

# ModernGraham Valuation

Company Name:

GGP Inc

Company Ticker GGP

Date of Analysis

3/15/2018



## 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	\$20,700,288,154	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.80	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-154.69%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	26.08	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.35	Pass

*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	0.80	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-58.55	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

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$0.83
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$31.93</b>
MG Value based on 3% Growth	\$12.03
MG Value based on 0% Growth	\$7.05
Market Implied Growth Rate	8.79%

### MG Opinion

Current Price	\$21.63
% of Intrinsic Value	67.74%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$14.28
Graham Number	\$9.30
PEmg	26.08
Current Ratio	0.80
PB Ratio	2.35
Current Dividend	\$0.88
Dividend Yield	4.07%
Number of Consecutive Years of Dividend Growth	7

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.43	Next Fiscal Year Estimate	\$0.83
Dec2017	\$0.68	Dec2017	\$0.98
Dec2016	\$1.34	Dec2016	\$0.97
Dec2015	\$1.43	Dec2015	\$0.63
Dec2014	\$0.69	Dec2014	\$0.16
Dec2013	\$0.31	Dec2013	-\$0.38
Dec2012	-\$0.52	Dec2012	-\$0.82
Dec2011	-\$0.37	Dec2011	-\$0.86
Dec2010	\$0.00	Dec2010	-\$0.92
Dec2009	-\$4.11	Dec2009	-\$1.08
Dec2008	\$0.02	Dec2008	\$0.49
Dec2007	\$1.18	Dec2007	\$0.76
Dec2006	\$0.24	Dec2006	\$0.64
Dec2005	\$0.32	Dec2005	\$0.83
Dec2004	\$1.21	Dec2004	\$1.03
Dec2003	\$1.22	Dec2003	\$0.89
Dec2002	\$0.98	Dec2002	\$0.69
Dec2001	\$0.43	<b>Balance Sheet Information 12/1/2017</b>	
Dec2000	\$0.73	Total Current Assets	\$916,243,000
Dec1999	\$0.56	Total Current Liabilities	\$1,138,940,000
Dec1998	\$0.49	Long-Term Debt	\$13,038,659,000
		Total Assets	\$23,349,954,000
		Intangible Assets	\$269,110,000
		Total Liabilities	\$14,554,294,000
		Shares Outstanding (Diluted Average)	955,257,000





Disclaimer:

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

The author held a long position in GGP 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**

- [40 Companies in the Spotlight This Week – 2/21/15](#)
- [General Growth Properties Inc. Annual Valuation – 2015 \\$GGP](#)
- [14 Companies in the Spotlight This Week – 2/22/14](#)
- [General Growth Properties \(GGP\) Annual Valuation](#)

**Other ModernGraham posts about related companies**

- [Starwood Property Trust Inc Valuation – March 2018 \\$STWD](#)
- [Simon Property Group Inc Valuation – March 2018 \\$SPG](#)
- [Welltower Inc Valuation – March 2018 \\$WELL](#)
- [Boston Properties Inc Valuation – March 2018 \\$BXP](#)
- [AvalonBay Communities Inc Valuation – February 2018 \\$AVB](#)
- [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](#)