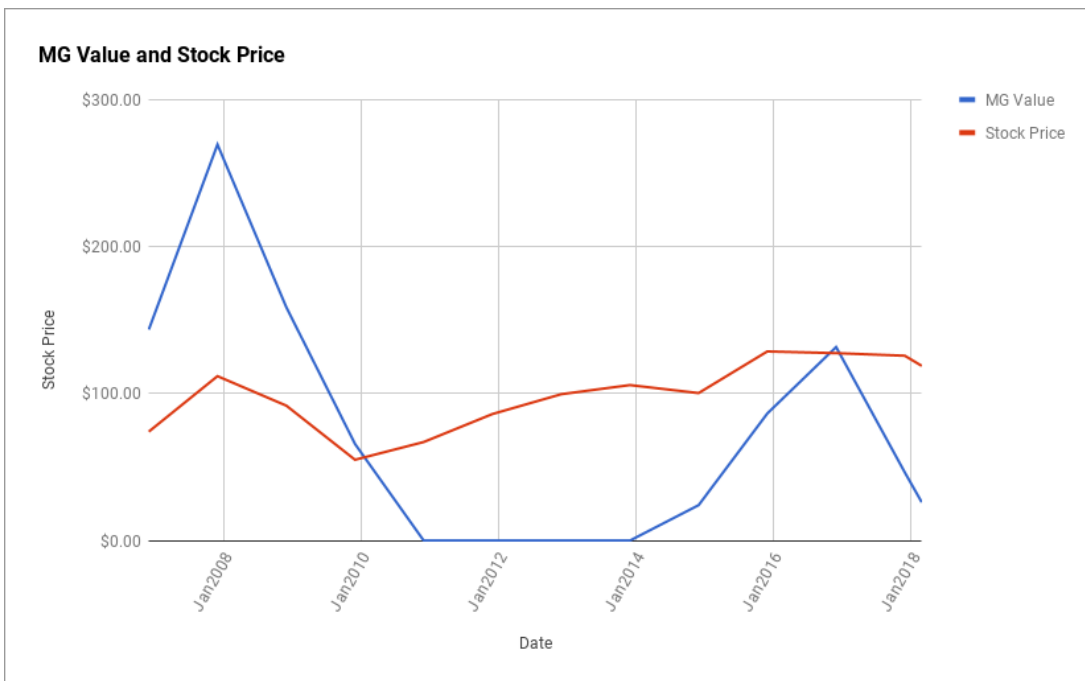
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$77.89
Graham Number	\$45.86
PEmg	39.97
Current Ratio	2.69
PB Ratio	3.17
Current Dividend	\$3.05
Dividend Yield	2.57%
Number of Consecutive Years of Dividend Growth	2

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	\$2.57	Next Fiscal Year Estimate	\$2.97
Dec2017	\$2.93	Dec2017	\$3.29
Dec2016	\$3.26	Dec2016	\$3.42
Dec2015	\$3.72	Dec2015	\$3.35
Dec2014	\$2.83	Dec2014	\$2.95
Dec2013	\$4.86	Dec2013	\$2.77
Dec2012	\$1.92	Dec2012	\$1.66
Dec2011	\$1.86	Dec2011	\$2.12
Dec2010	\$1.14	Dec2010	\$2.98
Dec2009	\$1.76	Dec2009	\$4.26
Dec2008	\$0.87	Dec2008	\$5.39
Dec2007	\$10.94	Dec2007	\$7.00
Dec2006	\$7.46	Dec2006	\$4.82
Dec2005	\$3.86	Dec2005	\$3.46
Dec2004	\$2.61	Dec2004	\$3.17
Dec2003	\$3.65	Dec2003	\$3.24
Dec2002	\$4.50	Dec2002	\$2.82
Dec2001	\$2.19	Balance Sheet Information 12/1/2017	
Dec2000	\$2.05	Total Current Assets	\$1,488,291,000
Dec1999	\$1.71	Total Current Liabilities	\$554,186,000
Dec1998	\$1.52	Long-Term Debt	\$10,271,611,000
		Total Assets	\$19,372,233,000
		Intangible Assets	\$0
		Total Liabilities	\$13,558,276,000
		Shares Outstanding (Diluted Average)	154,969,000





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

- [9 Best Stocks For Value Investors This Week – 6/24/16](#)
- [Boston Properties Inc Valuation – June 2016 \\$BXP](#)
- [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](#)

Other ModernGraham posts about related companies

- [Weyerhaeuser Co Valuation – February 2018 \\$WY](#)
- [Alexandria Real Estate Equities Inc Valuation – February 2018 \\$ARE](#)
- [Education Realty Trust Inc Valuation – Initial Coverage \\$EDR](#)
- [American Campus Communities Inc Valuation – September 2017 \\$ACC](#)
- [First Industrial Realty Trust Inc Valuation – Initial Coverage \\$FR](#)
- [Saul Centers Inc Valuation – Initial Coverage \\$BFS](#)
- [Douglas Emmett Inc Valuation – Initial Coverage \\$DEI](#)
- [Lexington Realty Trust Valuation – Initial Coverage \\$LXP](#)
- [LTC Properties Inc Valuation – Initial Coverage \\$LTC](#)
- [REIT Industry Review – April 2017](#)