# **ModernGraham Valuation**

## **Company Name:**

Macerich Co

Company Ticker Date of Analysis 3/29/2018

### 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.

MAC

<ol> <li>Adequate Size of the Enterprise</li> </ol>	Market Cap > \$2Bil	\$7,890,535,659 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.88 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	
5. Earnings Growth	beginning and end	81.56% Pass
6. Moderate PEmg Ratio	PEmg < 20	24.61 Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.15 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	0.88 Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-111.93 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	Fail

\$56.02

Score

Suitability

Defensive No Enterprising No

#### Stage 2: Determination of Intrinsic Value

EPSmg	\$2.28
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$33.01
MG Value based on 0% Growth	\$19.35
Market Implied Growth Rate	8.05%

MG Opinion

**Current Price** % of Intrinsic Value N/A

Opinion Overvalued MG Grade

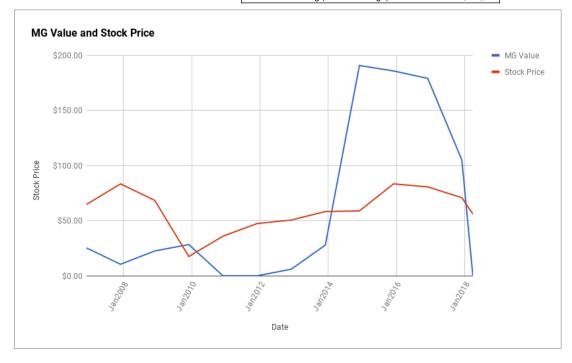
### Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$39.62
Graham Number	\$18.46
PEmg	24.61
Current Ratio	0.88
PB Ratio	2.15
Current Dividend	\$2.87
Dividend Yield	5.12%
Number of Consecutive Years of Dividend	
Growth	6

**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	*****	Next Fiscal Year Estimate	\$2.28
Dec2017	\$1.02	Dec2017	\$3.49
Dec2016	\$3.52	Dec2016	\$4.65
Dec2015	\$3.08	Dec2015	\$4.83
Dec2014	\$10.45	Dec2014	\$4.96
Dec2013	\$3.00	Dec2013	\$2.03
Dec2012	\$2.51	Dec2012	\$1.53
Dec2011	\$1.18	Dec2011	\$1.09
Dec2010	\$0.19	Dec2010	\$1.22
Dec2009	\$1.45	Dec2009	\$1.72
Dec2008	\$2.17	Dec2008	\$1.80
Dec2007	\$0.98	Dec2007	\$1.63
Dec2006	\$3.07	Dec2006	\$1.89
Dec2005	\$0.85	Dec2005	\$1.36
Dec2004	\$1.35	Dec2004	\$1.59
Dec2003	\$2.01	Dec2003	\$1.75
Dec2002	\$1.56	Dec2002	\$1.63
Dec2001	\$1.66	Balance Sheet Information	12/1/2017
Dec2000	\$1.07	Total Current Assets	\$337,920,000
Dec1999	\$2.88	Total Current Liabilities	\$384,113,000
Dec1998	\$1.02	Long-Term Debt	\$5,170,264,000
		Total Assets	\$9,605,862,000
		Intangible Assets	\$37,004,000
		Total Liabilities	\$5,924,284,000
		Shares Outstanding (Diluted Average)	140,983,000





#### 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

10 Undervalued Companies for the Defensive Dividend Stock Investor – February 2016

19 Best Stocks For Value Investors This Week - 1/9/16 Macerich Co Valuation - January 2016 Update \$MAC

10 Undervalued Companies for the Defensive Dividend Stock Investor – December 2015 10 Undervalued Companies for the Defensive Dividend Stock Investor – November 2015

Other ModernGraham posts about related . companies

HCP Inc Valuation - March 2018 \$HCP

<u>Apartment Investment & Management Co Valuation – March 2018 \$AIV</u>

Crown Castle International Corp Valuation - March 2018 \$CCI

GGP Inc Valuation - March 2018 \$GGP

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

Weyerhauser Co Valuation - February 2018 \$WY